

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6603

Joint Petition of Swanton Village, Inc. Electric)
Department and Citizens Communications Company)
d/b/a Citizens Energy Services, for a Certificate of)
Public Good for the authorization of: (1) the relocation)
of Swanton's existing 46 kV transmission line in the)
Towns of Swanton and Highgate, Vermont; and (2) the)
reconfiguration of two poles on Citizens' 46 kV)
transmission line in the Town of Highgate, Vermont, to)
accommodate clearances for Swanton's relocated line)

Hearing at
Montpelier, Vermont
April 3, 2002

Order entered: 5/8/2002

PRESENT: Wayne L. Foster, Hearing Officer

APPEARANCES: Trevor R. Lewis, Esq.
Primmer & Piper, PC.
for Swanton Village, Inc. Electric Department

Aaron Adler, Esq.
for Vermont Department of Public Service

Warren T. Coleman, Esq.
for Agency of Natural Resources

Victoria J. Brown, Esq.¹
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for Citizens Communications Company d/b/a Citizens Energy
Services

1. Did not attend hearing.

I. INTRODUCTION

This case concerns a joint petition filed by Swanton Village, Inc. Electric Department ("Swanton") and Citizens Communications Company d/b/a Citizens Energy Services ("Citizens") on December 5, 2001, requesting a Certificate of Public Good ("CPG") pursuant to 30 V.S.A. Sec. 248 authorizing (1) the relocation of Swanton's existing 46 kV transmission line in the Towns of Swanton and Highgate, Vermont; and (2) the reconfiguration of two poles on Citizens' 46 kV transmission line in the Town of Highgate, Vermont, to accommodate clearances for Swanton's relocated line.

On February 21, 2002, a public hearing was held in Swanton, Vermont. Notice of the public hearing was sent to all parties and interested persons on January 30, 2002. In addition, notice of the public hearing was published in "The St. Albans Messenger" on February 1, 2002, and February 8, 2002. The public hearing was held as scheduled in the Auditorium of the Swanton Municipal Complex, 120 First Street, Swanton, Vermont. Also on February 21, 2002, a site visit was held at 3:00 p.m.

On February 22, 2002, Swanton, Citizens, the Vermont Department of Public Service ("DPS"), and the Agency of Natural Resources ("ANR") submitted a stipulation ("Stipulation") in which the parties agreed that the Board should issue a CPG with specific conditions as described in the Stipulation. The Stipulation is conditioned upon Board approval.

Notice of the technical hearing was sent on March 12, 2002, to all parties specified in 30 V.S.A. § 248 and all other interested parties. A technical hearing was held as scheduled on April 3, 2002, at 9:30 a.m. at the Public Service Board Conference Room, Fourth Floor, Chittenden Bank Building, 112 State Street, Montpelier, Vermont. No one appeared in opposition to the petition and substantial evidence was presented in support of the petition.

The DPS filed a Determination under 30 V.S.A. § 202(f) on March 4, 2002.

II. FINDINGS

Based upon the substantial evidence of record and the testimony presented at the hearing, I hereby report the following findings to the Board in accordance with 30 V.S. A. § 8.

Introduction

1. Swanton is a company as defined by 30 V.S.A. Sec. 201 and is subject to the jurisdiction of the Vermont Public Service Board ("Board"), pursuant to 30 V.S.A. Sec. 203. Swanton owns and operates a municipal electric plant under Chapter 79 of Title 30, Vermont Statutes Annotated, with a principal place of business at P.O. Box 279, First and Elm Street, Swanton, VT 05488. Pet. at 1.

2. Swanton owns and operates an electrical distribution system in the Town and Village of Swanton, Vermont, and also in the Town of Highgate, Vermont, providing electric service to customers within its system. Pet. at 1.

3. Swanton's system presently provides electric service via two substations: the Elm Street Substation in the Village of Swanton; and a second substation at Swanton's hydroelectric generating plant on the Missisquoi River in the Town of Highgate. These two existing substations are connected to each other by a 46 kV transmission line, which also connects to the Vermont Electric Power Company, Inc. ("VELCO") substation in Highgate at a location relatively near to Swanton's hydro plant. Pet. at 2; Lague pf. at 2.

4. Swanton's existing 46 kV transmission line between the above-mentioned two substations currently runs from the Elm Street Substation in the Village, proceeds easterly across Interstate 89, and then follows a route cross-country to the vicinity of Swanton's hydro plant, at which point it branches, with one segment going to the Swanton hydro plant and another segment going to the VELCO Highgate Substation. Lague pf. at 3; Pet. exh. GL-1.

