

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

Public Meeting held June 13, 2024

Commissioners Present:

Stephen M. DeFrank, Chairman, Joint Statement  
Kimberly Barrow, Vice Chair, Joint Statement  
Ralph V. Yanora  
Kathryn L. Zerfuss  
John F. Coleman, Jr.

Letter of Notification of PPL Electric Utilities  
Corporation Filed pursuant to 52 Pa. Code Chapter 57,  
Subchapter G, for Approval to Rebuild the Existing  
Double-Circuit Stanton-Summit #3 and #4 230 kV  
Transmission Lines Connecting the Stanton 230-69  
kV Substation and a Two-Pole Turn Structure That  
Are Respectively Located in Luzerne and Lackawanna  
Counties, Pennsylvania

A-2022-3037374

**OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition are the Exceptions filed by the Office of Consumer Advocate (OCA) on February 12, 2024, to the Initial Decision (I.D.) of Deputy Chief Administrative Law Judge Mark A. Hoyer and Administrative Law Judge Darlene Heep (ALJs), issued on January 23, 2024, in the above-captioned proceeding. The Initial Decision granted the Letter of Notification (LON) filed by PPL Electric Utilities

Corporation (PPL) on December 27, 2022. PPL filed Replies to Exceptions on February 22, 2024.

For the reasons stated below, we shall deny the OCA's Exceptions, and adopt the ALJ's Initial Decision, consistent with this Opinion and Order.

## **I. History of Proceeding**

On December 27, 2022, PPL filed the LON for the reconstruction of the Stanton-Summit #3 and #4 230 kV Transmission Line (Stanton-Summit Lines) connecting the Stanton 230 kV substation and a two-pole turn structure (the Project). In the LON, PPL explained that the existing Stanton-Summit Lines were built in 1970 and are part of PPL's 230 kV transmission system and feed the 230-69 kV substations in PPL's northeast region. The Stanton substation is in Luzerne County, and the Summit substation is in Lackawanna County, Pennsylvania. PPL further explained in the LON that it seeks to rebuild the Stanton-Summit Lines at an estimated cost of \$36.8 million. Specifically, the LON proposed replacing all forty-six COR-TEN lattice structures (towers) that currently support the Stanton-Summit Lines. Application at 1, 6, 10-11.

The OCA intervened in and protested this matter. The OCA noted its concern with: (1) PPL's lack of adequately and thoroughly exploring various alternatives to the Project; (2) the cost of the Project; and (3) the identified rust issue with the Stanton-Summit Lines. OCA Protest at 3-4.

A telephonic evidentiary hearing was held on August 15, 2023. Main Briefs were filed by the Parties on September 15, 2023,<sup>1</sup> and the Parties filed Reply

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<sup>1</sup> The OCA filed a revised Main Brief on September 18, 2023, that included citations to the record evidence.

Briefs on September 29, 2023. On October 31, 2023, an Interim Order Closing the Record was issued. I.D. at 2.

In the Initial Decision issued on January 23, 2024, the ALJs granted the LON because PPL proved that the Project is necessary to provide reliable and safe electricity service. I.D. at 1, 64.

As noted, *supra*, the OCA filed Exceptions on February 12, 2024. PPL filed Replies to Exceptions on February 22, 2024.

## II. Background

The LON proposed to rebuild the existing double-circuit Stanton-Summit Lines connecting the Stanton 230 kV substation and a two-pole turn structure located approximately 1.4 miles north of the Summit 230-69 kV substation, located, respectively, in Luzerne and Lackawanna Counties. PPL asserted that the Project addresses reliability, and asset health and safety concerns related to the deteriorated condition of the towers of the Stanton-Summit Lines. The Project would replace and rebuild the existing towers to address structural reliability concerns associated with the “pack-out rust”<sup>2</sup> in many of the joints of the towers. PPL averred that the experience of pack-out rust in the joints of the towers has accelerated asset health concerns and the rate at which the towers were expected to reach end-of-life. PPL stated that the Project would address asset health conditions and reliability concerns related to the deteriorated condition of the towers on the Stanton-Summit Lines because the prevalence of “pack-out rust” in many of the joints

