**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY**

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| International Transmission Company d/b/a ITC Transmission  | :: | Docket Number PP-230-4 |

**MOTION TO INTERVENE
AND
COMMENTS
SUBMITTED ON BEHALF OF**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

October 11, 2011

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**THE PUBLIC UTILITIES COMMISSION OF OHIO**

 The Public Utilities Commission of Ohio (PUCO) hereby respectfully submits this Motion to Intervene and Comments in the above-captioned proceeding in response to International Transmission Company d/b/a ITC*Transmission*’s (ITC) Request to Amend Presidential Permit.[[1]](#footnote-1)

# BACKGROUND

 On January 5, 2009, ITC filed with the Department of Energy (DOE) a request to amend Presidential Permit PP-230-3 (Amendment Request), which, “. . . among other things, authorized ITC to operate and maintain the Interconnection Facilities [interconnect­ing ITC with Hydro One Networks Inc. (‘Hydro One’) on the United States-Canada border], including . . . one 675-[Megavolt Ampere (‘MVA’)] phase shift­ing transformer connecting ITC’s Bunce Creek Station located in Maryville, Michigan with Hydro One’s Scott Transformer Station located in Sarnia, Ontario.”[[2]](#footnote-2)

In March 2003, the above-referenced Bunce Creek transformer failed while in service. Thus, in the January 5 Filing, ITC requests that the DOE amend Presidential Permit PP­230-3 to replace the failed Bunce Creek phase shifting transformer ‘‘with two 700-MVA phase shifting transformers connected in series.”[[3]](#footnote-3)

 The Comment date in this docket has been extended to October 14, 2011.

# DESCRIPTION OF INTERVENORS

 The PUCO respectfully moves to intervene in this proceeding because it has inter­ests which may be directly affected by the outcome of the proceeding. The PUCO is the regulator for the electric industry in the state of Ohio. It must balance the needs of multi­ple stakeholders to assure adequacy, retail reliability, and affordability of power sup­plies. It has responsibility to oversee forecasting and planning efforts in this industry. Any activity which has the potential to affect the cost of electricity or its reliabil­ity will affect the activities of this agency and the amendment of Presidential Per­mit PP-230-3 has that potential.

# CORRESPONDENCE AND COMMUNICATION

 The following persons should be included on the official service list in this proceed­ing. All correspondence and communications concerning this matter should be sent to:

|  |  |
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# COMMENTS

 On January 5, 2009, International Transmission Company (ITC) filed a request with the Department of Energy (DOE) to amend Presidential Permit PP-230-3,[[4]](#footnote-4) which authorizes ITC to own and operate specified electric transmission facilities at the Bunce Creek station that interconnects ITC with Hydro One Networks Inc.’s (Hydro One) elec­tric transmission facilities at the United States-Canada border. Under its existing permit, ITC is authorized to own and operate a 675-MVA phase angle regulator (PAR) facility installed at Bunce Creek station. In March 2003, that PAR facility failed while in ser­vice, and ITC seeks permission to replace it with two 700-MVA PAR facilities. The Public Utilities Commission of Ohio (Ohio Commission) hereby submits its comments for review.

# DISCUSSION

ITC’s request that the DOE amend Presidential Permit PP-230-3 is based on the belief that the new PARs will greatly increase the ability to redirect power around the south­ern side of Lake Erie. ITC contends that the impact of the proposed equipment substitu­tion on regional power flows will be significant. Considering the potential impact on interconnected transmission systems within the PJM Interconnection, L.L.C. (PJM) grid, the Ohio Commission strongly recommends that the Operating Agreement be thoroughly reviewed by both interested parties and the appropriate regulatory bodies. The Ohio Commission is uniquely concerned with the potential impact the proposed amend­ment can have on offshore wind facilities along Lake Erie in Ohio. Moreover, the affect on congestion and reliability must be studied. The public interest standard, which governs the issuance of a Presidential Permit, requires the DOE to determine that the opera­tion of cross border facilities do not harm interconnected electric facilities in the United States.

 On March 25, 2011, PJM filed initial comments regarding ITC’s request to amend Presidential Permit PP-203-3.[[5]](#footnote-5) Within its comments, PJM requested specific relief by asking the DOE to:

* provide an opportunity for interested parties to comment on the pending Operat­ing Agreement;
* convene a technical conference at which interested parties can raise their con­cerns with the DOE;
* ensure that the Federal Energy Regulatory Commission’s (FERC) expertise is applied in this matter through the technical meeting and FERC review of the Operating Agreement.[[6]](#footnote-6)

Additionally, on April 25, 2011, FirstEnergy Service Company (FirstEnergy) filed com­ments requesting that the DOE utilize FERC’s expertise in regards to the reliability impacts of the proposed new PARs as they would function pursuant to the Operating Agree­ment.[[7]](#footnote-7) The Ohio Commission endorses the above-mentioned requests for relief submitted by PJM and FirstEnergy and correspondingly asks the DOE to grant them at the appropriate time. The Ohio Commission also requests that the potential affect on offshore wind facilities located on Lake Erie is carefully reviewed during the technical conference.

# CONCLUSION

 As a result of the Ohio Commission’s concerns regarding the potential impact on Ohio utility companies and customers, the PUCO respectfully request that the DOE accept this motion to intervene, and give consideration to the comments herein. The PUCO notes that PJM has filed a Motion to Intervene and Comments[[8]](#footnote-8) in this proceeding and supports that filing and the relief requested therein. Additionally, for the reasons stated herein, the PUCO respectfully requests that the DOE take advantage of FERC’s unique expertise in this area by delegating to FERC the task of examin­ing the potential reliability impacts of ITCs January 5 Filing.

Respectfully submitted,

/s/ Thomas W. McNamee

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**Attorney for the**

**Public Utilities Commission of Ohio**

# CERTIFICATE OF SERVICE

 I hereby certify that I have this day served the foregoing Motion to Intervene Out of time and Comments of the Public Utilities Commission of Ohio to all parties of record in this proceeding.

/s/ Thomas W. McNamee

**Thomas W. McNamee**

Dated at Columbus, Ohio this 11th day of October, 2011.

1. *Int’l Transmission Co. d/b/a ITCTransmission,* DOE Docket No. PP-230-4 (Request to Amend Presidential Permit) (filed Jan. 5, 2009). [↑](#footnote-ref-1)
2. *Int’l Transmission Co. d/b/a ITCTransmission,* DOE Docket No. PP-230-4 (Request to Amend Presidential Permit at 1) (filed Jan. 5, 2009). [↑](#footnote-ref-2)
3. *Id*. [↑](#footnote-ref-3)
4. *Int’l Transmission Co. d/b/a ITCTransmission,* DOE Docket No. PP-230-4 (Request to Amend Presidential Permit) (Jan. 5, 2009). [↑](#footnote-ref-4)
5. *Int’l Transmission Co. d/b/a ITCTransmission,* DOE Docket No. PP-230-4 (Motion To Intervene and Initial Comments of PJM Interconnection, L.L.C. at 2) (March 25, 2011). [↑](#footnote-ref-5)
6. *Id.* [↑](#footnote-ref-6)
7. *Int’l Transmission Co. d/b/a ITCTransmission,* DOE Docket No. PP-230-4, (Motion To Intervene and Initial Comments of FirstEnergy Service Company at 7) (April 25, 2011). [↑](#footnote-ref-7)
8. *Int’l Transmission Co. d/b/a/ ITCTransmission*, DOE Docket No. PP-230-4 (Motion to Intervene and Initial Comments of PJM Interconnection, LLC) (March 25, 2011). [↑](#footnote-ref-8)