

February 11, 2015

CENTRAL MAINE POWER COMPANY  
Request for Approval of Non-Transmission  
Alternative (NTA) Pilot Projects for the  
Mid-Coast and Portland Areas

ORDER

VANNOY, Chairman; and LITTELL, Commissioner

---

## I. SUMMARY

In this Order, we deny without prejudice the request of GridSolar, LLC (GridSolar) to direct Central Maine Power Company (CMP) to cease and desist construction activity associated with certain projects in the Midcoast and Portland areas. Instead, we order CMP to file its Needs Analysis of the Portland area within three months of the date of this Order, so that the Commission can conduct its Non-Transmission Alternative (NTA) Analysis as contemplated in the Commission's June 10, 2010 Order Approving Stipulation in Docket No. 2008-00255.

## II. BACKGROUND

As part of our June 10, 2010 Order Approving Stipulation in *Central Maine Power Company and Public Service of New Hampshire, Request for Certificate of Public Convenience and Necessity for the Maine Power Reliability Program Consisting of the Construction of Approximately 350 Miles of 345 kV and 115 kV Transmission Lines ("MPRP")*, Docket No. 2008-255, Order Approving Stipulation (June 10, 2010) (MPRP Order) the Commission ordered CMP and GridSolar to file NTA Pilot projects for the Midcoast and Portland areas as a means of addressing reliability needs in such areas. As further agreed upon by the parties, the Order directed CMP and GridSolar to file a detailed description of the pilot projects, and that upon such filing the Commission would open an adjudicatory proceeding. *Id.* at 11. On March 25, 2011, CMP and GridSolar filed a report setting forth the details of the Midcoast area pilot project, thus initiating Docket No. 2011-138.

On April 30, 2012, the Commission issued an Order Approving Stipulation in this docket which authorized the development of a pilot plan to evaluate the ability of NTA's to meet the reliability needs in the Boothbay region of the Midcoast area. Under the terms of Stipulation, the parties agreed to develop an NTA Pilot Project for the Boothbay region that included certain transmission improvements in the Midcoast area. This NTA/Transmission hybrid (Hybrid 3) provided for the following transmission improvements in the Boothbay Region:

- Rebuild 115 kV Newcastle Substation to a 4-breaker ring bus (\$2,800,000 with expected load-share ratio for Maine being approximately \$224,000);
- Install a second 2.7 MVAR capacitor bank at Boothbay Harbor 34.5 kV bus (\$500,000):

- Install 2.4 MVAR of power factor correction at Boothbay Harbor 12 kV level (\$300,000); and
- Modify relay settings on Section 25 at Mason (\$50,000).

As part of the NTA component of Hybrid 3, the parties agreed that the NTA must be capable of reliably reducing load by 2 MW in the Boothbay sub-region of the Midcoast area (Section 23) at a CMP system-wide load level of 2000 MW. This 2 MW net load reduction in the Boothbay region would avoid the need for an \$18 million rebuild of the 34.5 kV line from Newcastle to Boothbay Harbor (lines 16 and 23).

The Stipulation also called for the following transmission upgrades in the Camden-Rockland region:

- Install a second 9 MVAR capacitor bank at Park Street 34.5 kV bus (\$500,000); and
- Install two 5.4 MVAR capacitor banks on Meadow Road 34.5 kV bus (\$800,000).

The Parties agreed that the Camden-Rockland region would be the subject of further proceedings in this docket. On May 5, 2014, CMP filed its updated Midcoast Needs Analysis along with proposed transmission solutions for the Camden-Rockland region. That updated Needs Analysis is currently pending and has been the subject of several technical conferences.

On October 8, 2014, the Commission received a letter from GridSolar which requested that the Commission determine whether CMP has improperly segmented certain construction projects from the Midcoast and Portland area needs assessment in violation of the Commission's orders in Docket Nos. 2008-00255 and 2011-00138. CMP filed its response to GridSolar's October 8<sup>th</sup> letter on November 3, 2014 and on November 10, 2014, GridSolar filed a reply to CMP's response.

### III. POSITIONS OF THE PARTIES

#### A. GridSolar's Complaint

In its October 8<sup>th</sup> letter to the Commission, GridSolar notes that it recently became aware of a number of planned ongoing and recently completed transmission system upgrades done by CMP to support reliability in the Midcoast and Portland areas which may not have been included as part of the NTA Pilot projects for those areas. Specifically, GridSolar identifies CMP's construction activity on the following six projects as potentially violating prior Commission orders.

