

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF BIG RIVERS)	
ELECTRIC CORPORATION FOR A CERTIFICATE)	CASE NO.
OF PUBLIC CONVENIENCE AND NECESSITY TO)	2022-00012
CONSTRUCT A 161 KV TRANSMISSION LINE IN)	
HENDERSON COUNTY, KENTUCKY)	

ORDER

On February 10, 2022, Big Rivers Electric Corporation (BREC) filed an application, pursuant to KRS 278.020(2); 807 KAR 5:001, Sections 15 and 19; and 807 KAR 5:120 seeking:

1. A Certificate of Public Convenience and Necessity (CPCN) authorizing it to construct a 7.1 mile long, 161 kilovolt (kV) transmission line in Henderson County, Kentucky;
2. A finding that no CPCN is required for the construction of a new switching station and a new substation associated with the new transmission line, or alternatively, a CPCN for any of these projects for which the Commission determines a CPCN is required;
3. The flexibility to move the proposed transmission line up to 500 feet in either direction of the centerline as shown on the route maps filed with the application; and
4. If the Commission determines a CPCN is required for the switching station or the substation, the flexibility to move the switching station or the substation from the

location shown on the maps provided with the application so long as the switching station or substation is not moved onto property owned by a different property owner.

BREC stated that it is seeking authority for these improvements to provide wholesale service to Kenergy Corp (Kenergy) to serve load growth resulting from Pratt Industry LLC's (Pratt) future facility to be located in Henderson County, Kentucky. The total estimated cost of the projects is \$20,200,000, including capitalized interest and estimated purchase prices for right-of-way land.¹ BREC plans to initially fund the proposed projects with general cash reserves but also plans to investigate possible financing.² BREC estimated the cost of operation for the projects, including the cost of taxes and operation and maintenance expenses to be approximately \$267,064 per year,³ according to historical averages.

The Commission established a procedural schedule for the orderly processing of this matter by Order on February 21, 2022,⁴ and provided for a deadline to request intervention in this matter. Several requests for intervention were made. On February 28, 2022, Thomas and Jennifer Greenwell requested intervention on behalf of Cypress Flats Land Company LLC (Cypress Flats). On March 2, 2022, the Commission denied the request and required any future request for intervention on behalf of Cypress Flats to be filed by an attorney licensed to practice law in Kentucky, as required by Commission

¹ Application at 6.

² Application, Exhibit A, Direct Testimony of Christopher Bradley (Bradley Direct Testimony) at 6. BREC's Response to Commission Staff's Third Request (Response to Staff's Third Request) (filed May 17, 2022), Item 6.

³ Application at 7. (\$46,590 (cost per year to operate the transmission line) + \$220, 0474 (cost per year to operate the switching station and the substation combined) = \$267,064.)

⁴ On April 13, 2022, the Commission amended the procedural schedule, but the deadline to request intervention was not impacted by the amendment.

regulation 807 KAR 5:001, Section 4(4). On March 2, 2022, Cypress Flats, by and through counsel, filed a motion to intervene, as did William R. Ray, Jr., LLC (William R Ray Jr.); Neal Greenwell Farmland LLC (Greenwell); and Robert and Shirley Harrison (the Harrisons). On March 16, 2022, the Commission granted Cypress Flats, William R Ray Jr., Greenwell, and the Harrisons intervention. BREC responded to three requests for information from Commission Staff.⁵ No intervenor filed requests for information or verified written testimony. The Commission held a formal hearing in this matter on May 31, 2022. Following the hearing, no party requested to file a memorandum brief. Therefore, the record is complete, and the matter stands ready for a decision.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that BREC's request for a CPCN for the 161 kV transmission line is granted, subject to the conditions discussed below. Further, the Commission finds that a CPCN is required for the switching station and the substation BREC plans to construct in relation to this transmission line. The Commission finds that BREC has provided sufficient evidence that these related projects are needed and do not result in wasteful duplication. Therefore, the Commission finds that a CPCN is granted for these projects as well.

