



New England States Committee on Electricity

To: Eversource
From: NESCOE (Contact: Sheila Keane)
Date: November 21, 2024
Subject: New Hampshire Line X-178 Rebuild
Cc: Planning Advisory Committee (PAC)

Since first proposed in February 2024, NESCOE has expressed serious concerns about the lack of compelling evidence to support the scope of Eversource’s planned rebuild of the X-178 line. Following Eversource’s initial presentation of the X-178 project, NESCOE asked Eversource to provide specific additional information to justify the scope of the project, including a targeted solution alternative.¹ It took several rounds of communications for Eversource to adequately respond to that request, information which Eversource surely possessed.

Since Eversource’s initial presentation in February, stakeholders have provided several rounds of feedback, questions, objections, and requests for more information, and Eversource has in turn provided responses, offered a new inspection showing new degradation, and made two subsequent PAC presentations. It is entirely unreasonable for states and stakeholders to spend this level of time, effort, and resources to get complete project information.

Some of NESCOE’s initial questions remain unanswered. For example, following Eversource’s initial PAC presentation, NESCOE questioned whether the project was driven primarily by Eversource’s communication preferences rather than the identified asset deterioration needs and whether those communication preferences were a proper basis for an asset condition project. New inspection results released by Eversource during the ongoing stakeholder review process showed a more significant asset condition need than the inspection that supported Eversource’s original proposal. Nevertheless, a core question remains as to whether communication needs are a proper primary driver for an asset condition project, particularly when installing new communication technology causes the need to replace a significant number of otherwise healthy assets. As such, NESCOE’s skepticism continues, and we will continue to follow the project as it proceeds.

NESCOE recognizes that Eversource brought the X-178 project forward before the recent asset condition process changes were fully implemented. Going forward, those process enhancements will increase visibility into proposed asset condition projects, enabling better understanding of, and engagement on, such proposals earlier in the process. For example, transmission owners will now routinely include a base or targeted minimum solution for every project, will clearly identify the primary driver for the need, and will consider the costs and benefits of alternative solutions.

¹ NESCOE. Feedback on New Hampshire Line X-178 Rebuild (March 14, 2024), at <https://nescoe.com/resource-center/feedback-on-new-hampshire-line-x-178-rebuild/>

While the asset condition process changes adopted to date remedy some of the process flaws that the X-178 proposal exemplified, the need for additional process enhancements remains. The X-178 project process illustrates pointedly the persistent information asymmetry between transmission owners and stakeholders and the seemingly inconsistent decision and design standards across transmission owners, which appear to result in notable cost disparities among asset condition projects. It also demonstrates plainly the way in which the current process effectively shifts the burden away from federal regulators and onto states and stakeholders to establish whether such project proposals are a good use of consumer dollars.

NESCOE looks forward to working with the transmission owners and stakeholders to build upon the recent positive improvements in asset condition project transparency and exploring ways to increase accountability across these important and material transmission investments.