

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. 21-1083-EL-BLN**
Innovation 138 kV Station 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 February 28, 2022, 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 February 28, 2022, which is the recommended automatic approval date.

Sincerely,



Theresa White
Executive Director
Ohio Power Siting Board

OPSB STAFF REPORT OF INVESTIGATION

Case Number: 21-1083-EL-BLN
Project Name: Innovation 138 kV Station Project
Project Location: Licking County
Applicant: AEP Ohio Transmission Company, Inc.
Application Filing Date: November 29, 2021
Filing Type: Letter of Notification
Inspection Date: January 21, 2022
Report Date: February 18, 2022
Recommended Automatic Approval Date: February 28, 2022
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. (Applicant) has proposed to build the Innovation Station project, which would consist of constructing a new 138 kilovolt (kV) transmission substation to provide service to a new customer's facility. The station would be built on property owned by the customer, so no new easements or agreements would be necessary. The Babbitt-Kirk 138 kV transmission circuit would provide electrical service in a looped configuration to the new station operated in the 'breaker and half' configuration. Additionally, the existing Conesville-Corridor 345 kV transmission line that crosses over the proposed site of the station would need to be relocated for the construction of the substation. The line extension from the Babbitt-Kirk 138 kV circuit to the new station, the line extension from the station to the customer, and the relocation of the Conesville-Corridor 345 kV line would be the subjects of separate applications.

The project is needed to provide service to the new customer with an initial load of 64 megawatts (MW), eventually growing to an anticipated peak demand of 256 MW. By adding breakers at the Innovation Station, the Applicant would create a through-path, thereby improving reliability and reducing exposure to outages to existing customers served by the Hazelton Switch. The completion of the project would allow the customer to proceed with its expansion and development plans in the area.

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 December 18, 2020 and July 17, 2021, respectively. The project was assigned the supplemental ID s2578.1.² 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

The Applicant expects construction of the project to begin during April 2022 with an in-service date planned for March 2023. The capital cost of the project is estimated to be approximately \$12,480,000.⁴

Nature of Impacts

Land Use

This project would be located in Jersey Township in Licking County. The primary land use in the project area is approximately 17.8 acres of rural agricultural, with scattered fields and wooded areas and residences. The substation property is owned by the customer and the Applicant states it has obtained the necessary land use agreement. There are no parks, churches, cemeteries, wildlife management areas or nature preserves within 1,000 feet of the project area.

The Applicant consulted the Licking County Auditor's office in October 2021 and found that the project would not be located on any Agricultural District Land parcels.

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 transmission line project. From the literature review, the consultant identified no previously identified archaeological sites within the project area. During the Phase I survey, the consultant identified one new archaeological site within the project area. The consultant recommended that the new archaeological site is not eligible for listing in the National Register of Historic Places. Two historic resources were identified within the area of potential effect, but the consultant recommended that the resources are not eligible for listing in the National Register of Historic Places. The findings were submitted to the Ohio Historic Preservation Office (OHPO). The OHPO

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/teac/2021/20211102/20211102-teac-info-only-aep-local-plan-submission-of-the-supplemental-projects-for-2021-rtep.ashx> (Accessed January 13, 2022)

3. PJM Manual 14B: PJM Region Transmission Planning Process, Revision 50, Effective Date: July 1, 2020.

4. The Applicant indicates that the cost of the rebuild project is a Class 4 estimate. The costs for the project would be recovered in the AEP Ohio Transmission Company's FERC formula rate (Attachment H-20 to the PJM OATT), and would be allocated to the customers in the AEP Zone. The Applicant states that a Contribution in Aid of Construction is not required for this project. The Applicant indicates that the cost of the rebuild project is a Class 4 estimate. The costs for the project would be recovered in the AEP Ohio Transmission Company's FERC formula rate (Attachment H-20 to the PJM OATT), and would be allocated to the customers in the AEP Zone. The Applicant states that a Contribution in Aid of Construction is not required for this project.

responded to the consultant in concurrence that this project would not affect archaeological or historic properties, and that no additional cultural resources studies are needed. Staff agrees with these findings.

*Surface Waters*⁵

The Applicant's consultant conducted a wetland and stream delineation survey in the project area on June 3, 2021.⁶ The consultant identified two Category 1 palustrine emergent wetlands and no streams or ponds. The Applicant has sited the facility to avoid these wetlands, thus no impacts to surface water are anticipated.

The Applicant would file a Notice of Intent with the Ohio Environmental Protection Agency for authorization of construction storm water discharge under the National Pollutant Discharge Elimination System General Permit for Discharges of Storm Water Associated with Construction Activity OHC000005. The Applicant would implement and maintain best management practices as outlined in the project-specific Storm Water Pollution Prevention Plan minimize erosion and sediment to project surface waters during storm events.

The project does not overlap with any floodplains of the Federal Emergency Management Agency.

*Threatened and Endangered Species*⁷

The Applicant submitted coordination letters to the Ohio Department of Natural Resources (ODNR) and the U.S. Fish and Wildlife Service (USFWS) on October 5, 2021. This project is

5. 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>).

6. Wetlands falling within the purview of the Clean Water Act are regulated within Ohio by R.C. 6111, et seq. and Ohio Adm.Code 3745-1-50, et seq. Ohio Adm.Code 3745-1-54 establishes wetland categories.

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

within range of state and/or federal listed species, including four bat, one fish, and three bird species. Due to the lack of proposed tree clearing, in-water work, and suitable habitat, impacts to these species are not 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 approval of this application on February 28, 2022 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.
- (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.

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>).

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

2/18/2022 2:01:58 PM

in

Case No(s). 21-1083-EL-BLN

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