

BEFORE

THE OHIO POWER SITING BOARD

In the Matter of the Application of)
American Transmission Systems, Inc. to) Case No. 16-1593-EL-BTA
Amend the Hayes-West Fremont 138kV)
Transmission Line Project.)

In the Matter of the Application of)
American Transmission Systems, Inc. to) Case No. 16-1594-EL-BTA
Amend the Hayes-West Fremont 138kV)
Transmission Line Project.)

In the Matter of the Application of)
American Transmission Systems, Inc. to) Case No. 16-1595-EL-BTA
Amend the Hayes-West Fremont 138kV)
Transmission Line Project.)

ORDER ON CERTIFICATE

The Ohio Power Siting Board, coming now to consider the above-entitled matters, hereby issues an Order granting a certificate amendment in accordance with R.C. Chapter 4906.

OPINION:

I. History of the Proceeding

All proceedings before the Ohio Power Siting Board (Board) are conducted according to the provisions of R.C. Chapter 4906 and Ohio Adm.Code Chapter 4906.

On August 25, 2014, the Ohio Power Siting Board (Board) granted American Transmission Systems, Inc. (ATSI or Applicant) a certificate to construct the Hayes-West Fremont 138 kilovolt (kV) transmission line in Sandusky and Erie counties, Ohio. *In re Hayes-West Fremont 138-kilovolt Transmission Line*, Case No. 12-1636-EL-BTX, (*Hayes-West Fremont Case*), Opinion and Order, and Certificate (Aug. 25, 2014).

On July 29, 2016, ATSI filed applications in Case Nos. 16-1593-EL-BTA, 16-1594-EL-BTA, and 16-1595-EL-BTA to amend the certificate issued in the *Hayes-West Fremont Case*. In Case No. 16-1593-EL-BTA (16-1593-EL-BTA), ATSI proposes to add a second 138kV circuit on existing structures. In Case No. 16-1594-EL-BTA (16-1594-EL-BTA), ATSI

proposes three adjustments to the route approved by the Board. In Case No. 16-1595-EL-BTA (16-1595-EL-BTA), ATSI proposes seven adjustments to the route approved by the Board.

ATSI submits that the proposed adjustments can be made with no or minimal increases to the overall project's impacts and may reduce the impacts to individual property owners.

In accordance with Ohio Adm.Code 4906-6-07, ATSI served copies of the amendment applications upon local officials and filed proofs of publication with the Board on August 12, 2016. Notice of the amendment applications was published in the *Fremont News Messenger* and *Sandusky Register* on August 3, 2016.

On October 27, 2016, the Board's Staff (Staff) filed a report evaluating the amendment applications.

II. Summary of Ohio Revised Code and Ohio Administrative Code

ATSI is a corporation and person pursuant to R.C. 4906.01(A) and is certificated to construct, operate, and maintain the Hayes-West Fremont 138kV transmission line project pursuant to R.C. 4906.10, in accordance with the Board's decision in the *Hayes-West Fremont Case*.

Pursuant to R.C. 4906.10, the Board's authority applies to major utility facilities and requires entities to be certified by the Board prior to commencing construction of a facility. In accordance with R.C. Chapter 4906, the Board promulgated rules, which are set forth in Ohio Adm.Code Chapter 4906-3 prescribing regulations regarding applications for major utility facilities and amendments to certificates.

R.C. 4906.07 requires that, when considering an application for amendment of a certificate, the Board shall hold a hearing "if the proposed change in the facility would result in any material increase in any environmental impact of the facility or a substantial change in the location of all or a portion of such facility other than as provided in the alternates set forth in the application." An applicant is required to provide notice of its application for amendment in accordance with R.C. 4906.06(B) and (C), and Ohio Adm.Code 4906-3-11 and 4906-3-09.

III. Staff Investigation of Proposed Amendment

Because 16-1593-EL-BTA, 16-1594-EL-BTA, and 16-1595-EL-BTA impact a common geographic area, for administrative efficiency, the cases shall be consolidated. Staff states in its report that ATSI's intent for the project is to maintain reliability following

contingency events. ATSI claims that it would not be able to comply with the North American Electric Reliability Corporation and PJM planning criteria. ATSI has confirmed that the resulting instability and unreliability in the electric system could lead to penalties from the Federal Energy Regulatory Commission (FERC). The PJM Regional Transmission Explanation Plan process revealed system overloads. The proposed project has been approved by the PJM board of directors. ATSI assures the Board that the additional circuit will provide safe, reliable electric service while meeting applicable planning criteria. (Staff Report at 2.)

