To: New England Transmission Owners – <u>PAC.Responses@eversource.com</u> Copy to: <u>pacmatters@iso-ne.com</u>

From: Matthew Fossum, New Hampshire Office of Consumer Advocate

Re: Comments and Questions Regarding April 25, 2024 Draft Joint New England Transmission Owner Asset Condition Process Guide

Date: May 29, 2024

Consistent with the New England Transmission Owners (the "TOs") April 25, 2024 Planning Advisory Committee ("PAC") notice regarding the Draft Joint New England Transmission Owner Asset Condition Process Guide (the "Guide"), the NH OCA submits the below comments and questions. The comments and questions are addressed jointly to the TOs unless otherwise specified.

As an initial overarching comment, the NH OCA wishes to acknowledge, and show appreciation for, the work and cooperation of the TOs, both among themselves and with others, to create and produce the Guide. The comments and questions herein are intended to refine the understanding of the guide in general, as well as to examine how the considerations in the Guide have been applied in certain specific instances.

The NH OCA appreciates the TOs' time and attention to these comments and questions and looks forward to further discussion and collaboration around the Guide and around Asset Condition projects more generally. Should any of the below comments or questions prove unclear, please contact the NH OCA for clarity. Lastly, to the extent the TOs object to any of the questions as inappropriate for this process, the NH OCA asks that the TOs identify the forum in which such question or questions may be addressed.

- In general, the Guide outlines the processes each TO follows in analyzing Asset Condition projects but does not elaborate on the factors involved in specific decisions. At each stage where decisions are made about a project, such as the Initial Evaluation, Scoping, Project Definition, and Project Design stages, please describe the factors implicated in those steps and how they are applied within the TOs' internal processes. In other words, who makes particular determinations to proceed with a project at each stage and what specific factors do those people use to make those determinations.
- 2. Executive Summary, page 2. The TOs note that they are the owners and operators of the "majority" of the Pool Transmission Facilities ("PTF") in New England. Are the TOs aware of any material differences in project analysis or execution between what is described in the Guide and the processes used by any PTF owner not covered by the Guide? If so, please explain those differences.

- 3. Executive Summary, page 5:
 - In the column labeled "Budgeting/Funding Processes" the second box notes that initial funding is "typically" sufficient to cover holistic evaluation. What processes are used for requesting/justifying additional funding when the initial funding is not sufficient?
 - In the column labeled "Primary Step," row 5 notes that most Asset Condition projects are presented to PAC at this stage.
 - Please explain what happens with projects not presented to PAC at this stage.
 - Beyond the information in Section 5.2 of the Guide, please explain how the TOs use or incorporate any information/feedback received from the PAC in project development or decision-making.
- 4. Executive Summary, page 7. For the "Approve initial budget" box in Section 3 of the graphic, it shows "initial scope and budget" as the criteria to consider. Are any other criteria considered?
- 5. Section 1, page 8:
 - The final sentence of the third paragraph describes painting towers as a life extension activity. Please describe what other life extension activities may be used.
 - In the fourth paragraph, the Guide states that monitoring to detect flaws before failures is "particularly challenging" because the system is composed of different components subject to different stressors. Given that the system has always been constructed of different components and subject to varying stressors, please explain what is meant by describing asset monitoring as "particularly challenging."
- 6. Table 1-1, page 9:
 - The "Drone Inspections" row shows vastly different inspection cycles for each TO. Please describe the considerations leading to these different cycles.
 - Each of the TOs other than Eversource has scheduled Visual Helicopter Inspections. For Eversource, please explain any considerations leading to that difference.
 - Each of the TOs other than Eversource and Versant has scheduled Infrared Helicopter Inspections. For Eversource and Versant, please explain any considerations leading to that difference.
- 7. Section 1, page 11. The bulleted list in Section 1.1.1 describes Ultrasonic inspections, but Ultrasonic inspections do not appear on Table 1-1 or Table 1-2 in the descriptions of the TOs' inspection cycles. Do the TOs use Ultrasonic inspections? If so, when and on what cycle?

