

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

**In the Matter of the Letter of Notification Application)
of AEP Ohio Transmission Company for a Certificate)
of Environmental Compatibility and Public Need for) Case No. 20-1439-EL-BLN
the Culbertson 138 kV Transmission Line Extension)
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 Ohio Revised Code (R.C.) 4906.03 and Ohio Administrative Code 4906-6.

Staff recommends the application for automatic approval September 24, 2020, unless suspended by the Board, an administrative law judge, or the chairperson or executive director of the Board for good cause shown. If suspended, the Board must render a decision on the application within 90 days from the date of suspension.

Please present any concerns you or your designee may have with this case to my office at least four business days prior to September 24, 2020, which is the recommended automatic approval date.

Respectfully submitted,



Theresa White
Executive Director
Ohio Power Siting Board

OPSB STAFF REPORT OF INVESTIGATION

Case Number: 20-1439-EL-BLN
Project Name: Culbertson 138 kV Transmission Line Extension Project
Project Location: Muskingum County
Applicant: AEP Ohio Transmission Company
Application Filing Date: September 3, 2020
Filing Type: Letter of Notification
Inspection Date: July 17, 2020
Report Date: September 17, 2020
Recommended Automatic Approval Date: September 24, 2020
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 and Basis of Need

AEP Ohio Transmission Company (Applicant) proposes to construct a new 138 kilovolt (kV) extension line from the Culbertson Station (approved on June 22, 2020 in Case No. 20-0542-EL-BGN)¹ to the Ohio Central-Philo 138 kV #1 circuit (Central Circuit) in Washington Township, Muskingum County. The extension will consist of six steel structures and will be 0.5 miles long.

This project was originally proposed in 20-0909-EL-BLN. On August 24, 2020, the Applicant filed a notice of withdrawal of application without prejudice to update the filing with additional information. The present application was filed on September 3, 2020. The recently approved substation (Case No. 20-0542-EL-BGN) and the presently proposed transmission line are needed to improve operations and serve a new customer facility (AMG Vanadium LLC) in the Muskingum County area.²

In terms of the overall improvement to operations in the area, the Applicant states that the design of the project as a double circuit line going in and out of the station (i.e. a throughpath) reduces the number of assets which may be exposed to a fault operation, and additionally reduces outage

1. In the Matter of the Letter of Notification Application of AEP Ohio Transmission Company for the Culbertson 138 kV Station Project, 20-0542-EL-BLN, June 15, 2020 (Staff Report recommending automatic approval on June 22, 2020).

2. AMG Vanadium LLC manages and reclaims spent refinery catalyst and other raw materials containing vanadium to produce ferroalloys, which is a product used in steel manufacturing. The process to refine these products involves keeping molten metal on site, where any outage puts the customer's process at risk.

restoration times.³ Specifically, the installation of circuit breakers at the substation would allow the Applicant to add sectionalizing to the existing line, thus reducing exposure to outages for all customers connected to the 20-mile line.⁴

In terms of the new customer, the new customer facility will require 30 megawatts (MW) of peak power to be delivered through the proposed 138 kV transmission line extension. The proposed line extension will connect the customer to the Culbertson 138 kV substation.

This project was submitted to PJM's Subregional Regional Transmission Expansion Plan Committee in September 2019 and in February 2020.⁵ PJM assigned supplemental number s2187 to the project. The related Culbertson 138 kV substation was included in the Applicant's 2020 Long Term Forecast Report to the Public Utilities Commission of Ohio, filed in Case No. 20-1501-EL-FOR.⁶ The Applicant anticipates that construction of this project would begin upon approval, and that the facility would be placed in service by November 2020. The total cost of the project is estimated at \$1.9 million.⁷

Nature of Impacts

Land Use

The project is located just south of East Pointe Drive and east of Bateman Road. The surrounding area is made up of open space, commercial properties, roads, and forested land. The project is not located within any agricultural district lands. No residential structures are located within 100 feet of the project, and no structures would need to be removed to construct this project. There are no parks, churches, cemeteries, wildlife management areas, or nature preserve areas located within 500 feet of the project.

All work to be performed for this project is located on property owned by the AMG Vanadium LLC (the Customer) and the Muskingum County Port Authority. The Applicant states it has obtained all necessary easements except for one in order to construct the project. The Applicant stated it anticipates obtaining the easement prior to the start of construction.

3. The Applicant avers that its internal standards encourage the use of in and out transmission lines in situations where the current line is less than two miles from the new facility, as is the present situation where the Central Circuit is only 0.5 miles from the point of interconnection.

4. Specifically, the addition of circuit breakers would reduce outage exposure to the new customer at Culbertson, as well as two other stations served from the Central Circuit, since these two stations, East Point and East Zanesville, currently do not have any sectionalizing capability to protect customers from outages.

