

## March 11, 2024 – Informational Update: PSC Approves Plymouth Utilities Substation No.5; PSC Review of ATC Transmission Line Proposal Continues

<u>Summary:</u> In an order issued on March 4, 2024, the Public Service Commission of Wisconsin (PSC) unanimously approved the Plymouth Utilities substation proposal, designed to improve reliability of electric service in the southwest quadrant of the utility's service area and to accommodate service to increased load in the area. The project to interconnect the proposed distribution substation to American Transmission Company LLC's (ATC's) 138 kV transmission system is being separately considered by the PSC.

<u>Background:</u> Plymouth Utilities is a municipally-owned utility providing electric service to the City of Plymouth and parts of 10 surrounding townships, including the majority of the Town of Mitchell and a small portion of the Town of Lyndon. Plymouth Utilities is responsible for the construction and maintenance of electric distribution lines to local homes and businesses. The electric distribution equipment in the southwestern portion of the Plymouth service territory has reached near capacity in recent years.

In addition, ANR Pipeline Company (ANR), a current customer of Plymouth Utilities, notified the utility that they are planning to improve their Kewaskum Compressor Station, increasing capacity and shifting primary means of compression from gas-fired to electric, as part of its own reliability and improvement program. To improve the electric reliability of service for <u>all customers</u> and to support the increased load at the compressor station, a new substation must be constructed. Plymouth Utilities will be responsible for the construction and maintenance of the new substation which will begin construction this fall in the Town of Mitchell.

**Recent Activity:** Over the past year and half, Plymouth Utilities reviewed options and proposed a solution for the needed substation based on benefits to customers, minimizing costs, best timing, and managing overall impacts. The Public Service Commission (PSC), the agency charged with independently reviewing and ensuring the prudence of utility projects, has now unanimously approved the substation proposal, issuing a Final Decision on March 4, 2024, including the following Findings of Fact:

- Alternatives to the proposed project have been considered, but no other reasonable alternatives to the project exist that could provide adequate service in a more reliable, timely, cost-effective, and environmentally responsible manner.
- Energy conservation, renewable resources, or other energy priorities listed in Wis. Stat. §§ 1.12 and 196.025, or their combination, would not be cost-effective, technically feasible, or environmentally sound alternatives to the proposed project.
- The general public interest and public convenience and necessity require completion of the proposed project.

In order to provide power to the substation, American Transmission Company (ATC) is seeking a separate approval from the PSC for a transmission line project in the Town of Lyndon and Town of Mitchell. ATC has submitted a preferred and an alternative route to serve the substation, and is now in the process of working through the process of providing information and answering questions, as Plymouth Utilities did previously in the Town of Mitchell.

Why is a Substation Needed? Continued increases in electricity demand in the area over the years have been moving Plymouth Utilities closer to the point where a new substation would be required in the area. The request from ANR to shift to electric compression and increase capacity was the tipping point, but it was just a matter of time before one was needed. The substation itself will improve reliability of the electric supply to the entire southwestern Plymouth Utilities territory. If there was an outage in the Town, fewer customers would be affected and Plymouth Utilities staff would be able to restore power faster. It is the intention of Plymouth Utilities to electrically split the area in four sections and over time configure the area to support loop feeds which will greatly improve power reliability.

Location In the Town Of Mitchell: The location within the Town of Mitchell was selected through a process called 'best value planning' that evaluates elements of construction cost, future maintenance requirements, overall grid benefits, and a handful of other considerations in relation to the needs of Plymouth Utilities and ATC. Eight locations throughout the Plymouth Utilities southwestern service area (along with 20 possible substation configurations) were analyzed by Plymouth Utilities electric engineering consultant, Forster Electrical Engineering. The location in the Town of Mitchell was chosen over other sites within Plymouth Utilities' service territory, including the Town of Scott, because it provides enhanced reliability and utility service to a greater number of residents and Plymouth Utilities' customers.

<u>Why Plymouth Utilities?</u> Several recent questions have asked why Plymouth Utilities is working to serve the ANR compressor facility:

- 1. The ANR compressor facility is in the Plymouth Utilities service territory and is an existing Plymouth Utilities customer. Service territory is regulated by the Public Service Commission.
- 2. The best value planning process for the new substation and distribution circuit reconfiguration sought reliability and capacity benefits for all of the customers served in the southwest portion of the Plymouth Utilities service territory, in addition to being able to serve ANR's needs.
- 3. The Southwest service area is currently served by a 17-mile radial distribution line. Any significant fault will cause an outage for much of, if not all, the area. By sectionalizing the new proposed circuits and constructing the new substation, it is expected that no more than 500 customers would be affected by a distribution circuit outage, as compared to thousands before.
- 4. The increase in load generated by the ANR project will help support the operation and maintenance of the Plymouth Utilities distribution system and help to maintain quality service and rates for all Plymouth Utilities customers.
- 5. ANR is paying for 100% of the upgrades in the local distribution line that goes from the new substation to the compressor facility and 8/11 of the new substation cost totaling ~\$6.75 million. These are costs that Plymouth Utility customers would otherwise incur.

## Approvals Required by Plymouth Utilities:

Town of Mitchell: Because the proposed substation is to be located in the Town of Mitchell, Plymouth Utilities was required to obtain a certified survey map for the selected substation location, rezone the parcel to be in conformance with the Town's zoning code, and receive a conditional use permit. Via a series of the public meetings at Town of Mitchell Plan Commission and the Town Board, Plymouth Utilities received the required approvals in November and December 2023.

*Public Service Commission (PSC):* Plymouth Utilities is regulated by the PSC. As part of the process for building the new substation, Plymouth Utilities submitted a Certificate of Authority (CA) application to the PSC. As summarized above, the PSC unanimously agreed with the Plymouth Utilities proposal.

<u>Transmission Lines:</u> ATC is responsible for construction and maintenance of transmission lines to the substation. ATC has submitted a Certificate of Public Convenience and Necessity (CPCN) application to the Public Service Commission for the transmission lines.

The PSC is in the process of reviewing the CPCN application from ATC to determine transmission line routing and siting. ATC has proposed two distinct transmission line routes to the PSC for review. All potentially impacted landowners have received notification and information on how to provide feedback from ATC. Neither Plymouth Utilities nor ATC control the decision on which route is selected by the Public Service Commission. The Public Service Commission determines the final route of the transmission lines. Plymouth Utilities highly recommends that concerned property owners provide feedback to the PSC.

How Can a Resident Get Involved in the ATC PSC Docket? The ATC transmission line application has been assigned PSC Docket Number 137-CE-205. The public may follow the case online via the Commission's Electronic Records Filing (ERF) System, using the Docket Number listed above. Members of the public also may subscribe to this docket by using the following link: https://apps.psc.wi.gov/ERF/ERF/ERFhome.aspx). Any notice issued in this case will be filed on ERF for interested members of the public to review. The notice will include information on how members of the public can intervene or otherwise become involved in the docket.

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