- 8. Section 1, pages 12-13. The Guide references the ANSI standard for wood pole defects in Section 1.1.1.1, but no standard for steel poles in Section 1.1.1.2. Is there a relevant standard for defects in steel poles?
- 9. Section 2, page 19. In the middle of the carryover paragraph from Section 2.1.1, there is a reference to the guidance from the North American Wood Pole Council. Please explain how this guidance compares with evaluations conducted under the ANSI standard.
- 10. Section 2, page 20. Section 2.1.4 describes obsolete equipment and how maintaining such equipment may be difficult or impossible and how failures of such equipment will be "challenging and expensive" to address.
 - For Eversource At the July 22, 2021 PAC, the Company presented a proposed underground project using High Pressure Fluid Filled ("HPFF") cable: https://www.iso-ne.com/static-assets/documents/2021/07/a5_282_520_and_282_521_115kv_line_hpff_refurbish_ment.pdf. Slide 8 of that presentation noted that at the time there was only a single supplier of HPFF. During the April 17, 2024 Reliability Committee meeting, Eversource's proposed Transmission Cost Allocation ("TCA") for this same project was presented. That TCA notes that this last supplier of HPFF is retiring. In light of the concerns highlighted in Section 2.1.4 of the Guide, please explain how Eversource followed the considerations in the Guide to reach the decision to use obsolete equipment for this project.
- 11. Section 2, page 22. Table 2-1 describes unacceptable environmental impacts as an asset cost in the first row and references environmental risks in the fifth row. Do those two references pertain to different environmental impacts? If so, please explain the differences.
- 12. Section 3, page 26. The first sentence of the final paragraph notes that if a line has "limited" issues, a targeted repair is the typical solution. What does "limited" mean in this context?
- 13. Section 3, page 27. In the section on substations, there is a question about a substation location being "suboptimal" and how a suboptimal location could justify an asset condition project to move/rebuild the substation. Do the TOs intend to say that the mere desire for a better placement of a substation is sufficient to justify the substantial cost and effort to relocate a substation? If not, what factors (other than potential flooding as noted in that section) could justify relocating a substation as an asset condition project?
- 14. Section 4, page 29. Section 4.1 makes numerous references to decisions about the viability of a project and the necessity for alternatives analyses. Please explain who makes such decisions, what information they use to make those decisions, and the relevant factors used in making those determinations.

- 15. Section 4, page 33. The text states that Figure 4-1 illustrates the "key distinguishing factors" as different from the "other factors", but the figure itself does not have such labels. Please explain which factors are "key" and which are not.
- 16. Section 5, page 34 (and Section 4.1). The final sentence of the first paragraph in Section 5.1 states "The preferred alternative for an asset condition project is typically selected by Transmission Owner management based on a review of the information developed (including any alternatives) in earlier steps."
 - At the PAC on May 15, 2024, National Grid presented its proposal for a rebuild of the W-149 line (https://www.iso-ne.com/staticassets/documents/100011/a04 ngrid w149 acr asset condition presenation.pdf). According to that presentation (slide 3), the line was refurbished in 2008 (which, according to the discussion at the PAC, included the replacement of approximately 400 poles). Sixteen years later, slide 10 of the May 15, 2024 presentation shows that National Grid considered only two alternatives for addressing asset condition issues on the line and both required a complete rebuild of the line, including replacement of all poles installed in 2008. Both alternatives cost nearly \$500,000,000. For National Grid – in line with Section 5.1 of the Guide, please explain management's considerations when reviewing these two alternatives that required complete rebuilds of the W-149 and any other factors in making the decision to move forward with this project. Please explain where any other alternatives were reviewed and if so, why they were rejected prior to the PAC presentation. Please also explain how rebuilding a line that was thoroughly refurbished in 2008 aligns with the goal of minimizing environmental and community impacts as noted in Section 4.2 of the Guide.
- 17. Table 7-1, page 43. The second row of the table notes that a potential solution to supply chain disruptions is to order materials early in the process. Other than ordering materials early, what other actions do or will the TOs take to minimize supply chain problems?
- 18. Codes and Standards Appendix, page 49. The ANSI standards included on this page appear to be duplicated, and do not include, for example, the ANSI standards 5.1, 5.2, and 5.3 referred to on page 12 of the Guide.