

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Transource Pennsylvania, :
LLC filed Pursuant to 52 Pa. Code Chapter :
57, Subchapter G, for Approval of the Siting : Docket No. A-2017-_____
and Construction of the 230 kV Transmission :
Line Associated with the **Independence** :
Energy Connection-West Project in :
Portions of Franklin County, Pennsylvania :

**Transource Pennsylvania, LLC
Independence Energy Connection-West Project**

Statement No. 6

**Written Direct Testimony of
Thomas Schaffer**

**Topics Addressed: Process used by Transource PA to acquire the Rights-of-Way and Easements necessary for the IEC-West Project;
Transource PA's Policy Regarding the Land Owner's Use of the Right-of-Way Area; and
Summary of the Status of Negotiations with Landowners.**

1 **Q. Please state your name and business address.**

2 A. Thomas Schaffer, 8500 Smiths Mill Road, New Albany, OH 43054

3

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by American Electric Power Service Corporation (“AEPSC”) as the
6 Manager of Transmission Right-of-Way. In this capacity I provide services to
7 Transource Energy, LLC, the parent of Transource Pennsylvania, LLC (“Transource PA”
8 or the “Company”).

9

10 **Q. What is your educational background?**

11 A. I graduated from Capital University with a Bachelor’s Degree in Political Science.

12

13 **Q. Are you a member of any professional organizations?**

14 A. I am currently a member of the International Right-of-Way Association (“IRWA”), and
15 serve as local Buckeye Chapter 13 Secretary, and member of the IRWA’s International
16 Electric Utility Committee (“IEUC”). The IRWA is a professional member organization
17 comprised of global infrastructure real estate practitioners. Since its inception as a not-
18 for-profit association in 1934, IRWA has served professionals who acquire, manage and
19 transfer the land rights needed for building and maintaining energy and transportation
20 infrastructure.

21

1 **Q. Please describe your background and employment history.**

2 A. I have worked in the right-of-way industry for approximately 17 years. I started in 1999
3 working in the Franklin County, Ohio courthouse at the Recorder's Office working with
4 the public in researching public real estate documents. In 2001, I started working as a
5 Right-of-Way Agent conducting acquisition work for multiple utility companies, and
6 worked my way up to Supervisor duties in 2003. In 2006, I began my career at AEP as a
7 Right-of-Way Agent for AEP Ohio conducting acquisitions for AEP Ohio's distribution
8 network. In 2010, I became Manager of Transmission Right-of-Way. As Manager, I am
9 responsible for managing all activities related to securing land rights necessary for the
10 construction, operation and maintenance of AEP's electric transmission facilities. I am
11 currently responsible for approximately 50 employees and 200 contractors that support
12 our right-of-way acquisition activities.

13
14 **Q. What are your responsibilities in connection with the Independence Energy
15 Connection Project ("IEC Project")?**

16 A. I have the overall direct responsibility and oversight of the real estate & right-of-way
17 acquisitions for the IEC project that includes managing scope, cost, schedule and all
18 landowner interactions. Transource will employ Burns & McDonnell Engineering
19 Company, Inc. to complete all the right-of-way acquisition activities. This will include
20 staffing of approximately 15-20 employees.

21

1 **Q. What is the purpose of your direct testimony in this proceeding?**

2 A. First, I will explain the process Transource PA utilizes to attempt to acquire rights-of-way
3 and easements for the transmission lines associated with the IEC Project. Second, I will
4 explain Transource PA's policy regarding the land owner's use of the right-of-way area.
5 Third, I will explain the status of our attempts to acquire rights-of-way and easements for
6 the transmission lines associated with the IEC Project.

7
8 **Q. Please provide an overview of the IEC Project.**

9 A. As explained in the written direct testimony of Company witness Mr. Kamran Ali
10 (Transource PA Statement No. 2) and Mr. Paul F. McGlynn (Transource PA Statement
11 No. 3), PJM identified a need to alleviate transmission congestion constraints in
12 Pennsylvania, Maryland, West Virginia, and Virginia. To address these congestion
13 constraints, PJM approved "Project 9A" as Baseline Upgrade Numbers b2743 and b2752.
14 The IEC Project is a major component of the PJM-approved Project 9A.¹

15 The IEC Project approved by PJM involves: (i) construction of two new
16 substations in Pennsylvania, the Rice Substation and the Furnace Run Substation; and (ii)
17 construction of two new overhead double-circuit 230 kV interstate transmission lines, the
18 Rice-Ringgold 230 kV Transmission Line and the Furnace Run-Conastone 230 kV
19 Transmission Line.

20 Upon receipt of all necessary approvals, the new Rice-Ringgold 230 kV
21 Transmission Line will extend approximately 29 miles, connecting the existing Ringgold

¹ Project 9A also involves upgrades at existing transmission facilities in Pennsylvania and Maryland, which are the responsibility of other incumbent entities. The upgrades to existing facilities, while not part of the IEC Project, are inter-dependent components of the solution approved by PJM, and are described in more detail in Mr. Ali's testimony (Transource PA Statement No. 2).

1 Substation located near Smithsburg, Washington County, Maryland, and the new Rice
2 Substation to be located in Franklin County, Pennsylvania. This transmission line project
3 is referred to as Independence Energy Connection-West Project (“IEC-West Project”)
4 and is the subject of this Siting Application.

