PSC REF#:493903

4220-CE-186

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Northern States Power Company-Wisconsin for a Certificate of Authority to Construct the Boot Lake to Chain O Lakes 34.5 kV Transmission Line and Substation Project in Vilas County, Wisconsin

FINAL DECISION

This is the Final Decision in the investigation conducted by the Public Service Commission of Wisconsin (Commission) on the application of Northern States Power Company-Wisconsin, as an electric public utility (applicant), for authority under Wis. Stat. § 196.49 and Wis. Admin. Code ch. PSC 112. On May 24, 2023, the applicant filed an application with the Commission for authority to undertake the Boot Lake to Chain O Lakes 34.5 kilovolt (kV) transmission line and substation project (project) which will address age-related and reliability issues by replacing two substations nearing their end of life and interconnecting two radial lines, one originating in Ironwood, Michigan and the other originating near Mercer, Wisconsin. This interconnection would allow the applicant to serve load from either direction. The project is located in the Towns of Manitowish Waters, Winchester, and Presque Isle, Vilas County, Wisconsin, and has an estimated total cost of \$32,342,725 in 2023 dollars, including allowance for funds used during construction (AFUDC). On July 11, 2023, the applicant updated the narrative portion of its application. (PSC REF#: 468909, PSC REF#: 472502.) The proposed project is necessary to improve the electric system reliability in the project area. The proposed project will improve electrical service by enabling the applicant's transmission system to transfer power from either the Ironwood, Michigan or Mercer, Wisconsin area, which will help to prevent outages from occurring. The existing electric system consists of two radial transmission systems,

which only deliver electricity in one direction, and is unable to provide power if one of the radial transmission lines has an outage. As part of the project, the applicant proposes to replace the existing 34.5 kV Rest Lake and Presque Isle substations with two 69 kV capable substations, Boot Lake and Chain O Lakes. The removal of the existing Presque Isle substation will include removal of 0.3 miles of existing W3634 transmission line. The 69 kV capable, 15.1-mile transmission line will connect the new Boot Lake and Chain O Lakes substations and will include a 3-phase distribution under-build. While the transmission line and two new substations will be 69 kV capable, they will be operated at 34.5 kV at this time.

The application is GRANTED, subject to conditions.

Introduction

On November 3, 2023, the Commission issued a Notice of Investigation in this docket. (<u>PSC REF#: 483711</u>.) The Commission's Notice of Investigation opening this docket stated that the Commission intended to conduct its investigation without a hearing. No person filed to intervene, and no hearing was requested or held. Pursuant to Wis. Stat. § 196.49(5r)(b), the Commission is required to take final action on the application within 90 days after the Commission issues a notice opening the docket, unless an extension of time is granted.

On January 24, 2024, the Chairperson of the Commission, for good cause, extended the time for action for an additional 90 days. (<u>PSC REF#: 489556</u>.) The new deadline for taking final action is May 1, 2024.. The Commission received and reviewed approximately five public comments.

Findings of Fact

1. The applicant is an electric public utility, as defined in Wis. Stat. § 196.01(5)(a), engaged in rendering electric transmission service in Wisconsin. The applicant's Boot Lake to Chain O Lakes 34.5 kV transmission line and substation project consists of replacing the Rest Lake and Presque Isle substations with the Boot Lake and Chain O Lakes substations and interconnecting them with a new 15.1-mile transmission line including a 3-phase distribution under-build. The removal of the existing Presque Isle substation will include removal of .3 miles of existing W3634 transmission line. The applicant's estimated cost of the proposed project is \$32,342,725, including AFUDC.

2. No unusual circumstances suggesting the likelihood of significant environmental consequences are associated with the proposed project.

3. Alternatives to the proposed project have been considered, but no other reasonable alternatives to the project exist that could provide adequate service in a more reliable, timely, cost-effective, and environmentally responsible manner.

4. Energy conservation, renewable resources, or other energy priorities listed in Wis. Stat. §§ 1.12 and 196.025, or their combination, are not cost-effective, technically feasible, or environmentally sound alternatives to the proposed project.

5. The general public interest and public convenience and necessity require completion of the proposed project. Completion of the proposed project at the estimated cost will not substantially impair the efficiency of the applicant's service, will not provide facilities unreasonably in excess of probable future requirements, and when placed in operation, will not add to the cost of service without proportionately increasing the value or available quantity thereof. Wis. Stat. § 196.49(3)(b).

