

BEFORE THE POWER SITING BOARD OF THE STATE OF OHIO

**In the Matter of the Construction Notice Application of)
Duke Energy Ohio, Inc. for the Stuart Substation) Case No. 21-0927-EL-BNR
Expansion Project)**

Members of the Board:

Chair, Public Utilities Commission	Ohio House of Representatives
Director, Department of Development	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 December 22, 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 objections you or your designee may have with this case to my office at least four business days prior to December 22, 2021, which is the recommended automatic approval date.

Sincerely,



Theresa White
Executive Director
Ohio Power Siting Board

OPSB STAFF REPORT OF INVESTIGATION

Case Number: 21-0927-EL-BNR
Project Name: Stuart Substation Expansion Project
Project Location: Adams County
Applicant: Duke Energy Ohio, Inc.
Application Filing Date: September 22, 2021
Filing Type: Construction Notice
Inspection Date: September 23, 2021
Report Date: December 15, 2021
Recommended Automatic Approval Date: December 22, 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

Duke Energy Ohio, Inc. (Duke Energy or Applicant) proposes to expand the existing perimeter fencing and reposition existing substation equipment to accommodate new equipment at its Stuart Substation. The Applicant states there will be an additional fence installed within the existing substation to separate Duke Energy assets and equipment from those operated electric transmission utilities that presently share the use of the existing substation. Specific activities would include: 1) install a 345 kV breaker between the AES (formerly DP&L) bus and the 345/138 kV transformer; 2) replace the three oil-filled 138 kV breakers; 3) reconfigure the 138 kV bus into a three position ring; 4) terminate in the three positions the 345/138 kV transformer, the 138 kV feeder from Brown Substation, and the 138/69 kV transformer; 5) install a 69 kV breaker connecting the 138/69 kV transformer to the AEP feeder; 6) build a new control building to house protection, controls and communications equipment; and 7) install fencing to separate Duke Energy facilities from AES facilities. The project would be located in Adams County.

The Applicant states that the expansion and upgrades to equipment are needed to improve reliability and service to the residential and commercial customers in the region. The expansion and separation of equipment would also improve security and reliability and would increase Duke Energy's ability to effectively operate its portion of the reconfigured substation.

Upgrades to the transmission system are part of the PJM Interconnection, LLC's PJM Regional Transmission Expansion Planning (RTEP) process.¹ The need and solution for this project were presented to PJM on July 17, 2020 and August 10, 2021, respectively. The project was assigned the supplemental ID s2586.² Supplemental projects or upgrades refer to transmission expansions or enhancements not needed to comply with PJM reliability, operational performance, FERC Form No. 715 criteria, economic planning, and public policy planning (State Agreement Approach).³

The Applicant states that the project was not included in its 2021 Long-Term Forecast Report, as it is simply an expansion of the fence boundary and a separation of Duke Energy Ohio assets from others within an existing substation.⁴ Applicant further states that the transmission line work was not included as it is simply a reconductoring at the same capacity, requiring no new structures or disturbance of ground. But the application states the 138 kV line conductor would be shortened by 95 feet and would run from an existing bus structure within the station to an existing three pole structure located outside the station.

The Applicant anticipates construction to begin during the week of January 2, 2022 with an in-service date of approximately June 1, 2023. The cost of the replacement project is estimated to be \$9,192,176.⁵

Nature of Impacts

Land Use

The project would be located in Sprigg Township, Adams County. The primary land use in the vicinity is industrial. This project would be completely sited within existing right-of-way and easements owned by the Applicant. The project would not take place on any Agricultural District Land parcels, and it is not expected to have any impacts to agricultural land use.

Cultural Resources

The Applicant's cultural resources consultant performed a literature review for the project. 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 consultant concluded that this project would not affect historic or archaeological

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/teac/2021/20211102/20211102-teac-info-only-deok-local-plan-submission-of-the-supplemental-projects-for-2021-rtep.ashx> (Accessed November 12, 2021).