BACKGROUND

BREC is a rural electric cooperative corporation organized pursuant to KRS Chapter 279.⁶ BREC owns generating assets and purchases, transmits, and sells

⁵ BREC's Response to Commission Staff's First Request for Information (Staff's First Request) (filed Mar. 21, 2022), BREC's Revised Response to Staff's First Request for Information, Item 13 (filed Apr. 1, 2022), BREC's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed Apr. 18, 2022), and BREC's Response to Commission Staff's Third Request for Information (Staff's Third Request) (filed May 17, 2022).

⁶ Application at 4.

electricity at wholesale. BREC's principal purpose is to provide the wholesale electricity requirement of its three distribution cooperative members: Jackson Purchase Energy Corporation, Kenergy, and Meade County Rural Electric Cooperative.⁷

BREC stated that Pratt plans to build a \$500 million paper mill in Henderson, Kentucky, and that other load growth is also likely in this area.⁸ Pratt projects that the new paper mill will contribute approximately 700 construction jobs and will create 320 full-time jobs.⁹

PROPOSED TRANSMISSION PROJECTS

BREC's proposed construction project consists of three components: (1) Project A, the 161 kV transmission line; (2) Project B, the South Henderson Switching Station; and (3) Project C, the Henderson Paper Mill Substation.

Project A

Project A consists of the construction of a 7.1 mile, 161 kV transmission line from the proposed South Henderson Switching Station (Project B), to be located on Toy Anthoston Road in Henderson County, to the proposed Henderson Paper Mill Substation (Project C).¹⁰ The route for this line requires a new right-of-way, which will parallel existing transmission lines and Kentucky Highway 425. Project A also requires the re-routing and

⁷ Application at 4.

⁸ Application at 3.

⁹ Application, at 3.

¹⁰ Bradley Direct Testimony at 3.

re-termination of three existing 161 kV lines¹¹ into the switching station. BREC estimated that the total construction cost for Project A to be \$9,375,000.¹²

The Route for Project A

BREC contracted with Team Spatial to conduct a siting study¹³ to inform the selection of the route for the proposed 161 kV transmission line. The methodology used in the siting study was drawn from the Electric Power Research Institute, Georgia Transmission Corporation Siting Methodology, and the Kentucky Siting Model.¹⁴ The siting study evaluated many features of the engineering environment, natural environment, and built environment along six alternate routes (Route A through Route F) for the proposed transmission line. Route C was selected as the preferred route.¹⁵ Route C comes out of the proposed South Henderson Switching Station to the northwest paralleling the existing Henderson Municipal Power & Light (HMP&L) 161 kV transmission line to the south.¹⁶ The route continues to parallel HMP&L's existing 161 kV transmission line until the route crosses over the Henderson Bypass when it turns to the left to parallel the Henderson Bypass on the northern side of the road. Once the route comes upon three other transmission lines¹⁷ that are traveling northwest to southeast, the route takes

¹¹ Bradley Direct Testimony at 3. Two of the three 161 kV lines are owned by BREC and a third is owned by HMP&L. The lines are BREC's Henderson and Reid lines and HMP&L 4.

¹² Bradley Direct Testimony at 6.

¹³ Application, Exhibit D.

¹⁴ Application, Exhibit D at 6.

¹⁵ Application, Exhibit D at 58.

¹⁶ BREC's Response to Staff's Second Request, Item 2. This existing 161 kV line is not owned by BREC. It is owned by HMP&L. The proposed 161 kV line addition is needed to connect the Henderson Paper Mill Substation to the nearest BREC 161 kV transmission line.

