

PO Box 3
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July 13, 2012

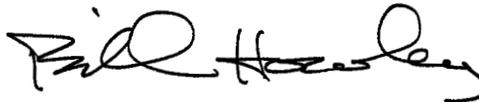
Sandra Squire
Director, Executive Secretary Division
WV Public Service Commission
201 Brooks St.
PO Box 812
Charleston, WV 25323

re: WV PSC case 07-0508-E-CN

Dear Ms. Squire:

I have enclosed comments in the above-styled case. I have also enclosed 12 copies of our filing according to PSC rules. As these are comments by a non-party protestant in the case, I do not believe this filing did not requires service on any other parties. Please notify me if service is required.

Very truly yours,



Bill Howley
Steering Committee Chairman
Coalition for Reliable Power

enclosures

RECEIVED
12 JUL 16 AM 8:54
WV VA PUBLIC SERVICE
COMMISSION
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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA

CASE NO. 07-0508-E-CN

TRANS-ALLEGHENY INTERSTATE LINE COMPANY

Application for a Certificate of Convenience and Necessity authorizing the construction and operation of the West Virginia segments of a 500 kV electric transmission line and related facilities in Monongalia, Preston, Tucker, Grant, Hardy, and Hampshire Counties, and for related relief.

12 JUL 16 AM 8:54
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**COMMENTS CONCERNING REPORT FILED BY FIRSTENERGY
WEST VIRGINIA SUBSIDIARY UTILITIES AS ORDERED
BY THE COMMISSION AUGUST 1, 2008**

Protestant Coalition for Reliable Power, offers the following comment on the report filed May 17, 2012 concerning the reconductoring and upgrading of transmission lines in West Virginia as ordered in the August 1, 2008 Commission order in this case.

BACKGROUND

On August 1, 2008, the Commission filed a final order in this case. In that order, in its review of the evidence, the Commissioners stated:

II.B.5. The Commission Will Require Allegheny to Submit a Plan To Address Line Upgrades.

Although we have concluded that reconductoring is not a feasible substitute for TrAIL, (see Part II.B.2, above), there are benefits to be derived from reconductoring or otherwise upgrading existing transmission lines. Looking to the future the Commission desires to maximize the capability of existing transmission lines, if possible. One means to achieve that goal is to reductor or otherwise upgrade existing lines. It is reasonable to assume that once constructed, TrAIL will facilitate this kind of project.

The Commission will require Allegheny to file, within one year of the date TrAIL is completed and in service, a plan for reconductoring or otherwise upgrading its transmission facilities. (August 1, 2008 TrAIL Order, p. 48)

In the August 1, 2008 TrAIL Order, the Commission specifically ordered Allegheny Energy and TrAILCo to file a report, as follows:

IT IS FURTHER ORDERED that within one year of the date TrAIL is completed and in service TrAILCo and its corporate affiliates shall submit a plan for reconductoring or otherwise upgrading their respective transmission facilities.

Note that the Commission did not order a report on the physical condition of Allegheny's transmission facilities. The Commission specifically ordered "a plan for reconductoring or otherwise upgrading" these transmission facilities. The Commission's order was forward looking and was not concerned with routine maintenance and inspection issues. In its review of the evidence, the Commission stated it was specifically interested a plan to "maximize the capability of existing transmission lines" not a report on their physical condition.

On May 17, 2012, TrAILCo and its corporate affiliates, namely Monongahela Power Company and The Potomac Edison Company, all subsidiaries of FirstEnergy, filed what these parties described as an "EHV Condition Assessment" which the parties' cover letter also described as "the transmission facility condition assessment required in the Commission's August 1, 2008 Order in this docket."

Although TrAILCo and its corporate affiliates claim that this May 17, 2012 report is responsive to the Commission's August 1, 2008 order, the only reference in the report concerning "a plan for reconductoring or otherwise upgrading their respective transmission facilities" was the following statement:

Based on the most recent condition, reliability and capacity assessments of the EHV Facilities in West Virginia, there are no immediate or short term plans (within the next five years) for upgrading the structures, conductor or hardware on the EHV Facilities in West Virginia. The Companies will continue to implement their inspection and maintenance programs and to participate actively in the RTEP process.