5. The existing 46 kV transmission line is Swanton's main means of connecting the load of Swanton Village and Swanton's industrial customers to bulk supply from Swanton's hydroelectric plant and the VELCO transmission system. This 46 kV transmission line is therefore a key component of Swanton's electric system, and is very important to maintaining reliable power to Swanton's customers. Lague pf. at 2-4; Pet. exh. GL-1.

6. For several years, Swanton has had an arrangement with Citizens and Central Vermont Public Service Corporation ("CVPSC"), whereby Swanton takes service at 46 kV from Citizens at a point near Interstate 89, where Swanton's existing 46 kV transmission line is in close proximity to a separate 46 kV transmission line owned by Citizens. This arrangement allows

Citizens and CVPSC to adjust their mutual obligations in a mutually advantageous manner under the Block Loading Facilities Transmission Agreement ("BLFTA"), and Citizens is able to use a portion of these benefits. Lague pf. at 3-4.

7. Although the arrangement between Swanton, Citizens and CVPSC described in the above paragraph has been advantageous for Swanton, it would be problematic for Swanton to rely on this arrangement as a primary source of bulk power while allowing Swanton's own 46 kV transmission line to fall into disuse or disrepair. First, Swanton has found that Citizens' transmission system is subject to more outages than Swanton's own 46 kV transmission connection to the VELCO system, such that Swanton sometimes has to utilize its own 46 kV line. Second, some level of redundancy at the transmission level is important to reliability. Third, the Swanton-Citizens arrangement is a result of circumstances not involving Swanton. Those circumstances, therefore, could change such that Swanton might no longer be able to use the Citizens 46 kV option at all, or at least might not be able to take 46 kV transmission service from Citizens on beneficial terms. Fourth, the situation involving Citizens and CVPS that causes Citizens to offer Swanton 46 kV service on favorable terms is an artifact of the structure and history of the BLFTA contract and associated facilities. Since BLFTA only runs through the year 2012, Swanton has no assurance of favorable transmission arrangements with Citizens beyond that time. Lague pf. at 4.

8. The route covered by Swanton's existing 46 kV transmission line between Interstate 89 and its end near Swanton's hydro plant is entirely off-road, and includes very few road crossings. Much of the area covered by this transmission line is very inaccessible and some of it includes extremely steep and rugged terrain. As a result, the line is difficult to work on in any weather conditions, and extremely difficult to work on in winter and other inclement weather conditions – the very time when the line is most likely to require work. Lague pf. at 3, Pet. exh. GL-2.

9. There have been instances of outages on the off-road portions of Swanton's transmission line where Swanton has spent many hours to find and correct faults and restore service. Lague pf. at 5-6.

10. Although Swanton's existing 46 kV transmission line is not located near the side of any road, its general route and direction are fairly parallel to and reasonably close to Vermont Route 78. Lague pf. at 3; Pet. exh. GL-1.

11. Swanton owns and operates existing three phase 12.47 kV/7200V electric distribution facilities along Route 78. Lague pf. at 6, Pet. exh. GL-1.

12. In addition, Verizon New England Inc. d/b/a Verizon Vermont ("Verizon") owns and operates existing telephone facilities and poles along Route 78. Lague pf. at 6.

13. In some locations, Swanton's distribution facilities along Route 78 share the same poles as Verizon's facilities. In other places, Swanton and Verizon have separate poles, and in some instances the electric and telephone lines are on opposite sides of the road. Lague pf. at 6.

14. For a variety of reasons, plus the fact that Adelphia Cable Communications wants to attach a new cable television ("CATV") line to the poles along Route 78 (these do not presently have CATV attachments), Swanton and Verizon are looking at the need to replace a large number of poles along Route 78. As a result, Swanton and Verizon intend to coordinate and consolidate their facilities onto a single pole line along Route 78. Lague pf. at 6-7; Pet. exh. Joint-1.

15. Swanton is proposing to construct a 46 kV transmission line on poles along Route 78, to also include an underbuild for the 12.47 kV/ 7200V distribution line, plus space underneath for Verizon, CATV and other attachments. Lague pf. at 7-8.

16. The proposed consolidated line described in finding 15, above, would take what are now two, and in some cases, three separate pole lines and combine them into one single pole line. Lague pf. at 7-8.

17. Relocating the 46 kV transmission line to the roadside will significantly improve reliability. Lague pf. at 14.

18. Swanton's existing off-road 46 kV transmission line was built in the late 1960s. Since this type of pole plant has a life expectancy of 30-40 years, the existing transmission line will need to be reconstructed (or begin to need a high level of maintenance) within the foreseeable future. Lague pf. at 9-10.