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<sup>2</sup> PPL described “pack-out rust” or “pack rust” as a form of localized corrosion typical of steel components that develop a crevice into an open atmospheric environment, which results in rust packing between conjoined steel components, and it accelerates the deterioration of asset health and can result in shearing off bolts, loss of structural integrity, members disconnecting from lattice towers, and tower failure. I.D. at 19 (citing PPL St. 1 at 6, n.1).

of the towers diminishes structural integrity and increases the risk of system failures that could negatively impact public safety and affect service to nearly 35,000 PPL customers. The Project would immediately resolve the deteriorated condition of the existing towers by replacing them with steel monopoles, and it would resolve reliability contingencies that would occur should the subject transmission lines fail. I.D. at 19-20.

PPL argued that the Project is needed because it would immediately and permanently address asset health and public safety concerns related to the deteriorated condition of the towers that make up the existing Stanton-Summit Lines in a cost-effective manner. PPL averred that based on several analyses, it demonstrated that the prevalence of pack-out rust in the existing towers that comprise the Stanton-Summit Lines has accelerated the deterioration of these structures and brought the assets to the end of their service life much sooner than would have been anticipated. I.D. 20-21 (citing PPL M.B. at 13).

Although the OCA did not contest that the pack-out rust issue has caused degradation of the existing towers, it argued that PPL has failed to establish a need for the Project. I.D. at 21 (citing OCA M.B. at 4, n. 2). The OCA disputed the PJM Regional Transmission Expansion Plan (RTEP) process applicable to supplemental projects, like the instant Project. The OCA also argued that the Commission should require PPL to seek a retirement review for the Stanton-Summit Lines. The OCA further asserted that Dynamic Line Ratings (DLR) technology, along with the retirement of the Stanton-Summit Lines could be a viable alternative to the Project. Finally, the OCA claimed that an underground alternative to the Project should be explored if the Commission determines the Project is needed. *Id.* (citing PPL R.B. at 4-5).<sup>3</sup> In its Main Brief, the OCA abandoned several alternatives to the Project that it had previously proposed, including a battery storage option and the recognition of demand response and

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<sup>3</sup> A more detailed description and discussion of these arguments can be found in the Initial Decision. *See*, I.D. at 22-44.

aggregation of distributed energy resources. I.D. at 21 (citing OCA M.B. at 1, n. 1). The OCA also raised a new alternative that PPL seek retirement review of the Stanton-Summit Lines in lieu of the Project. I.D. at 22 (citing OCA M.B. at 15-20).

### **III. Discussion**

As a preliminary matter, we note that any argument or Exception that we do not specifically delineate shall be deemed to have been duly considered and denied without further discussion. The Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

#### **A. Legal Standards**

##### **1. Burden of Proof**

Section 332(a) of the Public Utility Code (Code) provides that the proponent of a rule or order has the burden of proof. 66 Pa. C.S. § 332(a). The Applicant must establish its case by a preponderance of the evidence. *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600 (Pa. Cmwlth. 1990), *alloc. denied*, 602 A.2d 863 (Pa. 1992). That is, the Applicant's evidence must be more convincing, by even the smallest amount, than that presented by any opposing party. *Se-Ling Hosiery, Inc. v. Margulies*, 70 A.2d 854 (Pa. 1950). Additionally, this Commission's decision must be supported by substantial evidence in the record. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & Western Ry. Co. v. Pa. PUC*, 413 A.2d 1037 (Pa. 1980).

