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March 12, 2009

BY HAND & E-FILE

James J. McNulty
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Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
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RE: Application of PPL Electric Utilities Corporation Filed Pursuant to 52 Pa. Code Chapter 57, Subchapter G, for Approval of the Siting and Reconstruction of the Proposed Coopersburg #1 and #2 138/69 kV Tap in Upper Saucon Township, Lehigh County and Springfield and Richland Townships, Bucks County, Pennsylvania, et al. - Docket Nos. A-2008-2022941; A-2008-2039124; A-2008-2039126; A-2008-2039129; A-2008-2039130; A-2008-2039132; A-2008-2039133; A-2008-2039137; P-2008-2038262

Dear Secretary McNulty:

Enclosed, for filing, is the original Replies of PPL Electric Utilities Corporation to Exceptions of Other Parties in the above-referenced proceeding. As indicated on the certificate of service, copies have been provided to the parties in the manner indicated.

Respectfully Submitted,

John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the Replies of PPL Electric Utilities Corporation to Exceptions of Other Parties have been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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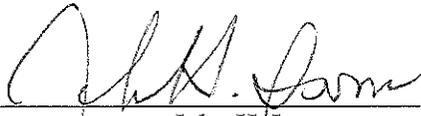
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

RE: Application of PPL Electric Utilities :
Corporation Filed Pursuant to 52 Pa. Code :
Chapter 57, Subchapter G, for Approval of :
the Siting and Reconstruction of the : Docket Nos. A-2008-2022941;
Proposed Coopersburg #1 and #2 138/69 : A-2008-2039124; A-2008-2039126;
kV Tap in Upper Saucon Township, : A-2008-2039129; A-2008-2039130;
Lehigh County and Springfield and : A-2008-2039132; A-2008-2039133
Richland Townships, Bucks County, : A-2008-2039137; P-2008-2038262
Pennsylvania, *et al.* :

**REPLIES OF PPL ELECTRIC UTILITIES CORPORATION
TO EXCEPTIONS OF OTHER PARTIES**

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I. INTRODUCTION

In these proceedings, PPL Electric Utilities Corporation (“PPL Electric”) seeks approvals and findings necessary for the siting and construction of a double-circuit 138/69 kV transmission line between its Coopersburg and Quakertown substations (“Coopersburg Tap”), for construction of a control equipment building at a 230-138/69 kV substation to be constructed along Hickon Road in Springfield Township, Bucks County (“Hickon Road Substation”),¹ and for the exercise of the power of eminent domain to acquire rights-of-way across seven tracts of land for the Coopersburg Tap. The Coopersburg Tap and the Hickon Road Substation are referred to collectively as the PPL Electric Functional Configuration. They comprise an integrated solution to the need to reinforce the transmission system in PPL Electric’s southern Lehigh Region.

Following the completion of substantial discovery, exchanges of written testimony and substantial hearings, Administrative Law Judge Angela T. Jones (“ALJ”) issued her Recommended Decision on February 10, 2009. There, the ALJ recommended that the Pennsylvania Public Utility Commission (“PUC”) approve the siting and construction of the Coopersburg Tap and make the findings necessary for the construction of the control equipment building and for PPL Electric to exercise the power of eminent domain.

Four parties, Springfield Township (“Springfield”), the South Eastern Pennsylvania Transportation Authority (“SEPTA”), Senator Wonderling and Liberty Home Development Corp. (“Liberty Home”) submitted Exceptions to the ALJ’s Recommended Decision. Below, PPL Electric responds to these exceptions.

¹ In the Recommended Decision, the Springfield Substation was referred to as the Hickon Road Substation.

II. OVERVIEW

The principal concern expressed in the Exceptions of Springfield, Wonderling and Liberty Home is that the transmission line will adversely affect the environment. These exceptions ignore the fact that, although environmental considerations are important, they are not the only considerations in siting a transmission line. Every transmission line has adverse impacts. Therefore, the identification of some adverse effects proves nothing. Siting decisions must carefully and appropriately balance many competing factors. Such factors include public health and safety, reliability of service, social impacts, environmental impacts and costs.

Other parties' Exceptions expressly or impliedly criticize PPL Electric's decision to construct the Coopersburg Tap in more open, less developed areas. Such criticisms, however, are unwarranted. Unless the owner agrees, PPL Electric is prohibited from building transmission lines within the curtilage of a residence which can extend 100 meters from the residence. 15 Pa.C.S. § 1511(b). As a result, PPL Electric has no choice but to build transmission lines in less developed areas. Springfield and others, however, oppose the Coopersburg Tap due to the alleged environmental effects in these less developed areas. If PPL Electric proposed to construct the Coopersburg Tap in more developed areas, it likely would be met with even greater local opposition because more people would be affected. If Springfield's approach were adopted, PPL Electric would be left in a "Catch-22," with no practical way to site new transmission lines.

PPL Electric undertook an extensive siting analysis in the same manner as with many other lines in the past and chose a project that will ensure reliable service to customers, will be constructed along a reasonable line route at a reasonable cost and will mitigate adverse effects to a large degree. The ALJ, after extensive hearings, and testimony and examining credibility of

witnesses, has agreed with PPL Electric and recommended approval of this proposed project. The PUC should give substantial weight to her extensive factual findings and well reasoned decision and approve the proposed project.