19. The fact that a large number of the existing distribution poles along Route 78 need to be replaced for various reasons results in an opportune time to relocate the 46 kV transmission line from off-road to roadside, as it would be much more expensive to change-out the poles along Route 78 to do this transmission relocation at a later date. Lague pf. at 12-13.

20. As a part of the proposed project, Swanton intends to add a fiber-optic cable line to the subject 46 kV transmission line. This fiber-optic cable, along with replacement of old reclosers, will allow Swanton to monitor and configure its system in a vastly more sophisticated manner. This will allow Swanton to gather data that it simply cannot acquire now, and will also allow Swanton to reconfigure the system far more rapidly when necessary to restore service. This improved data gathering and control-ability should enhance reliability over both the short and long run. Lague pf. at 9.

21. The proposed project will allow Swanton to reduce losses in the distribution circuit along Route 78 while cost-effectively re-using conductor. The existing distribution conductor along Route 78 is 336 MCM. Due to losses, this conductor is no longer optimally sized for distribution use on this circuit. Swanton is proposing to replace this conductor with new conductor for the distribution circuit. In turn, the 336 conductor presently used for distribution along Route 78 will make a very efficient transmission conductor, and can be conveniently relocated upward on the poles as the transmission line is reconstructed. This proposed project, therefore, will capture efficiencies not only in the form of reduced losses, but also in the cost-effective re-use of materials. Pet. at 2; Lague pf. at 7-8, 11.

22. Because the proposed transmission line relocation will be to a corridor already occupied by electric distribution and telephone company poles, which will all be consolidated onto one single pole line, the result will improve aesthetics and a more orderly deployment of infrastructure. Pet. at 2, 4; Raphael pf. at 4; Pet. exh. DR-2.

Orderly Development of the Region

[30 V.S.A. § 248(b)(1)]

23. The proposed project will not unduly interfere with the orderly development of the region, with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of municipal legislative bodies, and the

24. The proposed project essentially involves the relocation of one transmission line into an existing corridor of a distribution line, where it and other utility lines will be consolidated into a single pole line. Virtually the entire proposed project will involve reconstruction at or within existing facilities and within existing rights of way. Lague pf. at 7-8; Raphael pf. at 4.

25. The proposed project will not unduly interfere with the orderly development of the region, and in fact is consistent with the Town and Village of Swanton municipal plan, because that plan encourages the promotion of energy efficiency. The reconductoring of the distribution circuits along Route 78 that will occur in conjunction with this proposed project will reduce line losses and thus improve energy efficiency. The proposed project is also consistent with the Town of Highgate municipal plan, because that plan also encourages the promotion of energy efficiency, and, as noted immediately above, the reconductoring of the distribution circuits will decrease losses and improve efficiency. It is also consistent with the 1999-2004 Northwest Regional Planning Commission "Plan for the Region," which states, in relevant parts at pages 7.20 and 7.21:

"Generation, transmission, and distribution lines or corridors should avoid adverse impacts on significant wetlands, plant and animal habitat, and recognized historic, natural, or cultural resources."

"Growth should be clustered in areas served by existing infrastructure . . ." and

"Plans for generation, transmission and distribution lines should incorporate the following design principles:

(a) Rights of way shall not divide land uses, particularly agricultural lands and large contiguous forest parcels.

(b) Topographic features should be used to minimize the visual impacts of corridors. Corridors, lines and towers should not be placed on prominent geographic features such as ridge lines and hilltops.

(c) Placement and maintenance of utility lines should minimize removal of vegetation and the disruption of views from public highways, trails, and waters."

Lague pf. at 14-15.

Swanton's relocation and rebuilding of the transmission line as proposed in this proceeding eliminates the dividing of farm fields and woods caused by the existing off-road 46 kV transmission line. The new transmission line location will avoid the impacts that the old 46 kV transmission line creates on the wooded areas that must be cleared for a wide transmission right-of-way. The route of the new transmission line will use the existing infrastructure represented by the existing utility and/or highway rights-of-way along Route 78. Although the 46 kV transmission line will be moved to the side of the road, it will simply merge with the existing pole line (and in fact consolidate several existing pole lines, often on separate sides of the road into a single line). Finally, moving the transmission line to the side of the road will eliminate several situations where the old 46 kV transmission line is in very conspicuous places, such as the hill top near the Exxon station near the Interstate highway. Lague pf. at 14-16; Raphael pf. at 4; Pet. exh. DR-2.

