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October 17, 2019

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor North P.O. Box 3265 Harrisburg, PA 17105-3265

Re: Application of Transource Pennsylvania, LLC Filed Pursuant to 52 Pa. Code Chapter 57, Subchapter G, for Approval of the Siting and Construction of the 230 kV Transmission Line Associated with the Independence Energy Connection - East and West Projects in Portions of York and Franklin Counties, Pennsylvania Docket No. A-2017-2640195 & A-2017-2640200

Petition of Transource Pennsylvania, LLC for a finding that a building to shelter control equipment at the Rice Substation in Franklin County, Pennsylvania is reasonably necessary for the convenience or welfare of the public Docket No. P-2018-3001878

Petition of Transource Pennsylvania, LLC for a finding that a building to shelter control equipment at the Furnace Run Substation in York County, Pennsylvania is reasonably necessary for the convenience or welfare of the public Docket No. P-2018-3001883

Application of Transource Pennsylvania, LLC for approval to acquire a certain portion of the lands of various landowners in York and Franklin Counties, Pennsylvania for the siting and construction of the 230 kV Transmission Lines associated with the Independence Energy Connection - East and West Projects is necessary or proper for the service, accommodation, convenience or safety of the public - Docket Nos. A-2018-3001881, et al.

Dear Secretary Chiavetta:

Rosemary Chiavetta, Secretary October 17, 2019 Page 2

Enclosed for filing is the Joint Partial Settlement Between Transource Pennsylvania, LLC ("Transource PA") and The York County Planning Commission ("YCPC") in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

Transource PA notes that it is also concurrently filing a Joint Partial Settlement with Citizens to Stop Transource York County, Maple Lawn Farms, Barron Shaw and Shaw Orchards (collectively "York County Citizens") and a Settlement Agreement with PPL Electric Utilities Corporation ("PPL Electric"). Under the Settlements with the parties, Transource PA has agreed to file an amended application in the above-referenced proceeding to propose an alternative configuration for the East Portion of the Independence Energy Connection ("IEC") Project in York County, Pennsylvania. The alternative configuration will primarily utilize existing rights-of-way and transmission infrastructure in York County. The alternative configuration is set forth in Appendix A to the Settlements with YCPC and York County Citizens.

Transource PA requests that the Administrative Law Judges schedule a telephone conference with the parties to discuss procedural issues going forward.

Respectfully submitted,

Anthony D. Kanagy

ADK/jl Enclosures

cc: Honorable Elizabeth Barnes Honorable Andrew M. Calvelli

Certificate of Service

CERTIFICATE OF SERVICE Docket Nos. A-2017-2640195 & A-2017-2640200, et al.

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

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Date: October 17, 2019

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Anthony D. Kanagy

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Transource Pennsylvania, LLC: for approval of the Siting and Construction of: the 230 kV Transmission Lines Associated: with the Independence Energy Connection — : East and West Projects in portions of Franklin: and York Counties, Pennsylvania:

Docket No. A-2017-2640195 Docket No. A-2017-2640200

Petition of Transource Pennsylvania, LLC for a finding that a building to shelter control equipment at the Rice Substation in Franklin County, Pennsylvania is reasonably necessary for the convenience or welfare of the public

Docket No. P-2018-3001878

Petition of Transource Pennsylvania, LLC for a finding that a building to shelter control equipment at the Furnace Run Substation in York County, Pennsylvania is reasonably necessary for the convenience or welfare of the public

Docket No. P-2018-3001883

Application of Transource Pennsylvania, LLC: for approval to acquire a certain portion of the lands of various landowners in York and: Franklin Counties, Pennsylvania for the siting: and construction of the 230 kV Transmission: Lines associated with the Independence Energy: Connection — East and West Projects as: necessary or proper for the service,: accommodation, convenience or safety of the public:

Docket No. A-2018-3001881, et al.

JOINT PARTIAL SETTLEMENT BETWEEN TRANSOURCE PENNSYLVANIA LLC AND THE YORK COUNTY PLANNING COMMISSION

Transource Pennsylvania, LLC ("Transource PA") and the York County Planning Commission ("YCPC"), parties to the above-captioned proceeding, hereby join in this partial settlement which resolves all issues between Transource PA and YCPC.¹

¹ Pursuant to 52 Pa. Code § 69.401, a partial settlement is a comprehensive resolution of all issues in which less than all interested parties have joined.