III. ARGUMENT

A. SPRINGFIELD'S EXCEPTIONS ARE WITHOUT MERIT AND SHOULD BE REJECTED.

It is uncontested that there is a need to reinforce the transmission system in PPL Electric's southern Lehigh Region. Springfield contends, however, that PPL Electric should build the Springfield Functional Configuration instead of the PPL Electric Functional Configuration. PPL Electric developed and carefully considered the Springfield Functional Configuration, but rejected it for many good and valid reasons as it is clearly inferior to the PPL Electric Functional Configuration. The only "benefit" of the Springfield Functional Configuration is that it is not located in Springfield Township. The proposed location of the substation in the PPL Electric Functional Configuration is ideal in that it is located central the load which it intends to serve. The system configuration under the more costly Springfield Functional Configuration would not provide the same service reliability benefits as the preferred PPL Electric Functional Configuration. This would be plainly detrimental to PPL Electric customers in general who would receive less reliable service at a higher cost. Springfield's attempt to move the project "somewhere else" should be rejected.

1. Springfield Applies An Incorrect Legal Standard.

Springfield's first Exception is that, in Springfield's opinion, PPL Electric did not comply with PUC regulations regarding siting of transmission lines. In making this contention, Springfield relies heavily, indeed almost exclusively, upon the PUC's regulations at 52 Pa. Code § 57.76(a)(4), which provide that the transmission line "have minimum adverse environmental

impact, considering the electric power needs of the public, the state of available technology and the available alternatives.” Contrary to Springfield’s contentions and contrary to its interpretation of the cited regulations, although environmental considerations are important in transmission line siting, they are not the only consideration. Many other matters, including public health and safety, cost, reliability of service, must be taken into consideration in siting transmission facilities. Moreover, as PPL Electric explains below, Springfield overstates substantially the adverse environmental effects of constructing the Coopersburg Tap and the Springfield Substation along the Cross Country Corridor recommended by PPL Electric, understates the adverse effects of the Springfield Functional Configuration and ignores the fact that PPL Electric has committed to taking substantial steps to mitigate any adverse effects. For these reasons, PPL Electric’s proposal to construct the Coopersburg Tap and the Springfield Substation complies with the PUC’s regulation at 52 Pa. Code § 57.76(a)(4).

Before addressing Springfield’s specific contention regarding Section 57.76(a)(4), it must be noted that that regulation is **not** the sole legal standard for approval of the siting of a transmission line. First, Springfield ignores the fact that transmission line siting decisions are within the reasonable discretion of the public utility. In *Paxtowne v. Pa. P.U.C.*, 398 A.2d 254, 256 (1979), the Commonwealth Court stated:

“The applicable legal standards for review of the selection of the route for utility lines are whether the powers conferred upon the public utility have been wantonly, capriciously or arbitrarily exercised. *West Penn Power Co. v. Pennsylvania Public Utility Commission*, 184 A.2d 143 (1962). The degree of inconvenience to a landowner, therefore, would not constitute grounds for withholding the exercise of the power to condemn the easement. *See Stone v. Pennsylvania Public Utility Commission*, 162 A.2d 18 (1960), where the record establishes that the utility’s route selection was reasonable considering all of the factors involved in the selection of the line.”

Similarly, in *Laird v. Pa. P.U.C.*, 133 A.2d 579, 581 (Pa. Super. 1957), the selection of a route for transmission lines was explained by the Superior Court as follows:

“Appellant’s [affected landowner’s] first two contentions are sufficiently answered by our opinion in *Phillips v. Pa. P.U.C.*, [124 A.2d 625 (Pa. Super. 1956)], wherein we restated the well-established proposition that the selection of routes for transmission lines is a matter for the utility in the first instance and, unless it is shown that it proposes to exercise the powers conferred upon it wantonly or capriciously, or that the rights of the landowner have been unreasonably disregarded, the PUC is not required to withhold its approval merely because another route might have been adopted.”

The “abuse of discretion” standard has been applied specifically with regard to environmental issues. In *Payne v. Kassab*, 312 A.2d 86, 94 (Pa. Cmwlth. 1973), the Commonwealth Court held that a three-part test should be used in making environmental determinations. The three-part test involves answering the following questions:

1. Was there compliance with all applicable statutes and regulations relevant to protection of the Commonwealth’s environment?
2. Does the record demonstrate a reasonable effort to reduce the environmental incursion to a minimum?
3. Does the environmental harm which would result from the challenged decision or action so clearly outweigh the benefits to be derived there from that to proceed further would be an **abuse of discretion**? (emphasis added)

These standards have been applied in PUC proceedings. *Moosic v. Pa. P.U.C.*, 429 A.2d 1237, 1240 (Pa. Cmwlth. 1981); *Application of West Penn Power Co.*, 54 Pa. PUC 319 (May 29, 1980); *Application of Trans-Allegheny Interstate Line Co.*, Recommended Decision, Docket Nos. A-110172, *et al.* (Aug. 15, 2008).² Springfield is incorrect in its contention that 52 Pa. Code § 5.76(a)(4), which provides that the transmission line “have minimum adverse environmental impact, considering the electric power needs of the public, the state of available

² This proceeding was resolved by the PUC’s approval of a partial settlement authorizing construction of a portion of the originally proposed transmission line in an order entered on December 12, 2008.

technology and the available alternatives” is the only relevant standard for Commission review of transmission line siting proposals.