The proposed route adjustments are not expected to alter existing land use. Most of the adjustments are in agricultural fields or small vacant stretches of land. The adjustments are intended to reduce land conflicts by avoiding underground infrastructure such as gas lines and field drainage tiles. The route adjustments will also allow property owners to develop their land more efficiently, avoid undesirable land bisection, and minimize impacts to farming practices. (Staff Report at 2.)

Staff has determined that the proposed adjustments will not pose a significant increase in ecological impacts. Staff considered ecological features such as threatened or endangered species, wetlands, streams, ponds, or woodlots. Nor will there be any significant increase in vegetative clearing. (Staff Report at 2.)

In 16-1593-EL-BTA, ATSI points out that although it did not propose the addition of a second circuit in its original application, it did discuss the addition of a second circuit. ATSI designed the project to allow for a second circuit. Since the approval of the original project, circumstances point to the need for a second circuit. At an additional cost of \$9,000,000 over the original application, ATSI contends that the added pathway will correct circuit loading limitations in the area and enable ATSI to meet certain PJM criteria to enhance stability, reliability, and safety. (Staff Report at 1.)

In 16-1594-EL-BTA, ATSI proposes three alignment adjustments. ATSI states that the adjustments are the result of requests by the property owners affected by the approved route. ATSI contends that the impacts of the proposed adjustments are minimal to none and may reduce the impacts to individual property owners. The change in the approved route will not significantly change the estimated costs of the original project design. The first adjustment will be located entirely on agricultural land. Engineering studies show that a shift of 10 feet allows ATSI to adjust the line for proper clearances in proximity to existing transmission lines. The second adjustment allows for the removal of a structure that was intended to be placed in the center of a farm field. The third adjustment would avoid placing three light angle structures and associated guying in agricultural fields. (Staff Report at 2-3.)

In 16-1595-EL-BTA, ATSI proposes seven alignment adjustments and a small change adjacent to a portion of the Ohio Turnpike. ATSI states that the adjustments are the result of requests by property owners affected by the approved route. The changes are expected to reduce the impact on property and to avoid underground infrastructure. In its review of the proposed adjustments to the approved route, ATSI does not expect that there will be additional impacts and that any impacts will be minimal. The change in the approved route will not significantly change the estimated costs of the original project design. The first and second adjustments avoid the bisection of agricultural land or drain tiles. The third adjustment allows ATSI to avoid an existing gas transmission corridor. The fourth adjustment removes a corner dead-end structure away from a collection of drainage pipes and a drainage collection area. The fifth adjustment removes a two-pole guyed structure out of a farm field. The sixth adjustment reduces the number of angle structures in an agricultural field. The existing distribution circuit will be relocated to the new structures, and the existing distribution structures will be removed. The seventh adjustment eliminates a dead-end structure on a commercial property. In addition to the seven route adjustments, ATSI proposes a shift in the 5.4 mile centerline that follows the northern side of Ohio Turnpike I-80. The shift will create a greater required clearance from the turnpike fence. (Staff Report at 3.)

Staff concludes that the applications meet the requirements of R.C. 4906.10 and, therefore, recommends that the Board approve the amendments, with the condition that ATSI adhere to all applicable conditions in the *Hayes-West Fremont Case* (Staff Report at 3).

IV. Intervention

On November 14, 2016, Nexus Gas Transmission, LLC (Nexus) moved to intervene in 16-1594-EL-BTA and 16-1595-EL-BTA. Nexus states that it has applied for and is in the process of obtaining approvals from the FERC to construct a 255-mile interstate natural gas pipeline. Nexus projects that the pipeline will deliver 1.5 billion cubic feet per day of natural gas to portions of Ohio, Michigan, and Ontario, Canada.

Nexus states that it intentionally routed its project in a manner to minimize impacts with ATSI's easements and transmission line infrastructure. As a result of numerous discussions with ATSI, Nexus routed its pipeline around ATSI's transmission line as originally approved in 2014.

According to Nexus, ATSI has demanded that Nexus shift its project route to accommodate ATSI's proposed amendments.

By memorandum filed November 28, 2016, ATSI opposed Nexus' motion to intervene. Nexus' filed a reply to ATSI's memorandum on December 5, 2016. On December 12, 2016, ATSI filed a pleading responding to Nexus' reply.

