

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

Public Meeting held November 7, 2024

Commissioners Present:

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

Letter of Notification of PPL Electric Utilities Corporation for approval to reconductor a section of the Springfield – Gilbert 230 kV Transmission Line located in Springfield Township, Bucks County, Pennsylvania

Docket Number:
A-2024-3049475

ORDER

BY THE COMMISSION:

On June 7, 2024, PPL Electric Utilities Corporation (PPL Electric), Utility Code 110500, filed a Letter of Notification pursuant to 52 Pa. Code § 57.72(d)(1)(i), (v), & (vi) of the Pennsylvania Public Utility Commission's (Commission) transmission line siting regulation. For the reasons expressed in this Order, the Letter of Notification is approved.

Copies of the Letter of Notification were served in accordance with Section 57.72(d)(3) and 57.74(b) & (c), 52 Pa. Code §§ 57.72(d)(3), 57.74(b) & (c). No protests were filed. No hearings were held.

PPL Electric requests approval to re-conductor a section of the Springfield – Gilbert 230 kV Transmission Line located in Springfield Township, Bucks County, Pennsylvania. The Springfield – Gilbert 230 kV line connects the PPL Electric owned Springfield 230-69 kV Substation in Bucks County, to the Jersey Central Power & Light owned Gilbert 230-115 kV Substation in Hunterdon County, New Jersey. The line section to be re-conducted extends approximately 0.33 miles from the Springfield Substation to existing transmission structure 48/31. Structure 48/31 is the point of ownership demarcation between PPL Electric and Mid-Atlantic Interstate Transmission, LLC (MAIT), Utility Code 1117780. Application ¶29 and Attachment 1, Section 1.0.

PPL Electric states that re-conducting a section of the Springfield – Gilbert 230 kV transmission line is necessary to resolve a thermal overload violation on the line. In November 2020, the New Jersey Board of Public Utilities (NJBPU) requested that PJM Interconnection LLC (PJM) open a competitive proposal window to solicit project proposals to identify transmission projects that address New Jersey’s public policy goals for 7,500 MW of offshore wind into New Jersey by 2035. In February 2021, the NJBPU accepted the State Agreement Approach (SAA) Study Agreement between PJM and the NJBPU that authorized PJM to implement the SAA process to conduct an open proposal window for offshore wind transmission facilities that effectuate New Jersey’s public policy goals and established key dates and milestones. On October 26, 2022, the NJBPU issued the SAA Order¹ awarding a series of projects under the SAA. The SAA Order sets forth certain

¹ *In the Matter of Declaring Transmission to Support Offshore Wind a Public Policy of the State of New Jersey*, BPU Docket No. QO20100630, Order dated October 26, 2022 (“SAA Order”).

quarterly reporting obligations of developers including PPL Electric. On February 12, 2024, PPL submitted a quarterly report to the New Jersey docket stating that the Designated Entity Agreement between PJM and PPL for this project was executed on August 16, 2023 and the “Demonstrate adequate financing” milestone was completed on October 26, 2023. PPL’s fourth quarter project status report was submitted to PJM on February 7, 2024. On September 15, 2023, PJM submitted the Designated Entity Agreement (DEA) between PJM and PPL to FERC, designated as Service Agreement No. 7062, with a requested effective date of August 16, 2023. On November 7, 2023, FERC accepted PJM’s DEA for filing, effective August 16, 2023, as requested.

As identified by PJM’s reliability analysis, the conductor within the PPL Electric owned section of the Springfield – Gilbert 230 kV Transmission Line was determined to be the limiting component of the overall transmission line, resulting in thermal overload violations. Due to the thermal overload violations, the capacity of PPL Electric’s section of the Springfield-Gilbert 230 kV Transmission Line must be increased to support the New Jersey offshore wind initiative. The thermal overload was identified in the 2035 Winter Generation Deliverability Analysis on the Springfield – Gilbert 230 kV Transmission Line for the loss of the Hosensack – Steel City 500kV Transmission Line. Application, Attachment 1, Section 3.2 and PPL Electric Response to Data Request No. 2.