¹⁷ Application, Exhibit D at 59 and 61. These transmission lines are 69 kV, 161 kV, and 345 kV lines.

a right turn to head northwest paralleling the existing transmission lines on the northern side. Finally, the route parallels the existing 69 kV transmission line until it reaches the proposed Henderson Paper Mill Substation on the right.¹⁸

BREC proposed to construct the transmission line with H-frame structures and three-pole dead-end angle structures.¹⁹ BREC stated it will use conventional construction equipment to frame and install the poles, and that the electrical conductor will be strung, dead-ended and clipped-in using conventional equipment and processes.²⁰

Project B

Project B consists of construction of a 161 kV switching station to be known as the South Henderson Switching Station. The switching station will provide a 161 kV line terminal for new transmission service to Pratt. The switching station will re-terminate the existing 161 kV lines that are connected at the Reid-Henderson-HMP&L Tap that serves the BREC Reid, BREC Henderson County, and HMP&L Substations. BREC stated that the proposed switching station improves reliability to these existing substations by breaking up the existing three-terminal configuration so that any transmission line fault will be isolated to the faulted line segment while maintaining service to the other line segments serving these substations.²¹ Further, BREC stated that it will construct the switching station on an expandable footprint to allow for future 161 kV and 69 kV facilities

¹⁸ Application, Exhibit D at 59.

¹⁹ Application at 6.

²⁰ Application at 6.

²¹ Bradley Direct Testimony at 4.

to enhance the reliability and capacity of its 69 kV system in this service territory.²² BREC estimated the total cost for construction of Project B to be \$6,070,000.²³

Project C

Project C consists of the construction of a 161/12.47 kV substation to be known as the Henderson Paper Mill Substation and to be located at 5908 KY-425 Henderson, Kentucky. The substation will be equipped with two transformers, two 161 kV breakers, two 13 kV breakers, metering equipment, and a protective relaying and control house.²⁴ BREC estimated that the total cost to construct Project C is \$4,755,000.²⁵ The substation will be built on property owned by Henderson Economic Development, which will be gifted to BREC.²⁶

LEGAL STANDARD

The Commission's standard of review regarding a CPCN is well settled. Under KRS 278.020(1), no utility may construct or acquire any facility to be used in providing utility service to the public until it has obtained a CPCN from this Commission. Certain exceptions to this requirement are set forth in KRS 278.020(1)(a), including an exception for projects that are ordinary extensions of existing systems in the usual course of business. However, KRS 278.020(2) states that any electric transmission line of more than 138 kV and more than 5,280 feet in length shall not be considered ordinary

²² Bradley Direct Testimony, at 4.

²³ Bradley Direct Testimony, at 6.

²⁴ Bradley Direct Testimony, at 4.

²⁵ Bradley Direct Testimony, at 6.

²⁶ Response to Staff's First Request, Item 16.

extensions of an existing system in the usual course of business, and such transmission lines shall require a CPCN.

To obtain a CPCN, the utility must demonstrate a need for such facilities and an absence of wasteful duplication.²⁷

“Need” requires:

[A] showing of a substantial inadequacy of existing service, involving a consumer market sufficiently large to make it economically feasible for the new system or facility to be constructed or operated.

[T]he inadequacy must be due either to a substantial deficiency of service facilities, beyond what could be supplied by normal improvements in the ordinary course of business; or to indifference, poor management or disregard of the rights of consumers, persisting over such a period of time as to establish an inability or unwillingness to render adequate service.²⁸

“Wasteful duplication” is defined as “an excess of capacity over need” and “an excessive investment in relation to productivity or efficiency, and an unnecessary multiplicity of physical properties.”²⁹ To demonstrate that a proposed facility does not result in wasteful duplication, we have held that the applicant must demonstrate that a thorough review of all reasonable alternatives has been performed.³⁰ The fundamental principle of reasonable, least-cost alternative is embedded in such an analysis. Selection

²⁷ *Kentucky Utilities Co. v. Pub. Serv. Comm'n*, 252 S.W.2d 885 (KY. 1952).

²⁸ *Kentucky Utilities Co. v. Pub. Serv. Comm'n*, 252 S.W.2d 885, at 890.

²⁹ *Kentucky Utilities Co. v. Pub. Serv. Comm'n*, 252 S.W.2d 885, at 890.