6. A portion of the project area is within mapped floodplain. The applicant will obtain all necessary permits and/or approvals from state and local authorities prior to construction.

Conclusions of Law

1. The applicant is a public utility as defined in Wis. Stat. § 196.01(5)(a).

2. The Commission has jurisdiction under Wis. Stat. §§ 1.11, 1.12, 196.02, 196.025, 196.395, 196.49, and 196.85 and Wis. Admin. Code chs. PSC 4 and 112, to issue a Certificate and Order authorizing the applicant, as an electric public utility, to construct and place in operation the facilities described in this Final Decision, subject to the conditions stated in this Final Decision.

3. The application is a Type III action under Wis. Admin. Code § PSC 4.10(2). Commission staff from the Division of Digital Access, Consumer and Environmental Affairs, in conjunction with staff from the Wisconsin Department of Natural Resources, completed an environmental review of the proposed project and prepared an environmental assessment (EA) to determine if an environmental impact statement (EIS) is necessary. The Commission determines that preparation of an EIS is not necessary under Wis. Stat. § 1.11.

4. The Commission has authority under Wis. Stat. § 15.02(4) to delegate to the Administrator of the Division of Energy Regulation and Analysis those functions vested by law as enumerated above. It has delegated the authority to the Administrator of the Division of Energy Regulation and Analysis to issue a Certificate of Authority (CA) for the proposed project.

5. The estimated gross cost of this project exceeds the minimum threshold of utility projects requiring Commission review and approval under Wis. Stat. § 196.49 and Wis. Admin. Code § PSC 112.05.

6. The Commission may impose any term, condition, or requirement necessary to protect the public interest pursuant to Wis. Stat. §§ 196.02, 196.395, and 196.49.

Opinion

The applicant is a public utility, as defined in Wis. Stat. § 196.01(5)(a), engaged in rendering electric transmission service in Wisconsin. The proposed project addresses age-related and reliability issues by replacing two substations nearing their end of life and interconnecting two radial lines, one originating in Ironwood, Michigan and the other originating near Mercer, Wisconsin. The proposed project will improve electrical service by enabling the applicant's transmission system to transfer power from either the Ironwood, Michigan or Mercer, Wisconsin areas, which will help to prevent outages from occurring. The existing electric system consists of two radial transmission systems which only deliver electricity in one direction and is unable to provide power if one of the radial transmission lines has an outage. The project will also allow the applicant to rebuild the lines from Mine Road to Boot Lake and Weber Lake to Chain O Lakes while keeping customers in service and avoiding hot transmission line work. The applicant's estimated cost of the proposed project is \$32,342,725.

The applicant is required to obtain from the Commission construction authority for the project under Wis. Stat. § 196.49 and Wis. Admin Code ch. PSC 112, as the cost of the project exceeds the construction cost filing threshold listed in Wis. Stat. § 196.49(5g) and Wis. Admin. Code § PSC 112.05(3).

Project Description and Purpose

The purpose of the project is to address the age-related issues with the Rest Lake and Presque Isle substations and reliability issues resulting from only two radial transmission lines serving the project area. The project will improve the resiliency of electrical service by enabling the applicant's transmission system to transfer power from either the Ironwood, Michigan or Mercer, Wisconsin areas, which will help to mitigate the potential for cascading outages.

The applicant's proposed project consists of the following:

- A new 15.1-mile 34.5 kV transmission line that generally runs along County Highway (CTH) W between Manitowish Waters and Presque Isle.
- Removal of 8.1 miles of an existing 3-phase distribution line within the project right-of-way (ROW) that generally runs along CTH W between Rest Lake, Winchester, and Presque Isle in noncontiguous segments. There are also locations where the existing distribution line would be removed from eight distinct segments that are not within the new 34.5 kV transmission line ROW. In both cases, the 3-phase distribution will ultimately be rebuilt on the new 34.5 kV transmission poles as an under-build design.
- Removal of 0.3 mile of the applicant's existing W3634 34.5 kV transmission line between the end of the new proposed transmission line south to the existing Presque Isle substation.
- Construction of two new 69 kV capable substations, Boot Lake and Chain O Lakes substations.
- Removal of the existing Rest Lake and Presque Isle 34.5 kV substations.