26. The Northwest Regional Planning Commission, the Swanton Planning Commission, the Swanton Town Selectboard, the Swanton Village Board of Trustees, the Highgate Planning Commission and the Highgate Selectboard have all been notified of the proposed project. None of these boards or commissions have objected to the proposed project, and in fact the three planning commissions involved have expressed their written approval of the proposed project. Lague pf. at 16; Pet exhs. GL-3, GL-4, and GL-5.

Need For Present and Future Demand for Service

[30 V.S.A. § 248(b)(2)]

27. The proposed project is required to meet the need for present and future demand for service which could not otherwise be provided in a more cost-effective manner through energy conservation programs and measures and energy efficiency and load management measures. This finding is supported by finding 28, below.

28. The proposed project is necessary to meet Swanton's electric load. The subject 46 kV transmission line is the main route to bring bulk power to Swanton Village and Swanton's industrial customers; the magnitude of these needs is such that they cannot be met efficiently or effectively using existing substation and distribution facilities, or through energy conservation/load management. Lague pf. at 10-11.

System Stability and Reliability

[30 V.S.A. § 248(b)(3)]

29. The proposed project will not adversely affect system stability and reliability and, in fact, will enhance both system stability and reliability. This finding is supported by findings 5, 7, and 8, above, and findings 30, 79 and 85, below.

30. Moving the 46 kV transmission line from its present cross-country location to a roadside location will ease inspection of and work on the line, plus speed repair of the line during outages, particularly during the winter. Lague pf. at 2-3, 5-6, 14.

Economic Benefit to the State

[30 V.S.A. § 248(b)(4)]

31. The proposed project will result in an economic benefit to the State. This finding is supported by findings 32 through 36, below.

32. The total construction cost of the proposed relocation of the subject transmission line is estimated at \$109,176.00 (2001 dollars). This amount does not include costs that will be incurred for the work that is to be done on the distribution facilities along Route 78, but only includes the incremental costs of relocating the 46 kV transmission line onto the same pole plant at the time that the distribution facilities along Route 78 are being re-built for independent reasons. Lague pf. at 11-13. In contrast, the cost of re-building the off-road line in place is estimated at \$105,000.00 not considering the additional expense of construction due to the location and the challenges it presents. If the additional costs of labor and other complications (such as the need to build a temporary road) involved in re-building the off-road line are considered, the cost to re-build the existing 46 kV transmission line in place would quickly exceed the cost of moving it to road-side. Lague suppl. pf. at 2-3.

33. By enhancing reliability, reducing the cost of ongoing maintenance, reducing distribution losses and reducing the number and duration of outages to Swanton's customers, and by allowing cost-effective and practical re-use of the existing Route 78 distribution conductor as transmission conductor, this proposed project represents an opportunity to capture savings for both Swanton and its customers. Lague pf. at 5-6, 11, 13, 14.

34. If the subject transmission line is not relocated and re-built now, it will need to be rebuilt in the foreseeable future, at which point in time it will not be possible to achieve the same advantages that are presented now by combining the proposed relocation and reconstruction of the 46 kV transmission line with the reconstruction of electric distribution and telephone facilities along Route 78. Lague pf. at 7, 9-10, 13.

35. Benefits, such as improved power quality and reliability of the system, cannot be readily quantified in economic terms; however, such benefits will flow through as economic benefits to the ratepayers as a result of smoother operation of their equipment and the reduced risk of power outages. Lague pf. at 14.

36. This proposed project will be completed over the course of several years, allowing it to be done on a "pay as you go" basis. During 2002, Swanton will set the new, taller poles required for the proposed project, install the 46 kV insulators, and move the existing 336 MCM distribution conductor onto the 46 kV insulators, where it will initially be energized at the existing 12.47 kV/ 7200V distribution voltage. Cable television and telephone companies will then install their facilities on the new poles. After telephone and CATV are on the new poles, Swanton will then construct the "underbuild" for the new 12.47 kV/ 7200V distribution circuit on these poles. Once that is complete, the distribution load will be transferred to this new distribution underbuild, allowing the 46 kV facilities at the top of the poles to be energized at the rated 46 kV level, and allowing Swanton to remove the existing off-road 46 kV line. Since the main material costs of this project are only the insulators and the incremental cost of the taller poles needed to allow the transmission/distribution overbuild/underbuild, constructing the project in this manner will allow Swanton to do it economically and on a "pay as you go" basis without financing. Lague pf. at 7-8, 11-12.

37. The Stipulation requires that:

- a. Swanton will complete the installation of the new distribution conductor to be placed on the proposed project within a year after the point at which work is completed with respect to placing cable and telephone lines on the proposed project, and will energize the proposed project's 46 kV transmission conductor at 46 kV on completion of the new distribution circuit.

b. Within a year after energizing the proposed project's 46 kV transmission conductor at 46 kV, Swanton will remove the existing cross-country 46 kV facility to be replaced by the proposed project's 46 kV transmission facility. Stipulation at 2.