## 2. Approval of Transmission Line and Letter of Notification

Chapter 57, Subsection G of the Commission's Regulations deals with Commission review of siting and construction of electric transmission lines. 52 Pa. Code §§ 57.71-57.77. An electric utility may not site or construct high voltage (HV) transmission lines, *i.e.*, electrical lines with a voltage of 100 kV or higher, without prior Commission approval. 52 Pa. Code § 57.71. Section 57.72 provides for the form and content of the application. In particular, Section 57.72 (d)(1) authorizes an abbreviated LON siting application process in lieu of a full siting application if the proposed construction meets any one of the following conditions:

- (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 reconductored 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).

To be approved, an HV transmission line project submitted as a LON must be necessary to address a specific need. 52 Pa. Code § 57.72(c)(5). While “need” is not defined by the Regulations, the Pennsylvania courts and General Assembly have recognized that there is a need for reliable regional electric service and transmission systems. *See, e.g., Dunk v. Pa. PUC*, 232 A.2d 231 (Pa. Super. 1967); 66 Pa. C.S. § 2802(12). Further, “need” is a broad concept that is not limited to “engineering need.” *Pa. Power & Light Co. v. Pa. PUC*, 696 A.2d 248 (Pa. Cmwlth. 1997). Moreover, a utility is not required to show a project is “absolutely necessary.” *Hess v. Pa. PUC*, 107 A.3d 246 (Pa. Cmwlth. 2014) (*Hess*). For example, an electric utility can demonstrate that the transmission line project is needed where the project resolves violations of the utility’s internally developed planning and reliability criteria. *Hess*.

In addition, the Commission evaluates whether a LON is consistent with “applicable law or Commission policy regarding transmission line siting and, therefore, in the public interest.” *See, Letter of Notification of PPL Electric Utilities Corporation for approval to reconstruct the Elimsport-Lycoming #2 and #3 230 kV Transmission Line located in Williamsport Borough and Armstrong and Washington Townships, Lycoming County, Pennsylvania*, Docket No. A-2021-3029267 (Order entered February 24, 2022); *Letter of Notification of Mid-Atlantic Interstate Transmission, LLC for approval to construct the Fairview-North Hanover 115 kV Transmission Line Loop located in Hanover Borough, York County, Pennsylvania*, Docket No. A-2022-3030240 (Order entered February 24, 2022); *Letter of Notification of Mid-Atlantic Interstate Transmission, LLC, for Approval to Relocate a Section of the Blairsville East-Shelocta*

*115 kV Transmission Line and Blairsville East-Seward 115 kV Transmission Line in Blairsville Borough, Indiana County, Pennsylvania*, Docket. No. A-2019-3010900 (Order entered August 29, 2019). Further, the Commission has determined that its existing rules and policies satisfy its obligations under the Environmental Rights Amendment (ERA) as described in *Pa. Environmental Defense Foundation v. Com. of Pa.*, 161 A.3d 911 (Pa. 2017). See also, *Application of Pennsylvania Electric Company Seeking Approval to Locate Construct, Operate and Maintain a High-Voltage Transmission Line Referred to as the Bedford North-Central City West 115 kV HV Transmission Line Project*, Docket No. A-2016-2565296 (Opinion and Order entered March 8, 2018) at 13 (“Our siting Regulations are in accord with the Environmental Rights Amendment by requiring that the environmental impact of the proposed transmission siting route be minimized.”)

## **B. ALJs’ Initial Decision**

In the Initial Decision, the ALJs made seventy-eight Findings of Fact and reached six Conclusions of Law. I.D. at 3-16; 63-64. The Findings of Fact and Conclusions of Law are incorporated herein by reference and are adopted without comment unless they are either expressly or by necessary implication rejected or modified by this Opinion and Order.

In the Initial Decision, the ALJs addressed the four arguments raised by the OCA in opposition to the Project and whether PPL established a need for the project. Regarding the OCA’s argument raising concerns about the PJM supplemental project review process, the ALJs found that PJM’s review of supplemental projects is not relevant in this matter. Rather, the ALJs concluded that PPL’s establishment of a need for the Project pursuant to the Code and the Commission’s Regulations is what is relevant here. I.D. at 26.

