

Maine ratepayers will be on the hook for \$32 million if Boston-based Eversource Energy follows through on a plan to rebuild a 49-mile transmission line in New Hampshire, according to Maine’s public advocate, who has joined other state officials in calling the scale of the project excessive.

Consumer Advocates of New England, the group of officials opposing the project designed to upgrade the New England grid, said Eversource has failed to demonstrate that it is a “reasonable use of consumer dollars.” Less than 8% of the line needs to be replaced, according to Eversource.

Maine Public Advocate William Harwood said the impact on a typical customer’s monthly bill would be modest. He didn’t provide a dollar estimate but said Maine ratepayers would be responsible for about 9% of the \$360 million total cost of the project, though Eversource pegs the total at \$384 million. The price tag would be spread over the useful life of the project – Eversource says the average age of transmission pole structures is up to 60 years – and reflect a return on profit of about 10%, he said.

The cost of electricity is an increasingly pointed subject as ratepayers are called on to finance grid upgrades to withstand frequent and destructive storms and accommodate greater electrification to heat buildings and charge electric vehicles to cut carbon from the atmosphere. Costly transmission upgrades are another matter and draw fire from consumer advocates, who say the projects unnecessarily add to ratepayers’ burden and aren’t adequately regulated.

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Don Kreis, New Hampshire’s consumer advocate, accused Eversource of “unconstrained spending” on transmission projects.

“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,” he said.

Eversource's service territory is Connecticut, Massachusetts and New Hampshire. Because its transmission lines are part of the New England grid, the region's ratepayers pay for upgrades.

### **CRITICS: MORE REGULATION IS NEEDED**

The state officials also criticized what they say is a "lack of meaningful oversight" over improvements to utilities' privately owned facilities.

"We need an effective regulator to police this," Harwood said. "If we don't do anything, we should try to get (the Federal Energy Regulatory Commission) to exercise its authority."

The New Hampshire project is the "poster child of what's wrong with transmission regulation," he said.

Proposals for new transmission lines are reviewed by federal regulators, transmission planners and the industry, but rebuilds or repairs such as what Eversource is proposing do not face similar scrutiny. Instead, state and local laws may require reviews and FERC may examine whether a utility's spending decisions allow it to recoup costs from ratepayers.

The region's ratepayer advocates said decisions about the scope of Eversource's project and how much it will cost ratepayers "lie with the individual asset owner."

If the utility follows through with the project, the ratepayer advocates say they might challenge the decision before FERC.

And the New England State Committee on Electricity, whose members are appointed by the region's six governors, said without "information showing that this use of consumer dollars is well-supported and reasonable" that it's 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."

The owners and residents of property with a power line easement sued Eversource, FERC and the ISO on Aug. 16, demanding that the regulators play a greater role. Kristina Pastoriza and Ruth Ward, a New Hampshire state senator, asked the U.S. District Court in New Hampshire to order FERC to end the ISO-NE practice of exempting large transmission rebuild projects, including the Eversource plan, from a planning process “that will ensure that retail ratepayers who have no adequate remedy at law pay just, reasonable and nondiscriminatory rates.”

Pastoriza and Ward also asked the court to rule that an Eversource claim to rebuild the power line on their property is a breach of a 1948 easement and would unreasonably interfere with their rights and use of their property.

### **A FULL REBUILD IS EVERSOURCE’S PREFERENCE**

Eversource sought the views of public officials and others at several meetings. It has proposed three [alternative](#) projects, but says its preference is a “full line rebuild.” That approach would have higher initial costs, but lower anticipated costs over time, the utility said. It also would avoid future disruptions to the environment and local communities and improve telecommunications capabilities for northern New Hampshire substations, the utility said. It’s estimated to be completed by 2026.

Eversource says rebuilding the power line will make the transmission system more resilient to extreme weather and will replace aging infrastructure that in many cases was built decades ago. Eversource said it engaged in “extensive community outreach.”

The utility said drone inspections in 2022 showed 41 natural wood structures dispersed throughout the length of the power line had woodpecker damage, rotted or split pole tops, cracked arms and other damage. Eversource also identified other parts of the line as high-priority concerns.

Harwood questioned why Eversource would favor replacing the entire transmission line of 583 structures if 41 are damaged. He called it an “example of excessive spending.” The utility says most of the structures are made of wood and would be replaced with steel structures.

Eversource offered as an alternative to replacing 43 structures and other nearby equipment that require immediate attention. But that project would lead to “many additional future structure replacement projects” as structures continue to deteriorate, Eversource said.

“Our initial analysis of a pared-back alternative that would leave some component of the line in place indicated that such an approach would ultimately result in higher costs over time as we would eventually need to go back and replace those other aging components,” an Eversource spokeswoman said.

Critics of utilities have called out projects upgrading transmission systems paid for by ratepayers while delivering a return for investors. “Therefore, their incentive is to build big things, whether or not those things benefit ratepayers or local communities,” [said](#) backers of last year’s unsuccessful ballot measure to establish a publicly-owned power company.

Annual [spending](#) by major U.S. electric utilities on electric transmission more than quadrupled to \$40 billion in 2019, from \$9.1 billion in 2000, according to the most recent data from the U.S. Energy Information Administration. Spending was focused on new transmission infrastructure and the operation and maintenance of transmission systems. Spending on new transmission capacity accounted for \$23.5 billion, or 59%, of the \$40 billion spent by major utilities.

Ari Peskoe, director of the Harvard Law School Electricity Law Initiative, [said](#) local transmission projects often involve replacing aging infrastructure for which it’s easier to obtain public permitting than new projects. The projects also are less expensive and are often more profitable, he said. Regional projects, on the other hand, are tougher to permit and typically require agreements among neighboring utilities to allocate costs, he said.

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