**Aesthetics, Historic Sites, Air and
Water Purity, the Natural Environment and Public**

Health and Safety

[30 V.S.A. § 248(b)(5)]

38. The proposed project will not have an undue adverse affect on aesthetics, historic sites, air and water purity, the natural environment and the public health and safety. This finding is supported by findings 38 through 79, below, which are based on the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8), 8(A) and (9)(K).

Outstanding Resource Waters

[10 V.S.A. § 1424a(d)]

39. No outstanding water resources have been designated in the area of the proposed project; therefore, there will be no impact on any such resources that have been identified by the Water Resources Board. Lague pf. at 18; Pet. exh. GL-1.

Water and Air Pollution

[10 V.S.A. § 6086(a)(1)]

40. The proposed project will not result in undue water or air pollution. The finding is supported by findings 41 through 58, below.

41. There will be minimal ground disturbance and dust generation during the construction of the proposed new line and the removal of the old 46 kV transmission line. As to removal of the old 46 kV transmission line, Swanton will only use small vehicles. No meaningful amount of water will be used during the proposed construction. Lague pf. at 18.

Headwaters

[10 V.S.A. § 6086(a)(1)(A)]

42. The proposed project will not traverse any headwaters areas, and will meet all applicable health and environmental conservation regulations regarding reduction of the quality of ground or surface waters, because very little waste will be generated and any waste associated with the

construction will be disposed of as described under criterion (1)(B), Waste Disposal, finding 43, below, at state-approved landfills. Lague pf. at 18.

Waste Disposal

[10 V.S.A. § 6086(a)(1)(B)]

43. The proposed project, as designed, will meet any applicable health and environmental conservation regulations regarding the disposal of wastes, and will not involve the injection of waste materials or any harmful toxic substances into the ground waters or wells. This finding is supported by findings 44 through 47, below.

44. There will be no discharge of any substance to surface or ground water, either direct or indirect. Lague pf. at 18.

45. Where materials are being removed from service and have some continuing value, Swanton will re-use them, keep them for re-use, or sell them for salvage value. Lague pf. at 18.

46. All construction debris will be disposed of at a state-approved landfill. Lague pf. at 18.

47. All trees and brush that must be cleared, if any, will be removed or mulched. Lague pf. at 18.

Water Conservation

[10 V.S.A. § 6086(a)(1)(C)]

48. The proposed project uses no water. Lague pf. at 18.

Floodways

[10 V.S.A. § 6086(a)(1)(D)]

49. The addition of new conductors to an existing pole line and the removal of another pole line will have virtually no negative impact on any existing or future floodways. The proposed project will have a minimal impact on the area and will not in any way restrict or divert the flow of floodwaters, nor will it affect the discharge of any stream within or downstream from the development. In fact, the proposed removal of Swanton's existing off-road 46 kV transmission line will allow for re-vegetation of the cleared transmission corridor now occupied by that line, with the potential for decrease in runoff in that area. Lague pf. at 19.

Streams

[10 V.S.A. § 6086(a)(1)(E)]

50. Both the existing off-road 46 kV transmission line and the Route 78 corridor cross two brooks in the areas relevant to this proposed project. Relocating the 46 kV transmission line would actually reduce the resulting four brook crossings to two. During the proposed construction, Swanton will take all reasonable measures to avoid disturbing the brooks. The proposed work will not require any further encroachment towards the stream banks and, therefore, the impact, if any, of the proposed project will be minimal to these streams. Lague pf. at 19.

51. To the extent that the proposed relocation will allow abandonment and revegetation of the existing right-of-way for the off-road 46 kV transmission line that crosses the stream, and consolidation of that 46 kV transmission line with existing distribution lines along Route 78, the impact may be beneficial. Lague pf. at 19.

52. Adding new conductors to poles along Route 78 should not have any negative impact on the stream. Lague pf. at 19.

53. When removing the conductor from the existing off-road 46 kV transmission line, Swanton will take reasonable steps to see that the conductors do not disturb the stream, will remove the line during winter conditions, and will consult with the ANR District Biologist. Stipulation at 2.

54. Swanton will utilize appropriate soil stabilization and erosion control techniques as necessary during the proposed construction of the new line and removal of the off-road 46 kV transmission line. Lague pf. at 19.