I. BACKGROUND

- 1. On December 27, 2017, Transource PA filed two Applications for the siting of electric transmission lines related to a project known as the Independence Energy Connection Project ("IEC Project"). The IEC Project is a component of PJM's Project 9A, and consists of two segments—the "IEC East Portion" in portions of York County, Pennsylvania, and the "IEC West Portion" in portions of Franklin County, Pennsylvania. The two Applications were consolidated.
- 2. On May 15, 2018, Transource PA filed two Petitions for findings that a building to shelter control equipment at the proposed Rice Substation in Franklin County and a building to shelter control equipment at the proposed Furnace Run Substation in York County are reasonably necessary for the convenience or welfare of the public. Transource PA also filed numerous eminent domain applications in connection with the IEC Project.
- 3. Various parties have intervened in this proceeding, including but not limited to the Office of Consumer Advocate, Stop Transource Franklin County, Citizens to Stop Transource York County, West Penn Power & Mid-Atlantic Interstate Transmission, LLC, PECO Energy Company, PPL Electric Utilities Corporation, and YCPC.
- 4. The matter was assigned to the ALJs to conduct evidentiary hearings and issue a recommended decision.
- 5. On March 14, 2018, the ALJs issued a Protective Order governing the treatment of proprietary information exchanged during the course of this proceeding.
- 6. Numerous public input hearings and site visits were conducted in both York and Franklin Counties.

- 7. Several of the parties and Transource PA have engaged in extensive discovery, submitted several rounds of written testimony, and appeared at evidentiary hearings held in this matter.
- 8. The parties have engaged and continue to engage in settlement negotiations.

 Transource PA and YCPC hereby submit this Partial Settlement as a result of settlement discussions between Transource PA and YCPC.

II. TERMS AND CONDITIONS OF PARTIAL SETTLEMENT

- 9. Transource PA will amend the application filed with the Pennsylvania Public Utility Commission at Docket No. A-2017-2640195 to propose an alternative configuration for the IEC East Portion of Project 9A. The alternative configuration is set forth in Appendix A hereto.
- 10. YCPC is responsible for developing a plan that balances growth and development with protection of York County's sensitive and unique land resources, including agricultural lands, unique natural features, streams and waterways. York County and its Commission and Boards work to protect farmland, to control pollution run-off from roads and to maintain parks and recreation, among other things. YCPC filed in opposition to this project because the impacts this project would have on sensitive lands and natural features. See YCPC St. No. 1. In testimony, YCPC proposed that Transource PA contribute funds to a Land Impact Mitigation Fund to offset potential environmental impacts of the project. See e.g. YCPC St. No. 1, pp. 21, 23.
- 11. In consideration of the litigation position set forth by YCPC and in order to avoid further litigation, Transource PA will pay YCPC a one-time payment of \$800,000 to off-set potential environmental impacts, if any, of the reconfigured IEC Project in York County caused by the actions of Transource PA or its contractors. The funds may be used at York County

Planning Commission's discretion. In addition to the conditions set forth herein, this payment is conditioned upon Transource PA receiving all necessary permits or approvals required by law from Lower Chanceford Township and the York County Conservation District related to the IEC Project, including, if necessary, a NPDES Permit, substation notification and compliance letters and driveway permits. Transource PA shall remit the payment required in this paragraph to YCPC at the earlier of beginning any construction² in York County related to the IEC Project as amended or within 35 days of obtaining all of the following:

- (a) Transource PA permits and/or approvals required by law from Lower Chanceford Township and the York County Conservation District related to the IEC Project, including, if necessary, a NPDES Permit, substation notification and compliance letters and driveway permits;
- (b) Transource PA and PPL Electric Utilities Corporation acquisition of necessary land rights in York and Franklin counties in order to construct the IEC Project, as reconfigured; and
- (c) Final, non-appealable approval of the IEC Project, as reconfigured, in Pennsylvania and in Maryland.
- 12. Prior to any construction beginning in York County, Transource PA will hold a collaborative meeting with YCPC and other interested persons from York County to receive input on a construction plan that will comply with applicable state and county regulations for Furnace Run Substation and where applicable, practicable and feasible in Transource PA's reasonable judgment will comply with the recommendations in Mr. Gobrecht's Direct testimony, including but not limited to minimizing impacts to prime agricultural soils, limiting

² Construction includes but is not limited to the clearing, dredging, excavating, and grading of land or other activity associated with buildings or other structures or uses.

deforestation, limiting impacts to waterways or watercourses on the property. Transource PA will share with YCPC information regarding the construction plans when available so that the parties can hold efficient collaboration sessions. Collaboration sessions may take place via conference call.