COMMENTS

TrAILCo and its corporate affiliates produced five short pages of text primarily describing the physical condition of their equipment and about 170 pages of appendixes including publications from PJM Interconnection. The FirstEnergy companies did not provide a plan for reconductoring and upgrading, as directed by the Commission. Most of their five pages of text were devoted to their claim that they have no plan.

It appears from the report that TrAILCo and its parent company FirstEnergy have ceded all control of the companies' high voltage transmission system in West Virginia to PJM Interconnection. Because PJM Interconnection is not a utility licensed to operate under the authority of the West Virginia Public Service Commission, this conveyance of authority has clearly circumvented West Virginia statute. With this report, FirstEnergy is essentially denying the authority of the West Virginia Public Service Commission over high voltage transmission owned and operated by FirstEnergy subsidiaries Mon Power and Potomac Edison in West Virginia.

On June 30, 2011, Commission Staff Attorney John Auville filed a petition to require American Electric Power's (AEP's) West Virginia subsidiaries and FirstEnergy's West Virginia subsidiaries to file reports as ordered by the Commission in the TrAIL case before the deadline established in the Commission's August 1, 2008 order. With the current West Virginia blackout (Many state power customers, including the signatory below, remain without power as of this date, the twelfth day following the June 29, 2012 storm.), Mr. Auville's petition appears prescient, although the Commission's denial of the petition does not.

Mr. Auville's reply to power company objections to his petition was filed with the Commission on July 27, 2011. His reply noted specifically that West Virginia utilities owning

and operating high voltage transmission facilities in our state could not duck their planning responsibilities by hiding behind the skirts of PJM Interconnection. We quote Mr. Auville's reply at length, because all of his points bear directly on the inadequacy of the May 17, 2012 report filed by FirstEnergy. We have added emphasis to particular points that we believe provide clear summaries of the issues surrounding the current May 17, 2012 report:

While Staff recognizes both Allegheny/First Energy and American Electric Power have agreed to provide this information to the Commission, Staff has some concerns about the information the Companies plan to put in the report coupled with some general concerns about the transmission planning, or the lack thereof, that is being done by both Companies.

The first issue is both Companies appear to intimate that they, and by inference this Commission, have abdicated responsibility for all high voltage transmission planning and maintenance to PJM. **Staff realizes PJM is the regional transmission planning authority; however, this fact does not absolve the utilities from their duty to plan and maintain the operation of their own equipment. Staff expects the utilities to study their own transmission equipment and undertake projects which improve the condition and performance of the equipment outside of the PJM process.** Otherwise, the system ends up in the condition presented in the TrAIL proceeding: a system in crisis with very limited options or solutions which all but eliminates the possibility for a complete review of less costly options. The Companies' reliance on the PJM process is not transmission planning. It is transmission reacting and is not in the best interest of West Virginia customers.

Staff expounds that a perfect example of the type of behavior Staff expects from the utilities in this State was recently displayed by VEPCO, who approached PJM on its own to rebuild the Mt. Storm-Doubs line. VEPCO chose not to await any directive from PJM on how to upgrade the line as VEPCO saw a window of opportunity and seized it. VEPCO's rebuild will not only eliminate the possibility of a disastrous tower failure, but will also dramatically increase the carrying capacity on the line. That tells Staff that not only were the towers outdated, severely deteriorated and in need of replacement, but the conductors and wire were old, outdated and in need of replacement as well. At some point an asset becomes so inefficient that it needs to be replaced in order to keep up with technological advances.

A utility should not wait until the asset fails or until PJM has given them a directive to do something with the asset to repair/replace it. The VEPCO example is the kind of proactive planning Staff expects the utilities in this State to engage in along with the type of information Staff expects to be contained in any report submitted to the Commission. Staff asserts at a minimum, any report should contain the name of the line, the age of the line, the length and location of the line, the current condition of the line in

terms of physical condition and its operating efficiency and any planned upgrades to the line and facilities.

