

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

In the Matter of the Letter of Notification Application of)
Vectren Energy Delivery of Ohio for the Z-50E 24-inch) 15-1666-EL-BLN
Replacement Project)

Members of the Board:

Chairman, Public Utilities Commission	Ohio House of Representatives
Director, Development Services Agency	Ohio Senate
Director, Department of Health	
Director, Department of Agriculture	
Director, Environmental Protection Agency	
Director, Department of Natural Resources	
Public Member	

To the Honorable Power Siting Board:

Please review the attached Staff Report of Investigation, which has been filed in accordance with Ohio Power Siting Board (Board) rules. The accelerated certificate application in this case is subject to an automatic approval process as required by Section 4906.03 of the Ohio Revised Code.

The application will be automatically approved on November 4, 2015, unless suspended by the Board's chairperson or an administrative law judge. If suspended, the Board must render a decision on the application within 90 days from the date of suspension.

The staff report includes recommended conditions of the certificate. Prior to the automatic approval date, the applicant must file a supplement to its application that adopts these conditions. Absent such supplement, Staff will recommend that the case be suspended.

Please present any concerns you or your designee may have with this case to my office at least four business days prior to November 4, 2015, which is the automatic approval date.

Sincerely,



Patrick Donlon
Director, Rates and Analysis
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215
(614) 466-6692

OPSB STAFF REPORT OF INVESTIGATION

Case Number: 15-1666-EL-BLN
Project Name: Yager Station Project
Project Location: Harrison County
Applicant: AEP Ohio Transmission Company
Application Filing Date: October 10, 2015
Filing Type: Expedited Letter of Notification
Inspection Date: October 16, 2015
Report Date: October 28, 2015
Automatic Approval Date: November 4, 2015
Applicant's Waiver Requests: none
Staff Assigned: A. Holderbaum, J. Cross

Summary of Staff Recommendations (see discussion below):

Application: ☐ Approval ☐ Disapproval ☒ Approval with Conditions
Waiver: ☐ Approval ☐ Disapproval ☒ Not Applicable

Project Description

The purpose of this project is to construct the 138-69 kilovolt (kV) Yager Station. The proposed property site is adjacent to three 138 kV circuits owned and operated by FirstEnergy. The Applicant states that they will file for the interconnections for the three circuits in a separate application. The purpose of the proposed project is to meet the needs for a specific customer, Utica East Ohio Midstream. Utica East Ohio Midstream is expanding their Leesville Processing Plant. Completion of this project would allow the Applicant to meet the needs of the customer.

The Applicant estimates the cost of the substation project to be \$16,264,000. Tree clearing for access is scheduled to begin in November 2015, grading for the substation is expected to commence in December 2015, and substation construction is expected to begin in January 2016. The anticipated in-service date provided by the Applicant is November 2016.

Site Description

The project is located in Monroe Township, Harrison County. The approximately 27-acre site is owned by Spring Valley Rd., LLC, Todd Armstrong, Raymond W. and Nguyen T. Yager, Robert E. & Nita E. Yager, and George H. Yager. AEP Ohio Transco has made arrangements to purchase portions of these properties for creation of the station site. The substation site would be transferred to AEP Ohio Transco prior to the start of construction. Rights-of-way for interconnections to FirstEnergy's three 138 kV circuits across a portion of properties owned by RHDK Investments LLC will also be acquired by AEP Ohio Transco to provide adequate rights-of-way. AEP would need approximately 4 acres for the station.

The site is almost entirely hayfield and shrub-scrub, with minimal trees and other vegetation along Yager Road and Patterson Road. The proposed site would be located approximately 100 feet north of Patterson Road and approximately 100 feet east of Yager Road. There are three FirstEnergy 138 kV transmission lines adjacent to the site, which would serve the substation.

Basis of the Need

The Applicant states that the purpose of this project is to meet the needs of a specific customer Utica East Ohio Midstream. The customer has requested an increase in load capacity from 20 megawatts (MW) to 63 MW at its existing Leesville Plant along Azalea Road west of the village of Leesville, Carroll County. An existing 69kV circuit currently serves the Leesville Plant. The 69 kV system does not have the capacity to serve the significant load increase. This 138 kV project would allow AEP Ohio Transco to reliably serve the load increase of the customer.