It should be noted also that Springfield has dramatically changed its position during the course of this proceeding. PPL Electric presented detailed analyses of three routes for the Coopersburg Tap – the Cross Country Corridor, the SEPTA Corridor and the Route 309 Corridor. At the hearings, most of Springfield’s evidence contended that PPL Electric should use either the Route 309 Corridor or the SEPTA Corridor instead of the Cross Country Corridor. Since then, Springfield has abandoned its contentions regarding route selection, thereby tacitly admitting that PPL Electric’s route selection was reasonable. Since the hearings, Springfield has contended instead that the Coopersburg Tap and the Springfield Substation “will not have the minimum adverse environmental impact, considering the electric power needs of the public, the state of available technology and the available alternatives.” To the contrary, PPL Electric’s selection of the Coopersburg Tap and the Springfield Substation meets all required standards because Springfield’s suggested alternative, the Springfield Functional Configuration, is far inferior in meeting the power needs of the public, far more expensive and would have substantial adverse impacts because it would be necessary for PPL Electric to construct transmission lines of approximately equal length through densely populated areas. From an overall perspective, the PPL Electric Functional Configuration is far superior to the Springfield Functional Configuration, and it should be approved.

2. The PPL Electric Functional Configuration is Far Superior to the Springfield Functional Configuration.

In relying on the PUC’s regulations at 52 Pa. Code § 57.76(a)(4), Springfield overlooks the portions of that regulation which that incorporate considerations other than the environment. The regulation also considers the “electric power needs of the public” and the “available

alternatives.” As explained below, the Springfield Functional Configuration would be far inferior to the PPL Electric Functional Configuration in meeting the electric power needs of the public and therefore is not a realistic alternative. Further, although cost is not mentioned in Section 57.76(a)(4), it is certainly a valid consideration in transmission line siting, and the Springfield Functional Configuration would cost substantially more than the PPL Electric Functional Configuration.

a. Functionality

The Coopersburg Tap and the Springfield Substation provide a superior solution for the need to reinforce PPL Electric’s transmission system in the southern Lehigh Region than the Springfield Functional Configuration. PPL Electric’s proposal fits the long-term reinforcement objective for the southern Lehigh Region and provides necessary load carrying capacity to ensure reliable electric service throughout and beyond the long-term planning horizon. It eliminates all violations of PPL Electric’s Reliability Principles and Practices (“RP&P”), including overloads and excessive voltage drops. It improves reliability by providing additional high-capacity transmission lines and increased substation transmission capacity. Further, it preserves the option for future conversion of the system to 138 kV operations, which will permit PPL Electric to meet substantial future increases in demands on the regional transmission system without the need for additional transmission facilities. PPL EU St. 1-R, pp. 3-5, 10-11.

In contrast, the Springfield Functional Configuration does not provide flexibility for accommodating future system expansion nor does it provide the benefits of a substation located centrally with regard to the load it serves. The benefits of a centrally located substation include improved transfer capability for load restoration, improved voltage and voltage control, and increased load sectionalizing flexibility for line and substation maintenance. In addition, a new substation would increase capacity to serve future load increases. PPL EU St. 1, p. 11.

Without the new substation, load would be served by the Hosensack Substation, which is eight miles away. Use of the Hosensack Substation would not provide the same benefits, reliability and flexibility as the new Springfield Substation. Tr. 745-46, 768. Without a centrally located substation, the ability to transfer and resectionalize load for restoration of service would be limited due to the amount of customer load supplied by the necessarily longer transmission paths that would be required under the Springfield Functional Configuration. In addition, due to the longer lines, the number of customers affected by transmission line disturbances and the exposure to such disturbances would be increased significantly. PPL EU St. 1, p. 11. Springfield concedes that a centrally located substation would provide more reliable service than the Springfield Functional Configuration and provide additional benefits. Tr. 768.

Moreover, the Springfield Functional Configuration would be difficult to implement. It would require transformer reinforcements at existing regional substations to accommodate load growth. Circuit breaker ratings would be exceeded, and they would have to be replaced. The Springfield Functional Configuration would also require improvement of the physical capabilities of the support structures, as well as new and stronger substation structures. In short, the existing Hosensack and Quarry substations would have to be reconstructed in place. Such reconstructions are costly and difficult because all substation load would need to be transferred to temporary substation facilities during construction so that PPL Electric would be able to continue to provide adequate and reliable service during construction. PPL EU St. 1-R, p. 3; PPL EU St. 1-RJ, pp. 4-5. Temporary substations would be required because not all loads can be transferred away for a period sufficient to reconstruct each substation.³ In addition, even if such

³ PPL Electric has not determined whether the building of temporary substations can even be accomplished because it has not identified locations for the temporary substations or the transmission lines to connect them to the regional transmission system. PPL Electric 2-R, p. 19.

transfers were possible, the absence of backup facilities in the event of a contingency would put service to numerous customers at risk. PPL EU St. 1, p. 12.

The Springfield Functional Configuration is inferior for the additional reasons that it would not adequately address the possibility of a single contingency outage of a transmission structure carrying two 230 kV transmission lines to the Buxmont Substation. Presently, PPL Electric uses a load-shed scheme to interrupt two 69 kV lines in order to maintain proper voltages while enabling facilities from the Elroy Substation to remain within thermal limits. Without the centrally-located Springfield Substation, PPL Electric could not restore all loads from both Buxmont and Elroy without overloading transmission facilities or subjecting customers to inadequate voltage levels. PPL EU St. 1-R, pp. 3-4; Tr. 745-46.