Next, with respect to OCA's argument that PPL should seek a retirement review for the Stanton-Summit Lines and report the findings of this review to the Commission, the ALJs concluded that such a study is not a prerequisite to consideration of the Project. The ALJs further found that the OCA did not propose this option during discovery, in testimony, or at the evidentiary hearing, but that it was first raised in the OCA's Main Brief. Therefore, the ALJs stated that PPL was precluded from addressing this option during its presentation of evidence in this case. In addition, the ALJs concluded that the Stanton-Summit Lines are required to avoid violations of the North American Electric Reliability Corporation (NERC) transmission planning standards that require PPL to study and plan its transmission system, which include the requirement for PPL to plan for scenarios where aspects of the bulk transmission system are taken out of service to ensure that the loss of other facilities does not result in disruptions on the transmission grid. I.D. at 33.

Turning to the OCA's argument that PPL should evaluate DLR technology, a potential solution to transmission congestion, as a possible replacement for the Project, the ALJs found that PPL addressed the DLR study option as well as a retirement study option in this proceeding and that these options are not appropriate here due to the asset health need identified by PPL for the Project. The ALJs discussed the OCA's cost concerns with the Project and cost effectiveness in their discussion of the need for the Project, as will be discussed, *infra*. I.D. at 38.

Regarding the OCA's argument that PPL failed to analyze whether undergrounding is a viable option to the Project, the ALJs determined that an undergrounding option instead of the Project would not be a viable alternative because PPL established it would be substantially more costly, would result in the need for incremental right-of-way and environmental impacts, and would increase the difficulty and expense of performing maintenance and addressing outages. The ALJs rejected the

OCA's proposal to require a study addressing the costs of outages as compared to alternatives. I.D. at 43-44.

In considering the need for the Project, the ALJs found that the Project is necessary to resolve significant asset health and public safety concerns related to the towers that comprise the Stanton-Summit Lines. The ALJs agreed that the prevalence of pack-out rust in the existing towers has accelerated their deterioration and brought the assets to the end of their service life much sooner than anticipated. I.D. at 44-46. Specifically, the ALJs stated:

At roughly 50 years of age, the CORTEN® lattice towers that comprise the Stanton-Summit #3 and #4 230 kV Transmission Lines have exceeded their useful life and can no longer be relied upon to safely operate as designed.<sup>192</sup> Due to the prevalence of pack-out rust in these towers, there is an increased risk of (a) possible shearing of bolts, (b) members disconnecting from lattice towers, or (c) complete tower failure.<sup>193</sup> These conditions pose not only a significant asset health concern, but also a major safety risk to both the public and PPL Electric employees.

*Id.* at 46 (citing PPL M.B. at 29; PPL Exh. JBL-1 at 11)(footnotes omitted).

The ALJs also found that the Project is necessary to prevent violations of NERC reliability standards and maintain reliable transmission service during outages. The ALJs stated that the NERC standards require PPL to plan for scenarios where aspects of the transmission system are taken out of service to ensure that the loss of other facilities does not result in disruptions on the transmission grid. The ALJs concluded that PPL showed that the increase in severe weather and changing weather patterns will impact the reliability of the existing towers, and the risks of failure increase where a wind event impacts a structurally compromised tower. I.D. at 46-48.

Furthermore, the ALJs addressed whether the Project resolves the needs identified by PPL on a more efficient and cost-effective basis than the other alternatives that were evaluated by PPL. To that end, the ALJs found that the Project is the best alternative to address the asset health concerns identified by PPL and which are not disputed by OCA. Also, the ALJs found that the Project is the most cost-effective of the alternatives considered by PPL. The ALJs stated that the Project has less risk and uncertainty associated with it than the other alternatives. Accordingly, the ALJs concluded that PPL satisfied the need requirement set forth at 52 Pa. Code § 57.76(a)(1) and that the Project addresses the asset need in a cost-effective manner, while preventing reliability issues and potential violations of the NERC standards should the lines be out of service and the next contingency occurs. Additionally, the ALJs found that the OCA did not meet its burden of proof with respect to the alternatives it offered to the Project. I.D. at 48-52.

