BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

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In the Matter of the Letter of Notification Application of The Dayton Power and Light Company d/b/a AES Ohio for a Certificate of Environmental Compatibility and Public Need for the Sugarcreek-Normandy Circuit Addition Project

Case No. 21-0496-EL-BLN

Members of the Board:

Chair, 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

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 August 19, 2021, 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 August 19, 2021, which is the recommended automatic approval date.

Respectfully submitted,

Merin White

Theresa White Executive Director Ohio Power Siting Board

OPSB STAFF REPORT OF INVESTIGATION

Case Number:	21-0496-EL-BLN	
Project Name:	Sugarcreek-Normandy Circuit Addition Project	
Project Location:	Greene and Montgomery counties, and the City of Centerville	
Applicant:	The Dayton Power and Light Company d/b/a AES Ohio	
Application Filing Date:	July 21, 2021	
Filing Type:	Expedited Letter of Notification	
Inspection Date:	August 4, 2021	
Report Date:	August 12, 2021	
Recommended Automatic Approval Date:	August 19, 2021	
Staff Assigned:	G. Zeto, T. Crawford	

Summary of Staff Recommendations (see discussion below):

Application: Approval	Disapproval	\square Approval with Conditions
Waiver: 🗌 Approval	Disapproval	🔀 Not Applicable

Project Description and Need

The Dayton Power and Light Company d/b/a AES Ohio (Applicant or AES Ohio) proposes to rebuild sections of separate 138 kilovolt (kV) transmission lines to accommodate the new Sugarcreek-Normandy 69 kV line from the existing Sugarcreek substation to existing Normandy substation. The construction of the Sugarcreek-Normandy 69 kV line involves rebuilding one section of the existing Sugarcreek-Bellbrook 138 kV line, and one section of the existing Sugarcreek-Centerville 138 kV line to carry the existing 138 kV lines and the proposed 69 kV line. In order to support the proposed line, existing single circuit 138 kV transmission line structures would require replacement with double circuit 138/69 kV structures. The segment to be replaced on the Sugarcreek-Bellbrook 138 kV line would be approximately 0.52 miles long. The segment on the Sugarcreek-Centerville 138 kV line would be approximately 1.55 miles long. Additionally, the Applicant proposes to relocate two existing 138 kV circuits just outside the Sugarcreek substation in order to allow for a 69 kV substation expansion project. This work would include two self-supporting, galvanized steel monopoles on the Sugarcreek-Centerville 138 kV line, one self-supporting, galvanized monopole on Hutchings-Gebhart 138 kV line, and one self-supporting, and a galvanized monopole that would support both the Sugarcreek-Centerville 138 kV line and Hutchings-Gebhart 138 kV line.

The project is needed to provide an additional energy source to the load center to reduce peak loading concerns and improve reliability along another 69 kV transmission line, which the Applicant claims to have been a poorly performing line. The characteristics of the poorly performing line include 30 outages in the past five years; 12 of these were forced outages and 18 were momentary. The Applicant also states that the project allow AES Ohio to parallel the

transformers at the Normandy station resulting in additional operational flexibility for switching loads through parallel distribution bank.

Upgrades to the transmission system are part of the PJM Interconnection (PJM) Regional Transmission Expansion Plan (RTEP) process.¹ The Applicant submitted the statement of need to the PJM Subregional RTEP Committee-Western on February 20, 2019 and submitted the solution on April 23, 2019. The project was assigned the supplemental ID s1876.1 upgrade. PJM identified the need for this project in the PJM Western Subregional RTEP Committee Meeting regarding Dayton Supplemental Upgrades on April 23, 2019.² Supplemental projects or upgrades refer to transmission expansion or enhancements not needed to comply with PJM reliability, operational performance, Federal Energy Regulatory Commission (FERC) Form No. 715, economic criteria, or State Agreement Approach projects.³

The project was included in the Applicant's 2021 Long-Term Forecast Report, PUCO Form FE-T9, page 80, which may be accessed through the Ohio Power Siting Board (OPSB) website and entering 21-0505 in the 'Case Lookup.'⁴ It was also included in the Applicant's 2020 Long-Term Forecast Report, PUCO Form FE-T9, page 83, which may be accessed through the OPSB website and entering 20-0768 in the 'Case Lookup.'