³⁰ Case No. 2005-00142, *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for the Construction of Transmission Facilities in Jefferson, Bullitt, Meade, and Hardin Counties, Kentucky* (Ky. PSC Sept. 8, 2005).

of a proposal that ultimately costs more than an alternative does not necessarily result in wasteful duplication.³¹ All relevant factors must be balanced.³²

DISCUSSION AND FINDINGS

Applicability of KRS 278.020

Because the proposed transmission line is in excess of 138 kV and longer than one mile, Project A as proposed by BREC requires a CPCN. BREC maintained that Projects B and C, the South Henderson Switching Station and the Henderson Paper Mill Substation, respectively, do not require a CPCN because both are ordinary extensions of an existing system in the usual course of business.³³ To support its position, BREC maintained that the investment required to construct these facilities is insufficient to cause a material financial impact to BREC, and will not result in an increase in wholesale rates.³⁴ Additionally, BREC asserted that neither facility competes with existing certificates or the service of other utilities, or results in wasteful duplication of plant, equipment, or facilities.³⁵

The need for the new switching station and the new substation stems from the need to serve Pratt, a new customer, not a need to upgrade or extend BREC's system in the usual course of business. Additionally, the switching station and substation are

³¹ See *Kentucky Utilities Co. v. Pub. Serv. Comm'n*, 390 S.W.2d 168, 175 (Ky. 1965). See also Case No. 2005-00089, *The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct a 138 kV Electric Transmission Line in Rowan County, Kentucky* (Ky. PSC Aug. 19, 2005).

³² Case No. 2005-00089, *East Kentucky Power Cooperative, Inc.* (Ky. PSC Aug. 19, 2005), final Order at 6.

³³ BREC's Response to Staff's First Request, Item 16.

³⁴ BREC's Response to Staff's First Request, Item 16.

³⁵ BREC's Response to Staff's First Request, Item 16.

components in a multi-faceted plan to serve Pratt. They are not isolated or individual projects. BREC stated that without Pratt, they would not be proposing Project A, B or C.³⁶ The Commission finds that, as components of an electric transmission project to serve a new customer, the proposed South Henderson Switching Station and the Proposed Henderson Paper Mill Substation require a CPCN.³⁷

Need

BREC has an obligation to provide Kenergy with sufficient wholesale power to serve all retail customers who wish to take service in Kenergy's service territory. BREC asserted that the additional load of Pratt would exceed the capacity of the existing 69 kV line.³⁸ The reliability and power quality issues with serving Pratt from the existing 69 kV network include line overloading and voltage issues. A Midcontinent Independent System Operator (MISO) Transmission Expansion Plan (MTEP) 2020 series model was used to study the option to serve Pratt on the 69 kV system.³⁹ The study showed under voltage issues in each scenario at the projected load, and voltage as low as 0.79 per unit. In the three scenarios studied, 15 different 69 kV line sections, totaling 48.7 miles, and two 161/69 kV transformers were thermally overloaded.⁴⁰

³⁶ Hearing Video Transcript (HVT) of the May 31, 2022 Hearing at 10:01:00.

³⁷ See Case No: 2019-00270, *Application of Big Rivers Electric Corporation for a Certificate of Public Convenience and Necessity to Construct a 161 KV Transmission Line in Meade County, Kentucky* (Ky. PSC Jan. 23, 2020). The Commission found that all components of the transmission project needed to serve Nucor required a CPCN because they were part of a multi-faceted plan to serve a new customer.

³⁸ BREC's Response to Staff's Third Request, Item 2b.

³⁹ BREC's Response to Staff's Third Request, Item 2c.

⁴⁰ BREC's Response to Staff's Third Request, Item 2c, and Attachment to Item 2.