In addressing whether the transmission lines in the Project will create an unreasonable risk of danger to the health and safety of the public, the ALJs stated that the OCA did not address or dispute PPL's evidence of this issue. Therefore, PPL established that the transmission lines in the Project will not create an unreasonable risk of danger to the health and safety of the public. I.D. at 52-53.

Finally, the ALJs extensively addressed the Project's compliance with applicable statutes and regulations providing for protection of the natural resources of the Commonwealth. Specifically, the ALJs concluded that the current line to be replaced is already above ground, and underground facilities would cost three times as much and be passed on to ratepayers. Also, the ALJs found that PPL demonstrated that the Project would comply with applicable statutes and regulations that protect natural resources of the Commonwealth, and that underground facilities, while desirable, are not required for the Project to be in compliance. Moreover, the ALJs found that there is no evidence that

the Project will have other than minimal adverse environmental impacts in accordance with 52 Pa. Code § 57.76(a)(4). I.D. at 53-63.

For these reasons, the ALJs granted the LON to rebuild the existing Stanton-Summit Lines within the same right-of-way because PPL proved that the Project is necessary to provide reliable and safe electricity service. I.D. at 1, 64.

## **C. Exceptions, Replies and Disposition**

### **1. OCA's Exception No. 1 and PPL's Reply**

In its Exception No. 1, the OCA argues that the ALJs erred by finding a need for the Project. The OCA avers that the ALJs incorrectly focused on the asset health of the Stanton-Summit Lines and towers to determine need, rather than whether the Project is a reasonable and prudent choice to address the power needs of the public and the bulk electric system in this area. The OCA contends that PPL failed to carry its burden of providing the appropriate need element for the Project. Exc. at 5-6.

The OCA argues that need should be viewed in a broad context instead of only analyzing need narrowly with respect to the asset health of the towers. The OCA submits that the question in this and future application should be what the actual needs of the bulk electric system are, combined with the most reasonable and prudent course of action for consumers. The OCA states that the Commission needs more information to address that question; therefore, the Project should be rejected. Exc. at 6-7.

In reply, PPL contends that the ALJs correctly concluded that a need for the Project was demonstrated. PPL argues that the OCA did not dispute that there exists an asset health and safety need for the Project. PPL further argues that the Commission's Regulations at 52 Pa. Code § 57.76(a)(1) were satisfied because it demonstrated that

there is a need for the Project. R. Exc. at 6. In addition, PPL avers that the OCA's arguments are contrary to appellate precedent because its arguments advocate the "absolute necessity" standard that was previously rejected by the Commonwealth Court of Pennsylvania. *Id.* at 7 (citing *Hess v. Pa. PUC*, 107 A.3d 246, 260 (Pa. Cmwlth. 2014), *appeal denied*, 117 A.3d 1282 (Pa. 2015) (*Hess*)). PPL also argues that it has shown that the Project is needed because these transmission lines are required to prevent violations of NERC reliability standards and maintain reliable transmission service during planned and unplanned outages. *Id.* at 7-8.

## **2. OCA's Exception No. 2 and PPL's Reply**

The OCA, in its Exception No. 2, contends that the ALJs erred by finding that PJM's review of supplemental projects is not relevant. Rather, the OCA argues that PJM's review and role concerning supplemental projects is relevant here and should be considered by the Commission. The OCA states that the Commission should not proceed under the mistaken assumption that PPL's project was vetted by PJM. The OCA avers that, while the Project was presented to PJM and neither were comments received nor were alternatives suggested, PJM did not provide a need determination. Exc. at 7-8.