Considering the tone of the responses from both AEP and Allegheny/First Energy in conjunction with the average at best maintenance of rights-of-way, performance, etc. the Commission discovered in the recent "Storm Outage GI," Staff is concerned the electric utilities have forgotten their main objective: to provide safe and reliable electric service to the citizens of this State. **The main objective of any report filed with the Commission is for the Companies to give the Commission a clear picture of the condition of the transmission assets in this State and what if any type of planning and maintenance the Companies are engaging in relation to those assets beyond "we are waiting for PJM to tell us what to do next."** This is an opportunity for the Companies to inform the Commission how they are fulfilling their duty to the citizens of this State and prove they are concerned about the maintenance of their facilities and are proactive in the planning and maintenance of their transmission facilities.

PJM Interconnection and the Federal Energy Regulatory Commission (FERC) have done actual harm to state transmission planning by providing profit incentives and cost recovery for system upgrades and new transmission projects that serve their own purposes. As a result, AEP and FirstEnergy have no interest in assessing or planning the future capabilities of their high voltage transmission system, unless they can receive special rate subsidies from FERC or PJM Interconnection.

As Mr. Auville noted in his reply quoted above, AEP's and FirstEnergy's West Virginia utilities have obligations under West Virginia statute, regardless of the rate payer funded financial incentives available to them from other sources. FirstEnergy's May 17, 2012 report demonstrates clearly that its subsidiaries are not interested in meeting those obligations.

In its May 17, 2012 report, FirstEnergy concentrated on an account of its inspection and maintenance efforts, although the company provided little specific information, other than to claim that its steel lattice towers were in far better condition than the towers that Dominion Energy's VEPCO decided to replace on the Mt. Storm to Doubs 500 kV line.

In fact, the current FirstEnergy blackout demonstrated that FirstEnergy has failed to adequately assess the durability of its steel lattice towers, particularly on its 500 kV transmission system in West Virginia. FirstEnergy's report included no reference to any assessment of its West Virginia towers concerning a clearly demonstrated vulnerability of those towers to thunderstorm downbursts and microbursts.

Structural engineers have modeled and described the particular vulnerability of loading on steel lattice tower arms in the strong down drafts in storm microbursts. We have appended two photographs, in Appendix A, provided by FirstEnergy of one of their steel lattice towers destroyed by the June 29, 2012 storm on a 500 kV transmission line near Ellenboro, WV, and from Great River Energy's Web site (<http://blog.greatriverenergy.com/2011/08/26/storm-damages-vital-transmission-line/>) of a similar structure that was destroyed in a Minnesota storm on August 1, 2011. Both towers failed in exactly the same place on the structure, and in almost exactly the same way.

In their paper titled "Modelling [sic] of tornado and microburst-induced wind loading and failure of a lattice transmission tower," published in the journal Engineering Structures (Engineering Structures 23 (2001) pp. 365–375 also at <http://www.eng.uwo.ca/people/esavory/Engstruct.pdf>) authors Eric Savory and others described exactly this kind of damage in their models, eleven years ago. Despite the fact that these kinds of storms and downburst incidents are clearly possible in West Virginia and the steel lattice towers in FirstEnergy's high voltage transmission system are clearly vulnerable, there is no mention of either the vulnerability or any plan to protect or upgrade these towers from this vulnerability.

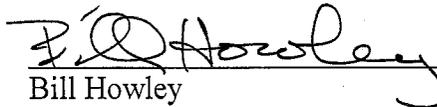
In its May 17, 2012 report FirstEnergy attempted to divert the Commission's attention

from their failure to comply with the Commission's August 1, 2012 Order by focusing only on the physical condition of its transmission facilities, and the company's claim to have met its responsibilities to inspect and maintain those facilities. In fact, as described above, FirstEnergy failed even in its diversionary tactic. There is no mention in the company's May 17, 2012 report of the well documented vulnerability of its own steel lattice transmission towers.

