

**TALKING POINTS FOR VIRGINIA SCC PUBLIC HEARINGS ON PATH
FEBRUARY 2nd -3rd, 2011**

Virginia doesn't need this line. The PATH companies (AEP and Allegheny Energy) have been "crying wolf" for years now.

- Each year, the PATH companies insist that the line is urgently needed; each year, they are forced to backtrack after they file an application because the reality is that energy demand is down.
- Virginia and other states' efforts to increase energy efficiency and demand response are bringing down peak demand and the need for transmission lines. This year, demand response and energy efficiency capacity has increased by 32 percent in PJM.
- Virginia has already approved the TrAIL line, another massive high-voltage line bringing energy from coal country.
- Even if it is necessary to import even more power from other states instead of relying on home grown Virginia generation, other cheaper and smaller alternatives should be considered first. Tailored upgrades of existing transmission infrastructure, or more modest transmission proposals would address grid reliability issues without the investment of billions of dollars on a project that may turn out to be unnecessary – and will cause all sorts of adverse impacts in the meantime. For example, Dominion proposed an alternative to address all of the reliability issues identified by PJM (the regional grid operator) for a total cost of \$620 million, instead of \$2.22 billion for PATH. In other words, PATH is a more than \$1.5 billion overpriced solution – assuming a problem even exists.¹

These lines are being built to bring additional dirty coal fired power into Virginia. The pollution from these plants drifts east and makes people sick.

- American Electric Power proposed PATH back in 2007 as a part of "Project Mountaineer," a scheme to increase transmission capacity for coal-fired power plants to send electricity to East Coast markets.²
- The line originates at the Amos substation in southwestern West Virginia, which is a connection point for at least 8,000 MW of power generation in the Ohio River Valley. That area is dominated by coal-fired power plants built three or more decades ago – some of the dirtiest plants in the country.

- Increased production at these plants translates into increased emissions of sulfur dioxide, nitrogen oxides, fine particulates, and hazardous air pollutants including mercury, all of which harm the public health and environment.³
- The West Virginia Coal Association is a strong supporter of PATH, which speaks for itself.⁴

PATH would be paid for at the expense of Virginia ratepayers and would cement us to a dirty, antiquated, and inefficient fuel source instead of promoting Virginia's emerging clean energy economy.

- Eleven eastern state governors recognized in a July 12, 2010 letter to Congress that the build-out of west-to-east transmission lines would harm their states' ratepayers and emerging clean energy economies.⁵
- The line is expected to cost more than \$2 billion. FERC has approved the companies' request for a 14.3% return on this investment, which will be passed on to all PJM ratepayers.

A broad array of stakeholders and decisionmakers are raising questions about the need and impacts of PATH.

- In addition to local landowners, regional and national environmental organizations, public service commission staff and consumer advocates are also raising important questions about PJM's planning process.
- On November 24, 2010 consumer advocate offices from Virginia, West Virginia, Maryland, Illinois, District of Columbia, Ohio, New Jersey, and the State of Delaware wrote to PJM expressing concerns "about the methods used by PJM to determine the costs of competing transmission projects" and the fact that "the decision by Dominion Virginia Power to rebuild the Mt. Storm-Doubs line has not been adequately considered in the analysis of whether to require construction of PATH or any of its alternatives".⁶
- The Staff of the West Virginia Public Service Commission filed a motion for summary judgment or tolling arguing that "[i]t is ludicrous to continue to move forward with the PATH project while major changes are being contemplated for critical transmission infrastructure that should be factored into assessment of the need for PATH".

PATH is facing obstacles in other forums.

- Frederick County, Maryland has denied PATH's requested approvals to build the proposed substation at the terminus of the line. PATH has taken the position that the substation is essential to the project, so this is a major hurdle. Local authorities have traditionally had jurisdiction over the approval of electric substations. PATH has indicated it will ask the Maryland PSC to override this authority.
- The National Park Service is currently preparing a draft Environmental Impact Statement which is expected to be released this summer. The final would not be released until 2012. PATH cannot move forward without approvals from the NPS for crossing government land – yet another reason why there is no rush.

Land, water, wildlife, and aesthetic impacts.

- If members have knowledge of these impacts, please mention.
- Note that the National Park Service has so far taken the position that its NEPA analysis does not need to cover the whole line and all its impacts. So it's up to the states to evaluate the environmental impacts.

Let's move forward instead of backward.

- Will we continue business as usual, perpetuating our reliance on dirty energy such as coal, increasing mountain top removal and greenhouse gas emissions, or will we meet the challenge of global warming and make the switch to clean, renewable energy sources such as offshore wind and solar? A better solution exists than smog and global warming.

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1. PJM, MAAC Alternatives Analysis Update, Slide 20.
 2. *Testimony of Karl Pfirrmann, Promoting Regional Transmission Planning And Expansion to Facilitate Fuel Diversity Including Expanded Use of Coal-Fired Resources*, FERC Docket No. AD05-3-000.
 3. Lockwood, A., et al., *Coal's Assault on Human Health* (Nov. 2009) (noting that health effects from coal combustion contribute to four of the top five leading causes of death in the U.S.: heart disease, cancer, stroke, and chronic lower respiratory diseases). <http://www.psr.org/resources/coals-assault-on-human-health.html>.
 4. May 18, 2009 Letter from WVCA to WV PSC.
 5. Letter from Governor D. Patrick, et al. to Senators Reid and McConnell, July 12, 2010.
 6. Letter from W. Fields et al. to PJM Board of Managers, Nov. 24, 2010.