#### Portland Area

1. Rebuild portions of Line 188 (34.5 kV)
2. Bishop St. substation – Add 5.4 MVAR Capacitor Bank
3. Rerate portions of Line 102 (34.5 kV)
4. Line 188 – Add 2 34.5 kV breakers and a 5.4 MVAR capacitor bank

Midcoast Area

5. Meadow Road substation – add a distribution circuit and upgrade 34/12 kV transformer
6. Bristol substation – upgrade T1 transformer

GridSolar argues that these projects should be part of the NTA analysis for the Portland and Midcoast areas pursuant to the MPRP Stipulation. GridSolar also asserts that it appears that these projects, if considered in combination with other related needs in the Portland and Midcoast areas, may require CPCN filings. GridSolar requests a determination of whether the six projects should be re-incorporated into the Midcoast and Portland area NTA reviews and a determination as to whether CMP has violated the MPRP Order by developing these projects outside of the 2011-138 proceeding. To the extent CMP has violated a prior Commission order, GridSolar requests that the Commission issue a cease and desist order.

B. CMP Response

First, CMP argues that the none of the six projects identified by GridSolar in its October 8<sup>th</sup> letter were ever part of the MPRP. Therefore, there is no requirement under the MPRP Stipulation that these projects receive a CPCN before CMP commences construction.

With regards to the Portland area projects identified by GridSolar, CMP argues that these projects are in the Portland North region and that the Portland NTA project was intended to replace CMP's proposed South Portland Loop, which was identified as a future project in the MPRP. It was CMP's intent that the Portland NTA Pilot would address reliability issues in the South Portland Loop and the coastal areas of Portland and not the reliability needs in the Greater Portland area. CMP also notes that a Draft Portland Area Needs Analysis conducted by CMP and shared with GridSolar, assumed the four Portland projects cited by GridSolar to be in place before determining the needs in the Portland area. CMP also notes that of the four Portland area projects identified by GridSolar all but the capacitor bank projects have been completed. Even if the Portland North Projects were part of the Portland NTA, CMP has consistently disclosed these projects to GridSolar and GridSolar has not raised any issues with regard to them.

The Portland projects also do not trigger the approval requirements of 35-A M.R.S. § 3132-A because their total cost is less than \$20 million threshold. It would be inappropriate and detrimental to system reliability to aggregate all of the Portland area projects because they are located in different geographic-electric areas and are driven by different contingencies and reliability needs.

With regards to the Midcoast Area projects, CMP states that these projects are distribution and not transmission projects. Therefore, as distribution projects, they do not require a CPCN and are also outside the scope of the MidCoast NTA Pilot Plan.

### C. GridSolar's Reply

GridSolar first notes that CMP's argument that the projects were not part of the MPRP is not determinative. The issue here is not whether these projects were part of the MPRP and thus require a CPCN, but rather whether they should have been part of the analysis of the NTA Pilot Plans for the two areas.

GridSolar argues that the MPRP Stipulation and Order directed the NTA Pilot Projects to "address the reliability needs of the Portland area." The fact that it was CMP's subjective intent that the Portland Area NTA was to be limited to the South Portland Loop is irrelevant. The words of the Stipulation should control and the Stipulation clearly used the words "Portland area." The Draft Portland Area Needs Analysis prepared by RLC for CMP and dated May 6, 2011, supports GridSolar's position that the Portland area includes the North Portland region and that the four projects identified are part of the Portland area for purposes of the Pilot. There was never any waiver on the part of GridSolar and/or the Commission as to what should be in the NTA Pilot Plan by CMP's inclusion of the projects in a draft report that was never submitted to the Commission.

With regards to the Midcoast projects, GridSolar argues that these projects were part of CMP's Midcoast Needs Analysis and should not have been removed from NTA consideration. The fact that the Midcoast projects identified by GridSolar are on the distribution system is not determinative since 35-A M.R.S. § 3132-A defines a project requiring approval as any transmission line and its associated infrastructure capable of operating at 69 kV or less and thus, does not exclude 34.5 kV/12 kV transformers or 12 kV lines. In addition, CMP's exclusion does not make sense since the NTA solutions have been on the 12 kV system.

## IV. **DECISION**

The MPRP Stipulation approved by the Commission in our June 10, 2010 Order provided that elements removed from the MPRP prior to the Stipulation which did not receive a CPCN would need a CPCN in the future. *MPRP Order at 10*. We agree with CMP that none of the six projects listed in GridSolar's request for a cease and desist Order were part of the MPRP. However, unlike GridSolar's cease and desist request of February 14, 2014, the requirement for a CPCN based on a project's inclusion in the MPRP is not the basis of GridSolar's cease and desist request here. Rather, GridSolar's request for a cease and desist order here is based on the grounds that the six projects should have been part of the NTA Pilot Projects which were required to be submitted under the MPRP Order. Under the terms of the MPRP Stipulation, CMP and GridSolar were to develop two NTA Pilots; one for the Midcoast area and one for the Portland area within six months of approval of the MPRP Stipulation by the Commission. On March 25, 2011, CMP and GridSolar jointly filed their Pilot Project proposal. The filing included an NTA Analysis for the Midcoast area but did not include an NTA proposal for the Portland area.