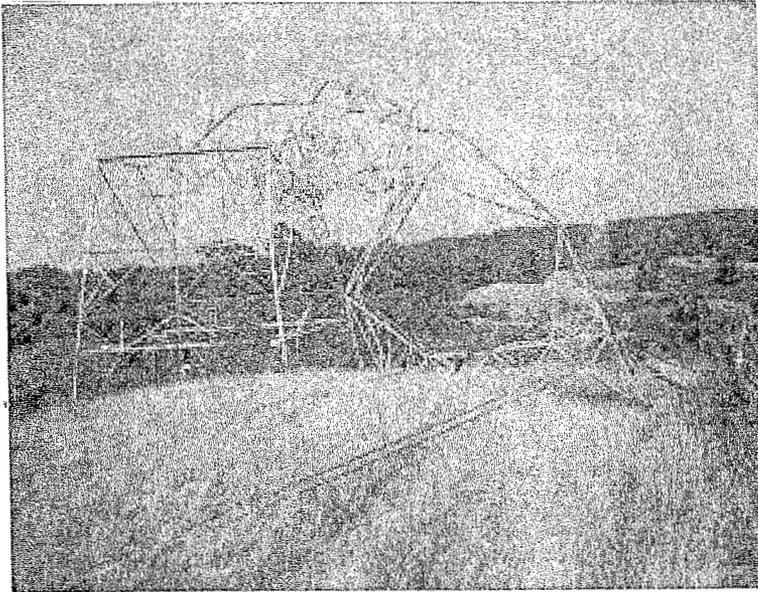
And six weeks later, that vulnerability was clearly demonstrated by the collapse of its own towers. This is exactly the kind of planning failure and reactive behavior that Mr. Auville decried in his June 27, 2011 reply quoted above.

The Coalition for Reliable Power respectfully requests that the Commission require Mon Power, TrAILCo and Potomac Edison to produce a report that is responsive to the Commission's August 1, 2008 order, which the current report is not.

Respectfully submitted this 11th day of July, 2012,

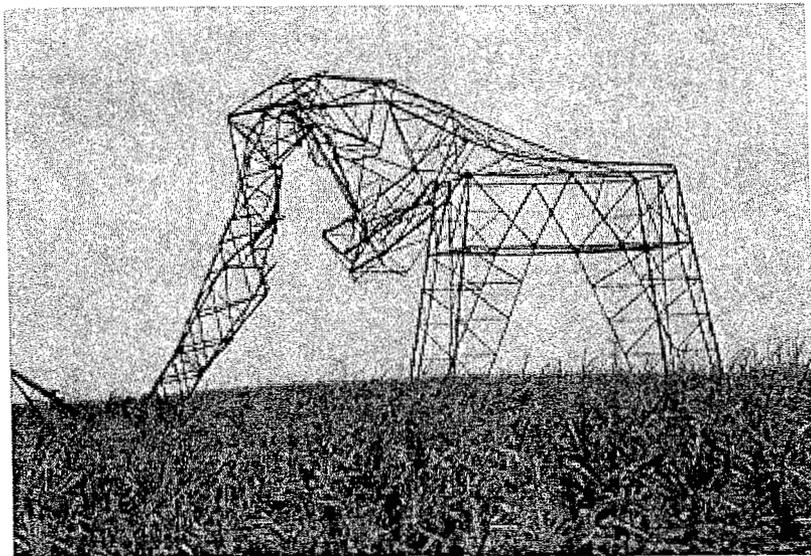

Bill Howley
Steering Committee Chairman
Coalition for Reliable Power

Appendix A



FirstEnergy tower collapse, June 29, 2012 near Ellenboro, WV

Source: https://www.firstenergycorp.com/newsroom/summer_storm_image_gallery.html



Great River Energy tower collapse, August 1, 2011 in west central Minnesota

Source: <http://blog.greatriverenergy.com/2011/08/26/storm-damages-vital-transmission-line/>