Related to the under-build of the distribution line, approximately 1,500 customers in the Town of Presque Isle and about 2,500 customers in Manitowish Waters are currently served by single, radial distribution sources. There is no ability at this time to tie either of these areas together. The project will allow the applicant to form a field tie between sources and improve distribution reliability so that three phase power could be provided from either direction.

The route for the new 15.1-mile 34.5 kV transmission line between Manitowish Waters and Presque Isle generally follows CTH W northeast from the existing Rest Lake substation for 14 miles until it turns north and crosses over to the north/west side of CTH W. The route then parallels Thoma Drive, until it crosses the road and enters the new Boot Lake substation. After leaving the Boot Lake substation, the route continues in a northeasterly direction until it turns to the east, crossing the South Branch of the Presque Isle River. The proposed route then joins the existing W3634 transmission line on the west side of CTH B, about 0.3 mile north of the existing Presque Isle Substation and 0.7 mile north of the intersection of CTHs W and B near the Town of Presque Isle. (<u>PSC REF#: 472502</u>, pages ES-1 through ES-3.)

Project Need

The applicant states that the project is intended to address age-related substation issues and improve the electric system reliability in the project area. The existing Presque Isle and Rest Lake substations, both of which are nearing their end of life, do not have the necessary land rights to expand. The application states that new substations are necessary in order to accommodate the new 34.5 kV transmission line.

The Rest Lake substation is sited on a 0.10-acre parcel of land owned by the state of Wisconsin within the Northern Highland State Forest and the existing license agreement does not

allow for the expansion of the facility's footprint. The Rest Lake substation will be replaced by the new Chain O Lakes substation, which will be located on the north/west side of CTH W, about 0.2 mile southwest of the intersection of CTH W and CTH K and about 1.3 miles north of Manitowish Waters.

The Presque Isle substation is located on a 0.23-acre parcel between CTH W on the east and a steep bluff drop of approximately 30 feet to the west. The site does not have the necessary space between the highway and steep bluff drop to build a new substation. The Presque Isle substation will be replaced by the new Boot Lake substation, which will be located about 0.2 mile north of the intersection of CTH W and Thoma Drive, about 0.6 mile west of Presque Isle.

The existing electric system consists of two radial systems. The first system is a radial 88 kV transmission line originating from the Norrie substation in Ironwood Michigan. The 88 kV transmission line runs east for approximately 23 miles after which there is a step-down substation, called Mine Road, which steps the voltage down to 34.5 kV. The 34.5 kV transmission line then proceeds south until it terminates at the Presque Isle substation.

The second radial system originates from the Weber Lake substation, which is approximately 4 miles northwest of Mercer, Wisconsin. This 34.5 kV transmission line proceeds southeast from the Weber Lake substation until it terminates at Rest Lake substation. These two existing radial transmission systems are unable to provide power to the entire project area if one of the radial transmission lines have an outage. The project will improve electrical service in the project area by enabling the system to transfer power from either direction, which will help to prevent outages from occurring. This project is estimated to improve reliability for approximately 5,000 customers by allowing the applicant to form a field tie between distribution

sources and improve distribution reliability. To establish this distribution feeder tie, the applicant is proposing a distribution feeder extension under-build utilizing the project's transmission structures. This will provide a less obtrusive solution and requires maintenance of a single corridor.

System Alternatives

Transmission Network Alternatives

The applicant states the project does not address a transmission planning need. However, it does address a local reliability need. The applicant provided one comprehensive alternative to the proposed solution as a substitute for the project. This comprehensive alternative, to the extent that it was developed, included the following:

- Rebuild W3352 88 kV from Norrie to Great Lakes to Mine Road substation
- Rebuild W3634 from Mine Road to Presque Isle substation
- Rebuild W3626 from Weber Lake to Rest Lake substation
- 19 miles of rebuilt W3352
- 11 miles of rebuilt W3634
- 12 miles of rebuilt W3626

However, the applicant did not develop or consider this alternative any further because the alternative had an estimated cost of approximately \$41 million and did not address the end of life for Presque Isle and Rest Lake substations, as the applicant states that would be a distribution driven project. Further, this alternative was not chosen because, since both systems are radial, there is no way to keep customers in service during construction of the transmission lines. The only option would be to rebuild these transmission line sections while the lines are energized or

"hot". The applicant states that hot work is not preferred as it adds significant cost and is more dangerous for line workers. (PSC REF#: 472502, pages 22-23.)