5. PJM Interconnection, "Subregional RTEP Committee - Western," September 25, 2019, SRRTEP Committee Western AEP Supplemental Projects, Need No. (AEP-2019-OH051), available at: <https://www.pjm.com/-/media/committees-groups/committees/srrtep-w/20190925/20190925-aep-supplementals.ashx> (Accessed August 21, 2020); PJM Interconnection, "Subregional RTEP Committee - Western," February 21, 2020, Sub Regional RTEP Committee: Western AEP Supplemental Projects, Need No. (AEP-2019-OH051), available at: <https://www.pjm.com/-/media/committees-groups/committees/srrtep-w/2020/20200221/20200221-aep-supplementals.ashx> (Accessed August 21, 2020)

6. AEP Ohio Transmission Company, Inc., "Long-Term Forecast Report to the Public Utilities Commission of Ohio," Public Utilities Commission of Ohio Case No. 20-1501-EL-FOR, April 15, 2020.

7. The Applicant indicates that a portion of the cost of this project, \$231,000.00, will be considered contribution-in-aid-of-construction and thus paid by AMG Vanadium LLC to the Applicant. The remaining amount, approximately \$1.7 million, will be included in the Applicant's formula rate (i.e. the annual transmission revenue applicable under PJM Interconnection, LLC's (PJM) Open Access Transmission Tariff, Attachment H-20) and would be assessed on all transmission customers within AEP East Transmission Companies.

Cultural Resources

The Applicant's cultural resources consultant performed a literature review for the project. No cultural or historic resource were identified in the project area. The project would not involve or impact any significant cultural resources or landmarks. The findings were submitted to the Ohio Historic Preservation Office (OHPO). The OHPO responded to the Applicant's consultant in concurrence that this project would have no adverse effects on historic properties and no further archaeological or cultural resource work is necessary. Staff agrees that no further cultural resource management work is necessary.

Surface Waters

The project area contains seven Category 1 wetlands and three streams, including one ephemeral stream and two intermittent streams. One wetland and one stream will be aerially spanned by the proposed transmission line extension. No structures will be placed in surface water boundaries, no streams or wetlands would be crossed by construction equipment. No impacts to surface waters are anticipated for this project. The Applicant would submit a Notice of Intent for coverage under the Ohio Environmental Protection Agency National Pollutant Discharge Elimination System General Permit. Staff does not anticipate issues with the procurement of this permit. The project does not cross a 100-year floodplain and no floodplain permit would be required.

Threatened and Endangered Species

Some tree clearing would be required for this project. The project area is within the range of state and federal endangered Indiana bat (*Myotis sodalis*) and the federal threatened northern long-eared bat (*Myotis septentrionalis*). As tree roosting species in the summer months, the habitat of these species would be impacted by the project. In order to avoid impacts to the Indiana bat and northern long-eared bat, the Ohio Department of Natural Resources and the U.S. Fish and Wildlife Service recommend seasonal tree cutting dates of October 1 through March 31 for all trees three inches or greater in diameter. The Applicant states the clearing of five trees will be required for the project. Staff recommends the Applicant follow the seasonal tree clearing guidelines in order to avoid impacts to these species.

Impacts to other state and federal listed species are not anticipated, due to no proposed in-water work and a lack of suitable habitats.

Recommended Findings

Staff's review of the application included consideration of the requirements listed in Ohio Revised Code Section 4906.10. Based on Staff's review, the application meets the necessary criteria for granting a certificate. Staff recommends automatic approval of this application on September 24, 2020, subject to the conditions below. Staff notes that its recommendation for approval of this application should not be construed as a recommendation for approval of cost recovery in any ratemaking proceeding.

Conditions:

- (1) The certificate authority provided in this case shall not exempt the facility from any other applicable and lawful local, state, or federal rules or regulations nor be used to affect the exercise of discretion of any other local, state, or federal permitting or licensing authority with regard to areas subject to their supervision or control.

- (2) The Applicant shall adhere to seasonal cutting dates of October 1 through March 31 for removal of any trees greater than three inches in diameter, unless coordination with the Ohio Department of Natural Resources and the U.S. Fish and Wildlife Service allows a different course of action.
- (3) Prior to the commencement of construction activities in areas that require permits or authorizations by federal or state laws and regulations, the Applicant shall obtain and comply with such permits or authorizations. The Applicant shall provide copies of permits and authorizations, including all supporting documentation, on the case docket prior to commencement of construction.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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in

Case No(s). 20-1439-EL-BLN

Summary: Staff Report of Investigation electronically filed by Mr. Matt Butler on behalf of Staff of OPSB