

DOCKET NO. 11

AN APPLICATION SUBMITTED BY NORTHEAST UTILITIES SERVICE COMPANY, AS AGENT FOR THE HARTFORD ELECTRIC LIGHT COMPANY FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC NEED WITH RESPECT TO THE CONSTRUCTION OF AN OVERHEAD 345KV ELECTRIC TRANSMISSION LINE AND THE CONSTRUCTION AND RECONSTRUCTION OF AN OVERHEAD 115KV ELECTRIC TRANSMISSION LINE ALONG A ROUTE BETWEEN THE MANCHESTER SUBSTATION, IN MANCHESTER AND THE NORTH BLOOMFIELD SUBSTATION, IN BLOOMFIELD :

POWER FACILITY
EVALUATION COUNCIL

JANUARY 23, 1978

DISSENTING OPINION NO. 2

I. GENERAL

To faithfully discharge its responsibilities under the Public Utility Environmental Standards Act; this Council must take an active role in critically assessing the need for new facilities. Before approving an application the Council should be satisfied, based on its own independent evaluation and judgment, that the new facility is needed. The burden is on the applicant to convince the Council that the new facility is needed, not on the Council or the intervenors to prove the contrary.

After reviewing the record, I do not believe that the applicant has met this burden, and therefore, I would deny this application.

II. NEED

The need for the proposed facilities is dependent on loads growing as projected in Northeast Utilities 10 Year Forecast of Loads and Resources submitted January 1, 1977. At the public hearings in the Spring of 1977 at which the forecast was reviewed, the following criticisms were expressed: 1) conservation measures such as load management and peak load pricing were inadequately considered, 2) the assumed penetration rate of electric space heating was significantly higher than indicated by the historical trend, 3) the assumed penetration rate of electric water heating did not give adequate attention to recent state and federal incentives for solar water heating, and 4) the industrial forecast was based on national rather than state production indices. At the public hearing on Docket No. 11, further concern was expressed that the forecast did not give adequate attention to the possibility of meeting energy demands with alternative energy sources. Also, it was not made clear to what extent load growth on the NU system would necessarily entail load growth in the area to be served by the proposed line. For all these reasons, I do not have sufficient confidence

in the applicant's projections to find that there is a need for the proposed line at the present time.

I am also concerned with the applicant's failure to perform a cost-benefit analysis. Without such an analysis it is impossible to judge whether or not the proposed line conforms to the statute's criterion of lowest reasonable cost. It is clear from the record that the applicant's proposal would burden ratepayers with approximately \$3 million per year in additional costs. What is not clear is whether the benefits to be derived from the line are worth this \$3 million annual cost. It is not enough to know that the proposed line will protect the system from contingencies without knowing the probabilities of these contingencies actually occurring or the possible social costs if they do occur. When faced with a proposal involving certain costs but uncertain benefits I must conclude that the applicant has not sufficiently documented the need.

As electric rates continue to increase, the ratepayers will become ever more concerned with what they are getting for their money. The reliability of the electric transmission system is important of course but there is a limit to how much reliability the ratepayers can afford. The utility's attitude toward reliability is similar to Mark Twain's attitude toward whiskey, that is, too much of anything is bad, but too much reliability is just enough. Ratepayers, on the other hand, might very well prefer a more economical level of reliability if the costs and benefits were clearly stated.

Even if the need to reinforce the system was more firmly established, I am not convinced that the applicant has given sufficient consideration to the possible alternatives. I am not convinced that the North Bloomfield Substation is the best site for a new autotransformer especially since all of the potentially overloaded lines are located in the central area of Connecticut, close to Berlin. The alternative of locating the autotransformer at Manchester and strengthening the existing 115 kV lines would avoid the environmental costs, which are especially severe in the Tiffany Lane area, associated with the applicant's proposal. The alternative of locating the autotransformer at Berlin would similarly avoid these environmental costs. I believe that the costs and the benefits of these alternatives should be more thoroughly explored before they are rejected.

Finally, I am concerned with the applicant's history of delaying the construction of facilities which the Council has determined are needed. Millstone III is the most notable case but there have also been numerous cases of transmission lines being delayed. In some cases the reason for the delay seems to be a lower than forecasted load growth. In other cases the reason for the delay is less clear. The point is that the utility company can unilaterally delay a facility which they had previously contended was needed by a particular date and which the Council also decided was needed by a particular date. I contend that the public interest would be better served if this decision to delay was formally reviewed by the Council. Thus, I suggest that the certificate of environmental compatibility and public need be made conditional upon the applicant adhering to its proposed construction schedule. This would not prevent delays when for example load growth slowed and the applicant could convince the Council that there was a good reason for the delay. It would, however, help to prevent the stockpiling of certificates and would make politically motivated delays less likely.

CERTIFICATION

The undersigned member of the Power Facility Evaluation Council who has signed this Dissenting Opinion No. 2 hereby certifies that he has heard this case or read the record thereof.

Dated at Hartford, Connecticut, this 23rd day of January, 1978.

Owen L. Clark

STATE OF CONNECTICUT)
 : ss. Hartford, January 23, 1978
COUNTY OF HARTFORD)

I hereby certify that the foregoing is true and correct copy of the dissenting opinion no. 2 issued by the Power Facility Evaluation Council, State of Connecticut.

ATTEST:

C. Thomas Foley, Executive Director
Power Facility Evaluation Council