Non-transmission Alternatives

The applicant evaluated a number of non-transmission alternatives. The applicant's review included:

- An upgrade of existing transmission circuits with larger capacity conductors. This "hardening" of the surrounding area in order to reduce the potential for outages in the area was not pursued further as it would be more costly to perform hot work on these transmission lines. Additionally, it would not eliminate the risk that a line outage would affect customers.
- The installation of capacitor banks. While both the new Boot Lake and Chain O Lakes substations will include capacitor banks, the installation of capacitors does not negate the need for a transmission line to be a backup source for the applicant's customers in the case of an outage.
- The installation of new substation equipment. The project includes two new substations which will replace Presque Isle and Rest Lake. However, installing only new substations does not negate the need for a transmission line to be a backup source for the applicant's customers in the case of an outage.
- Adoption of new operating guides. A new operating guide would not negate the need for a transmission line to be a backup source for the applicant's customers in the case of an outage.

- Smaller and less expensive line(s) in alternative locations. Because of the radial configuration of the current system, the applicant states that no other transmission projects will achieve the same goals for the local system.
- The use of distributed resources, including solar and other distributed resources. The use of distributed energy resources do not address the radial configuration of the current system.
- Noncombustible renewable energy resources were examined as an option for the project; however, they were dismissed. Because the fundamental problem in this area is the lack of a backup transmission line to the study area, adding renewable resources does not address this problem.
- Combustible renewable energy resources. At this time, there is no planned new utility scale combustible renewable energy generation in the project area. Further, a combustible renewable energy generator would not meet the reliability need to provide a backup transmission line for both radial systems.
- Natural gas, oil, or coal with a sulphur content of less than 1percent. The applicant has a goal of 80 percent carbon reduction from 2005 levels by 2030 and 100 percent reduction by 2050. Because of these goals, carbon-based resources were not studied.

No-build Option

The applicant states that pursuing the no-build option would not address the current issue where a single transmission outage can disconnect residential customers until the transmission line is restored. For this reason, the no-build option was dismissed.

Energy Conservation and Efficiency

The project is driven by the two radial systems not having a backup transmission line. As such, additional energy efficiency or demand response will not reduce, alter, or eliminate the need for this project.

Market Efficiency Projects

The need for the project is not based on market efficiency. Therefore, the applicant did not perform a market efficiency study.

Standard for Approval

As described above, the project addresses age-related and local area reliability needs by replacing the current Rest Lake and Presque Isle substations with the Chain O Lakes and Boot Lake substations and interconnects the two existing radial transmission lines with a new 15.1-mile 34.5 kV transmission line between Manitowish Waters and Presque Isle. This will improve reliability, performance, and operational flexibility. The Commission may authorize the construction of the project if it satisfies the requirements under Wis. Stat. § 196.49, Wis. Admin Code ch. PSC 112, and other applicable regulations as described below.

The Commission may require by rule or special order that no addition to a plant "may proceed until the commission has certified that public convenience and necessity require the project." Wis. Stat. § 196.49(3).

Wisconsin. Stat. § 196.49(3)(b) states:

[t]he Commission may refuse to certify a project if it appears that the completion of the project will do any of the following:

- 1. Substantially impair the efficiency of the service of the public utility.
- 2. Provide facilities unreasonably in excess of the probable future requirements.
- 3. When placed in operation, add to the cost of service without proportionately increasing the value or available quantity of service unless the public utility

waives consideration by the commission, in the fixation of rates, of such consequent increase of cost of service.

Commission staff's investigation of the project indicated that the applicant's replacement of the current Rest Lake and Presque Isle substations with the Chain O Lakes and Boot Lake substations and interconnection of the two existing radial transmission lines with a new 15.1-mile 34.5 kV transmission line between Manitowish Waters and Presque Isle was not likely to result in any of the outcomes listed in Wis. Stat. § 196.49(3)(b). The applicant provided power flow models associated with the proposed project. (<u>PSC REF#: 468955</u>.) Commission staff conducted its power flow analysis using the PowerWorld Simulator 22 software to validate outcomes of the applicant's power flow study. In their analysis, Commission staff reviewed the model provided and used by the applicant and performed contingency analysis for the scenarios defined in the applicant's power flow study. Commission staff did not find any notable discrepancies in the model or contingency analysis that would dispute the need or system impacts of the applicant's proposed project.

