

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. 17-0806-EL-BLN
the Heppner 138 kV Switch Substation 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 (Ohio Adm.Code) 4906-6.

Staff recommends the application for automatic approval March 5, 2018, 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 March 5, 2018, which is the recommended automatic approval date.

Sincerely,



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OPSB STAFF REPORT OF INVESTIGATION

Case Number: 17-0806-EL-BLN
Project Name: Heppner 138 kV Switch Substation Project
Project Location: Jackson County
Applicant: AEP Ohio Transmission Company
Application Filing Date: December 4, 2017
Filing Type: Letter of Notification
Inspection Date: February 9, 2018
Report Date: February 26, 2018
Recommended Automatic Approval Date: March 5, 2018
Applicant's Waiver Requests: none
Staff Assigned: J. Pawley, D. Collins, J. Cross, R. Holderbaum, G. Zeto

Summary of Staff Recommendations (see discussion below):

Application: Approval Disapproval Approval with Conditions

Waiver: Approval Disapproval Not Applicable

Project Description

The purpose of this project is to construct a new switch substation in Coal Township in order to accept a third transmission source into the Jackson area from the proposed Rhodes Substation (See Case No. 17-0805-EL-BLN). AEP Ohio Transmission Company (AEP Ohio Transco or Applicant) would construct the new Heppner Switch Station on a 5-acre portion of a larger 40-acre parcel to be purchased by the Applicant. The Applicant states that no additional easements, options, and/or land use agreements would be necessary to construct and operate the facility.

The Heppner switch substation would consist of a surrounding fence, a 138 kilovolt (kV) ring bus, three 138 kV breakers, an access road off of Prices Switch Road, a 16-foot by 27-foot modular control building, and stormwater features at the site. No transformers would be needed at the Heppner Station.

The December 4, 2017 Letter of Notification application included information pertaining to three separate site alternatives. For clarification purposes, this staff report and recommendation pertains to Site Alternative 1 as indicated in the Letter of Notification application. On February 16, 2018, the Applicant filed an adjustment to the layout of the access road proposed for the substation.

The Applicant anticipates that construction of this project would begin by March 2018, and the facility would be placed in service by August 2018. The cost of the project is estimated at \$7.5 million.

Basis of Need

The proposed transmission switching station would add a third transmission source into Jackson County. The new transmission source would feed the Lick-Ross 69 kV circuit from the 138/69 kV transformer at the proposed Rhodes Substation. This would increase reliability to Jackson County by providing the ability to switch between three transmission sources.

The proposed station would be configured as a three-breaker ring bus configuration. Ring bus configurations are more reliable than other types and allow for isolation of bus sections and circuit breakers for maintenance without circuit disruption. The proposed facility would support reliability in the region and allow the transmission system to provide safe, reliable electric service, while meeting all the applicable planning criteria.

The planned project was included in the Applicant's most recent Long-Term Forecast Report filing, Case No. 17-1501-EL-FOR. This project was submitted to PJM Interconnection, LLC (PJM) as a baseline project. PJM assigned the project upgrade ID No. b2885.3. The construction status of transmission project can be tracked on PJM's website.^{1, 2}

Nature of Impacts

Socioeconomic

The project site is part of an undeveloped property, and is presently an open field scrub-shrub lot. The Applicant indicates that the site is not registered as agricultural district land with Jackson County, and the project site does not contain any active agricultural row crop land. No occupied residences are located within 1,000 feet of the site, and no wildlife management areas or nature preserve lands are located within 1,000 feet of the project. Additionally, no commercial or industrial buildings or complexes are located on the proposed switch substation property.

Land use in the vicinity of the project consists of deciduous forest to the north and east and residences approximately 1,000 feet to the southeast and to the southwest. The project is situated between the cities of Coalton and Jackson. No residential structures would need to be removed to construct this project, and minimal tree clearing would be needed to construct the substation.

The Applicant has reviewed mapped mine points in the project area, and conducted field surveys of the substation location, which did not reveal any abandoned underground or surface coal mines, mine entries, or mine subsidence type features. The Applicant also performed subsurface drilling at the site, and preliminary results do not indicate the presence of abandoned underground coal mines at the substation site.

