BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

| In the Matter of the Construction Notice Application of |) | |
|--|---|-------------------------|
| AEP Transmission Company for a Certificate of |) | |
| Environmental Compatibility and Public Need for the |) | Case No. 20-1223-EL-BLN |
| Hyatt-Delaware 138 kV Transmission Line Rebuild |) | |
| Project |) | |

Members of the Board:

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

Ohio House of Representatives
Ohio Senate

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 October 14, 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 October 14, 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: | 20-1223-EL-BLN | | |
|---------------------------------|---|--|--|
| Project Name: | Hyatt-Delaware 138 kV Transmission Line Rebuild Project | | |
| Project Location: | Delaware County | | |
| Applicant: | AEP Ohio Transmission Company | | |
| Application Filing Date: | July 15, 2020 | | |
| Filing Type: | Letter of Notification | | |
| Inspection Date: | July 27, 2020 | | |
| Report Date: | October 7, 2020 | | |
| Recommended Automatic | | | |
| Approval Date: | October 14, 2020 | | |
| Staff Assigned: | G. Zeto, J. Cross | | |
| Summary of Staff Recommenda | tions (see discussion below): | | |
| Application: Appro | val 🔲 Disapproval 🖂 Approval with Conditions | | |
| Waiver: Appro | val 🗌 Disapproval 🔀 Not Applicable | | |

Project Description and Basis of Need

AEP Ohio Transmission Company (Applicant) proposes to rebuild approximately 4.25 miles of the existing Hyatt-Delaware 138 kilovolt (kV) transmission line, within the existing right-of-way. The proposed project is necessary to resolve a thermal criteria violation along the Hyatt-Delaware 138 kV circuit. The thermal violation was identified due to the retirement of Conesville generation unit number four. The Applicant states that Hyatt-Delaware 138 kV circuit would overload for N-1-1 scenarios associated with the loss of the Delaware-Vassell 138 kV circuit or the loss of the Vassell 345/138 kV transformer. Rebuilding the Hyatt-Delaware 138 kV circuit resolves this thermal criteria violation and should improve reliability and reduce the potential of future load shed events. Additionally, the proposed rebuild includes the replacement of wood H-frame structures with steel H-frame structures and three pole deadend structures.

Upgrades to the transmission system are part of PJM Interconnection, LLC's (PJM) Regional Transmission Expansion Planning (RTEP) process.² Staff verified the need for this project through consultation of PJM's baseline projects. Baseline projects include projects planned for reliability, operational performance, FERC Form No. 715 criteria, economic planning, and public policy planning (State Agreement Approach).³ This project was presented and reviewed with PJM

^{1.} PJM Interconnection, "Generation Deactivations, Deactivated Generators," available at: https://pjm.com/planning/services-requests/gen-deactivations.aspx (Accessed September 30, 2020).

^{2.} PJM Interconnection, LLC is the regional transmission organization charged with planning for upgrades to the regional transmission system in Ohio. Significant alterations to the transmission system located in the PJM control area are required to submit planned projects for review of system impacts.

^{3.} PJM Manual 14B: PJM Region Transmission Planning Process.

Interconnection, LLC (PJM) stakeholders at the Transmission Expansion Advisory Committee on March 7, 2019.⁴ The project was issued baseline PJM upgrade ID b3105, whereby the project status can be tracked on PJM's website.⁵ The project was included in the Applicant's 2020 Long Term Forecast Report.⁶

The Applicant plans to commence construction of the project in the fourth quarter of 2020 and place the facility in service by approximately May 2021. The total cost of the project is estimated at \$8.6 million.⁷

Nature of Impacts

Land Use

The proposed project is located in Delaware Township, Liberty Township, and the city of Delaware. All construction would be located within existing right-of-way easements held by the Applicant. Land use in the vicinity of the project is primarily agricultural. There are no residences located within 100 feet of the centerline. The right-of-way does not cross any agricultural district parcels.

Cultural Resources

The Applicant conducted a cultural resource survey to ascertain potential impacts to historic properties and archaeological sites. The survey determined that adverse impacts to historic properties and archaeological sites are not expected. Correspondence from the Ohio Historic Preservation Office (OHPO) was received in March 2020. The OHPO stated that the project will have no adverse effects on historic properties and that no further cultural resource work is necessary. Staff concurs with the survey results and OHPO determination.

Surface Waters

The survey corridor contains seven streams, including one perennial stream, four intermittent streams, and two ephemeral streams. No in-water work is planned, and no direct stream impacts are anticipated.

The survey corridor contains 13 wetlands totaling 1.45 acres, including 12 category 1 wetlands and one category 2 wetland. Construction of the project would result in discharge of approximately 4 square feet of wetland fill. This impact would be covered under the Army Corps of Engineers Nationwide 12 permit and would not require preconstruction notification due the minimal amount

^{4.} PJM Interconnection, "Transmission Expansion Advisory Committee," March 7, 2019, Generation Deactivation Notification Update, available at: https://pjm.com/-/media/committees-groups/committees/teac/20190307/20190307-generation-deactivation-notification-update.ashx (Accessed September 30, 2020).

^{5.} PJM Interconnection, "Transmission Construction Status," available at: https://pjm.com/planning/project-construction.aspx (Accessed September 30, 2020).

^{6.} AEP Ohio Transmission Company, Inc., "2020 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, Table FE-T9 page 28 of 87.

^{7.} Applicant indicates that the entire estimated cost of \$8,600,000 will be included in the Applicant's formula rate (i.e. the annual transmission revenue applicable under PJM Open Access Transmission Tariff, Attachment H-20) and would be assessed on all transmission customers within the AEP zone.

of fill. Construction access would require wetland and stream crossings. The Applicant would use timber matting to minimized temporary impacts.

The Applicant would submit a Notice of Intent for coverage under the Ohio Environmental Protection Agency National Pollutant Discharge Elimination System General Permit. Erosion control measures including silt fencing would be used where appropriate to minimize runoff impacts to surface water resources. The project would not overlap with any 100-year floodplain areas.

Threatened and Endangered Species

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 has committed to following these seasonal tree clearing guidelines. The proposed project is expected not to impact any bat hibernacula.

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 October 14, 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) 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). 20-1223-EL-BLN

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