On April 30, 2012, the Commission issued an Order Approving Stipulation which approved a 2 MW NTA Pilot for the Boothbay Region of the Midcoast Area. As part of the Stipulation, the parties agreed that decisions regarding the need in Camden-

Rockland Region of the Midcoast Area and the Portland Area should be deferred pending the outcome of the FERC's Bulk Electric System "bright line" or (BES) definition case and the MPUC's transmission planning standards case or until the Commission prepared to act on those elements of the Pilot Project. We note that both the transmission planning standards case and the FERC BES definition case have been resolved. See *Maine Public Utilities Commission, Investigation into Maine Electric Utilities Transmission Planning Standards and Criteria*, Docket No. 2011-00494, Order (Feb. 21, 2013) and *North American Electric Reliability Corporation*, 146 FERC ¶ 61, 199, Order Approving Revised Definition (March 20, 2014). While CMP has filed an updated Needs Analysis for the Camden-Rockland Region of the Midcoast area following the issuance of these decisions, as of this date, the Commission has not received a Needs Analysis or NTA proposal for the Portland area.

In the May 2011 Portland Area Draft Needs Analysis, prepared by RLC Engineering for CMP, RLC assumed the rebuild and rerate of sections 102 and 188 as well as upgrades to the Bishop Street substation in determining the reliability needs in the Portland area. An actual Needs Analysis for the Portland area, however, has never been submitted or reviewed and analyzed by the Commission. Without such a filing and subsequent review and analysis, we find that it is not possible to determine what elements should be assumed to be in place in determining reliability needs in the area; what elements could be replaced by an NTA; and what elements might be part of a hybrid transmission/NTA solution. We therefore, decline to issue a cease and desist order at this time regarding the Portland area projects. Instead, and in accordance with our Order of April 30, 2012 in this docket, we now order CMP to file its Portland Area Needs Analysis within three months of the date of this Order Analysis so that the Commission can assess the need and feasibility of an NTA Pilot in the Portland area.

We agree with GridSolar that the Portland area NTA analysis should not be limited to the South Portland Loop as argued by CMP. During the course of the MPRP proceeding, CMP referred to the reliability needs which would address the South Portland Loop and the possibility of an NTA to address such needs. The Pilot Plan provision of the MPRP Stipulation however, calls for an NTA Pilot Project for the Portland Area and not just the South Portland Loop. In their filings to the Commission in this matter, both GridSolar and CMP refer to a Draft Portland NTA Needs Analysis prepared in May 2011 by RLC Engineering for CMP. As part of this Draft Portland area Analysis, RLC looked at both the Portland North region and the South Portland Loop region. The Draft Needs Analysis thus provides further support for the position that the Portland area NTA was intended to cover more than the South Portland Loop Region.<sup>1</sup>

With regards to the Midcoast area projects we also decline to issue a cease and desist order at this time. We first note that the Bristol T1 34.5 kV/12 kV transformer is part of the Boothbay area and was identified as a necessary distribution upgrade under

---

<sup>1</sup> Although we determine as part of this decision that the Portland area Pilot should not be limited to the South Portland Loop, we do not specifically define as part of this Order, what constitutes lines or substations that should be included in the Portland area for the purposes of the NTA Pilot Plan. We would note, however, that the scope of the Portland area as defined by RLC in its Draft Needs Analysis would appear to be a reasonable definition of the area.

an all lines in configuration. During the course of the initial review of the Midcoast area, CMP stated that this distribution upgrade was needed regardless of the NTA adopted in the area. There was no indication from the parties when we approved the Boothbay region NTA, that was intended to supplant this investment or that CMP should not construct this project. We therefore, do not believe that it is appropriate to revisit the construction of this distribution upgrade at this time.

In contrast, the proposed Meadow Road substation is part of the Camden-Rockland area is currently the subject of our ongoing review. Without determining whether the approval requirements of 35-A M.R.S. § 3132-A were intended to reach down to this type of distribution upgrade, as a matter of prudence we believe that the question of whether an NTA can replace distribution system upgrades is an appropriate question to ask as part of a transmission/NTA cost benefit analysis. We thus find the Park Street 34.5/12 kV upgrade be looked at in this context in the current review of an NTA for the Camden-Rockland region NTA Pilot Plan.

Accordingly, we

ORDER

1. That GridSolar's October 8, 2014 request for a cease and desist order is denied without prejudice;
2. That CMP file a Portland area Needs Analysis in accordance with the terms of this Order, by May 6, 2015 in order to initiate the Commission's review of an NTA Pilot for the Portland area.

Dated at Hallowell, Maine, this 11<sup>th</sup> day of February 2015.

*/s/Harry Lanphear*

---

Harry Lanphear  
Administrative Director

COMMISSIONERS VOTING FOR: Vannoy  
Littell

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 11(D) of the Commission's Rules of Practice and Procedure (65-407 C.M.R. 110) within **20** days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought. Any petition not granted within **20** days from the date of filing is denied.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21** days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.