

AN APPLICATION SUBMITTED BY NORTHEAST UTILITIES SERVICE COMPANY, AS AGENT FOR THE CONNECTICUT LIGHT AND POWER COMPANY AND 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 BETWEEN THE MILLSTONE POINT GENERATING STATION, IN WATERFORD, AND THE MANCHESTER SUBSTATION, IN MANCHESTER	:	POWER FACILITY
	:	EVALUATION COUNCIL
	:	MAY 17, 1978

O P I N I O N

I. GENERAL

This application is for a certificate of environmental compatibility and public need for the construction of a new 345kV overhead transmission line for about 47 miles along an existing transmission route between Millstone Point Generating Station in Waterford and Manchester Substation in Manchester.

Public hearings were held at Yeomans Hall, Columbia, on November 29 and 30, 1977. Evening session was held on November 30, 1977. Members of the Council made ground inspections of the proposed route and the alternatives. In addition to advertised notice, notice was mailed, in accordance with law.

The applicant presented testimony and exhibits to support its claims that the new 345kV transmission line is needed, that the construction of the line as proposed would not adversely affect the environment to a degree justifying the much higher cost of undergrounding, and that the proposed route is environmentally preferable to the alternatives.

II. NEED

The Council is of the opinion that if there is a public need for a new 345kV transmission line between Millstone Point Generating Station and Manchester Substation, such need will not materialize unless and until Millstone Unit No. 3 is completed. Adequate documentation was supplied to show that the need for the proposed line is contingent upon the completion of Millstone Unit No. 3. No party contended that the proposed line would be needed in the absence of Millstone Unit No. 3.

Northeast Utilities presently has Millstone Unit No. 3 scheduled for completion on May 1, 1986. Since construction and testing of the proposed line is estimated to take four years, no work on the proposed line is anticipated before May 1, 1982. Despite this,

the applicant has requested that the Council issue a certificate of environmental compatibility and public need at this time.

The Council is of the opinion that need is a function of time. The question of when a proposed facility is needed is a question which the Council can not avoid. It is not sufficient for the Council to merely determine that a proposed facility will be needed at some indefinite time in the future because if such were the case then any positive compound annual rate of load growth could be used to establish the need for many future facilities. Thus, when considering need, the Council must analyze the need in relation to some specific future date.

The Council is of the opinion that this application is premature because the Council's public review of a proposed transmission facility is most effective when conducted as close to the commencement date of the project as practicable. Only at that time can the best cost estimates be made. Only at that time can the most up-to-date technology be considered. Only at that time can the most recent land uses be studied. Only at that time can the environmental effects of the proposed facility be analyzed in the light of current information.

The Council is of the opinion that approval of this application at this time would foreclose the possibility of a public review at the appropriate time. On the other hand, denial of this application, without prejudice, leaves open the possibility of a similar application being submitted at the appropriate future time. No one knows what will happen during this interval. If nothing of significance to the proposed line changes during these years, then the studies already conducted by NUSCO for the present application will still be useful. Administrative notice may be taken of these studies if the applicant so requests. This could substantially reduce the cost of a future public review. To the extent that factors of significance to the proposed line do change in the future, there may be some additional costs connected with updating the present studies. Such additional costs are justified if they provide the Council with up-to-date information for making a decision at the appropriate time.

The Council is well aware of its responsibility to consider the lowest reasonable cost of electricity to customers. We have therefore carefully considered the applicant's testimony regarding possible additional costs associated with a public review at the appropriate future time. First of all, the costs associated with the present application and proceeding are not a good estimator of future costs. As noted above, those NUSCO studies which deal with factors that remain constant through time will still be useful. Only those factors that change will, and should, require additional study. Second, the application fee is refundable if it is in excess of the actual expenses of the Council. Thus, this fee in itself is not a good estimator of future costs. Third, the Council probably will not need to retain another consultant for this line unless there are some significant changes in the factors affecting it. Fourth, the applicant's concern that the Council will lose the knowledge it has acquired is totally without foundation. We expect and plan to gain rather than lose knowledge as time passes. The membership of the Council may change in the future but it is important to note that the reading and studying done by Council members is done at their own time and expense, at no cost to ratepayers. For all these reasons, we expect that the probable additional costs associated with a public review at the appropriate time will be small, reasonable and well justified.

The Council has also carefully considered the applicant's testimony on the possibility that the scheduled completion date of Millstone Unit No. 3 may be advanced by Northeast Utilities to a date earlier than May 1, 1986. Firstly, the Council notes that the history of the Millstone Unit No. 3 project has been one of delays rather than advancements. Further delay is a possibility just as advancement is a possibility. Secondly, and most importantly, the Council is of the opinion that, even if the completion date is advanced, the denial of this Docket No. 12 application will not result in any delay in bringing Millstone Unit No. 3 into service. The reason for this is that in late 1977 when Millstone Unit No. 3 was delayed, there was at least four to five years worth of work to be done before completion. Regardless of when work on Millstone Unit No. 3 is resumed, there will be at least a four to five year period required for construction. This time period

is sufficient to allow for line certification, construction, and testing without any delay to Millstone Unit No. 3.

Finally, the Council is of the opinion that denial of this Docket No. 12 application will not result in any increases in construction costs. The applicant's testimony indicates that, under the current schedule, work on the proposed transmission line will not begin until 1982. Whatever changes in construction costs this 1982 starting date involves will be the result of Northeast Utilities' decision to delay the project, not the result of this Council's decision to deny the application. It is also important to note that, except in unusual circumstances, it is most economical, because of the difference between interest rates and inflation rates and for other reasons, to build facilities when they are needed rather than before they are needed.

### III. CONCLUSION

The Council has concluded, based on its consideration of the entire record, that, for the reasons stated above, this is not the appropriate time to consider the pros and cons of the ultimate need for this line. We believe that the public interest can best be served by considering this need issue, along with the environmental effects, at the appropriate future time.

The Council further concludes that the denial of this application will in no way prevent consumers from receiving adequate and reliable electricity at the lowest reasonable cost.