The existing Lick-Ross 69 kV Transmission Line is adjacent to this site. The Lick-Ross Transmission Line was the subject of a 69 kV to 138 kV transmission line rebuild in Case No. 17-0807-EL-BLN (Rhodes-Heppner Switch) and would originate at this substation site. The Rhodes-Heppner Switch 138 kV transmission line project has not started to date.

1. AEP Ohio Transmission Company, "Long-Term Forecast Report to the Public Utilities Commission of Ohio," *Public Utilities Commission of Ohio Case No. 17-1501-EL-FOR*, April 17, 2017.

2. PJM Interconnection, "Transmission Construction Status," accessed February 9, 2018, <http://pjm.com/planning/rtep-upgrades-status/construct-status.aspx>.

Cultural Resources

The Applicant's cultural resources consultant performed a literature review and Phase I cultural resource management investigation (archaeology and history/architecture) for the project in August 2017. The consultant determined that the project would not involve or impact any significant cultural resources or landmarks, and that no further cultural resource management work was considered to be necessary. The findings were submitted to the Ohio Historic Preservation Office (OHPO). The OHPO responded to the consultant on September 6, 2017 in concurrence that this project would not affect historic properties.

Surface Waters

The project area contains one Category 2 wetland and one intermittent stream. Both resources are located on the southwestern edge of the project site and would not be crossed by construction equipment nor impacted during construction. No in-water work is planned in any streams, and no impacts are anticipated. The Applicant stated that it will utilize best management practices, as outlined in the Stormwater Pollution Prevention Plan.

The Applicant would submit a Notice of Intent for coverage under the Ohio Environmental Protection Agency General National Pollutant Discharge Elimination System Permit. The project does not cross a 100-year floodplain and no floodplain permit would be required.

Threatened and Endangered Species

The project lies within the range of the federal and state endangered Indiana bat (*Myotis sodalis*) and the federal threatened northern long-eared bat (*Myotis septentrionalis*). Indiana bat presence in the vicinity of the project has been confirmed. As tree roosting species, these species may be impacted by tree clearing during the summer months. The Applicant states that minimal tree clearing may be required for this project. The Applicant states all tree clearing would occur between October 1 and March 31 in order to minimize impacts to these species.

The project lies within the range of the federal species of concern and state endangered timber rattlesnake (*Crotalus horridus horridus*), the state endangered little spectaclecase (*Villosa lienosa*), the state endangered Ohio lamprey (*Ichthyomyzon bdellium*), the state endangered black bear (*Ursus americanus*), the state threatened mud salamander (*Pseudotriton montanus*), the state threatened Kirtland's snake (*Clonophis kirtlandii*), and the state threatened lake chubsucker (*Erimyzon sucetta*). The USFWS stated that if any caves or abandoned mines may be disturbed, further coordination with their office is requested to determine if fall or spring portal surveys are warranted.

Due to the project's location, the type of habitat at the project site, the mobility of the species, and that no in-water work is proposed, no impacts to these species are anticipated.

Conclusion

Staff's review of the application included consideration of the requirements listed in R.C. 4906.10. Based on Staff's review, the application meets the necessary criteria for granting a certificate. Staff recommends automatic approval of this case on March 5, 2018, provided that the following conditions are satisfied.

Conditions:

- (1) 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, to Staff within seven days of issuance or receipt by the Applicant.
- (2) If geotechnical testing and/or construction reveals that there are underground mines present at the project site, the Applicant shall provide a mitigation plan to Staff that will assure no subsidence impacts on the facility, or select an alternative site without underground mines present and file a separate substation case.
- (3) 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 (USFWS) allows a different course of action.
- (4) If any caves or abandoned mines may be disturbed the Applicant shall coordinate with the USFWS to determine if fall or spring portal surveys are warranted.

This foregoing document was electronically filed with the Public Utilities

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Case No(s). 17-0806-EL-BLN

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