

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

**In the Matter of the Application of Guernsey Power)
Station, LLC for Amendment 2 to the Guernsey Power) Case No. 20-0033-EL-BGA
Station 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 rules. The application in this case is subject to an approval process as required by Section 4906.03 of the Ohio Revised Code.

Respectfully submitted,

Cory W. Butler

Craig Butler
Executive Director
Ohio Power Siting Board

OPSB STAFF REPORT OF INVESTIGATION

Project Name: Guernsey Power Station Project Amendment 2
Case Number: 20-0033-EL-BGA
Project Location: Guernsey County
Applicant: Guernsey Power Station, LLC
Application Filing Date: January 8, 2020
Inspection Date: January 14, 2020
Report Date: March 20, 2020
Applicant's Waiver Requests: None
Staff Assigned: A. Holderbaum, A. Conway, S. Holter

Summary of Staff Recommendations (see discussion below):

Application: ☐ Approval ☐ Disapproval ☒ Approval with Conditions
Waiver: ☐ Approval ☐ Disapproval ☒ Not Applicable

Application Description

Guernsey Power Station, LLC (Applicant) is proposing an amendment to the Guernsey Power Station Project, which was approved by the Ohio Power Siting Board (Board) on October 5, 2017, in Case No. 16-2443-EL-BGN and subsequently amended in Case No. 18-0090-EL-BGA and approved by the OPSB on March 15, 2018. The amendment is for authorization of an additional 225 megawatts (MW) of output for the station that would increase the total output of the station from 1,650 MW to 1,875 MW. The Applicant has determined after completing a final analysis of the station's equipment, that an additional electric generating output of 225 MW can result from Facility operation without the need for equipment changes and with no change in impacts.

Application Review

Electric Grid Interconnection

The proposed facility would interconnect to the electric grid through AEP's existing Kammer-Vassell 765 kilovolt transmission line. The Applicant's original interconnection request for the Guernsey Power Station interconnection was given queue number AB2-067 by PJM Interconnection, LLC (PJM), and was for 1,100 MW. The Applicant's initial application to the Board for this MW output was approved in Case No. 16-2443-EL-BGN. A subsequent interconnection request under queue position AC1-044, filed with PJM by the Applicant, requested an increase of 550 MW over the initial project. The Applicant also submitted an amendment request to the Board for this additional output, which was approved by the Board in Case No. 18-0090-EL-BGA. On March 26, 2018, the Applicant subsequently submitted a new service request to PJM requesting to increase the MW output of the Guernsey Power Station, which was given queue position AD2-189. The request in queue ID AD2-189 would increase the energy output of the facility by an additional 225 MW. The total energy of the combined interconnection

queues AB2-067, AC1-044, and AD2-189 would be 1,875 MW, of which 1,836 MW would be available in the capacity market. The Interconnection Service Agreement for the full 1,875 MW was issued by PJM and approved by the Federal Energy Regulatory Commission in September 2019.^{1, 2, 3}

The capacity market ensures the adequate availability of necessary generation resources can be called upon to meet current and future demand. This means electricity would be available to the system during times of high demand. PJM used a 2021 summer peak power flow model to evaluate the regional reliability impacts. The PJM System Impact Study results did not indicate reliability issues associated with the requested 225 MW increase. The facility would serve the public interest, convenience, and necessity by providing additional electrical generation to the regional transmission grid, would be consistent with plans for expansion of the regional power system, and would serve the interests of electric system economy and reliability.

Social Impacts

Staff finds that the proposed amendment would not alter existing land uses, including agricultural land, residential land, cultural resources or increase the estimated capital costs for the project. Adherence to the conditions of the original certificate, as modified by any subsequent amendments, would minimize impacts to social impacts.

Surface Waters

The proposed amendment would not result in increased impacts to surface waters. Adherence to the conditions of the original certificate, as modified by any subsequent amendments, would minimize impacts to surface waters.

Threatened and Endangered Species

The proposed adjustments would not result in increased impacts to listed wildlife species. Adherence to the conditions of the original certificate, as modified by any subsequent amendments, would minimize impacts to listed species.

Recommended Findings

Staff recommends approval of this amendment provided that the following conditions are satisfied. Staff notes that its recommendation for approval of this amendment should not be construed as a recommendation for approval of cost recovery in any ratemaking proceeding.

1. PJM Interconnection, LLC is the regional transmission organization charged with planning for upgrades and administering the generation queue for the regional transmission system in Ohio. Generators wanting to interconnect to the bulk electric transmission system located in the PJM control area are required to submit an interconnection application for review of system impacts. The interconnection process provides for the construction of expansions and upgrades of the PJM transmission system, as needed to maintain compliance with reliability criteria with the addition of generation in its footprint.

2. PJM Interconnection, LLC, "Queue Numbers AB2-067, AD2-189, and AC1-044," accessed March 16, 2020, <https://pjm.com/planning/services-requests/interconnection-queues.aspx>.

3. Second Amendment Application to the Ohio Power Siting Board for a Certificate of Environmental Compatibility and Public Need. Case No. 20-0033-EL-BGA (January 8, 2020).

Conditions:

- (1) The Applicant shall continue to adhere to all conditions of the Opinion, Order, and Certificate for the Guernsey Power Station project in Case No. 16-2443-EL-BGN, and subsequent amendment application in Case No. 18-0090-EL-BGA, as amended through this application. Condition 7 of the original certificate and Condition 2 of the amended certificate shall be modified to state that the Applicant shall not operate the facility above 1,875 MW.
- (2) Prior to the commencement of construction activities on the power generation components of the facility, the Applicant shall file in the docket of this case an updated Ohio EPA air permit-to-install that shows the power plant capacity of 1,875 MW.
- (3) 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.

This foregoing document was electronically filed with the Public Utilities

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Case No(s). 20-0033-EL-BGA

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