3. PJM Manual 14B: PJM Region Transmission Planning Process, Revision 50, Effective Date: July 1, 2021.

4. Staff notes that Ohio Revised Code (R.C.) requires an LTFR to include "A description of proposed changes in the transmission system planned for the next five years." Since this project is a change to the transmission system, Staff recommends the Applicant include future changes to the transmission system within its LTFR.

5. The Applicant indicates that the costs of the replacement project are projected to be transmission plant and included in the Applicant's FERC formula rate (Attachment H-22), and would be allocated to all customers in Duke Energy Zone transmission system. The costs will be assessed to the retail customers of Duke Energy of Ohio will be recovered through the Base Transmission Rider. Applicant also states the present budget is at a Class 4 or 5 estimate.

properties, and that no additional cultural resources studies are needed. These findings were submitted to the Ohio Historic Preservation Office (OHPO) and in a letter dated August 9, 2021, OHPO concurred that this project would not affect historic or archaeological properties, and that no additional cultural resources studies are needed. Staff agrees with these findings.

*Surface Waters*⁶

The Applicant's consultant conducted a wetland and stream delineation survey on the Stuart Substation property on April 7, 2021. No streams or wetlands were identified in the survey area. The project does not fall within a FEMA 100-year floodplain.

*Threatened and Endangered Species*⁷

On June 28, 2021, the Applicant submitted coordination letters to the U.S. Fish and Wildlife Service (USFWS) and the Ohio Department of Natural Resources (ODNR) seeking environmental review of the project for potential impacts to state and/or federally protected species. Both agencies identified several state and federal listed species within range of the project, however, impacts to these species are not anticipated due to lack of suitable habitat and lack of proposed in-water work or tree clearing.

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 December 22, 2021, subject to the following

6. The Ohio EPA website states: "The Division of Surface Water ensures compliance with the federal Clean Water Act, and works to increase the number of water bodies that can be safely used for swimming and fishing. The division issues permits to regulate wastewater treatment plants, factories and storm water runoff; develops comprehensive watershed plans aimed at improving polluted streams, lakes and wetlands — including fish, aquatic insects and plants — to determine the health of Ohio's water bodies." (Ohio EPA, *About Us: Surface Water*, <https://www.epa.ohio.gov/About#127147228-surface-water>); The U.S. Army Corps of Engineers website states: "The U.S. Army Corps of Engineers (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." (USACE, *Obtain a Permit*, <https://www.usace.army.mil/Missions/Civil-Works/Regulatory-Program-and-Permits/Obtain-a-Permit/>); The Ohio Department of Natural Resources (ODNR) website states: "The Division of Water Resources manages statewide oversight of dams & levees, floodplains, and the collection and management of data related to the state's water resources." (ODNR, *Division of Water Resources*, <https://ohiodnr.gov/wps/portal/gov/odnr/discover-and-learn/safety-conservation/about-odnr/water-resources/water-resources>).

7. Based on agency coordination with the USFWS and ODNR, identified species of concern are, in general, defined as 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 R.C. 1518.01-1518.99; 1531.25; and 1531.99. *See also e.g.*, R.C. 1531.08 states, in part: "In conformity with Section 36 of Article II, Ohio Constitution, providing for the passage of laws for the conservation of the natural resources of the state, including streams, lakes, submerged lands, and swamplands, and in conformity with this chapter and Chapter 1533 of the Revised Code, the chief of the division of wildlife has authority and control in all matters pertaining to the protection, preservation, propagation, possession, and management of wild animals and may adopt rules under section 1531.10 of the Revised Code for the management of wild animals." 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/odnr/discover-and-learn/safety-conservation/about-ODNR/wildlife/stste-listed-species>).

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.
- (3) The Applicant shall contact Staff, the ODNR, and the USFWS within 24 hours if state or federal listed species are encountered during construction activities. Construction activities that could adversely impact the identified plants or animals shall be immediately halted until an appropriate course of action has been agreed upon by the Applicant, Staff, and the appropriate agencies.

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

12/15/2021 10:41:35 AM

in

Case No(s). 21-0927-EL-BNR

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