



New England States Committee on Electricity

To: Eversource
From: NESCOE (Contact: Sheila Keane)
Date: August 1, 2024
Subject: New Hampshire Line X-178 Rebuild
Cc: Planning Advisory Committee (PAC)

NESCOE writes regarding Eversource’s proposed New Hampshire Line X-178 Rebuild asset condition project. Eversource first proposed a full rebuild of this line at the February 28, 2024, Planning Advisory Committee (PAC) meeting. Following that meeting, NESCOE, along with several stakeholders, submitted feedback to Eversource.¹ NESCOE raised concerns about the lack of compelling evidence to support the scope of the project and asked Eversource to provide additional information, including a targeted solution alternative. Eversource responded to stakeholder feedback with a written memo and subsequent presentation at the June 20, 2024, PAC meeting.

In sum, NESCOE objects to Eversource’s announcement that it will proceed with the project as originally proposed. Eversource’s plan, despite broad state and stakeholder discomfort and outstanding requests for information, illustrates how the lack of sufficient federal oversight on the asset condition project pathway governing billions of dollars of spending per year is not adequately protecting New England consumers.

Eversource did not directly respond to NESCOE’s requests. Eversource refused to provide a targeted minimum solution, stating that such an approach was “inefficient from a...cost perspective.”² Eversource also did not address NESCOE’s request to provide information on the major cost drivers. Eversource’s disregard of requests for information that states believe would help assess proposals was troubling; information should not cause fear, particularly when Eversource is free to caveat it however Eversource deems appropriate. Eversource’s persistence in claiming this project is cost-effective without providing the necessary cost details to allow stakeholders to ascertain the reasonableness of this statement underscores the continued need for a comprehensive Asset Condition Needs and Solution Guidance document, as NESCOE has emphasized in several prior communications to the New England Transmission Owners.³

¹ NESCOE. Feedback on New Hampshire Line X-178 Rebuild (March 2024), at https://www.iso-ne.com/static-assets/documents/100009/2024_03_15_pac_nescoe_feedback_line_x178.pdf

² Eversource. New Hampshire Line X-178 Rebuild Follow-Up (June 2024), at https://www.iso-ne.com/static-assets/documents/100012/a04_line_x178_follow_up_presentation.pdf

³ NESCOE. Feedback on Asset Condition Process Guide in Lieu of a Guidance Document (June 2024), at 12, at <https://nescoe.com/resource-center/feedback-on-asset-condition-process-guide/>; NESCOE. Request to Prioritize Asset Condition Guidance Document (February 2024), at <https://nescoe.com/resource-center/prioritize-asset-condition-guidance-documentfeb824/>; NESCOE. Asset Condition Process Improvements – Next Steps (July 2023), at <https://nescoe.com/wp-content/uploads/2023/07/Asset-Cond-NETO-Requests-f-7.14.23-.pdf>.

The additional information that Eversource provided does little to address NESCOE's concerns about the project. For example, Eversource's breakdown of structure ratings by segments shows that the company is fully rebuilding a segment in which only 2% of structures show asset condition concerns under Eversource's grading system.⁴ Moreover, during the presentation another transmission owner opined that a more staggered or targeted replacement approach might be appropriate based on the information provided. Similarly, information from other transmission owners about asset deterioration in general indicates that the useful life of structures is approximately 60 years,⁵ while Eversource expresses concerns with not replacing 40-year-old structures here.⁶ While each transmission owner applies its judgment in relation to its assets, Eversource did not provide a reasoned explanation for its judgment falling outside the norms in this case.

Eversource made clear that it intends to proceed with the project as originally scoped in February and does not intend to return to PAC to discuss this project further. That Eversource has met the minimal obligations of the current asset condition process provides a stark example of how inadequate the existing process is from a consumer protection standpoint.

Based on the information that Eversource has shared to date, NESCOE is not persuaded that this investment is a reasonable use of consumer dollars. We strongly encourage Eversource to respond to outstanding information requests, and to the broad and serious expressions of concern raised by states, consumer advocates, and stakeholders about the project as proposed. Absent information showing that this use of consumer dollars is well-supported and reasonable, NESCOE is prepared to use its full resources to explore all available options to dispute the reasonableness of the investments, including but not limited to action at FERC.

⁴ Eversource. Stakeholder Feedback on Eversource's Proposed X-178 Rebuild Project (June 2024), at https://www.iso-ne.com/static-assets/documents/100012/eversource_x178_stakeholder_feedback_memo.pdf

⁵ MEPCO. MEPCO S396/3001 End of Life Strategy (June 2024), at 7, at https://www.iso-ne.com/static-assets/documents/100012/a07_mepco_396_3001_end_of_life_strategy.pdf

⁶ Eversource. Stakeholder Feedback on Eversource's Proposed X-178 Rebuild Project (June 2024), at https://www.iso-ne.com/static-assets/documents/100012/eversource_x178_stakeholder_feedback_memo.pdf, at p. 9.