The Applicant proposes to begin construction on September 1, 2021 with an in-service date of April 30, 2022. The estimated capital cost of the project is \$2.5 Million.⁵

Nature of Impacts

Land Use

The project is located in Sugarcreek Township in Greene County, the city of Centerville, and an unincorporated area of Montgomery County. The project would be located entirely within the existing applicant-owned property and right-of-way. Land use in the project area consists primarily of existing utility infrastructure, agricultural, residential, and woodlots. The nearest residence is located 57 feet from the project centerline. No structure removal would be required. The project would not cross any agricultural districts.

Cultural Resources

The Applicant's cultural resources consultant 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. Due to construction occurring within existing right-of-way, Staff concurs with the findings of the Applicant.

^{1.} PJM 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.

^{2.} https://www.pjm.com/-/media/committees-groups/committees/srrtep-w/20190423/20190423-dayton-supplementals.ashx (Accessed July 27, 2021)

^{3.} PJM Manual 14B: PJM Region Transmission Planning Process, Revision 49, June 23, 2021.

^{4.} https://dis.puc.state.oh.us/ (Accessed July 27, 2021.)

^{5.} Applicant indicates that the projected costs, approximately \$2,500,000, are estimated to be transmission plant and included in the Applicant's FERC Formula Rate (i.e., the annual transmission revenue applicable under PJM Open Access Transmission Tariff, Attachment H-15A), and would be assessed on all users of the AES Ohio transmission system.

Surface Waters

The survey area contains six streams, including five perennial streams and one ephemeral stream. No in-stream work is proposed. The survey area also contains four wetlands.⁶ All delineated wetlands are category one and category two wetlands. Fill within wetlands is anticipated, as three structures would be located within wetland boundaries. Total area of fill would equal an estimated 234 square feet of impacts. Wetland impacts would be permitted under the U.S. Army Corps of Engineers (USACE) Nationwide 12 permit. The anticipated area of fill would be less than 0.1 acre and would not require preconstruction authorization from the USACE.⁷ Temporary timber matting would be used to access these locations and excess soils generated during the installation of structures would be placed outside of the limits of the wetland.

The Applicant would obtain coverage under the Ohio EPA General National Pollutant Discharge Elimination System (NPDES) permit. Sedimentation which may occur as a result of construction activities would be minimized through best management practices (BMP) such as silt fences. BMP would be outlined in the Applicant's Stormwater Pollution Prevention Plan, which is required as part of the NPDES permit. Structure replacement is proposed within the 100-year floodplain. The Applicant has confirmed with the Montgomery County floodplain administrator that no floodplain permit would be required.⁸

Listed Species⁹

Tree clearing would be required for this project. The project area is within the range of the state and federally endangered Indiana bat (*Myotis sodalis*), the federally threatened northern long-eared bat (*Myotis septentrionalis*), the state endangered little brown bat (*Myotis lucifugus*), and the state endangered tricolored bat (*Perimyotis subflavus*). As tree roosting species in the summer months, the habitat of these species would be impacted by the project. In order to avoid impacting the listed bat species, the Ohio Department of Natural Resources (ODNR) and the U.S. Fish and Wildlife Service (USFWS) recommend seasonal tree cutting dates of October 1 through March 31 for all trees that are three inches or greater in diameter. The Applicant has committed to following these seasonal tree clearing guidelines.

^{6.} Wetlands falling within the purview of the Clean Water Act are regulated within Ohio by R.C. 6111, et seq. and Ohio Adm. Code 3745-1-50, et seq. Ohio Adm. Code 3745-1-54 establishes wetland categories.

^{7.} The USACE Regulatory Program involves the regulating of discharges of dredged or fill material into waters of the United States and structures or work in navigable waters of the United States, under section 404 of the Clean Water Act and section 10 of the Rivers and Harbors Act of 1899.

^{8.} The ODNR, Division of Water, manages statewide oversight of dams & levees, floodplains, and the collection and management of data related to the state's water resources.