PPL, in reply, agrees with the ALJs that the OCA's concerns regarding PJM's review of supplemental projects were not relevant to the Commission's review of the need for the Project. PPL contends that the ALJs appropriately distinguished between the roles of PJM and the Commission with respect to the siting and construction of high-voltage transmission lines and found that PPL demonstrated a need for the Project. Also, PPL submits that it considered alternatives to the Project before and during this proceeding, and the ALJs correctly found that PPL reviewed the alternatives and demonstrated that the Project was reasonable. R. Exc. at 8-10.

### 3. OCA's Exception No. 3 and PPL's Reply

In its Exception No. 3, the OCA argues that the ALJs erred by finding that a line retirement study is not necessary. The OCA states that the ALJs' conclusion in the Initial Decision that the OCA never raised the lack of a line retirement study until the briefing stage is not accurate because the OCA questioned PPL on the issue in discovery and on cross-examination. The OCA excepts to the ALJs' conclusion that the Stanton-Summit Lines are required to avoid violations of NERC transmission planning standards that require PPL to study and plan its transmission system because PPL did not seek such a review from PJM, and PPL's witness confirmed that both lines could fail, and no overloads would occur. The OCA argues that PPL provided no evidence to show whether it is a reasonable probability that the Stanton-Summit Lines would completely fail and at the same time a contingency event would occur that could lead to overloads on other transmission facilities. Absent a retirement review from PJM, the OCA contends that PPL has failed to prove that there is a need for this Project. Exc. at 9-12.

In reply, PPL disagrees that a line retirement study is required to demonstrate a need for the Project under 52 Pa. Code § 57.76(a)(1). Initially, PPL avers that the ALJs correctly determined that the OCA did not propose that a line retirement study should occur until its Main Brief. Next, PPL argues that, contrary to the OCA's claims, PPL presented undisputed record evidence that any retirement of the existing Stanton-Summit Lines would result in violations of NERC requirements. PPL further avers that the ALJs properly rejected the OCA's attempt to resurrect the "absolute necessity" standard that was previously rejected by the Commonwealth Court of Pennsylvania in *Hess*. Finally, PPL states that the Commission has previously approved six other high-voltage transmission line filings made by PPL to address similar increased incidences of pack-rust across its system, without requiring that a line retirement study be conducted. R. Exc. at 10-14.

#### **4. OCA's Exception No. 4 and PPL's Reply**

The OCA, in its Exception No. 4, contends that the ALJs erred by finding that the DLR Technology option is not an appropriate alternative given the asset health need for the rebuild Project. The OCA disagrees with the ALJs' viewing of this matter within the narrow construct of asset health, arguing that this proceeding should be focused on whether PPL's proposal to rebuild a transmission line is necessary and in the best interest of ratepayers, and if not, what alternatives are available. The OCA avers that DLR technology could be an aid in that analysis. The OCA recommends that before PPL continues with a complete rebuild of its 230 kV network, including the Stanton-Summit Lines, at the cost of hundreds of millions of dollars, the Commission should order PPL to conduct a thorough study on the use of DLR technology and how that technology may impact the need for the Project and future rebuilds. Exc. at 12-13.

In reply, PPL states that the ALJs correctly determined that PPL analyzed and determined that DLR was not a reasonable alternative to the Project. PPL argues that the OCA never disputed that an asset health and public safety issue exists with respect to the prevalence of pack-rust in the existing towers. PPL submits that the OCA admitted that the subject towers face significant issues and that there is a need to do something about it. Therefore, PPL submits that the Commission should reject the OCA's attempt to reframe what this proceeding is about. PPL further avers that DLR technology does not address the specific need that is driving the Project, and the ALJs correctly concluded so. Also, PPL argues that the ALJs also analyzed the cost of the Project, as compared to alternatives, and concluded the Project was the most cost effective. PPL states that the OCA's claims that the Initial Decision focused too narrowly on the undisputed asset health and public safety need that is driving the Project are simply incorrect and should be rejected. R. Exc. at 14-16.