The project will not substantially impair the efficiency of the applicant's service. To the contrary, the project will allow the applicant to provide an increased level of reliability to the customers in the project area. The project will not provide facilities unreasonably in excess of the applicant's probable future requirements. Rather, the project will allow the applicant to continue to reliably serve load it is obligated to serve while supporting projected future rebuild of the transmission lines from Mine Road to Boot Lake and Weber Lake to Chain O Lakes.

Finally, when the project is placed in operation, it is not anticipated to add to the cost of service without proportionately increasing the value or available quantity of service. Instead, it will allow the applicant to continue to reliably serve current load and provide flexibility to serve

future load. Therefore, the Commission finds that the proposed project is not likely to result in any of the outcomes listed in Wis. Stat. § 196.49(3)(b), and therefore is reasonable and in the public interest.

Compliance with the Wisconsin Environmental Policy Act (WEPA)

This project is a Type III action under Wis. Admin. Code §§ PSC 4.80(e) and 4.10(3). An evaluation of a specific Type III proposal may indicate that the preparation of an EA is warranted to determine whether an EIS is necessary under Wis. Admin. Stat. § 1.11. Accordingly, Commission staff has prepared an EA for the proposed project to determine whether an EIS is warranted under Wis. Stat. § 1.11(2)(c). (PSC REF#: 486358.) For the reasons discussed in the EA, an EIS under Wis. Stat. § 1.11 is not required. The Commission also determines that the EA for the proposed project complies with WEPA, pursuant to Wis. Stat. § 1.11 and Wis. Admin. Code ch. PSC 4.

Environmental Review

The proposed electric substation expansion and associated transmission line activities were reviewed by Commission and DNR staff for environmental impacts. The environmental review included the entire construction footprint of the project and focused on the natural resources that could be impacted by the proposed project. Specific focus was given to wetlands and waterways, wildlife including threatened and endangered species, and historic and cultural resources; with an emphasis on potential impacts to resources considered unique, rare, or otherwise unusual to the proposed project.

Wetlands and Waterways

Temporary wetland fill for the project is anticipated to be 6.33 acres due to the placement of construction matting for vehicle access and stockpiling of material. The project would require permanent wetland fill of 0.01 acres for the placement of 69 new transmission pole structures within 19 wetland areas along the project route.

Clearing of ROW would occur in preparation for construction, including removal of shrubs and trees for the entire width of the ROW. Shrub and wooded wetland are present within the project area, and clearing of these wetlands is proposed. Total forested wetland conversion impacts for the project would be 15.52 acres. As proposed, the project would require wetland permit coverage from DNR and would be eligible for coverage under an individual permit.

A total of five waterway or waterbody crossings intersect the transmission line installation and removal routes. Temporary clear span bridges (TCSB) would be required to accommodate equipment access, however, TCSB placement and removal should incur minimal impacts if constructed properly. The TCSBs cannot be installed and/or removed during fish spawning timing restriction period of March 1 to June 15 for the waterways/waterbody associated with this project. None of the waterways are designated as trout streams or Areas of Special Natural Resource Interest by DNR. As proposed, the project would require waterway permit coverage from DNR and would be eligible for coverage under a Wis. Stat. § 30.123 bridge permit for clear span bridges.

Threatened and Endangered Species

The proposed project has the potential to impact rare species found along the project route. A Certified Endangered Resources Review completed for the project identified the bald eagle, one state-listed herptile species, two state-listed and five special concern bird species, one special concern bumble bee, and one state-listed plant species that may be present within the

project vicinity. Additionally, one natural community is known to be present within the project area. Two species would require follow-up actions to ensure compliance with state and federal endangered species law; the state-listed herptile requires following the DNR's Broad Incidental Take Authorization (BITA) or an individual ITA will be required, and the state listed birds require avoiding work during the nesting season or conducting presence surveys to determine if avoidance is necessary. The applicant has agreed to conduct all tree clearing November 15 through March 31 to avoid impacts to most nesting birds and federally listed bat species. The applicant has also committed to completing a list of mitigation and avoidance actions that would address the DNR recommended actions. (PSC REF#: 472755). Based on the available information from DNR, U.S. Fish and Wildlife Service, the project layout, and activities described by the applicant, the project is not anticipated to have a significant impact on threatened or endangered species so long as required actions and commitments are followed.