Because BREC's current system, including the current 69 kV line, will not accommodate the added load of Pratt, BREC proposed to serve Pratt from its closest existing 161 kV transmission line. To accomplish this, BREC proposed to build the Henderson Paper Mill Substation adjacent to the Pratt facility and connect to BREC's nearest 161 kV existing transmission line, approximately 7.1 miles away, by constructing the proposed 161 kV transmission line addition.⁴¹ BREC stated that the proposed South Henderson Switching Station will allow the new 161 kV transmission line to connect with the existing BREC owned 161 kV transmission line.⁴²

BREC's need for the proposed projects is rooted in its obligation to provide Kenergy with sufficient wholesale power to accommodate Pratt's need for retail power. Christopher Bradley, Vice President of System Operations for BREC testified at the May 31, 2020 hearing that without Pratt, none of the proposed projects would have been proposed at this time.⁴³ Although no wholesale or retail power service agreements have yet been finalized and filed with the Commission for approval, BREC has presented evidence that Pratt will follow through with its plans to build a paper mill at the proposed location in Henderson County. Construction of the facility is underway and Kenergy has provided a transformer and construction power to the site.⁴⁴ Pratt has posted a surety bond, and the bond will remain posted throughout construction.⁴⁵ Further, Mr. Bradley

⁴¹ Response to Staff's Second Request, Item 2b

⁴² Response to Staff's Second Request, Item 2b.

⁴³ HVT at 10:01:00.

⁴⁴ HVT of the May 31, 2022 Hearing at 10:02:00 through 10:04:38.

⁴⁵ HVT of the May 31, 2022 Hearing at 10:04:39 through 10:05:05.

testified that the wholesale and retail agreements are “being finalized as we speak.”⁴⁶ Given these factors the Commission finds that BREC has demonstrated a need for the proposed projects.

Lack of Wasteful Duplication

Because BREC has the obligation to provide Kenergy with sufficient wholesale power to meet the retail needs of Kenergy’s customers, and BREC’s current facilities are inadequate, the Commission has found that BREC has demonstrated a need for these proposed facilities. Because adequate facilities to provide service to Pratt currently do not exist on BREC’s system and BREC has the obligation to provide sufficient wholesale power to serve Pratt, the construction of these proposed facilities will not duplicate the facilities currently on BREC’s system. However, the analysis to determine whether the proposed facilities result in wasteful duplication requires additional consideration. It must be determined that all reasonable alternatives were considered, and that the alternative chosen is the most reasonable alternative considering all relevant factors.

The intervenors in this proceeding appear to be concerned with BREC’s proposed route of the transmission line.⁴⁷ The Commission’s consideration of proposed routes of transmission lines is limited to its review of the utility’s performance of analyses indicating the lack of wasteful duplication. In conducting this review, the Commission must determine whether the proposed route is reasonable, given the totality of the

⁴⁶ HVT of the May 31, 2022 Hearing at 10:05:06 through 10:05:43.

⁴⁷ HVT of the May 31, 2022 Hearing at 9:34:19 through 9:51:45. Although the intervenors provided no testimony, counsel for the intervenors questioned BREC’s witness extensively about why BREC selected Route C instead of the route identified in BREC’s Response to Staff’s First Request, Item 10. BREC did not indicate if the route discussed in its response was one of the alternate routes considered in the siting study.

circumstances, including, but not limited to, cost. For example, when presented with a proposed route that is longer and more costly than an alternative, but the alternative would require the utility to purchase and destroy a number of residences, the Commission in consideration of the risk of timely constructability, may conclude that the proposed route was the more reasonable choice despite the greater cost. In such a hypothetical scenario, the Commission may find that there was no wasteful duplication of plant, equipment, or facilities even though the proposed route was merely more costly than an identified alternative.

It is important to note that the Commission has no statutory authority to select the specific route of a proposed transmission line. KRS 278.020(1)(b) gives the Commission authority to issue a CPCN, refuse a CPCN, or issue a CPCN, in part, and refuse it, in part. In prior cases where the Commission found that a utility has demonstrated a need for a proposed transmission line, but found insufficient evidence to determine whether the utility adequately evaluated alternative routes before selecting a preferred route, the Commission found that need existed, but that the utility had not demonstrated a lack of wasteful duplication, and therefore, denied the CPCN application.⁴⁸ In performing its review, the Commission must determine if the utility has meaningfully considered