## **5. OCA's Exception No. 5 and PPL's Reply**

In its Exception No. 5, the OCA states that the ALJs erred by finding that undergrounding is not a viable alternative. The OCA contends that undergrounding the Stanton-Summit Lines could be a reasonable alternative once the total costs of aerial and underground are analyzed. The OCA argues that undergrounding the Stanton-Summit Lines would avoid exposure to weather and eliminate the possible rusting issue and increase the life of the assets, as well as minimize outages from extreme weather events. The OCA submits that should the Commission find that the Project is needed, PPL should be required to provide a study as to the total costs of above ground transmission facilities versus underground transmission facilities in order for the Commission to make a fair evaluation of undergrounding as a reasonable alternative. Exc. at 13-16.

In reply, PPL contends that the ALJs correctly concluded that undergrounding was not a reasonable alternative to the Project. PPL disagrees that an undergrounding alternative was not evaluated during this proceeding. Also, PPL argues that the OCA's claims regarding undergrounding are based on speculation, and the OCA presented no evidence on costs or benefits of this option. On the other hand, PPL refers to its evidence regarding the costs of an underground alternative that showed that undergrounding is substantially more costly than the Project. PPL recognizes that underground facilities may be less likely to experience outages; however, PPL contends that the costs of undergrounding, along with the environmental impacts and increased maintenance costs, outweigh the benefits claimed by the OCA. Furthermore, PPL avers that there is no support in the record for the OCA's ERA claims that undergrounding could reduce environmental impacts. R. Exc. at 16-18.

## 6. Disposition

Upon review, we agree with the ALJs that PPL has established by sufficient evidence that there is a need for the Project. The Project is necessary to resolve significant asset health and safety concerns related to the existing forty-six towers on the Stanton-Summit Lines. PPL demonstrated that the pack-out rust in the existing towers that comprise the Stanton-Summit Lines has accelerated the deterioration of the structures and brought the assets to the end of their service lives much sooner than anticipated. I.D. at 44 (citing PPL M.B. at 13-14). The OCA did not dispute the condition of these towers. The ALJs concluded as follows:

The undersigned conclude that PPL Electric has demonstrated that the existing COR-TEN® lattice towers have deteriorated and have been brought to the end of their service life much sooner than would have been anticipated. At roughly 50 years of age, the CORTEN® lattice towers that comprise the Stanton-Summit #3 and #4 230 kV Transmission Lines have exceeded their useful life and can no longer be relied upon to safely operate as designed. [PPL Exh. JBL-1 at 11]. Due to the prevalence of pack-out rust in these towers, there is an increased risk of (a) possible shearing of bolts, (b) members disconnecting from lattice towers, or (c) complete tower failure. [*Id.*] These conditions pose not only a significant asset health concern, but also a major safety risk to both the public and PPL Electric employees. [*Id.*]; PPL M.B., p. 29.

I.D. at 46. Therefore, we agree that the Project is needed to address the asset health and safety concerns with respect to the towers.

Furthermore, we agree that the Project is necessary to prevent violations of NERC reliability standards and maintain reliable transmission service during planned and unplanned outages. According to PPL, the failure of the Stanton-Summit Lines would likely result in reliability issues for PPL's transmission system which could potentially impact the electric service to a significant number of PPL customers. I.D. at 46-47

(citing PPL M.B. at 29). PPL showed that the increased relevance of severe weather will impact the towers on the Stanton-Summit Lines, and especially so when the weather impacts structurally compromised towers, as discussed *supra*. *See*, I.D. at 48 (citing PPL M.B. at 30-31; PPL Exh. JBL-1 at 12). Therefore, we find that our Regulations at 52 Pa. Code § 57.76 (a)(1) were satisfied because PPL demonstrated that there is a need for the Project. Accordingly, we shall deny the OCA's Exception No. 1.

