

## Unchecked electrical expenses? New England consumer advocates have concerns

By [Len Besthoff](#) • • November 22, 2024 at 11:18 am

“NBC Connecticut Investigates has learned of another charge that could get tacked onto your electric bills just months into substantial rate hikes.

It involves an expensive project Eversource said it needs for reliability.

Consumer advocates from Connecticut, Maine, New Hampshire, Massachusetts and Rhode Island have said the approval process for this is flawed, and they have questions about the need for a full replacement.

Eversource said it plans to spend approximately \$360 million to rebuild a transmission line traversing 49 miles of harsh terrain.

Connecticut electric customers must cover almost a quarter of the cost, since the transmission line is part of the ISO New England regional electric grid. That includes both Eversource and United Illuminating customers.

States pay the costs based on the total amount of power they use.

At last check, Connecticut used roughly 22% of the electricity on the ISO New England grid.

Eversource said at a meeting in October that half the poles on the New Hampshire transmission line, known as X-178, need replacing.

New England consumer advocates countered, half don't.

The advocates suggested this may be a practice known as “gold plating,” where *utilities* make more upgrades than needed because they get a guaranteed return, often in the 10% range, on the work, and customers pay for it through the transmission charges on their bill.

Claire Coleman, Connecticut's consumer counsel who represents electric customers in the state, said, “The fact that these costs are increasing has been one of the reasons we've all decided to raise red flags.”

Coleman has had company when filing public comment on X-178.

Rhode Island Ratepayer Advocate Linda George told NBC Connecticut Investigates when it comes to the growing number of these types of projects, “...we feel that there is a lack of transparency.”

Maine's Deputy Public Advocate Drew Landry said, “I think what we'd like to see is to have some sort of independent review of the need to construct a project at this time, number one and number two, to consider a staged approach to the project and whether that's feasible as an alternative.”

And New Hampshire Consumer Advocate Donald Kreis, from the state X-178 would benefit, said in August, “I'm proud to join my counterparts from around the region in opposing efforts to gold-plate the transmission grid and send the bill to everyone in New England.”

Eversource pointed out in a hearing this year that fully replacing X-178 has many benefits versus doing it in stages.

The utility said, “Doing it as a full rebuild avoids the inflationary risk if we defer portions of the project and then they get hit with continued high inflation, it will also allow us to minimize our impact on the environment.”

Couple that with the harsh weather in northern New Hampshire, and climate change, that Eversource has said tends to degrade equipment faster.

There’s also the challenge of accessing parts of the transmission line, which are remote enough that Eversource has said it can only get equipment there via helicopter.

Still, Coleman explained historically there’s little oversight of what utilities spend on these projects, and electric customers have a right to know.

“They can determine that there is a need based on their own internal analysis and go through with that without the type of regulatory review process that similar types of construction projects for our distribution lines would have to undergo,” Coleman said.

Eversource disagrees, saying, “We’re fully complying with all applicable review and approval processes...We are engaged in conversations with stakeholders to consider possible adjustments to the processes for these types of transmission projects.”

Ethan Howland, a reporter for electric industry newsletter “Utility Dive” told NBC Connecticut Investigates, “The rate payers are asking the utilities, can you please provide us information to justify these projects, or how did you determine that these were the projects that should be built? And the utilities haven’t been providing that information.”

Consumer advocates point out the Federal Energy Regulatory Commission, known as FERC, is taking a more aggressive role now, making grid operators do more long-term transmission planning.

State consumer advocates fear the new rule won’t do enough, fast enough, and are calling for an independent third party to review projects like X-178 at the regional level.

NBC CT Investigates reached out to FERC for comment and has not heard back.

In addition to its statement, Eversource shared further background:

*“Maintaining and modernizing our aging transmission infrastructure is critical to reliably serving our customers, helping to make the system more resilient to the evolving extreme weather we’re experiencing in New England. Our X178 transmission line is one of only two transmission supplies to New Hampshire’s northern loop and it’s rapidly deteriorating from frequent exposure to harsh elements and severe weather. We’ve proposed a full line rebuild as the most cost-effective, efficient and environmentally responsible long-term solution to address the reliability risks for approximately 30,000 of our customers served by this many decades-old critical infrastructure. The cost of the project was initially estimated to be \$385 million; however, a reduction in cost as a result of efficiencies we received in the bid process for the full rebuild of the line is expected to bring down the total cost. If we*

*are not permitted to complete the full rebuild in a timely manner, those efficiencies provided in the bids will expire.*

*We have evaluated pared-back alternative approaches and found that they would likely result in structure replacement projects occurring every few years while being more costly and disruptive to customers and the environment. As demonstrated by the more than 100 additional at-risk poles identified as needing immediate replacement in the most recent third-party inspection of the line and the temporary repairs we recently conducted to keep the line in service, the reliability risks to this aging infrastructure are only getting worse over time. A full line rebuild is the most sustainable and responsible long-term solution, and it ensures that all customers see the full benefits of the line's improvements sooner – including a more resilient and reliable supply of power to the Coos County region in northern New Hampshire.*

*Transmission costs are subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC) and shared across all customers served by the regional transmission system through ISO-NE. We present all of these types of projects to New England stakeholder committees for review. These committees include representatives from state agencies and consumer advocates among others. All of the utilities in New England follow the same process.*

*The project will also be subject to local, state and federal environmental and land use reviews and permitting processes and must receive all required permits before construction commences. Examples of required approvals include, NHDES Alteration of Terrain, Shoreland, and Wetlands permits, and reviews by the NH Natural Heritage Bureau, NH Fish & Game Department, U.S. Forest Service, and Army Corps of Engineers.” [Dave Burnham]*

Connecticut Department of Energy and Environmental Protection Commissioner Katie Dykes released a statement.

“The current federal process governing the billions of dollars in asset condition projects being proposed by the region’s transmission owners is woefully inadequate. Over the last year and a half, DEEP has been working with our sister New England states, the region’s consumer advocates, and others to gain visibility into these projects to better understand the need for proposed spending that will show up on electricity bills. While continued investment in our grid is essential to maintain reliability, we must ensure the asset condition projects transmission owners propose are justified and receive the oversight needed to protect consumer dollars,” Dykes said in a statement.