Archeological, Historic and Cultural Resources

The applicant's consultant completed a review of the Wisconsin Historic Preservation Database (WHPD) for the project. The WHPD identified seven previously reported archaeological sites, three human burial sites, and nine historic structures within one mile of the project's Area of Potential Effects. Two historical standing structures were identified within the Area of Potential Effects, however, both are reported to have been demolished. Due to the existing visual screening and the distance to the historic resources, no direct or indirect impacts are anticipated to be caused by the project. The Commission finds that construction of the proposed facilities is not expected to affect any historic properties under Wis. Stat. § 44.40.

Federal, State, and Local Permits

The applicant states that it will obtain all necessary federal, state, and local permits prior to commencing construction of the proposed project.

Project Cost and Construction Schedule

The following table provides the total estimated cost to construct the proposed project.

Costs are based on the projected in-service year of 2024.

Facilities	Estimated Cost
Substation Facilities	
Chain O Lakes	
Materials	\$1,666,885
Labor	\$1,801,075
Other	\$1,109,974
Boot Lake	
Materials	\$1,666,885
Labor	\$1,801,075
Other	\$1,109,974
Rest Lake and Presque Isle Removal	
Materials	\$50,000
Labor	\$250,000
Other	\$100,000
Transmission Line Facilities	
34.5 kV Installation	
Materials	\$4,782,000
Labor	\$6,750,000
Other	\$5,158,000
Distribution Under-build Installation	
Materials	\$1,100,000
Labor	\$1,450,000
Other	\$1,200,000
Distribution Line Removal	
Materials	\$15,000
Labor	\$150,000
Other-includes scrap recovery	\$85,000
Other Project Costs-AFUDC	\$2,337,009
Precertification*	\$240,152 (Incl. in above)
Total Estimated Project Cost	\$32,342,725

Estimated Project Cost

*The Total Estimated Project Cost has been modified to reflect the removal of the \$240,152 in precertification expenses. For Wisconsin regulated utilities,

precertification costs should be expensed and are therefore excluded from the capitalized project cost.

The applicant anticipates beginning construction in the third quarter of 2025 and placing the proposed project in-service by the third quarter of 2026. Relocation of the 3-phase distribution line and removal of the existing poles will be completed concurrently with installation of the new transmission line. The existing substations will be removed after the new transmission line and new substations are in service.

Certificate

The applicant is granted a CA to replace the current Rest Lake and Presque Isle substations with the Chain O Lakes and Boot Lake substations and interconnect the two existing radial transmission lines with a new 15.1-mile 34.5 kV transmission line between Manitowish Waters and Presque Isle in the Towns of Manitowish Waters, Winchester, and Presque Isle, Vilas County; Wisconsin, as described in its application and as modified by this Final Decision, at an estimated total cost of \$32,582,879u.

Order

1. The applicant is granted a CA to replace the current Rest Lake and Presque Isle substations with the Chain O Lakes and Boot Lake substations and interconnect the two existing radial transmission lines with a new 15.1-mile 34.5 kV transmission line between Manitowish Waters and Presque Isle at a total estimated cost of \$32,342,725 including AFUDC as described in its application and as modified by this Final Decision.

2. Should the scope, design, or location of the proposed project change significantly, the applicant shall notify and obtain approval from the Commission before proceeding with the substantial changes to the approved project.

3. The Commission, consistent with its past practice, shall review in a future rate proceeding the recoverability of costs associated with the project. If it is discovered or identified that the project cost, including *force majeure* costs, may exceed the estimated cost, the applicant shall, within 30 days of when it becomes aware of the possible change or cost increase, notify the Commission of the accounts or categories where costs deviate from those authorized and shall itemize and segregate those costs by major accounts and provide sufficient documentation to support and explain the reasons for such deviations.