Shorelines

[10 V.S.A. § 6086(a)(1)(F)]

55. The proposed project will not be located near any shorelines. Lague pf. at 19.

Wetlands

[10 V.S.A. § 6086(a)(1)(G)]

56. There are no wetlands on the shoulder of Route 78 where the proposed new 46 kV line will be located. Lague pf. at 19.

57. No significant wetlands have been identified in the corridor of the existing off-road

46 kV transmission line that will be removed. The off-road 46 kV transmission line will be removed in the winter, and an ANR District Biologist will be consulted prior to removal of the subject line. Stipulation at 2.

Air Pollution

[10 V.S.A. § 6086(a)(1)]

58. The proposed project will not result in unreasonable air pollution because there will be no emissions from the proposed project. Vegetative materials cleared from the proposed project right-of-way will be minor and will be chipped and mulched or disposed of at an approved off-site location. No burning will be required for this proposed project. Lague pf. at 18.

Sufficiency of Water And Burden on

Existing Water Supply

[10 V.S.A. § 6086(a)(2)&(3)]

59. Since the proposed project uses no water, it will not draw down on any existing water supply. Lague pf. at 18.

Soil Erosion

[10 V.S.A. § 6086(a)(4)]

60. The proposed project as designed will not result in unreasonable soil erosion or reduce the ability of the land to hold water. This finding is supported by findings 61 through 64, below.

61. The proposed road-side 46 kV transmission line will be placed on poles in an existing highway and utility right-of-way, so that the proposed upgrade will create minimal soil disturbance. Lague pf. at 7-8, 19.

62. No road construction or access road construction is proposed for this proposed project. Lague pf. at 1-20; Lague suppl. pf. at 3-4.

63. Swanton will utilize appropriate soil stabilization techniques as necessary during the proposed construction. Lague pf. at 19.

64. Since removal of the existing off-road 46 kV transmission line will allow the current off-road right-of-way for that line to revegetate, erosion should not increase and may, in fact, decrease. Lague pf. at 17, 19-20.

Traffic

[10 V.S.A. § 6086(a)(5)]

65. The proposed project will not cause unreasonable congestion or unsafe conditions with respect to transportation systems, in that the proposal is to relocate an existing 46 kV transmission line onto a road-side location where there are already electric distribution poles. Since the proposed 46 kV transmission line will be sharing poles with electric distribution and telephone facilities, there will be no net increase in the number of roadside poles as a result of this proposed project. Lague pf. at 20.

66. Proper safety precautions will be taken in the proposed work to be conducted along Route 78. Lague pf. at 20.

Educational Services

[10 V.S.A. § 6086(a)(6)]

67. The proposed project will not cause an unreasonable burden on the ability of any of the involved municipalities to provide educational services. Lague pf. at 20.

Municipal Services

[10 V.S.A. § 6086(a)(7)]

68. The proposed project will not place an unreasonable burden on the ability of any involved municipality to provide municipal services. To the contrary, relocating the 46 kV transmission line from an off-road to roadside location will reduce clearing work, reduce the difficulty and expense of maintenance and outage restoration for Swanton, and will allow Swanton to deliver more reliable electric service. Lague pf. at 20.

**Aesthetics, Historic Sites or Rare
And Irreplaceable Natural Areas**

[10 V.S.A. § 6086(a)(8)]

69. The proposed project will not have an undue adverse effect on the scenic or natural beauty of the area, or upon aesthetics, historic sites or rare and irreplaceable natural areas. This finding is supported by findings 70 through 74, below.

70. The reconstructed 46 kV line is proposed to be located entirely within an area already occupied by Route 78 and existing electric distribution and telephone poles. Construction of this proposed new line will allow the existing 46 kV off-road corridor to revegetate. The proposed new line will also consolidate what are now two and in some locations three separate pole lines into one single pole line. Lague pf. at 7, 14-15; Pet. exh. GL-1.

71. The proposed new line along Route 78, which will combine a 46 kV transmission line, a 12.47 kV/ 7200 volt distribution line and telephone circuits, will be similar to other construction existing in Swanton's service territory and around Vermont, and will be less obtrusive in the aggregate than the present separate electric transmission, electric distribution, and telephone pole lines. Raphael pf. at 4; Pet. exh. DR-2.

72. For the above reasons, the proposed new line consolidating the 46 kV transmission, electric distribution and telephone lines will not degrade aesthetics, and in many places will improve it. Raphael pf. at 4; Pet. exh. DR-2. The Stipulation requires that this consolidation occur within a reasonable time frame. The Stipulation includes the commitment of Verizon to consolidate its existing line with the proposed project within two years after: (a) the date that CATV attachments on the new poles are complete; or (b) January 1, 2003, whichever is later. The Stipulation includes provisions setting out time frames for when Swanton will complete installation of the new distribution conductor on the proposed project pole line and remove the existing 46 kV transmission line. Stipulation at 2 and Attachment A.

