



New England States Committee on Electricity

To: Eversource (Attn: Robin Lafayette)
From: NESCOE Staff (Contact: Sheila Keane)
Date: March 14, 2024
Subject: New Hampshire Line X-178 Rebuild
CC: ISO-NE; Planning Advisory Committee (PAC)

NESCOE writes regarding Eversource’s New Hampshire Line X-178 Rebuild asset condition project, which Eversource presented at the February 28, 2024, Planning Advisory Committee (PAC) meeting.¹ As part of the project, Eversource proposes to fully rebuild this line and replace 580 of the 594 existing structures for an estimated cost of \$384.61 million (-50%/+200%).

As discussed below, NESCOE is troubled by the lack of compelling evidence to justify a project of this scale as well any consideration or discussion of lower cost, targeted intervention alternatives. This lack of support is compounded by the New England Transmission Owners’ (NETOs) denial of NESCOE’s recent request to stay on schedule and prioritize the Asset Condition Needs and Solutions Guidance Document (Guidance Document).² This project makes clear why a Guidance Document is critically important to meaningful progress toward improving asset condition processes in New England. The NETOs’ failure to timely provide the Guidance Document leaves states, stakeholders, and consumers in the dark in understanding the hundreds of millions of dollars in potential costs associated with this project and others.

Based on Eversource’s presentation and discussion of this project at PAC, it appears that the driver for this project is Eversource’s desire to replace its leased communications circuits with an internally owned fiber communications system. Eversource’s presentation suggests that only 43 of the 580 (or 7%) structures targeted for replacement on this line are actually deteriorated. Both of Eversource’s solution alternatives focus primarily on the installation of optical ground wire (OPGW); addressing identified asset condition issues appears to be little more than an ancillary benefit in either scope. NESCOE acknowledges that a reliable communications system is an important part of transmission infrastructure. However, it does not necessarily follow that this or any other line should be rebuilt for the primary purpose of supporting OPGW when Eversource has provided no evidence of either poor performance of the current communications system or the cost-effectiveness of such a decision. The question of whether and to what extent communications needs should drive line rebuilds should be a subject of regional discussion.

Eversource’s presentation also identifies “access opportunity” and “additional opportunity”³ as reasons to replace more than half of the structures. Absent further information, neither upgrading

¹ Eversource New Hampshire Line X-178 Rebuild (Feb. 28, 2024), at https://www.iso-ne.com/static-assets/documents/100008/a05_2024_02_28_pac_line_x178_rebuild_presentation.pdf.

² NESCOE. *Request to Prioritize Asset Condition Guidance Document* (Feb. 8, 2024) at <https://nescoe.com/wp-content/uploads/2024/02/Asset-Cond-Guidance-Documents-Feb-2024f-1.pdf>.

³ While not clear from the presentation, we understand “additional opportunity” to refer to the opportunity to upgrade to current design standards.

to current design standards nor improved accessibility to structures in and of themselves appear to be a persuasive reason to substantially expand the solution scope. In particular, we understand that modern design considerations would normally, with limited exceptions, be considered as an enhancement to a proposed new or upgraded facility solution, which should be accompanied by a robust explanation of the incremental costs and benefits. Eversource provided no such explanation here.

We were pleased that a wide range of stakeholders engaged in the discussion and sought clarity on the relevance and priority of the underlying needs that Eversource seeks to address through its offered solution alternatives. NESCOE appreciates that Eversource committed to consider and address a number of stakeholder comments, and we look forward to Eversource's responses. NESCOE also requests that Eversource respond to the following questions:

1. **Provide a targeted (or minimum) solution alternative.** It is concerning that Eversource did not offer a targeted intervention alternative focused on resolving the identified asset condition needs without the communication system upgrades. Eversource should provide a targeted solution alternative that addresses only those priority asset condition needs that would be necessary to maintain the line in reliable, serviceable condition. If Eversource proposes any upgrades beyond the minimum required level, they should be described and justified individually with their associated costs.
2. **Describe in detail the applicable industry standards to determine communication system needs.** Describe how Eversource, when identifying needs related to existing or legacy communications infrastructure, determines which industry standards and criteria should be applied to assess that infrastructure's suitability for continued service. Similarly, when developing solution alternatives to address these identified needs, which additional standards and criteria would Eversource consider applicable?
3. **Provide additional detail on "access opportunity" and "additional opportunity" costs and benefits.** Eversource should clearly define what it means by these terms and include a robust explanation of the incremental costs and benefits associated with these opportunities. For example, what are matting and permitting costs to an order of magnitude?

NESCOE understands that Eversource plans to come back to PAC in May with a follow-up presentation to address questions and present project development updates. Based on the lack of information Eversource has presented to date about the timing and severity of any reliability risk, NESCOE requests that Eversource cease any further development of this project to allow time for it to address the many questions surrounding the project and for stakeholders to gain confidence that the project is appropriately sized.

Such a pause seems reasonable given that it appears the primary driver of this project is not a pressing asset condition need, but rather, Eversource's apparent desire for a different communications system. If, however, Eversource believes that nearer-term action is necessary, it should come to the PAC before May to establish the timing and severity of near-term electric system reliability risk of such a pause.

NESCOE looks forward to the continued discussions on this matter and the further development of the Guidance Document overall.