

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

Public Meeting held March 16, 2023

Commissioners Present:

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

Letter of Notification of PPL Electric Utilities Corporation for Approval to Reconductor approximately 14.2 miles of the Juniata-Cumberland 230 kV Transmission Line in Centre, Carroll, and Rye Townships, Perry County and Middlesex and Silver Spring Townships, Cumberland Pennsylvania

Docket Number:
A-2022-3036291

ORDER

BY THE COMMISSION:

On October 20, 2022, PPL Electric Utilities Corporation (PPL Electric), Utility Code 110500, filed a Letter of Notification (LON) pursuant to 52 Pa. Code § 57.72(d)(1)(v) of the Pennsylvania Public Utility Commission's (Commission) transmission line siting regulation. For the reasons expressed in this Order, the LON is approved.

BACKGROUND

PPL Electric is an existing public utility that provides interstate electric transmission service in the Commonwealth and has received a certificate of public convenience as a Pennsylvania public utility. Copies of the LON were served in accordance with Sections 57.72(d)(3) and 57.74(b)-(c), 52 Pa. Code §§ 57.72(d)(3), 57.74(b)-(c), on the PA

Department of Transportation, PA Department of Environmental Protection, PA Historical and Museum Commission, Cumberland and Perry County Commissioners, and Centre, Carroll, Rye, Middlesex, and Silver Spring Townships, *et al.* No protests were filed. Accordingly, no hearings were held.

PPL Electric requests approval to reconductor approximately 14.2 miles of the Juniata-Cumberland 230 kV Transmission Line in Centre, Carroll, and Rye Townships, Perry County, and Middlesex and Silver Spring Townships, Cumberland County, Pennsylvania. PPL Electric states that the entirety of the approximately 14.2-mile-long line will be reconducted from the Juniata 500-230-69 kV Substation to the Cumberland 230-69 kV Substation. Application ¶13.

PPL Electric states that reconductoring the Juniata-Cumberland line is needed to upgrade the existing conductor as a result of PJM’s Market Efficiency Analysis which aims to improve electric transmission economic efficiencies and alleviate electric transmission constraints. In January 2020, PJM opened a Long-Term Proposal Window to solicit proposals to address, among other things, transmission congestion constraints on the Juniata-Cumberland line. In response, PPL Electric, submitted “Proposal 218.” After extensive evaluation and review with stakeholders, PJM selected Proposal 218 to address the needs identified in PJM’s Long-Term Proposal Window. The results of the PJM evaluation were presented to PJM stakeholders at the February 16, 2022 Transmission Expansion Advisory Committee meeting and assigned baseline upgrade ID b3698. On June 24, 2022, PJM and PPL Electric executed a Designated Entity Agreement. Accordingly, PPL Electric is required to complete the project by December 31, 2023. Application ¶¶17, 19, 25, and Attachment 1, footnote 7.

PPL Electric states that the benefit-to-cost ratio is 11.28 for reconductoring of the Juniata-Cumberland line and that this mitigates 100% of the congestion driving the need for a market efficiency project. The Juniata-Cumberland line rebuild has a 15-year net present

value of net load payment benefit of approximately \$107.41 million. Furthermore, PJM performed a reliability analysis of the selected solution, and no reliability violations were identified. PPL Electric states that the customers benefitting from the rebuild and the corresponding benefit of the Juniata-Cumberland line are served by Metropolitan Edison Company (27.02%), PECO Energy Company (18.88%), PPL Electric (16.14%), Baltimore Gas and Electric Company (13.18%), Delmarva Power and Light Company (9.14%), Potomac Electric Power Company (4.68%), Atlantic City Electric Company (4.17%), Dominion Energy, Inc. (3.25%), Duke Energy Ohio, Inc. (1.22%), Jersey Central Power & Light Company (1.15%), Neptune Regional Transmission System, LLC (0.64%), East Kentucky Power Cooperative, Inc. (0.22%), Hudson Transmission Partners, LLC (0.20%), and East Coast Power Linden (0.11%) and cost is allocated accordingly. PPL Electric Data Request Response Nos. 3 & 5 and Attachment 1, page 7.

PPL Electric states that reconductoring of the Juniata-Cumberland line consists of installing approximately 14.2 miles of new higher capacity single-circuit transmission line. PPL Electric also states that it will replace one existing steel lattice structure to accommodate the additional sag from the new conductor. The existing structures on the Juniata-Cumberland line range from approximately 85 feet in height to 145 feet in height. The new structure will be approximately 105 feet in height. The reconducted line will be built on existing right-of-way that varies from approximately 150 feet in width to 325 feet in width. Application ¶¶21-23, 30.

PPL Electric asserts that the Juniata-Cumberland line will be designed, constructed, operated and maintained in a manner that meets or exceeds the requirements specified in the National Electric Safety Code and all applicable legal requirements. Application ¶28.

PPL Electric states that the total estimated cost to reductor the Juniata-Cumberland line is approximately \$9.0 million. The cost for this market efficiency baseline upgrade is allocated based on each transmission zone's and merchant transmission facility's

market efficiency benefits from the project. PPL Electric further states that it will own, operate, and maintain the reconductored transmission line. Lastly, PPL Electric states that construction is anticipated to commence in August 2023, with an expected in-service date of October 2023. Application, Attachment 1, page 2 and PPL Electric Data Request Response No. 6.

