BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

In the Matter of the Letter of Notification Application)	
of AEP Ohio Transmission Company, Inc. for the)	Case No. 21-0860-EL-BLN
Sifford Station Project)	

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

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 (Ohio Adm. Code) 4906-6.

Staff recommends the application for automatic approval September 23, 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 September 23, 2021, which is the recommended automatic approval date.

Sincerely,

Theresa White Executive Director

Ohio Power Siting Board

Meren White

OPSB STAFF REPORT OF INVESTIGATION

Case Number:	21-0860-EL-BLN	
Project Name:	Sifford Station Project	
Project Location:	Fairfield County	
Applicant:	AEP Ohio Transmission Company, Inc.	
Application Filing Date:	August 25, 2021	
Filing Type:	Expedited Letter of Notification	
Inspection Date:	August 31, 2021	
Report Date:	September 16, 2021	
Recommended Automatic Approval Date:	September 23, 2021	
Applicant's Waiver Requests:	None	
Staff Assigned:	T. Crawford, A. Delong, M. Bellamy, A. Renick	
Summary of Staff Recommendations (see discussion below):		
Application: Approval Disapproval Approval with Conditions		
Waiver: ☐ Approval ☐ Disapproval ☒ Not Applicable		

Project Description and Need

AEP Ohio Transmission Company, Inc. (AEP Ohio Transco or Applicant) proposes to build the Sifford Station project, which would consist of constructing a new 138 kilovolt (kV) transmission substation to provide service to a customer's facility. The West Lancaster-Bixby 138 kV transmission line will provide electrical service in a looped configuration to the new station. The Sifford-Ruble 138 kV transmission tie line will provide service to the customer station. The connections of this line to the customer-owned stations would be the subject of a separate application.

The project is needed to provide service to the new customer with an initial load of 100 megawatts (MW), eventually growing to an anticipated peak demand of 300 MW. The completion of the project would allow the customer to proceed with its expansion and development plans in the area. The project is located in Fairfield County. Additionally, the project is needed to resolve increased loading on nearby transmission lines and protect customers from outages that may occur between Sifford and West Lancaster stations.

Upgrades to the transmission system are part of PJM Interconnection, LLC's (PJM) Regional Transmission Expansion Planning (RTEP) process.¹ The need and solution for this project were presented to PJM on February 17, 2021 and May 21, 2021, respectively. The project was assigned the supplemental ID s2527.1.² Supplemental projects or upgrades refer to transmission expansions or enhancements not needed to comply with PJM reliability, operational performance, Federal Energy Regulatory Commission (FERC) Form No. 715 criteria, economic planning, and public policy planning (State Agreement Approach).³

This new substation project is a portion of the overall project to provide service to the customer and would also include installation of two dead-end structures to bring the West Lancaster-Bixby circuit to the Sifford Station, two additional feeds from the Sifford Station to the customer-owned station, upgrades to the West Lancaster Station and the Bixby Station and any needed upgrades to the West Millersport-West Lancaster 138 kV transmission line resulting from the increased loading of this line. By adding breakers and the through-path at Sifford, customers served at Pickerington Road are better protected from any outages that may occur between Sifford and West Lancaster stations. This would eliminate the complete dropping of load that is presently done due to any faults or outages along the line between Bixby and Lancaster stations.

The Applicant expects construction of the project to begin during October 2021 with an in-service date planned for July 2022. The capital cost of the project is estimated to be approximately \$7,500,000.⁴

Nature of Impacts

Land Use

The project would be located in the city of Lancaster, Fairfield County. The footprint of the project would be on agricultural land. The project area consists of agricultural, wood lots, and scattered residential land uses. No residences are within 1,000 feet of the project. The Applicant states there is no anticipated need for tree clearing. No institutional land uses, such as government buildings, schools, churches, or cemeteries were identified within 1,000 feet of the project.

While the project would be located on agricultural land, there are no Agricultural District Land parcels within the footprint of the project.

^{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/postings/2021/aep-local-plan-submission-of-the-supplemental-projects-for-2021-rtep.ashx (Accessed August 27, 2021)

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

^{4.} The Applicant indicates that the cost of the rebuild project is a Class 4 estimate. Approximately \$1.06 million of this amount is Contribution in Aid of Construction (CIAC), to be paid by the customer. The CIAC is attributed to the metering and lines between the Company's Sifford Station and the adjacent Customer Station. The portions of the overall project associated with the through-path, inclusive of the station, which is the subject of this application, are not reimbursable by the Customer and will be included in the FERC formula rate (Attachment H-20), and would be allocated to the customers in the AEP Zone.

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. The project area and vicinity had been surveyed twice in the past and as a result of those surveys 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 in concurrence that this project would not affect historic properties, and that no additional cultural resources studies are needed. Staff agrees with these findings.

Surface Waters

Wetland and stream delineation field surveys were completed within the project area by the Applicant's consultant in April 2021. No wetlands or streams were identified within the project area.

The Applicant reviewed the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map to identify any floodplain/flood hazard areas that have been mapped within the project area (map 39045C0230G). No mapped FEMA floodplains are located in the project area. Therefore, the Applicant will not be pursuing a floodplain permit for this project.

The Applicant would file a Notice of Intent with the Ohio Environmental Protection Agency for authorization of construction stormwater impacts under the National Pollutant Discharge Elimination System General Permit prior to the beginning of construction. The Applicant would implement and maintain best management practices as outlined in the project-specific Storm Water Pollution Prevention Plan to minimize erosion, control sediment, and protect surface water quality during storm events.

Threatened and Endangered Species

The project area is also within range of the state and federal endangered Indiana bat (*Myotis sodalis*), state endangered and federal threatened northern long-eared bat (*Myotis septentrionalis*), state endangered little brown bat (*Myotis lucifugus*), state endangered tricolored bat (*Perimyotis subflavus*), state threatened trumpeter swan (*Cygnus buccinator*), state endangered northern brook lamprey (*Ichthyomyzon fossor*), and state endangered popeye shiner (*Notropis ariommus*). Impacts to these species are not anticipated due to no proposed in-water work, tree clearing, and a lack of impacts to other suitable habitat.

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 approval of this application on September 23, 2021 subject to the following conditions. 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

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Case No(s). 21-0860-EL-BLN

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