73. Based on the above, the proposed project will generally fit within the context of, and will not adversely affect, the areas of Swanton and Highgate where it will be located. Raphael pf. at 4; Pet. exh. DR-2.

Discussion

Based on the above findings, I find that this proposed project will not have an undue adverse effect on the aesthetics or scenic and natural beauty of the area. In reaching this conclusion, I have relied on the Environmental Board's methodology for determination of "undue" adverse effects on aesthetics and scenic and natural beauty as outlined in the so-called Quechee Lakes decision. Quechee Lakes Corporation, #3W0411-EB and 3W0439-EB, dated January 13, 1986.

As required by this decision, it is first appropriate to determine if the impact of the project will be adverse. The proposed project would have an adverse impact on the aesthetics of the area if its design is out of context or not in harmony with the area in which it is located. If it is found that the impact would be adverse, it is then necessary to determine that such an impact would be "undue." Such a finding would be required if the proposed project violates a clear written community standard intended to preserve the aesthetics or scenic beauty of the area, if it would offend the sensibilities of the average person, or if generally available mitigating steps will not be taken to improve the harmony of the project with its surroundings.

Given the facts of this case, it would be difficult to find that this project would have an adverse effect on the aesthetics of the area because of the limited nature of the proposal, the fact that it will be located almost entirely within an existing right-of-way, and the fact that the project may improve area aesthetics by consolidating multiple separate utility pole lines onto one pole line.

Even if I were to find this proposal is aesthetically adverse, I would not be able to find that such adverse impact is undue because there is no written community standard that would be violated, the project will not offend the sensibilities of the average person, and the consolidation of multiple separate utility pole lines onto one pole line provides sufficient mitigation in this instance.

74. There are no historic sites that would be adversely affected by the proposed project, as the proposed project will be located entirely within an area already occupied by Route 78, existing electric distribution and telephone poles, and located within an existing right-of-way. Lague pf. at 16.

Necessary Wildlife Habitat and

Endangered Species

[10 V.S.A. § 6086(a)(8)(A)]

75. The proposal does not traverse any designated natural areas or impact any endangered species that have so far been identified on the Town or State maps. Lague pf. at 20.

Development Affecting Public Investments

[10 V.S.A. § 6086(a)(9)(K)]

76. The proposed facilities will not unnecessarily or unreasonably endanger the public or quasi-public investments in any governmental public utility facilities, services, or lands, or materially jeopardize or interfere with the function, efficiency, safety of, or the public's use or enjoyment of or access to such facilities, services, or lands. This finding is supported by findings 77 through 80, below.

77. The 46 kV transmission line will be reconstructed in an area already occupied by utility poles within an existing right-of-way. Lague pf. at 6.

78. The only municipal services that will be affected are those of the Swanton Village, Inc. Electric Department, and these services will be impacted positively as a result of this proposed project because the proposed project should improve electric system reliability, lower the costs and reduce the time associated with outage restoration and maintenance. Lague pf. at 14.

79. Because the existing off-road 46 kV transmission line would need to be re-built within the foreseeable future anyway, and because Swanton will be able to build the proposed new line along Route 78 on a "pay as you go" basis, neither Swanton Village's ratepayers nor its taxpayers will be adversely impacted by the proposed project costs. Lague pf. at 9-10.

80. Including the installation of a fiber-optic line as a part of the proposed new project will allow Swanton to operate its existing electric system more efficiently, and to more readily gather data as to the operation of that system, thus enhancing the value of the public investment already represented by Swanton's electric system. Lague pf. at 9.

Public Health and Safety

[30 V.S.A. § 248(b)(5)]

81. The proposed project shall be constructed in accordance with the requirements of the National Electrical Safety Code. Public Service Board Rule No. 3.500.

82. The proposed project will have no adverse effect on public safety. Since two pole lines will be combined into one pole line, the proposed project will result in fewer poles along Route 78. In addition, since much of Route 78 has guardrails, the poles in that area will be located behind the guardrail. Lague pf. at 9.

Consistency with Resource Selection**Integrated Resource Plan**

[30 V.S.A. § 248(b)(6)]

83. Because the proposed project allows cost-effective use of the existing 336 MCM distribution conductor along Route 78 for the proposed new transmission line, it represents an ideal opportunity to replace that existing distribution conductor with a larger conductor which will help reduce losses. Swanton will select the new distribution conductor based on consultation with the DPS. Lague pf. at 11; Stipulation at 3.

