

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

Public Meeting held December 8, 2022

Commissioners Present:

Gladys Brown Dutrieuille, Chairman
Stephen M. DeFrank, Vice Chairman
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

Petition of Duquesne Light Company for a finding that the Electrical Equipment Building at the Proposed Watson Substation in Allegheny County, Pennsylvania is Reasonably Necessary for the Convenience or Welfare of the Public

Docket Number:
P-2022-3032356

ORDER

BY THE COMMISSION:

On May 2, 2022, Duquesne Light Company (Duquesne Light), Utility Code 110150, filed a petition (Petition) for a finding that a building to shelter electrical equipment at the proposed Watson Substation site in Allegheny County is reasonably necessary for the convenience of the public and therefore exempt from any local zoning ordinance pursuant to 52 Pa. Code § 5.41 of the Commission's rules of administrative practice and procedure and

53 P.S § 10619 regarding zoning exemptions. The filing requests an exemption from zoning ordinances within the City of Pittsburgh.

Duquesne Light served the Petition on the Pennsylvania Public Utility Commission's (Commission) Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, and the City of Pittsburgh (Pittsburgh). No answers or comments were filed. The Office of Administrative Law Judge held a prehearing conference on June 22, 2022, no parties other than Duquesne Light were in attendance. By Order dated June 22, 2022, the Office of Administrative Law Judge reassigned the Petition to the Commission's Bureau of Technical Utility Services for disposition. For the reasons expressed in this Order, the Commission will grant the Petition as approved by this Order.

Duquesne Light furnishes electric service to more than 600,000 customers throughout its certificated service territory, which includes portions of Allegheny and Beaver Counties and encompasses approximately 800 square miles in western Pennsylvania.

Duquesne Light states Watson Substation and the electrical equipment building is necessary to serve Duquesne Light's customers by improving capacity, reliability, and resiliency in Pittsburgh's Uptown and surrounding neighborhoods and will allow Duquesne Light to adhere to its statutory obligation to provide adequate, safe, and reliable service to the public. Duquesne Light states that Pittsburgh has adopted a zoning ordinance (Zoning Ordinance), that applies to the parcel upon which Duquesne Light's proposed Watson Substation will be located. Duquesne Light also states that the Zoning Ordinance lists specific permitted uses which do not include public utility buildings. Duquesne Light states that the Zoning Ordinance contains specific site development standards including maximum building height and setbacks and that these limitations severely impact the use and function of Duquesne Light's proposed electrical equipment building.

Duquesne Light avers that the height of the proposed electrical equipment building must exceed the maximum 40 feet allowed under the Zoning Ordinance to accommodate the specific equipment required for the Watson Substation's functionality. Duquesne Light also avers that the Zoning Ordinance requires walls and fences to be constructed of iron grating, wood, stone, or brick. However, Duquesne Light further avers that the fence and wall materials for the Watson Substation have been chosen in consideration of electrical safety and reliability standards, as well as security, cost, and community input.

Duquesne Light avers that the electrical equipment building is essential to the function of the Watson Substation and that electrical equipment, excluding the power transformers, will be indoor, using gas-insulated and metal-clad switchgear for the transmission and distribution buses respectively.

Duquesne Light submits that the primary driver for the Watson Substation and associated electrical equipment building is to improve the resiliency of Pittsburgh's Downtown load block. Duquesne Light submits that presently the Downtown neighborhood and portions of the Uptown neighborhood are fed with network circuits from the 23 kV Brunot Island Substation (Brunot Island Substation) and the 11 kV Forbes Substation which have incompatible voltages. Duquesne Light further submits that Brunot Island Substation is the sole 23 kV source for the Downtown area and is located approximately 3 miles from Pittsburgh on an island. Finally, Duquesne Light submits that the underground river crossings limit the thermal ratings of the cables.

Duquesne Light states that the Watson Substation will provide a back-up to the Downtown neighborhood for unplanned outages impacting the two existing substations and other networked circuits. Duquesne Light also states that the 23/11 kV transformers, network switches, and other equipment to be installed allow additional network areas to be fed by Watson Substation in response to catastrophic events. Duquesne Light further states

that these measures will reduce the restoration times to the Downtown and neighboring areas for events which impact the supply from the Brunot Island and Forbes Substations which is Downtown's sole 11 kV supply. Finally, Duquesne Light states that there are no underground crossings for the Watson Substation to limit cable thermal ratings.

Duquesne Light submits that the Watson Substation will also increase reliability and resiliency by providing a more localized distribution source to customers in Pittsburgh's Downtown, Uptown and Hill District areas. Duquesne Light submits that the proposed Watson Substation is located approximately 0.5 circuit miles to 1.5 circuit miles from the customers who will be served by the substation. Duquesne Light also submits that, in comparison, the Brunot Island Substation is approximately 3 circuit miles to 5.5 circuit miles from the Uptown customers, who will be served by the Watson Substation and the 23 kV Arsenal Substation is approximately 2.5 circuit miles from these customers.

Duquesne Light submits that in addition to enhancing reliability and resiliency in the Pittsburgh area, the Watson Substation will also provide additional loading capacity. Duquesne Light also submits that based on forecasting conducted by Duquesne Light, demand for electricity in Pittsburgh's Downtown, Uptown, and Hill District neighborhoods will continue to increase because of rising residential population and growing business development in the region. Duquesne Light further submits that the proposed Watson Substation will provide increased capacity that will enable it to meet these future demands.

Duquesne Light submits that Pittsburgh does not contain any zones suitably close to the applicable load centers that would allow a substation without special exception or conditional use. Duquesne Light also submits that the site for the proposed Watson Substation is located on property owned entirely by Duquesne Light. Finally, Duquesne Light submits that Pittsburgh's zoning ordinances for the areas around these load centers prescribe area restrictions that are generally incompatible with project needs.

A municipality may zone a public utility building unless the Commission determines that the building is reasonably necessary for the convenience or welfare of the public. The Pennsylvania Municipalities Planning Code provides, in relevant part, as follows:

[Article VI. Zoning] shall not apply to any existing or proposed building, or extension thereof, used or to be used by a public utility corporation, if, upon petition of the corporation, the Pennsylvania Public Utility Commission shall, after public hearing, decide that the present or proposed situation of the building in question is reasonably necessary for the convenience or welfare of the public.

53 P.S. § 10619.

Upon review, we agree that Duquesne Light's electrical equipment building at the proposed Watson Substation in Allegheny County, Pennsylvania is reasonably necessary for the convenience or welfare of the public because it will improve Pittsburgh's electric service reliability and resiliency and provide additional loading capacity. Additionally, Pittsburgh has not objected to Duquesne Light's request for an exemption from local zoning ordinances. However, we also note that our approval of the Petition does not constitute a determination with regard to the issue of cost recovery; **THEREFORE,**

IT IS ORDERED:

1. That the Petition filed by the Duquesne Light Company, for a finding that the Electrical Equipment Building at the Proposed Watson Substation in Allegheny County, Pennsylvania is Reasonably Necessary for the Convenience or Welfare of the Public.

2. That this proceeding at Docket No. P-2022-3032356 be closed.

BY THE COMMISSION,

A handwritten signature in black ink, reading "Rosemary Chiavetta". The signature is written in a cursive, flowing style.

Rosemary Chiavetta
Secretary

ORDER ADOPTED: December 8, 2022

ORDER ENTERED: December 8, 2022