



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Lindsay A. Berkstresser

lberkstresser@postschell.com
717-612-6021 Direct
717-731-1977 Direct Fax
File #: 140066

December 18, 2019

VIA E-FILE

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Response to August 13, 2019 Secretarial Letter, Docket No. A-2018-3001324

Dear Secretary Chiavetta:

PPL Electric is submitting this letter to provide the following information in response to the Commission's August 13, 2019 Secretarial Letter at Docket No. A-2018-3001324.

The cost for Phase 2 of the Siegfried Jackson 138kV transmission line was \$11,136,632.40.¹ This amount is higher than what was estimated in the Letter of Notification ("LON"). As explained below, this project encountered unforeseen circumstances which raised the cost of the work. As was noted in the LON, the initial estimate was completed prior to the constructability and permitting analyses being performed. It was ultimately these costs that were incurred during permitting and construction that caused the final costs to exceed the estimate.

During constructability studies, subsurface rock was discovered which required additional work to install the poles. An unanticipated temporary bridge was also required to cross a pre-existing gas pipeline. The terrain was steeper than expected which generally increased costs, but also required longer than typical access roads be constructed. Finally, the project schedule dictated that some of the work be performed while the line was energized which added complexity and cost to the project.

The Project also encountered difficulty with the permitting process. An individual NPDES permit which was not originally anticipated was required for the project. This involved the unanticipated installation and removal of erosion and sedimentation controls. The location of the

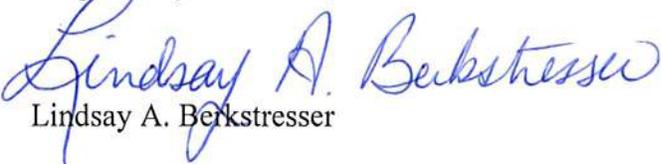
¹ This figure does not represent the final cost as there remains some minor remediation work that must be performed. PPL Electric estimates that there is an additional \$200,000 of remediation work remaining.

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access roads also required additional PennDOT highway occupancy permits. A combination of all of these factors is the reason that the project costs exceeded the estimate.

If you have any questions concerning this matter, please contact me at the address or telephone numbers provided above.

Respectfully submitted,


Lindsay A. Berkstresser

LAB/jl
Enclosures

cc: Jordan Van Order