4. The applicant shall obtain all necessary federal, state, and local permits prior to commencement of construction.

5. The applicant may propose minor adjustments in the approved route for the protection of environmental resources, landowner requests, or technical design changes that arise during final stages of engineering, but any changes in alignment from the approved centerline may not affect resources not discussed in the EA, nor may they affect new landowners who have not been given proper notice and hearing opportunity. The applicant shall consult with Commission staff regarding whether the change rises to the level where Commission review and approval is appropriate. For each proposed adjustment for which Commission review is appropriate, the applicant shall submit for Commission staff review and approval a letter describing: the nature of the requested change; the reason for the requested change; the incremental difference in any environmental impacts; communications with all potentially affected landowners regarding the change; documentation of discussions with other agencies

regarding the change; and a map showing the approved route and the proposed modification, property boundaries, and relevant natural features such as woodlands, wetlands, waterways, and/or other sensitive areas. Approval of the requests is delegated to the Administrator of the Division of Energy Regulation and Analysis with advice and consent from the Administrator of the Division of Digital Access, Consumer, and Environmental Affairs.

6. The applicant shall follow through on any other commitments it has made in the record for the Commission's consideration in this docket, including but not limited to commitments regarding tree clearance avoidance dates, DNR recommended actions for ER species, and partial visual screening (pollinator habitat) at the Chain O Lakes substation site.

7. To the extent applicable, the applicant shall provide to the Commission a summary of competitive bids received for work to be performed and equipment to be procured as part of the project.

8. The applicant shall submit to the Commission the final actual costs, segregated by major accounts, within one year after the in-service date. For those accounts or categories where, actual costs deviate significantly from those authorized, the applicant shall itemize and explain the reasons for such deviations in the final cost report.

9. Beginning with the end of the first full quarter after the date the Final Decision is served in this docket, and within 30 days of the end of each quarter thereafter and continuing until the authorized facilities are fully operational, the applicant shall submit quarterly progress reports to the Commission that include all of the following:

- a. The date that construction commences;
- b. Major construction and environmental milestones, including permits obtained, by agency, subject, and date;

- c. Summaries of the status of construction, the anticipated in-service date, and the overall percent of physical completion;
- Actual project costs to-date segregated by line item as reflected in the cost breakdown listed in this Final Decision;
- e. The date that the facilities are placed in service.

10. The Certificate is valid only if construction commences no later than one year after the latest of the following dates:

- a. The date the Final Decision is served;
- The date when the applicant has received every federal and state permit, approval, and license that is required prior to commencement of construction;
- c. The date when the deadlines expire for requesting administrative review or reconsideration of the Certificate and of the permits, approvals, and licenses described in par. (b.); and
- d. The date when the applicant receives the Final Decision, after exhaustion of judicial review, in every proceeding for judicial review concerning the Certificate and the permits, approvals, and licenses described in par. (b.).

11. Beginning with the year ending December 2024, and within 30 days of the end of each year thereafter and continuing until the authorized facilities are fully operational, the applicant shall submit annual revised total cost estimates for the project to the Commission.

12. If the applicant has not begun on-site physical construction of the authorized project within one year of the time period specified in this Final Decision, the Certificate

authorizing the applicant's project for which construction has not commenced shall become void unless the applicant:

- a. Files a written request of an extension of time with the Commission before
 the effective date on which the Certificate becomes void; and
- b. Is granted an extension by the Commission.

13. If the applicant has not begun on-site physical construction of the authorized project and has not filed a written request for an extension before the date that this Certificate becomes void, the applicant shall inform the Commission of those facts within 20 days after the date on which the Certificate becomes void.

14. The applicant shall conduct an updated ER Review closer to the start date of construction (no more than one year prior to construction start).

- 15. This Final Decision takes effect one day after the date of service.
- 16. Jurisdiction is retained.

Dated at Madison, Wisconsin, the 13th day of March, 2024

For the Commission:

Kate Christenson

Kate Christensen Administrator Division of Energy Regulation and Analysis

KEC:JAK:jlt:arw:DL:01978247

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN 4822 Madison Yards Way P.O. Box 7854 Madison, Wisconsin 53707-7854

NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE PARTY TO BE NAMED AS RESPONDENT

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

¹ See Currier v. Wisconsin Dep't of Revenue, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.