Compliance With Electric Energy Plan

[30 V.S.A. § 248(b)(7)]

84. The DPS's 20-Year Electric Plan suggests that utilities should give careful consideration to the aesthetic impacts of roadside relocation of lines. DPS 20-Year Electric Plan at 5-7. Swanton has done so by developing a proposal that considers and minimizes impacts at the roadside. Lague pf. at 16; Raphael pf. at 4; Pet. exh. DR-2.

85. The DPS's 20-Year Electric Plan also states that electric utilities should coordinate with telephone and cable TV to avoid duplicate facilities and to coordinate the transfer of facilities. DPS 20-Year Electric Plan at 8-13. Swanton's proposal represents an effort to do just that. Lague pf. at 7-8; Pet. exh. Joint-1.

86. The DPS has determined, in a letter dated March 4, 2002, that the proposed project is consistent with the Vermont 20-Year Electric Plan, in accordance with 30 V.S.A. § 202(f),

provided the project is constructed as described by Swanton and provided Swanton complies with the conditions stated in the Stipulation. Exh. DPS-1.

Outstanding Water Resources

[30 V.S.A. § 248(b)(8)]

87. No waters of the state that have been designated as outstanding Resource Waters will be affected by the proposed project, and the proposed project will not have any undue adverse affect upon any waters that it is near. See finding 39, above.

Existing Transmission Facilities

[30 V.S.A. § 248(b)(10)]

88. The proposed project will have no adverse affect on Vermont customers or utilities. Rather, the proposed project will improve the reliability of Swanton's 46 kV transmission tie to the VELCO system and Swanton's own hydroelectric generation plant, help reduce the number and duration of outages, plus ease maintenance and repair of the 46 kV transmission line. Lague pf. at 20.

III. CONCLUSION

Based upon all the above evidence, the relocation of Swanton's existing 46 kV transmission line and the reconfiguration of two poles on Citizens' 46 kV transmission line:

- (a) will not unduly interfere with the orderly development of the region with due consideration having been given to the recommendations of the municipal and regional planning commissions, and the recommendations of the municipal legislative bodies;
- (b) is required to meet the need for present and future demand for service which could not otherwise be provided in a more cost-effective manner through energy conservation programs and measures and energy-efficiency and land management measures;
- (c) will not adversely affect system stability and reliability;
- (d) will result in an economic benefit to the state and its residents;
- (e) will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment and the public health and safety, with due consideration having been given to the criteria specified in 10 V.S.A. § 1424a(d) and § 6086(a)(1) through (8) and (9)(K);
- (f) is consistent with the principles of least-cost integrated planning;
- (g) is in compliance with the electric energy plan approved by the DPS under § 202 of Title 30 V.S.A.;

- (h) does not involve a facility affecting or located on any segment of the waters of the State that has been designated as outstanding resource waters by the Water Resources Board; and
- (i) can be served economically by existing or planned transmission facilities without undue adverse effect on Vermont utilities or customers.

To the extent these findings are inconsistent with any proposed findings, such proposed findings are denied.

The parties have waived the opportunity to comment on this Proposal for Decision in accordance with 3 V.S.A. § 811.

Dated at Montpelier, Vermont, this 1st day of May, 2002.

s/Wayne L. Foster
Wayne L. Foster
Hearing Officer

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. Swanton Village, Inc. Electric Department's reconstruction and relocation of a 46 kV transmission line from its existing off-road location to a location along Route 78, to be combined with existing electric distribution and telephone facilities onto a single pole line in the Towns of Swanton and Highgate, Vermont, and Citizens Communications Company, d/b/a Citizens Energy Services reconfiguration of two poles on Citizens' 46 kV transmission line in the Town of Highgate, Vermont, to accommodate clearances for Swanton's relocated line, in accordance with the evidence and plans submitted in this proceeding, will promote the general good of the State of Vermont in accordance with 30 V.S.A. § 248, and a certificate of public good to that effect shall be issued.

2. The Stipulation, filed by Swanton, Citizens, the DPS and ANR on February 22, 2002, is accepted and approved. Compliance with all terms of the Stipulation is required.

3. The Board has continuing jurisdiction to resolve any disputes arising under the above-referenced Stipulation.

Dated at Montpelier, Vermont, this 8th day of May, 2002.

s/Michael H. Dworkin)

) PUBLIC SERVICE

s/David C. Coen)

) BOARD

s/John D. Burke)

) OF VERMONT

OFFICE OF THE CLERK

FILED: May 8, 2002

ATTEST: s/Susan M. Hudson

Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.