DISCUSSION

Section 57.72 of the Commission's regulations, 52 Pa. Code § 57.72, addresses applications for authorization to locate and construct HV transmission lines, or any portion of an HV transmission line, generally. Section 57.72(d) authorizes an abbreviated LON siting process and allows the filing of a LON with the Commission in lieu of an application for the following:

- (i) An HV line which is proposed to be located entirely on an existing Transmission line right-of-way, so long as the size, character, design, or configuration of the proposed HV line does not substantially alter the right-of-way.
- (ii) An HV line which is proposed to be located entirely within a public road.
- (iii) An HV line which is proposed to be located entirely within applicant's existing transmission line right-of-way and the property of the sole customer to be served by the line, so long as the size, character, design, or configuration of the proposed HV line does not substantially alter the right-of-way.
- (iv) A line for which the voltage is proposed to be increased above its present levels so long as the size, character, design, or configuration of the proposed HV line does not substantially alter the right-of-way.

- (v) An HV line which is to be reconducted or reconstructed so long as the size, character, design or configuration of the proposed HV line does not substantially alter the right-of-way.
- (vi) An HV line having a proposed route of 2 miles or less.

52 Pa. Code § 57.72(d)(1).

We agree with PPL Electric that the formal LON and manner in which it was filed conforms to the requirements of 52 Pa. Code § 57.72(d)(1)(v) because the project proposes to reductor the Juniata-Cumberland 230 kV transmission line in such a manner that it would not substantially alter the existing right-of-way.

Pursuant to the Commission's regulations at 52 Pa. Code § 57.72(d)(4)(i), a LON must include, among other things, the information described in 52 Pa. Code § 57.72(c)(5). The Commission's regulations at 52 Pa. Code § 57.72(c)(5) require that an applicant provide a general statement of 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. The scope of the inquiry for determining need is broad and includes consideration of many factors, including consideration of the specific facts presented and consideration of the potential future impact of the proposed project, within that same broad context. *In re: Application of Trans-Allegheny Interstate Line Company*, 2008 Pa. PUC LEXIS 60 at *127 (Recommended Decision issued August 15, 2008) *affirmed* Docket No. A-110172 (Order entered December 12, 2008) (*TrAILCo.*); *see also Applications of Transource Pennsylvania, LLC*, Docket No. A-2017-2640195 at 55 (Order entered May 20, 2021) (*Transource*). Whether a case is factually distinguishable based on the primary purpose of relieving reliability issues or relieving economic congestion, the legal standard to be applied is nonetheless the same. *Transource* at 56. The Commission's regulations do not specify that need be restricted to

reliability or aging infrastructure replacement, nor do they necessarily obviate other needs for transmission line projects, including market efficiency. *See* 52 Pa. Code § 57.72(c)(5).

The Juniata-Cumberland reconductor is substantially different from other market efficiency projects filed with the Commission. As stated above, the Juniata-Cumberland line is a market efficiency project which resolves 100% of the congestion with a benefit to cost ratio that greatly exceeds PJM's 1.25 minimum threshold with a ratio of 11.28. Additionally, the Juniata-Cumberland reconductor provides regional benefits to customers both inside and outside the Commonwealth, including those in the states of Kentucky, Maryland, New Jersey, Ohio, and Virginia. *See Transource* at 55 (regarding consideration of regional planning responsibilities). Importantly, the costs of the project are proportionally borne by those that benefit. Further, while not directly related to the need for the HV line, the fact that the project will be constructed entirely within existing right-of-way without exercising the power of eminent domain is relevant to our public interest determination.

Accordingly, we find that PPL Electric has met the Commission's regulatory requirements set forth at 52 Pa. Code § 57.72(c)(5) to demonstrate the need for the Juniata-Cumberland reconductor project. Our determination turns on our consideration of the weight of all the evidence and whether need has been established by a preponderance of the evidence, consistent with our discretion under 66 Pa.C.S. § 1501 to determine whether service to be provided is reasonable and necessary for the accommodation, convenience, and safety of the public and our discretion under the Commission's regulations at 52 Pa. Code § 57.72(c)(5) to determine whether PPL Electric has established the need required for approval of siting of the proposed transmission lines. *See Transource* at 56. Notably, the LON is uncontested. No protests were filed and, thus, the only available evidence of record is the evidence presented by PPL Electric. This evidence weighs in favor of a finding of need and approval of the LON. Finally, we base our determination of need for the Juniata-

Cumberland reconductor only on the record provided in this proceeding.¹

Moreover, the Commission does not find the filing to be inconsistent with the applicable law or Commission policy regarding transmission line siting and, therefore, finds the project to be in the public interest. We note, however, that our approval of the LON does not address the issues of accounting treatment, and cost recovery; **THEREFORE,**

IT IS ORDERED:

1. That the Letter of Notification filed by the PPL Electric Utilities Corporation, for approval to reconductor the Juniata-Cumberland 230 kV Transmission Line, in Centre, Carroll, and Rye Townships, Perry County, and Middlesex and Silver Spring Townships, Cumberland County Pennsylvania, is hereby approved.

2. That upon completion of the subject project, PPL Electric Utilities Corporation shall submit the final project cost to the Commission.

3. That upon completion of Ordering Paragraph 2, this proceeding at Docket No. A-2022-3036291 be closed.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

ORDER ADOPTED: March 16, 2023

ORDER ENTERED: March 16, 2023

¹ To the extent that this project may alleviate the need for other projects or serve as additional support for such projects, as discussed in the Commission's May 20, 2021 Order in *Application of Transource Pennsylvania, LLC*, at Docket No. A-2017-2640195 at 51, 61-63, we do not base our determination here on such evidence.