PPL Electric submits that in order to resolve the identified thermal violation, it proposes to re-conductor a section of the Springfield – Gilbert 230 kV transmission line. PPL Electric also submits that upon completion of the project the winter emergency rating will increase from 903 MVA to 952 MVA and that the MAIT owned section of the line will now be the load limiting factor. PPL Electric further submits that on July 18, 2022, PJM presented its findings to the NJBPU and to PJM’s Transmission Expansion Advisory Committee and that on August 16, 2023, PJM and PPL Electric executed a Designated Entity Agreement for PPL Electric to re-conductor the Springfield – Gilbert 230 kV line

under baseline number b3737.45. Lastly, PPL Electric submits that it is required to complete the project by June 1, 2030. Application ¶¶19-20, & Attachment 1, Section 3.2 and PPL Electric Response to Data Request No. 3.

PPL Electric states that the project will use existing transmission structures and that no new structures will be installed or replaced as part of the project. PPL Electric also states that the project is located entirely on property owned by PPL Electric. Application ¶¶30-31.

PPL Electric asserts that the reconstruction project will be designed, constructed, operated and maintained in a manner that meets or surpasses all applicable PPL Electric and National Electrical Safety Code minimum standards and all applicable legal requirements. Application ¶23.

PPL Electric states that the total estimated cost for the Springfield – Gilbert 230 kV reconductor project is approximately \$550,000 and all costs for the project will be allocated to the customers of Public Service Electric & Gas Company, Jersey Central Power & Light, Atlantic City Electric, and Orange and Rockland Utilities, Inc. PPL Electric also states that none of its customers will bear any cost responsibility for this project. Construction is anticipated to commence in November 2024 to support an in-service date of December 2024. Application ¶¶17, 21 and Attachment 1, Section 1.0.

Section 57.72 authorizes the abbreviated Letter of Notification siting application process 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 recondotored 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).

In effect, the LON is for the purpose of a generator interconnection project, albeit a generator interconnection project backed by New Jersey's public policy. We find that the LON should be granted for two reasons.

First, in other generator interconnection contexts, like here, the utility and its ratepayers do not bear the costs of the upgrades. Although the present LON might be somewhat speculative because New Jersey's offshore wind is not yet ready to come online, in other generator interconnection LONs that the Commission has approved, the same has

been true.² Transmission upgrades always precede the interconnection of generation. Because of that, the Commission may exercise discretion when reviewing the need for the project. The present LON is entirely within the utility's property and no new right-of-way is needed. Combined with the lack of ratepayer costs, the project meets the need standard under the Pennsylvania Public Utility Code and the Commission's regulations.³

Second, the Commission supports the use of the PJM State Agreement Approach.⁴ The present project is needed to support the public policy of another state, and we respect New Jersey's willingness to pay for the transmission facilities necessary to accomplish their policies. The State Agreement Approach saves money for those states who do not have the same public policies and aligns costs appropriately. The Commission should not impose unnecessary application requirements on those projects where there is little burden on Pennsylvania's interests. Approval of the project comports with the General Assembly's direction for the Commission to work with other states to encourage functional interstate power pools.⁵

We agree with PPL Electric that the formal PPL Electric LON and manner in which it was filed conforms to the requirements of 52 Pa. Code § 57.72(d)(1)(i), (v), & (vi) because the project reconductors the Springfield – Gilbert 230 kV Transmission Line in such a manner that it does not substantially alter the existing right-of-way and because the subject section of the Springfield – Gilbert 230 kV line is less than 2 miles in length. Moreover, the Commission has reviewed the filing and does not find it to be inconsistent with the applicable law or Commission policy regarding transmission line siting and,

² See e.g. Letter of Notification of Pennsylvania Electric Company, Docket No. A-2012-2286421 (Order entered March 29, 2012); Letter of Notification Filing of Mid-Atlantic Interstate Transmission, LLC, Docket No. A-2023- 3043490 (Order entered January 18, 2024).

³ See 66 Pa.C.S. § 1103; 52 Pa. Code 57.72.

⁴ PJM Operating Agreement, Schedule 6, section 1.5.9.

⁵ 66 Pa.C.S. § 2805.

therefore, to be in the public interest.

We note that our approval of the Letter of Notification does not address the issues of accounting treatment, and cost recovery; **THEREFORE,**

IT IS ORDERED:

1. That the Letter of Notification filed by PPL Electric Utilities Corporation for approval to reconductor the Springfield – Gilbert 230 kV Transmission Line located in Springfield Township, Bucks County Pennsylvania, is hereby approved.
2. That this proceeding at Docket No. A-2024-3049475 be closed.

BY THE COMMISSION,



Rosemary Chiavetta
Secretary

ORDER ADOPTED: November 7, 2024

ORDER ENTERED: November 21, 2024