On January 10, 2017, Nexus withdrew its motion to intervene. Nexus explained that the parties have discussed the issues raised in the motion to intervene and they believe that the issues can be amicably resolved.

V. Conclusion

Upon a review of the record, the Board finds, pursuant to R.C. 4906.10(A), that the proposed amendments of the Hayes-West Fremont 138kV transmission line project promotes the public convenience and necessity and will not result in any additional significant adverse social or environmental impacts. Furthermore, the amendments do not constitute a substantial change in the location of all or a portion of such facility. Therefore, the Board finds that a hearing is not necessary under the circumstances presented in this case. Accordingly, the Board concludes that, pursuant to R.C. Chapter 4906, ATSI's amendment applications should be approved and, as a result, ATSI's certificate issued in the *Hayes-West Fremont Case* should be amended to allow ATSI to adjust the facility location, conditioned upon compliance with the applicable conditions set forth in the order in the *Hayes-West Fremont Case*, except as modified through these amendment proceedings.

FINDINGS OF FACT AND CONCLUSIONS OF LAW:

- (1) ATSI is a corporation and a person under R.C. 4906.01(A).
- (2) The Hayes-West Fremont 138kV transmission line project is a major utility facility as defined in R.C. 4906.01(B)(2).
- (3) On July 29, 2016, ATSI filed applications to amend the certificate issued in the *Hayes-West Fremont Case*, which involves the construction of the Hayes-West Fremont 138kV transmission line project.
- (4) The amendment applications involve proposed adjustments to the certificated route of the transmission line to accommodate requests of directly impacted property owners and the addition of a second circuit in an open arm position to comply with PJM and FERC standards.
- (5) In accordance with R.C. 4906.06 and Ohio Adm.Code 4906-3-11, copies of the amendment applications were served upon local government officials.
- (6) On October 27, 2016, Staff filed a report evaluating the amendment applications.

- (7) The proposed changes to the certificated transmission line do not result in any material increase in any social or environmental impact, or a substantial change in the location of the facility; therefore, in accordance with R.C. 4906.07, a hearing is not necessary.
- (8) Based on the record, in accordance with R.C. Chapter 4906, the certificate of environmental compatibility and public need issued in the *Hayes-West Fremont Case* should be amended to permit construction, operation, and maintenance of the Hayes-West Fremont 138kV transmission line project, consistent with the changes described in this Order and subject to applicable conditions set forth in the *Hayes-West Fremont Case*.

ORDER:

It is, therefore,

ORDERED, That 16-1593-EL-BTA, 16-1594-EL-BTA, and 16-1595-EL-BTA be consolidated. It is, further,

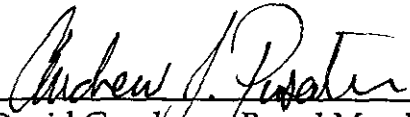
ORDERED, That the applications filed by ATSI to amend the certificate of environmental compatibility and public need issued in the *Hayes-West Fremont Case* for the Hayes-West Fremont 138kV transmission line project be granted, as described in this Order and subject to the conditions set forth in the *Hayes-West Fremont Case* and this Order. It is, further,

ORDERED, That a copy of this Order on Certificate be served upon all interested persons of record.

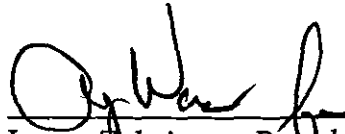
THE OHIO POWER SITING BOARD



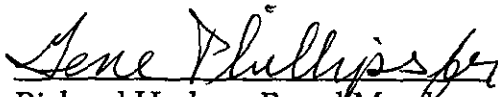
Asim Z. Haque, Chairman
Public Utilities Commission of Ohio



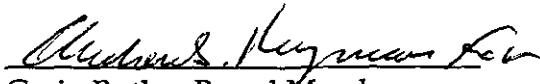
David Goodman, Board Member
and Director of the Ohio
Development Services Agency



James Zehringer, Board Member
and Director of the Ohio
Department of Natural Resources



Richard Hodges, Board Member
and Director of the Ohio
Department of Health



Craig Butler, Board Member
and Director of the Ohio
Environmental Protection Agency



David Daniels, Board Member
and Director of the Ohio
Department of Agriculture

Jeffrey J. Lechak, Board Member
and Public Member

LDJ/vrm

Entered in the Journal

MAR 02 2017



Barcy F. McNeal
Secretary