5 Upon receipt of all necessary approvals, the new Furnace Run-Conastone 230 kV
6 Transmission Line will extend approximately 16 miles, connecting the existing
7 Conastone Substation located near Norrisville, Harford County, Maryland, and the new
8 Furnace Run Substation to be located in York County, Pennsylvania. This transmission
9 line project is referred to as Independence Energy Connection-East Project (“IEC-East
10 Project”) and is the subject of a separately filed Siting Application.

11 As further explained by Mr. Kamran Ali (Transource PA Statement No. 2),
12 Transource PA is obligated and responsible for the construction, ownership, maintenance,
13 and operation of the two new substations in Pennsylvania; and the Pennsylvania portion
14 of the two new interstate transmission lines between Maryland and Pennsylvania.
15 Transource PA’s affiliate, Transource Maryland, LLC (“Transource MD”), is obligated
16 and responsible for the construction, ownership, maintenance, and operation of the
17 Maryland portion of the two new interstate transmission lines between Maryland and
18 Pennsylvania.

19
20 **Q. Please describe the portions of the Siting Application that you are sponsoring.**

21 A. I am responsible for Attachment 5 which provides a list of the owners of property that
22 will be traversed by the transmission lines associated with the IEC-West Project. I also
23 am responsible for Attachment 13 which provides the packets of information that

1 Transource PA sent to fully notify landowners that may be affected by the proposed IEC-
2 West Project.

3

4 **Q. Please explain Transource PA's policy regarding dealings with owners of land over**
5 **which Transource PA needs to construct electric utility facilities.**

6 A. During right-of-way acquisition, Transource PA treats landowners honestly and respects
7 their property. Where the IEC-West Project impacts private properties and there is a
8 need for an easement or access across the private property, each property owner will be
9 fairly compensated for any land rights needed by Transource PA. Agents for Transource
10 PA will review the fair market value for the property and extend an offer for the land
11 rights needed for the IEC-West Project. There also can be compensation for crop loss or
12 damages during construction. If damage occurs as part of the construction activities,
13 Transource PA will work with each landowner to restore the property to the greatest
14 extent possible.

15

16 **Q. Did Transource PA provide information to owners of land that may be subject to a**
17 **right-of-way or easement agreement?**

18 A. Yes. Prior to attempting to contact landowners, Transource PA provided packets of
19 information to fully notify landowners that Transource PA plans to negotiate to acquire
20 additional rights-of-way and easements. This packet of information discloses to the
21 owner information concerning the name of the proposed Project, the number of circuits to
22 be initially installed and the kilovolts at which it will operate, and informs them of their
23 legal rights and Transource PA's legal rights with regard to this Project. This

1 information includes the two notices which are required by the Pennsylvania Public
2 Utility Commission (“Commission”) in its regulations at 52 Pa. Code § 57.91. The first
3 notice references Transource PA’s power of eminent domain, that is, the power to
4 condemn land rights in order to construct facilities necessary for providing electric utility
5 services to the public. The second notice provides information related to the right-of-way
6 maintenance practices for the IEC Project. This information and notices are included in
7 Attachment 13 to the Siting Application.

8
9 **Q. What does Transource PA do after providing these notices to landowners?**

10 A. Pursuant to 52 Pa. Code § 57.91(a), the Company waits at least fifteen days after the
11 landowner receives the notices provided in Attachment 13 to the Siting Application. We
12 then contact the property owner(s) via telephone or in person to request a convenient time
13 to meet so that we may explain the details of the IEC Project and answer any questions
14 the property owner(s) may have.

15
16 **Q. Please explain Transource PA’s policy regarding the land owner’s use of the right-
17 of-way area.**

18 A. Transource PA will acquire a right-of-way and easement for the transmission line. The
19 owners of property traversed by the right-of-way will still be permitted to use their
20 property provided that it does not interfere with Transource PA’s safe and reliable
21 operation of the aerial transmission line. Certain landowner activities will be prohibited
22 within the right-of-way, such as: planting or cultivating any trees; placing any temporary
23 or permanent building, structure, improvement or obstruction, including but not limited

1 to, storage tanks, billboards, signs, sheds, dumpsters, light poles, water impoundments,
2 above ground irrigation systems, swimming pools or wells; or permit any alteration of the
3 ground elevation over or within the right-of-way. However, Transource PA may, on a
4 case-by-case basis, grant an exception to a prohibited activity in certain circumstances
5 where it is reasonable to do so and the activity does not interfere with Transource PA's
6 rights and ability to safely and reliably operate the transmission line.

7
8 **Q. Please explain the status of Transource PA's attempts to acquire rights-of-way and**
9 **easements for the IEC-West Project.**

10 A. There are a total of 119 different owners (99 in Pennsylvania) of 147 deeded properties
11 (123 in Pennsylvania) along the route selected for the proposed IEC-West Project.
12 Transource PA is continuing to negotiate with all affected landowners to reach a
13 reasonable and mutually acceptable right-of-way agreement. However, as explained in
14 the direct testimony of Ms. Simmons (Transource PA Statement No. 1), Transource PA
15 has not yet been able to complete negotiations and acquire the rights-of-way needed for
16 the IEC-West Project. In the event that Transource PA is unable to acquire the rights-of-
17 way needed for the IEC-West Project, Transource PA will promptly file and serve
18 separate applications seeking Commission approval to exercise the power of eminent
19 domain to acquire rights-of-way and easements for the proposed IEC-West Project. If
20 any such condemnation applications become necessary, Transource PA will request that
21 they be consolidated and considered with this Siting Application for the IEC-West
22 Project.

1 **Q. Does this complete your direct testimony?**

2 A. Yes, it does. If necessary, I will supplement my testimony if and as additional issues
3 arise during the course of this proceeding.