Nature of Impacts

Social

Land use around the site consists of predominately rural, residential, wooded, roadways and agricultural uses. The proposed site mainly consists of residential properties, shrub-scrub areas, and hayfields. The site is directly adjacent to existing FirstEnergy transmission lines. The Applicant states that there are four residential homes within 1,000 feet of the station site. Two of these homes are located within the property boundary. The Applicant previously arranged to purchase the two homes and would demolish both properties prior to construction. No Agricultural District land would be impacted by this project. The Applicant would access the site by constructing a drive off of Yager Road.

Cultural Resources

The Applicant has conducted a Phase I Cultural Resource Management Investigation for this project. The Applicant states that no cultural deposits were identified during field testing and there are no buildings older than 50 years contained within or immediately adjacent to the project area. The Applicant recommends that no further archaeological investigation is necessary for this project.

Threatened and Endangered Species

The project is within the known range of the federal and state endangered clubshell (*Pleurobema clava*), the state endangered northern madtom (*Noturus stigmosus*), the eastern hellbender (*Cryptobranchus alleganiensis*), the eastern spadefoot toad (*Scaphiopus holbrookii*), and the state threatened mountain madtom (*Noturus eleutherus*). Due to the location, and that there is no in-water work proposed, impacts to these species are not likely.

The project is within the known range of the federal and state endangered Indiana bat (*Myotis sodalis*) and the federal threatened Northern long-eared bat (*Myotis septentrionalis*). Suitable habitat was found along the western boundary of the project area. In order to reduce or avoid impacts to the Indiana bat, the Applicant has committed to adherence to seasonal tree cutting dates of October 1 to March 31 for the clearing of trees that exhibit suitable Indiana bat summer habitat.

The project is within the known range of the upland sandpiper (*Bartramia longicauda*), a state endangered bird. This species' preferred nesting habitat consists of dry grasslands such as pasture fields, hayfields, and grasslands established through the Conservation Reserve Program. Staff recommends that the Applicant be required to avoid upland sandpiper nesting habitat during its nesting period of April 15 to July 31 or perform a presence/absence survey prior to commencement of construction. If the Applicant chooses to conduct the presence/absence survey, staff would recommend that the Applicant consult with the Ohio Department of Natural Resources (ODNR) Division of Wildlife on survey methods. Staff also recommends that the Applicant be required to provide all survey results to the Division of Wildlife and Staff for review prior to construction in grassland habitat between April 15 and July 31.

Surface Waters

The project area contains four streams including one perennial, one intermittent, and two ephemeral streams. None of the streams are expected to be within the fence line of the project. One stream would be crossed by the proposed permanent access road. An existing culvert would be replaced and a second culvert would be added to facilitate the access road. The Applicant has stated it would file a Notice of Intent for authorization of construction storm water discharges under General Permit OHC000003 with the Ohio Environmental Protection Agency prior to construction.

There are no expected wetland impacts for this project. The Applicant would utilize best management practices (BMP) to minimize impacts to surface waters. The proposed BMPs would be outlined in the Storm Water Pollution Prevention Plan, and a copy would be provided to Staff. The plan would consider the location of streams, wetlands, and wooded areas, and explain how impacts to all sensitive resources would be avoided or minimized during construction, operation, and maintenance.

Conclusion

Pursuant to the requirements of Ohio Revised Code Section 4906.10(A)(3), the construction of this project should pose only minimal adverse environmental impacts. Staff recommends automatic approval of this case on November 4, 2015, provided that the following conditions are satisfied.

Conditions

1. Prior to construction, the Applicant shall obtain and comply with all applicable permits and authorizations as required by federal and state entities for any activities where such permit or authorization is required, including any permits necessary for aviation clearance. Copies of such permits and authorizations, including all supporting documentation, shall be provided to Staff;
2. Prior to construction, the Applicant shall secure all necessary easements;
3. The Applicant shall adhere to seasonal cutting dates of October 1 through March 31 for removal of any trees, unless coordination efforts with the Ohio Department of Natural Resources and the U.S. Fish and Wildlife Service allows a different course of action;

4. Construction in upland sandpiper preferred nesting habitat types shall be avoided during the species' nesting period of April 15 to July 31;

This foregoing document was electronically filed with the Public Utilities

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Case No(s). 15-1666-EL-BLN

Summary: Staff Report of Investigation electronically filed by Mrs. Yvonne W Cooper on behalf of Staff of OPSB