The future expansion plan for the regional transmission system in the southern Lehigh Region includes conversion of supply from 69 kV to 138 kV in order to meet future load growth without constructing additional facilities and without imposing adverse effects on the environment. The Springfield Substation is critical to that conversion. PPL EU St. 1-R, p. 5. In contrast, the Springfield Functional Configuration contains no provision for future upgrade to 138 kV operation of the transmission lines. PPL EU St. 1-R, p. 5. PPL Electric has submitted to the PUC many proposals for the design of facilities for future operation at 138 kV, and the PUC has accepted such proposals as sound system planning. *See, e.g., Application of Pennsylvania Power & Light Co.*, Doc. Nos. A-110500F0172, *et al.*, 1994 Pa. PUC LEXIS 5 (Mar. 15, 1994).

The superiority of the PPL Electric Functional Configuration from an engineering perspective is uncontested. Springfield stated: "PPL [Electric's] preferred alternative [the PPL Electric Functional Configuration] does provide more potential options for dealing with the predicted expansion needs for many years into the future." Springfield St. 1, p. 27; Tr. 768;

Springfield Exceptions, p. 7. In addition, Springfield has conceded that a new, centrally located substation with shorter transmission lines would be more reliable and provide greater benefits than the Springfield Functional Configuration, which does not provide for a new substation. Tr. 768.

Springfield downplays the superiority of the PPL Electric Functional Configuration by emphasizing that the Springfield Functional Configuration would meet the needs of PPL Electric's customers through the year 2020. *See* Springfield Exceptions, pp. 7-8. This statement, although factually correct, disregards two critical facts. First, the Springfield Functional Configuration does not provide the same advantages as the PPL Electric Functional Configuration because PPL Electric's proposal provides much greater flexibility in maintaining or restoring service in the event of contingencies. Springfield concedes this fact. Tr. 768.

Second, the PUC should consider the state of PPL Electric's regional transmission system in the southern Lehigh Region at the end of the planning horizon under the two scenarios. If the Springfield Functional Configuration were built, PPL Electric's existing substations in the area would be fully occupied as a result of the installation of additional and larger transformers. Additional expansion would be impractical. Further, PPL Electric's transmission system would be operating at 69 kV without the potential to operate at 138 kV. Therefore, PPL Electric's ability to meet additional load at that time would be severely restricted without the construction of substantial and expensive new transmission lines and substations, the siting of which would be even more difficult than siting is presently due to development during the intervening years. Moreover, these additional facilities would have additional adverse impacts on the environment. In contrast, under the PPL Electric Functional Configuration, PPL Electric would have the ability to add transformers at the Hickon Road Substation site and to increase transmission capacity by

converting operations from 69 to 138 kV. PPL EU St. 2-R, p. 34; PPL EU St. 1-R, p. 5. Thus, the PPL Electric Functional Configuration will better meet the electric power needs of PPL Electric's customers for many years into the future.

b. Cost

Not only is the Springfield Functional Configuration inferior to the PPL Electric Functional Configuration in meeting the electric power needs of the public but it also is inferior with regard to cost. The costs of the Springfield Functional Configuration are substantially greater than the costs of the PPL Electric Functional Configuration.

The relative costs of the PPL Electric Functional Configuration and the Springfield Functional Configuration can be measured at several different times. The first comparison involves construction costs through 2011. At that time, the cost of the PPL Electric Functional Configuration would be \$36 million, and the cost of the Springfield Functional Configuration would be \$41 million.⁴ Tr. 716-18; PPL EU Ex. 1, Ex. A, p. 14.

When the total costs of the alternatives at their completions are compared, the difference is even greater. The total cost of the PPL Electric Functional Configuration through its ultimate completion in 2030 is \$51 million. In comparison, the total cost of the Springfield Functional Configuration through the same period is \$66 million. Springfield Ex. 3, p. 2.

Even this \$15 million difference understates the cost advantages of the PPL Electric Functional Configuration. PPL Electric ceased technical review of the Springfield Functional Configuration after it became clear that the PPL Electric Functional Configuration was superior. Therefore, PPL Electric did not estimate the cost of the two temporary substations that would be

⁴ All cost comparisons between the PPL Electric Functional Configuration and the Springfield Functional Configuration are based on the present value revenue requirement in 2006 dollars.

needed to continue to provide safe and reliable service while the Quarry and Hosensack Substations are being rebuilt. The cost of the temporary substations would be substantial.⁵

Further, the Springfield Functional Configuration includes construction of two new transmission lines in new rights-of-way. PPL Electric St. No. 2-R, p. 19. Both new transmission lines would be double-circuit lines. One double-circuit line, between the Milford Substation and the existing Coopersburg Tap, would be at least four miles long. The second double-circuit line, which would connect the Quarry-Elliott Heights double-circuit transmission line to the Bingen Substation, would be approximately three miles long.⁶ PPL EU St. 2-R (Supplemental), p. 2. In total, these two transmission lines are approximately equal in length to the Coopersburg Tap. Due to substantial residential development in this area, the Quarry-Elliott Heights transmission line would likely require underground construction. PPL Electric St. 2-R, (Supplemental), p. 5. Underground construction generally costs six to ten times more than aerial construction. PPL Electric 1-R, p. 19; Springfield Ex. 3, p. 2. The PPL Electric Functional Configuration is substantially superior to the Springfield Functional Configuration on the basis of cost.