^{9.} Based on agency coordination with the USFWS and ODNR, identified listed species of concern are generally defined as including those species that are protected under the federal Endangered Species Act of 1973, as amended (16 U.S.C. §§ 1531-1544), and/or according to the Conservation of Natural Resources within RC Title XV (§ 1518.01-1518.99; 1531.25, 1531.99, etc.).

One of the missions of the ODNR is to "conserve and improve the fish and wildlife resources and their habitats, and promote their use and appreciation by the public so that these resources continue to enhance the quality of life for all Ohioans." In carrying out this mission, the ODNR considers the "status of native wildlife species [to be] very important" and therefore lists wildlife species needing protection. (ODNR, *State Listed Species*, https://ohiodnr.gov/wps/portal/gov/odnr/discover-and-learn/safety-conservation/about-ODNR/wildlife/state-listed-species). In addition to endangered species, those species classified as "threatened" are considered during OPSB project planning and approval because these species are those "whose survival in Ohio is not in immediate jeopardy, but to which a threat exists. Continued or increased stress will result in it becoming endangered."

During the winter months, bats hibernate in caves and abandoned mines, also known as hibernacula. The proposed project is not expected to impact any bat hibernacula.

The project area is within the range of state threatened black-crowned night-heron (*Nycticorax nycticorax*). Night-herons nest in small trees, saplings, shrubs, or sometimes on the ground, near bodies of water and wetlands. In order to avoid impacts to this species, Staff recommends that construction in areas of potential nesting habitat be avoided during the species' nesting period of May 1 through July 31, unless coordination with the ODNR allows a different course of action.

The project area is within the range of state threatened loggerhead shrike (*Lanius ludovicianus*). Loggerhead shrikes nest in hedgerows, thickets, fencerows, and other types of dense shrubbery habitat. In order to avoid impacts to this species, Staff recommends that construction in areas of potential habitat be avoided during the species' nesting period of April 1 through August 1, unless coordination with the ODNR allows a different course of action.

The project is within the range of the state endangered Northern harrier (*Circus cyaneus*). Nesting Northern harriers use large marshes and grasslands. In order to avoid impacts to this species, Staff recommends that construction in areas of potential habitat be avoided during the species' nesting period of May 15 through August 1, unless coordination with the ODNR allows a different course of action.

Impacts to other state and federal listed species would not occur due to a lack of proposed impacts to 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 August 19, 2021, 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.
- (3) The Applicant shall adhere to seasonal cutting dates of October 1 through March 31 for removal of any trees greater than or equal to three inches in diameter unless coordination efforts with the ODNR and the USFWS allows a different course of action. If coordination with these agencies allows clearing between April 1 and September 30, the Applicant shall docket proof of completed coordination on the case docket prior to clearing trees.

- (4) Construction in black-crowned night-heron preferred nesting habitat types shall be avoided during the species' nesting period of May 1 through July 31, unless coordination by the Applicant with the ODNR allows a different course of action during that period. If coordination with the ODNR allows clearing between May 1 and July 31, the Applicant shall file proof of such coordination on the docket. Absent coordination with the ODNR that allows a different course of action, mapping of these habitat areas shall be provided to the construction contractor along with instructions to avoid these areas during the restricted dates.
- (5) Construction in loggerhead shrike preferred nesting habitat types shall be avoided during the species' nesting period of April 1 through August 1, unless coordination by the Applicant with the ODNR allows a different course of action during that period. If coordination with the ODNR allows clearing between April and August 1, the Applicant shall file proof of such coordination on the docket. Absent coordination with the ODNR that allows a different course of action, mapping of these habitat areas shall be provided to the construction contractor along with instructions to avoid these areas during the restricted dates.
- (6) Construction in Northern harrier preferred nesting habitat types shall be avoided during the species' nesting period of May 15 through August 1, unless coordination by the Applicant with the ODNR allows a different course of action during that period. If coordination with the ODNR allows clearing between May 15 and August 1, the Applicant shall file proof of such coordination on the docket. Absent coordination with the ODNR that allows a different course of action, mapping of these habitat areas shall be provided to the construction contractor along with instructions to avoid these areas during the restricted dates.

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Case No(s). 21-0496-EL-BLN

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