⁴⁸ See Case No. 2005-00089, *The Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct a 138 kV Transmission Line in Rowan County, Kentucky* (Ky. PSC Aug. 19, 2005); Case No. 2005-00142 *Joint Application of Louisville Gas and Electric Company and Kentucky Utilities Company for the Construction of Transmission Facilities in Jefferson, Bullitt, Meade, and Hardin Counties, Kentucky* (Ky. PSC Sep. 8, 2005); Case No. 2005-00154 *Application of Kentucky Utilities Company for a Certificate of Public Convenience and Necessity for the Construction of Transmission Facilities in Anderson, Franklin, and Woodford Counties, Kentucky* (Ky. PSC Sep. 8, 2005). In these cases, the Commission found that the proposed facilities were needed, but that the utility had not adequately explored alternatives, specifically alternate routes for the proposed transmission lines. The Commission denied the applications because the utilities had not demonstrated that the proposed projects would not result in wasteful duplication.

alternatives (including alternate routes) and made a reasonable choice, given the totality of the circumstances.

Here, BREC has considered an alternative to the proposed projects and has considered alternate routes for the proposed transmission line. BREC stated that it considered including an additional 161 kV terminal at the Reid EHV Substation, rebuilding 12 miles of 69 kV line to accommodate a 161 kV conductor, and constructing 6.5 miles of new 161 kV transmission line instead of the proposed projects.⁴⁹ This alternative would not have required the construction of the South Henderson Switching Station,⁵⁰ but it would have required completely replacing the structures used along the 12-mile, 69 kV line, as well as constructing 6.5 miles of new 161 kV line. The estimated cost of constructing this alternative is \$24,800,000.⁵¹ BREC stated that although this alternative partially traversed an existing right-of-way, and therefore the cost of acquiring additional easements could potentially be less than the proposed route, the overall cost of construction is more than the proposed projects due to the expense of replacing wooden poles with the steel structures needed to accommodate the 161 kV line.⁵² The proposed project entails constructing 7.1 miles of 161 kV transmission line. Because the existing 69 kV line would require a complete rebuild to accommodate a 161 kV line, the total number of miles of constructed transmission line would be 18.5 miles for the alternative

⁴⁹ Response to Staff's First Request, Item 10.

⁵⁰ HVT of the May 31, 2022 Hearing 9:34:00 through 9:44:00.

⁵¹ Response to Staff's First Request, Item 11.

⁵² HVT of the May 31, 2022 Hearing 9:39:00 through 9:46:00

verses 7.1 miles for the proposed project. The cost of the alternative is \$4,600,000 more than the proposed projects.⁵³

In an effort to explore alternate routes for the proposed transmission line and determine the preferred route, BREC hired Team Spatial to conduct a siting study to consider alternate routes for the proposed transmission line. The study selected a route based on the application of a methodology previously used by a utility where the Commission approved a CPCN.⁵⁴ Based upon the studies of alternatives and the alternate routes, as well as the associated supporting documentation, the Commission finds that there is no wasteful duplication of plant, equipment, or facilities involved with the proposed projects.

Request to Move the Centerline 500 Feet

The Commission finds that BREC's request to move the location of the proposed transmission line up to 500 feet on either side of the centerline as shown on the maps filed with the application so long as no new property owners are affected to be excessive, without conditions. BREC indicated in its response to Staff's First Request, Item 13, and again in its response to Staff's Second Request, Item 3, that it does not anticipate a need to move the line 500 feet. BREC stated that it had a high degree of confidence in the feasibility of building the transmission line along the proposed route.⁵⁵ Additionally, BREC

⁵³ \$24,800,000 (cost of alternative) - \$20,200,000 (cost of proposed) = \$4,600,000.

⁵⁴ See Case No. 2019-00417 *Electronic Application of Big Rivers Electric Corporation for a Certificate of Public Convenience and Necessity to Construct and Acquire a 345 kV Transmission Line in Meade County, Kentucky* (Ky. PSC May 1, 2020).