In its Exceptions, Springfield minimizes these cost differences by truncating its cost analysis at 2020. The result is to eliminate the construction of the double-circuit transmission line between the Quarry-Elliott Heights double-circuit line and the Bingen Substation, which would have to be constructed underground at a very high cost. *See* Springfield Exceptions, p. 3. There Springfield mentions only one, not two, new double-circuit transmission line required for its functional configuration. In doing so, Springfield ignores its own testimony, which

⁵ Indeed, PPL Electric has not determined whether the building of temporary substations can even be accomplished because it has not identified locations for the temporary substations or the transmission lines to connect them to the regional transmission system. PPL Electric 2-R, p. 19.

⁶ These are minimum lengths that would likely increase during the actual siting process as siting constraints are identified and resolved. PPL EU St. 2-R, (Supplemental), p. 2.

acknowledges that the second double-circuit transmission line is part of the overall Springfield Functional Configuration. Springfield St. 1, pp. 24-25.

In short, the Springfield Functional Configuration is inferior to the PPL Electric Functional Configuration based upon reliability of service to customers, flexibility to meet future loads and costs.

3. PPL Electric Has No Legal Duty To Conduct A Full Environmental Impact Assessment Of A Rejected Functional Configuration.

In its second Exception, Springfield contends that PPL Electric is required to conduct a full environmental impact study of functional alternatives that have been rejected for other reasons. Springfield Exceptions, pp. 9-11. In making this contention, Springfield relies primarily on the PUC's regulation at 52 Pa. Code § 57.76(a)(4). To the contrary, the PUC regulations, taken as a whole, and related decisions by the PUC and appellate courts reveal that Springfield's position is erroneous.

The PUC's regulations applicable to siting proceedings are found at 52 Pa. Code §§ 57.71-57.77. These regulations require prior approval from the PUC for the siting and construction of aerial high voltage transmission lines. The regulations, on their face, apply only to projects proposed by an electric utility; they clearly do not apply to rejected functional configurations which a utility does not propose to construct. 52 Pa. Code § 57.71.

The PUC's regulations specify the information that is required to be included in a siting application. 52 Pa. Code § 57.72. Specifically, 52 Pa. Code § 57.72(c)(5) requires a general statement of the need for the **proposed** high voltage transmission lines in meeting present and future demands for service; there is no mention of rejected functional configurations. Section 57.72(c)(7) requires descriptions of projected environmental impacts of the **proposed** high voltage transmission line and the efforts to minimize the impact of the **proposed** line on the

environment. Sections 57.72(c)(8) and (9) require information of efforts to locate archaeological, geologic, historic, scenic or wilderness areas within two miles of the **proposed** right-of-way and airports within two miles of the right-of-way of the **proposed** HV line. There is no mention in any of these sections of information regarding rejected functional alternative projects.

The PUC's regulations further provide that the PUC will accept evidence and will consider the impacts of the **proposed** high voltage transmission line on the environment and the availability of reasonable alternative routes for the proposed high voltage transmission lines. 52 Pa. Code § 57.75(e)(3) - (4). Again, information is required regarding the **specific proposed line** and the availability of alternative routes for the selected functional alternative. Rejected alternative projects, that is, alternative functional configurations, are not mentioned.

General principles applicable to siting of other types of utility facilities make it clear that evidence of environmental impacts of aerial high voltage transmission lines must pertain only to the effects of the proposed project itself. In *Philadelphia Suburban Water Co.*, 54 Pa. PUC 127, 135 (1980), the PUC stated that its evaluations of environmental impacts would be based on "environmental incursions at the site ... which is the subject of the application." The PUC refused to consider effects of a pumphouse and reservoir on possible future development on a tract of land in an adjoining township.

The Commonwealth Court also has concluded that the PUC's environmental review is limited to the impacts at the site of the proposed facilities. In *Del-AWARE Unlimited Inc. v. Pa. P.U.C.*, 513 A.2d 593, 596 (Pa. Cmwlth. 1986), the Court considered and rejected arguments that the construction of a pumphouse would adversely affect a different tract of land:

"The PUC is empowered only to decide whether the proposed site of [a] ... pumphouse is reasonably necessary for the public convenience or welfare. Therefore, we hold that it may evaluate

only the environmental impacts of placing the pumphouse at the proposed location.” (Emphasis in original.)

A review of prior transmission line siting applications filed by PPL Electric, and approved by the Commission, confirms that full environmental impact assessments of rejected functional configurations are not required. In such cases, PPL Electric has never conducted a full environmental impact assessment of rejected functional configurations. The PUC, its ALJs, and even other parties have never criticized PPL Electric for not submitting such assessments. *See, e.g., Application of Pennsylvania Power and Light Co.*, Doc. Nos. A-97266, *et al.*, 1977 Pa. PUC LEXIS 173, 50 Pa. PUC 480 (Jan. 5, 1977); *Application of Pennsylvania Power and Light Co.*, Doc. Nos. A-110500F040, *et al.*, 1990 Pa. PUC LEXIS 150 (Dec. 14, 1990) (Initial Decision); *Application of Pennsylvania Power & Light Co.*, Doc. Nos. A-110500F0172, *et al.*, 1994 Pa. P.U.C. LEXIS 5 (Mar. 15, 1994) (Initial Decision); *Application of Pennsylvania Power & Light Co.*, Doc. Nos. A-110500F0196, *et al.*, 1994 Pa. P.U.C. LEXIS 65 (Oct. 21, 1994) (Initial Decision). Long-standing interpretations are entitled to substantial weight. *Buckeye Coal Co. v. Goddard*, 309 A.2d 441, 444 (Pa. Cmwlth. 1973). Springfield should not be allowed to reverse a long-standing interpretation of the PUC’s regulations by adding a requirement that has never existed before.

