

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17105**

**Petition of Waiver of Certain Provisions of the Commission's Regulations for Commission Review of Siting and Construction of Electric Transmission Lines, and Letter of Notification of PPL Electric Utilities Corporation, for Approval to Rebuild Approximately 6.9 Miles of Existing 138/69 kV Transmission Lines in Washington Township, Lehigh County and the Borough of Palmerton and Lower Towamensing and East Penn Township, Carbon County, Pennsylvania**

**Public Meeting: September 20, 2018  
3001477-TUS  
Docket No. A-2018-3001477**

**MOTION OF VICE CHAIRMAN ANDREW G. PLACE**

Before the Pennsylvania Public Utility Commission (Commission) is the Petition of PPL Electric Utilities Corporation (PPL Electric, or Company), seeking a waiver in order to file a Letter of Notification (LON) under 52 Pa. Code § 57.72(d) in lieu of an application under 52 Pa. Code §§ 57.71 and 57.72(a)-(c). PPL Electric also filed a LON pursuant to 52 Pa. Code § 57.72(d) of the Commission's transmission line siting regulation.

The Petition concerns a section of the Siegfried-East Palmerton line, two associated transmission line taps, and PPL Electric's plan to rebuild them (Proposed Project). The subject section of transmission line is a combination of one double-circuit line and two parallel single-circuit lines in Lower Towamensing Township, Carbon County.

Under the Commission's siting regulations at 52 Pa. Code §57.71 *et seq.*, the Company must establish a clear need for the project<sup>1</sup> and demonstrate that the proposed solution is an efficient and cost-effective choice relative to other alternatives.<sup>2</sup> The Company, at this time, has not provided sufficient information to meet these criteria.

PPL Electric states that rebuilding Siegfried-East Palmerton is necessary to modernize the lines to meet all current design and lightning protection standards and to help ensure reliable and continuous service to customers in Lehigh and Carbon Counties. PPL Electric further states that an independent field investigation and assessment was conducted by a third party and

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<sup>1</sup> 52 Pa. Code §57.72(5) states that an application shall contain a general statement of the need for the proposed HV line in meeting identified present and future demands for service, of how the proposed HV line will meet that need and of the engineering justifications for the proposed HV line.

<sup>2</sup> 52. Pa. Code §57.76(a)(4) requires that the Commission finds and determines that a proposed HV line... will have minimum adverse environmental impact, considering the electric power needs of the public, the state of available technology and the available alternatives. Also see, generally, *Energy Conservation Council of Pennsylvania v. PUC*, 995 A.2d 465 (Pa. Cmwlth. 2010).

revealed that the aging Siegfried-East Palmerton transmission line facilities are showing signs of significant deterioration. The assessment concluded that the lines are reaching the end of their reliable service life (approximately 70 years) and that replacing the lines, rather than refurbishment, was the cost-effective solution. PPL Electric further states that the Palmerton Tap and Palmerton Zinc Tap need to be rebuilt to operate at 138 kV standards.

PPL Electric states that the lines traverse heavily industrialized areas which have accelerated the corrosion rate of the steel structures and associated hardware on the lines. Specifically, the assessment identified surface corrosion on tower steel with failing coatings and exposed galvanizing causing corrosion to increase at an accelerated rate. PPL Electric further states that contamination has accumulated on the surface of the insulators and is reducing their insulating properties. The assessment also identified many of the wood poles as being in a severe condition resulting from being directly imbedded in marsh and wet areas and from woodpecker damage.

PPL Electric states that the load break air break switches will allow for sectionalizing of the transmission system to restore service to customers in instances of sustained outages or maintenance scenarios.

Further data requests, however, potentially contradict the assessment of the reliability of this line. First, PPL disclosed that, over the last 5 years, this transmission line only had one outage, associated with only one customer. Further, the independent field investigation was limited to a statistically insignificant sample size (eight). The sample set selected for independent field investigation included two types of samples: 1) structures that PPL selected, known to have had historical maintenance issues that were previously addressed or that were critical structures (e.g. road crossings), and 2) a random sampling that the assessor, DGA, selected from the remainder of the line. Of the 8 sample structures selected, 6 of them were selected by PPL and 2 of them were selected by DGA. Such a small sampling of mostly non-random facilities does not present adequate information as to the state of the facilities. Further, the almost perfect performance of the facilities appears to contradict PPL's assessment of reliability. Lastly, PPL acknowledges that the impact on CAIDI/SAIDI/SAIFI is negligible.

As to examination of available alternatives, PPL asserts that replacing the lines, rather than refurbishment, was the cost-effective solution. Data requests revealed that operation and maintenance (O&M) of the line ranged from \$23,000 to \$300,000 per year. PPL also provided a lower cost estimate of \$15.9 million for the complete rehabilitation of the line. PPL fails to provide any analysis as to the cost of the alternative solutions, the complete rehabilitation of the line or the current O&M costs of the existing system, relative to the proposed new \$23.6 million system. While replacement of the system may be needed at some point, PPL did not provide the necessary support to justify complete replacement at this time.

Based on the discussion above, I recommend denial, without prejudice, of the proposed LON application as it stands. While the Commission's regulations at 52 Pa. Code §57.72(d)(5) limit PPL's recourse upon denial of a LON application to filing a full siting application, I am willing to waive that requirement, pursuant to 52 Pa. Code §57.72(e), and allow the company some flexibility in determining whether its best course of action is to submit a revised LON or

file a full siting application, should the Company seek future approval of the Proposed Project. PPL's new filing should provide additional support that this project is an optimal means to maintain reliability on its transmission and distribution system in a cost-effective manner.

**THEREFORE, I move that:**

1. The Letter of Notification of PPL Electric Utilities Corporation, for approval to rebuild approximately 6.9 Miles of existing 138/69 kV transmission line in Washington Township, Lehigh County and the Borough of Palmerton and Lower Towamensing and East Penn Townships, Carbon County, Pennsylvania be denied, without prejudice.
2. That PPL Electric Utilities Corporation comply with the application process set forth in 52 Pa. Code § 57.72(d)(5) or file a new LON application, consistent with the direction of this Order,
3. The Commission's Bureau of Technical Utility Services prepare an Opinion and Order consistent with this Motion.
4. That upon completion of Ordering Paragraph 2, this proceeding at Docket No. A-2018-3001477 be closed.

**DATE: September 20, 2018**

  
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**Andrew G. Place, Vice Chairman**