⁵⁵ BREC's Response to Staff's First Request, Item 13.

has completed 50 percent of the necessary boring studies and has found no need to move the location of the line.⁵⁶

The Commission understands that some degree of flexibility is needed and therefore finds that BREC shall have the authority to move the proposed transmission line up to 100 feet in either direction from the centerline as it appears on the maps that accompanied BREC's application, solely for utility constructability reasons, as long as no additional property owner is affected. Additionally, the Commission finds that if BREC discovers a need, as identified in its response to Staff's First Request, Item 13, to move the location of the transmission line more than 100 feet from the centerline as identified in the application, and no additional property owner is affected by the move, then BREC shall file a motion in this proceeding to request approval for such a move. The motion shall identify the proposed location of the centerline, the affected landowner(s), and state in detail and with technical specificity the need for the proposed modification. BREC shall serve the motion for approval to move the centerline on any affected landowner(s), even if not a party to this proceeding. Upon receiving adequate information to thoroughly consider the request, the Commission will use its best efforts to rule upon such motions within 14 days. However, the Commission does find that flexibility is necessary in the event BREC proposes to move the transmission line at the request of affected landowners. Therefore, in the event BREC proposes to move the line within the proposed 1,000-foot corridor, for the sole purpose and in response to an affected landowner's request, it shall have the authority to do so without any requirement to seek Commission approval, as long as no additional property owner is affected by the move. BREC shall

⁵⁶ HVT of the May 31, 2022 Hearing 9:18:00 through 9:19:40.

notify the Commission of any move in excess of 50 feet in order to accommodate affected landowners' requests by filing a notice in the post-hearing correspondence file of this matter. Any notice should identify the landowner's request, the new route, and any other relevant information BREC seeks to provide to the Commission as part of its notice.

If BREC discovers a need to move the location of the transmission line more than 500 feet in either direction of centerline as proposed in this application, or if BREC discovers a need to move the transmission line on a path that will affect the property of an additional property owner, either by including the additional property in the path of the line or in the right-of-way, then BREC must file a new application for a CPCN.

The Commission finds that BREC's request for authority to move the location of the switching station and the substation as explained above is reasonable and is therefore granted.

IT IS THEREFORE ORDERED that:

1. BREC is granted a CPCN to construct and operate the 161 kV transmission line, the South Henderson Switching Station, and the Henderson Paper Mill Substation set forth in its application.
2. BREC shall follow the process set forth in this Order if constructability concerns require that the location of the proposed transmission line be moved more than 100 feet in any direction from the location as identified in the application.
3. BREC is granted authority to move the location of proposed transmission line up to 500 feet in either direction from the centerline as proposed in the application for the sole purpose of responding to a landowner request.

4. BREC shall notify the Commission of any move of the transmission line that is greater than 50 feet and made in response to a landowner request by filing a notice into the post-case correspondence file of this proceeding as set forth in this Order.

5. BREC's request for authority to move the location of the switching station and the substation from the proposed locations as long as the facilities are not moved onto the property of another property owner is granted.

6. BREC shall file a survey of the final location of the transmission facilities after any modifications are finalized as authorized by this Order and before construction begins.

7. BREC shall file as built drawings and maps within 60 days of the completion of the construction authorized by this Order.

8. BREC shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs, including, but not limited to, engineering, legal, and administrative expenses, within 60 days of the date construction is substantially completed. Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for electric utilities prescribed by the Commission.

9. BREC shall file with the Commission any permits acquired in connection with this project within 30 days of issuance of the permit.

10. BREC shall apply for a CPCN for a modified route if another agency requires an alteration of the line that does not meet all of the conditions listed above.

11. Any document filed in the future pursuant to ordering paragraphs 2 through 10 shall reference this case number and shall be retained in the post-case correspondence file.

12. This case is closed and removed from the Commission's docket.

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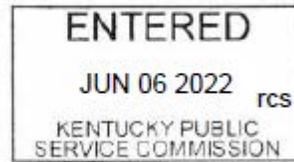
PUBLIC SERVICE COMMISSION



Chairman

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ATTEST:



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