4. Detailed Environmental Assessments For Rejected Functional Configurations Would Be Impractical.

As explained above, there is no requirement for full environmental impact assessments of rejected functional configurations. The absence of such a requirement is completely appropriate, in part, because such assessments would be impractical. For example, such assessments cannot be conducted until a corridor for a project has been selected. In other words, the environmental impacts of a project cannot be quantified until the utility knows where it is putting the project. Under Springfield’s position, PPL Electric would have to both conduct a full siting analysis for

every rejected functional alternative project and then conduct an environmental assessment on the chosen line route. Preparing siting and environmental analyses of rejected functional configurations would substantially increase the burdens and expenses of the siting process, would substantially extend the time required for the siting process and would serve no useful purpose. In this case, the Springfield Functional Configuration was rejected in favor of the PPL Electric Functional Configuration based on its inferior ability to meet the public's need for electric power and its much higher cost.

Further, detailed environmental analysis of every route would be impractical. PPL EU St. 2-R, p. 26. Springfield's witness did not dispute this conclusion. Springfield St. 2-SR, p. 16. Analyses of rejected functional alternatives would be even more impractical. Thus, Springfield is attempting to expand environmental investigations for transmission line sitings beyond what even its own witness believes is practical. Such contentions should be rejected.

5. Under The Circumstances Of This Proceeding, PPL Electric's Environment Impact Analysis Of The Springfield Functional Configuration Was Sufficient.

Under the specific facts of this case, PPL Electric's evaluation of the environmental impacts of the Springfield Functional Configuration, combined with the other criteria discussed above, provided a sufficient basis for PPL Electric to conclude that it should use the PPL Electric Functional Configuration.

Contrary to Springfield's contentions, PPL Electric did conduct an overview assessment of the area that would be affected by the Springfield Functional Configuration. The review included environmental inventory mapping and aerial photography combined with PPL Electric's general familiarity with the study area. Based upon its review, PPL Electric concluded that the Springfield Functional Configuration would have substantial social impacts because the

new transmission lines would have to be constructed through densely populated areas. Tr. 795-797; PPL Electric St. 2-R (Supplemental), pp. 3-5.

In addition, a preliminary review of the potential corridors for new transmission lines that would have to be constructed for the Springfield Functional Configuration was undertaken in conjunction with the preparation of rejoinder testimony. PPL EU St. 2-RJ. As a result of this study, the environmental impacts of the Springfield Functional Configuration are largely known. Certain activities for the construction of the Springfield Functional Configuration would be undertaken at the location of existing facilities — reconductoring of certain transmission lines, rebuilding certain transmission lines, expanding certain substations, replacing transformers at certain substations, replacing circuit breakers at substations, and resectionalizing portions of the 69 kV transmission system to reduce load at certain substations. PPL EU Ex. 1, Ex. A, pp. 12-13. Because these activities involve rebuilding facilities in place, PPL Electric would not expect them to have substantial, lasting environmental or social impacts.

In addition to the foregoing activities, the Springfield Functional Configuration also would require rebuilding of the Quarry and Hosensack Substations. PPL EU Ex. 1, Ex. A, pp. 12-13. As explained previously, reconstruction of those substations would require the installation of temporary substations to enable PPL Electric to continue to provide adequate and reliable service to customers while the substations are being rebuilt. PPL Electric cannot identify with any specificity the environmental impacts of the temporary substations because their locations, and the locations of transmission lines to connect them to the regional transmission system, have not been identified. The effects of temporary substations, however, would be mostly temporary.

Another activity would be the construction of two new transmission lines in new rights-of-way. PPL EU Ex. 1, Ex. A, pp. 12-13. The first transmission line would be a new double-circuit line connecting the Milford Substation to the Coopersburg Tap. This transmission line would be approximately four miles long. The second transmission line would be a new double-circuit line between the Quarry-Elliott Heights Transmission Line and Bingen Substation. This line would be approximately three miles long.⁷ These transmission lines apparently would not traverse any critical plant or animal habitat areas. PPL EU St. 2-R (Supplemental), pp. 4-5.

Although Springfield emphasizes these points in its Exceptions, p. 6, it ignores the reason why the new transmission lines would not traverse critical plant or animal habitat. Instead, they cross substantially developed, densely populated areas. Therefore, the new transmission lines would impact numerous homes and people. An indication of the degree of development along these lines is the large number of non-condemnable properties that would have to be acquired. In fact, the area for the transmission line between the Quarry-Elliott Heights Transmission Line and Bingen Substation is so developed that PPL Electric was unable to identify any feasible route for that transmission line. There are so many residences that the line would have to be built underground in public rights-of-way at great cost. PPL EU St. 2-R (Supplemental), p. 5.

These new transmission lines would not have substantial impacts on sensitive environmental habitats, but they would have substantial impacts on people. Thus, the Springfield Functional Configuration would force PPL Electric to act in a manner contrary to its

⁷ These distance estimates are minimum lengths that would in all likelihood increase during an actual, detailed siting process as specific siting issues are identified and resolved. PPL EU St. 2-R (Supplemental), p. 2.

long standing practice and common sense policy of locating transmission lines, where feasible, away from population centers.⁸

Because the impacts of the Springfield Functional Configuration are largely known, there was no point in conducting a more detailed environmental impact assessment of that alternative. Further, as explained above, the relative environmental and social impacts of the Springfield Functional Configuration and the PPL Electric Functional Configuration provide no basis for selecting and implementing the Springfield Functional Configuration, which is clearly and substantially inferior to the PPL Electric Functional Configuration from engineering, reliability, cost and social impact perspectives.