Turning to the OCA's Exception No. 2, based upon our review of the record, we find that it should be denied. In its Exception No. 2, the OCA argues that the ALJ erred in finding that PJM's review of supplemental projects is not relevant in this matter. We agree with the ALJs that what is relevant in this matter is that PPL must establish a need for the Project pursuant to the Commission's Regulations and applicable law, and PJM's review of supplemental projects is not relevant here. *See*, I.D. at 26. The OCA's broad concerns with PJM's supplemental projects review process is not within the scope of this proceeding. However, the record demonstrates that PPL has complied with both PJM's and the Commission's processes in reviewing this project. *See, Id.* at 24 (citing PPL R.B. at 8). There is nothing in the record to support the OCA's claims on this issue. Therefore, the OCA's Exception No. 2 will be denied.

Next, with respect to the OCA's third Exception, we agree with the ALJs that a line retirement study is not necessary to consider the Project. Initially, we agree that the OCA did not raise the option of a line retirement study until its Main Brief, which precluded PPL from addressing the option during its presentation of evidence in this case. *See*, I.D. at 33. In addition, as discussed, *supra*, it was established that the Project is necessary to avoid violations of NERC standards requiring PPL to study and plan its transmission system, including scenarios where aspects of the transmission system may be out of service to prevent the loss of other transmission facilities and avoid disruptions on the transmission grid. Therefore, a line retirement study is not necessary to

demonstrate that there is a need for the Project. Accordingly, we shall deny the OCA's Exception No. 3.

Finally, we agree with the ALJs' conclusions with respect to the consideration of DLR Technology or undergrounding as possible alternatives to the Project, which were the subject of the OCA's Exception Nos. 4 and 5, respectively. As described by PPL, DLR technology may be helpful as a potential solution to address transmission system congestion needs, but it would not address the need supporting the Project, as discussed *supra*. I.D. at 36-38; PPL M.B. at 44-45; PPL R.B. at 14-16. With respect to the OCA's argument to evaluate undergrounding as a potential alternative to the Project, we agree with the ALJs that undergrounding would not be a viable alternative due to its substantially higher costs, increased environmental impacts, and added difficulty to perform maintenance. I.D. at 43-44; PPL M.B. at 47. There is nothing in the OCA's Exception Nos. 4 or 5 that supports altering the ALJs' conclusions on these issues. Accordingly, we shall deny the OCA's Exception Nos. 4 and 5.

After reviewing the record in this matter, we agree with the ALJs that PPL has met its burden of proof that the LON should be approved. The record evidence establishes that the Project: (1) qualifies for the use of a LON; (2) is necessary to address a specific need; and (3) is consistent with applicable law or Commission policy regarding transmission line siting. Consequently, the LON will be approved.

#### **IV. Conclusion**

For the reasons set forth above, we shall deny the OCA's Exceptions, and adopt the ALJ's Initial Decision, consistent with this Opinion and Order; **THEREFORE,**

**IT IS ORDERED:**

1. That the Exceptions of the Office of Consumer Advocate, filed on February 12, 2024, to the Initial Decision of Deputy Chief Administrative Law Judge Mark A. Hoyer and Administrative Law Judge Darlene Heep, issued on January 23, 2024, at Docket No. A-2022-3037374, are denied, consistent with this Opinion and Order.

2. That the Initial Decision of Deputy Chief Administrative Law Judge Mark A. Hoyer and Administrative Law Judge Darlene Heep, issued on January 23, 2024, at this docket, is adopted, consistent with this Opinion and Order.

3. That the Letter of Notification filed at this docket by PPL Electric Utilities Corporation, on December 27, 2022, pursuant to 52 Pa. Code § 57.71 *et seq.*, for Approval to Rebuild the Existing Double-Circuit Stanton-Summit #3 and #4 230 kV Transmission Lines Connecting the Stanton 230 kV Substation and a Two-Pole Turn Structure That Are Respectively Located in Luzerne and Lackawanna Counties, Pennsylvania, is approved.

4. That this matter shall hereby be marked closed.

**BY THE COMMISSION**

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

Rosemary Chiavetta  
Secretary

(SEAL)

ORDER ADOPTED: June 13, 2024

ORDER ENTERED: June 13, 2024