

Sugarloaf Conservancy

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August 22, 2011

Ms. Kimberly D. Bose,
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Letter in Support of the Comments of StopPATH WV, Inc., Promoting Transmission Investment Through Pricing Reform, Docket No. RM11---26---000

Dear Secretary Bose:

Sugarloaf Conservancy, Inc. is a registered 501 (c)(3) grassroots organization formed to protect and enhance the quality of life in Frederick County, Maryland by education on issues related to wetlands, streams, meadows, rivers, forests, view sheds, conservation, restoration, and preservation. For the last three years, our focus has been opposing the overhead PATH high voltage power lines.

We want to register our support for the comments submitted to you by StopPATH, WV Inc. We greatly appreciate the hours of research they have put into that document. In addition we would like to add three additional comments in:

✓ **Need to Investigate the Rebuilding of Existing Transmission Lines**

When PATH submitted their initial application to the Maryland Public Service Commission (PSC), we asked why utility companies were not considering the rebuilding of outdated transmission lines which would dramatically increase transmission capacity. PATH replied that their proposed line had to be built first since there was insufficient capacity to shut down existing lines. Now that PJM has acknowledged there is no need for PATH within their 15-year planning window, there is no reason to delay!

In an attempt to have our State agencies investigate this matter, we contacted both Maryland's Energy Administration as well as the Department of Natural Resources (PPRP), who was in the process of preparing a Long-Term Electricity Report as mandated by an executive order from Governor O'Malley. That report has now been completed without addressing rebuilding except in relation to a project already approved. The responses received were negative from both agencies; each stating it was not in their mandate to investigate even the possibility of rebuilding existing transmission lines.

Dominion Virginia Power is in the process of rebuilding the Mt. Storm to Doubs line (part of an alternative to PATH), which will increase the capacity over the existing line by 66%. The staff of the WVA PSC has requested their Commission order AEP and First Energy to provide a report in 30 days on the upgrading or replacing of their transmission facilities.

It appears that Maryland prefers to wait until there is a critical need for more power, necessitating the building of a new transmission line which will require the confiscation of private property through eminent domain instead of simply rebuilding antiquated lines now. We have requested that our elected officials demand our state government take action now and remedy this situation.

✓ **Request that the PATH project be abandoned**

On March 7, 2011, PATH sent a letter to the Federal Energy Regulatory Commission (FERC) stating, "In compliance with PJM's [regional authority] directive, PATH-WV and PATH-Allegheny immediately suspended development efforts on the PATH Project...."

The lack of need for this project was admitted by their attorney in Virginia before the State Corporation Commission on March 17, 2011, where he stated that PJM has determined that no need for PATH could be found in their fifteen year planning window.

Sugarloaf Conservancy sent letters (see attached sample) to the Governors, Attorneys General and relevant Consumer Advocate Agencies in the PJM region, requesting that their states file a Section 206 Complaint with FERC. We encouraged them to ask that the PATH project be considered abandoned, and demand all incentives be limited to those allowed under the abandonment provisions rather than leave the current incentive formula rate which is in force indefinitely.

Sugarloaf Conservancy's opinion that ratepayers should not have to pay for an unneeded line is shared by Jeff Davis of the Missouri Public Service Commission. He writes the following in an article published in an industry magazine, Transmission & Distribution World (attached).

"FERC's repudiation of the 'beneficiaries pay' doctrine along with all the 'candy' incentives they are offering have created a modern-day gold rush to the transmission sector. Unfortunately, all the gold in this mine winds up in the hands of the transmission owners who get paid handsomely to build assets they end up owning. Consumers won't even realize they have gotten 'the shaft' until a few years from now when their electric bills start going up to pay for these projects."

✓ **Request that New Technologies Be Investigated and Utilized As Appropriate**

Thirdly, we would ask that energy companies be encouraged to investigate the many new technological advances that are now available to improve the transmission of electricity. At the beginning of our involvement we simply asked that Allegheny Energy investigate the possible use of High Voltage Direct Current (HVDC) underground which could use existing right of ways and would reduce loss of electricity during transmission with many additional benefits as well. They refused to research the new technology advances, rather quoting out of date information as reasons not to use it. During the three years of this process, many other individuals and groups have asked about new technologies available and in every case the answer has been that they are

not familiar with it and/or it will not work, showing no interest in finding ways to make transmission either more efficient, less costly, or more citizen friendly.

Please file this Letter in Support of the Comments of StopPATH WV, Inc. in the above referenced docket. Thank you for your attention to this matter. Please contact the undersigned if you have any questions concerning this filing.

Respectfully submitted,

/s/Douglas S. Kaplan

President

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