6. Springfield Substantially Overstates The Adverse Environmental Effects Of The PPL Electric Functional Configuration.

PPL Electric has explained that the PPL Electric Functional Configuration will not cause significant adverse environmental impacts. There will not be substantial adverse effects on wetlands and vegetation (PPL Electric Initial Brief (“I.B.”), pp. 19-23), on biodiversity (PPL Electric I.B., pp. 23-24), on natural corridors (PPL Electric I.B., pp. 24-25), on species of special concern (PPL Electric I.B., pp. 25-26), on vernal ponds (PPL Electric I.B., pp. 26-27), on forest fragmentation (PPL Electric I.B., pp. 28-29), or on streams and creeks (PPL Electric I.B., pp. 30-31). Springfield’s assertions regarding the adverse environmental impact of the PPL Electric Functional Configuration fail to recognize this evidence.

⁸ Examples of proceedings in which an ALJ has noted with approval PPL Electric’s policy of siting transmission lines away from population centers include *Application of Pennsylvania Power & Light Co.*, Docket Nos. A-110500F0172, *et al.*, 1994 Pa. PUC LEXIS 5 at *99-102 (Mar. 15, 1994) (Initial Decision approving a settlement); *Application of Pennsylvania Power & Light Co.*, Doc. Nos. A-110500F0196, *et al.*, 1994 Pa. PUC LEXIS 65 at *73, *80-84 (Oct. 21, 1994) (Initial Decision).

7. PPL Electric Will Undertake Substantial Measures To Mitigate The Effects Of The Coopersburg Tap Project On The Cross Country Corridor.

In order to assure that the PPL Electric Functional Configuration will have minimal impact on the environment and comply with the PUC's regulations, PPL Electric will make all reasonable efforts to reduce environmental intrusion to a minimum. PPL Electric St. 2-R, pp. 35-40. Therefore, the PPL Electric Functional Configuration will comply with all environmental legal requirements. *Payne v. Kassab*, 11 Pa. Cmwlth. 14, 29-30, 312 A.2d 86, 94 (1973), *aff'd*, 468 Pa. 226, 361 A.2d 263 (1976); 52 Pa. Code § 57.76(a)(4). Specifically, PPL Electric has agreed to the following mitigation measures.

- PPL Electric is willing to provide to Springfield detailed engineering plans for site access, street improvements, sedimentation control, erosion control and compliance with storm water ordinances in Springfield. As is PPL Electric's policy, PPL Electric will consider requests and suggestions from local government entities including Springfield Township and comply with reasonable requests. PPL Electric St. 2-R, p. 36.
- PPL Electric will continue to take reasonable steps to minimize disturbances of woodlands and wetlands. PPL Electric notes, however, that proper balancing of all the interests associated with the PPL Electric Functional Configuration for the reinforcement of the transmission system in the southern Lehigh Region requires use of the Cross Country Route, even though using that route will involve some disturbance of wetlands and woodlands. PPL Electric St. 2-R, p. 36.
- PPL Electric is willing to have the Coopersburg Tap cross streams at right angles where it is practical to do so. PPL Electric St. 2-R, pp. 36-37.
- PPL Electric will keep the rights-of-way and easements for the Coopersburg Tap outside stream margins and buffer areas where it is practical to do so. PPL Electric St. 2-R, p. 37.
- PPL Electric will replace disturbed wetlands to the extent that such replacement is required by DEP as a remedial measure for disturbance of wetlands. PPL Electric St. 2-R, p. 38.
- PPL Electric will not remove vegetation in rights-of-way except non-compatible vegetation that has the potential to grow more than 20 feet above the ground and except where it is necessary to clear vegetation for temporary access roads that are only 15 feet in width. PPL Electric St. 2-R, p. 38.

- PPL Electric will follow its Specifications for Initial Clearing and Control of Vegetation on or adjacent to Electric Line Right-of-Way through Use of Herbicides, Mechanical, and Hand-clearing Techniques. PPL Electric Exhibit KBK-1.
- If landowners request that PPL Electric not use herbicides on their properties, their requests will be included in the documents conveying an appropriate easement and right-of-way for the transmission line to PPL Electric. PPL Electric St. 2-R, p. 39.
- PPL Electric will consider suggestions from Springfield for the design of access from public roads. PPL Electric St. 2-R, p. 39.
- PPL Electric is in the process of developing a plan for control of invasive species of plants. PPL Electric St. 2-R, p. 40.
- PPL Electric will create berms and plant vegetation to reduce the visual impact of the Springfield Substation from both Hickon Road and Hemmert residence. PPL Electric St. 2-R, p. 40.

Clearly, PPL Electric has committed to make substantial efforts to mitigate any adverse environmental impacts from the PPL Electric Functional Configuration.

8. PPL Electric is Willing To Commit To Taking Reasonable Mitigation Measures.

In its fifth Exception, Springfield complains that the ALJ did not order PPL Electric to implement the above agreed to mitigation measures. PPL Electric believes that it is unnecessary for the PUC to enter an order requiring that PPL Electric undertake these mitigation measures, because the Company already has agreed to do so. However, if the PUC wants some further assurance that they will be implemented, PPL Electric will not object to an order requiring PPL Electric to implement the mitigation measures as they are explained above.

9. PPL Electric Has Demonstrated The Need For A Control Equipment Building At The Springfield Substation.

In its fourth Exception, Springfield contends that PPL Electric has not demonstrated the need for a building to shelter control equipment at the Springfield Substation. In making its contention, Springfield simply relies on its earlier contention that PPL Electric should construct the Springfield Functional Configuration and not the PPL Electric Functional Configuration,

which includes the Springfield Substation. PPL Electric has explained that the PPL Electric Functional Configuration is an integrated project that, in order to resolved all reliability violations requires both the Coopersburg Tap and the Springfield Substation and that the control equipment building is a necessary part of the Substation. PPL Electric St. 12. Springfield's contention should be rejected because the PPL Electric Functional Configuration is reasonably necessary and greatly superior to the Springfield Functional Configuration for the reasons explained above.

B. SENATOR WONDERLING'S EXCEPTIONS ARE WITHOUT MERIT.

Senator Wonderling's Exceptions consist of approximately one page of text in which he expressed disagreement with certain of the ALJ's Conclusions of Law. In his Exceptions, Senator Wonderling offered no reasons for his disagreement with the ALJ. Instead, he appended a copy of his Main Brief to his Exceptions. Senator Wonderling's Exceptions should be rejected for the reasons explained in PPL Electric's Initial Brief and Reply Brief.

C. LIBERTY HOME'S EXCEPTIONS ARE WITHOUT MERIT.

In approximately one and one half pages, Liberty Home, which did not appear at any of the hearings, sets forth six separate Exceptions to the Recommended Decision. None of the Exceptions have merit.

The first Exception contends that PPL Electric did not provide sufficient information regarding environmental impacts of the project. To the contrary, PPL Electric provided ample information in the Application, exhibits and testimony, most of which addressed environmental issues. *See, e.g.*, PPL Electric St. 15-R and 15-RJ.

The second Exception argues that PPL Electric's measures regarding herbicides and pesticides are insufficient. Liberty Home ignores the evidence, including PPL Electric's

specification for Initial Clearing and Control Maintenance of Vegetation. PPL Electric Ex. KBK-1.

Liberty Homes' third Exception claims that PPL Electric did not articulate a valid exemption from zoning regulations. Liberty Home ignores the explanations provided in PPL Electric's Initial Brief, pp. 77-83.

In its fourth Exception, Liberty Home complains that the ALJ did not give weight to Liberty Home's appraisal. PPL Electric, however, explained that the appraisal is flawed should be afforded little, if any, weight. PPL Exhibit MAJ-3.

Liberty Home's fifth Exception asserts that PPL Electric failed to meet its burden of proof regarding alternative routes because PPL Electric did not contact owners of land along alternate routes where PPL Electric does not propose to construct facilities. It is true that PPL Electric did not contact owners of land which PPL Electric does not propose to use for construction of facilities, but there is no need to do so since PPL Electric has no need for rights-of-way and easements across such lands.

In Liberty Home's sixth Exception, it argues that the ALJ failed to recognize that its tract of land that is subject to condemnation proceedings is divided into building lots in a decree of divorce. Although the ALJ made no finding addressing the decree of divorce, it was not necessary to do so because the statutory finding for the exercise of the power of eminent domain by a public utility is that the "exercise is necessary or proper for the service, accommodation, convenience or safety of the public," the finding that the ALJ did make. R.D., p. 143. Whether the tract of land has been subdivided is relevant, if at all, in the determination of damages from the taking by the Court of Common Pleas of Bucks County, where the land is situated.

D. SEPTA’S EXCEPTIONS ARE WITHOUT MERIT.

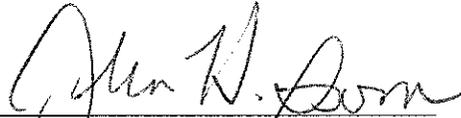
The ALJ properly found that the exercise of the power of eminent domain by PPL Electric to take a right-of-way and easement for a transverse crossing of SEPTA’s Bethlehem Branch Line is “necessary or proper for the service, accommodation, convenience or safety of the public.” R.D., p. 142. PPL Electric proved that the PPL Electric Functional Configuration is reasonably necessary for the public, and to build the Coopersburg Tap PPL Electric has to cross SEPTA’s Bethlehem Branch Line to connect the Quakertown and Coopersburg substations because they are on opposite sides of the Bethlehem Branch Line.

SEPTA’s principal contention is that PPL Electric does not have the power to condemn any interest in SEPTA’s land. Section 15111(c) of the Business Corporation Law, however, states in pertinent part as follows: “The power of the public utility corporation to condemn the subject property of the procedure followed by it shall not be an issue in the commission proceedings held under this subsection. . . .” Based on this language, PPL Electric’s right to condemn SEPTA’s land is not properly before the Commission. If, however, the Commission believes that it should consider this issue, PPL Electric has explained that it has the authority to do so. PPL Electric Initial Brief, pp, 72-77; PPL Electric’s Answer to SEPTA’s Amended Protest.

IV. CONCLUSION.

Wherefore, for all the foregoing reasons, PPL Electric Utilities Corporation respectfully requests that the Pennsylvania Public Utility Commission deny the Exceptions of other parties and affirm the Recommended Decision of Administrative Law Judge Angela T. Jones.

Respectfully submitted,



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