- 13. Transource PA will compensate YCPC for its legal costs incurred through the conclusion of this proceeding in an aggregate amount not to exceed \$50,000.00 (Fifty Thousand Dollars and No Cents) within 35 days of final, non-appealable approval of the IEC Project, as reconfigured, in Pennsylvania and in Maryland.
- 14. YCPC agrees not to oppose any of the pending eminent domain applications related to the IEC West Portion of the IEC Project associated with PJM Project 9A that are currently pending before the Commission. YCPC further agrees not to oppose any eminent domain applications necessary for the reconfiguration of the IEC East Portion of the IEC Project that only apply to the reconfiguration modifications. Transource will withdraw the pending eminent domain applications related to the original configuration of the IEC East Portion of the IEC Project within 60 days after final, non-appealable approval of the IEC Project, as amended, in Pennsylvania and in Maryland or upon entry of final, non-appealable order denying approval of Project 9A. In the event that the Commission retains or modifies the original configuration of the IEC East Portion of Project 9A, Transource PA will not be required to withdraw eminent domain applications that are within the route adopted by the Commission, if any.
- 15. YCPC recognizes that this agreement is contingent upon support or non-opposition of other parties in Pennsylvania and Maryland as well as the reconfigured alternative continuing to meet PJM's planning criteria. If Transource PA does not receive sufficient support or non-opposition from parties in Pennsylvania and Maryland or the reconfigured alternative

does not continue to meet PJM's planning criteria, it may elect to proceed with the original configuration of IEC East.

- 16. YCPC agrees to support the terms of this Joint Partial Settlement and the amended application to be filed so long as the amended application is consistent with the terms contained herein.
- 17. This Joint Partial Settlement is further conditioned upon approval of the IEC Project, as amended in Pennsylvania and Maryland. If either the Pennsylvania Public Utility Commission or Maryland Public Service Commission deny the IEC Project, as amended, either Transource PA or YCPC may elect to withdraw from this settlement and may proceed with litigation, including litigation of their original positions. In such event, the settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all parties in this proceeding within five (5) business days after the entry of an Order from the Pennsylvania Public Utility Commission or the Maryland Public Service Commission denying the IEC Project, as reconfigured in Pennsylvania and Maryland.
- 18. This Joint Partial Settlement is also conditioned upon Transource PA and PPL Electric Utilities Corporation receiving all necessary land rights in York and Franklin counties in order to construct the IEC Project, as reconfigured.
- 19. This Joint Partial Settlement is proposed by Transource PA and YCPC to settle all issues in the instant proceeding. If the Pennsylvania Public Utility Commission does not approve the IEC Project, as reconfigured, or if the Maryland Public Service Commission does not approve the IEC Project, as reconfigured and the proceedings continue, Transource PA and YCPC reserve their respective procedural rights to hearing and briefing, and to argue their

respective litigation positions. The Joint Partial Settlement is entered into without any admission against, or prejudice to, any position that any party may adopt in the event of any subsequent litigation of these proceedings, or in any other proceeding.

20. This Joint Settlement Stipulation will be filed with the Pennsylvania Public Utility

Commission.

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For York County Planning Commission

nata: 9/19/19

Exhibit "A"

Exhibit A: Description of the reconfiguration of the IEC East Portion of the IEC Project.

- 1. Subject to the provisions set forth in this Settlement Agreement, the Settling Parties agree that the following alternative configuration of the IEC East Portion would be consistent with the public interest, convenience and necessity
 - a. modifies the IEC East Portion to be reconfigured as follows:
 - i. PPL Electric Utilities Corporation ("PPL Electric") will reroute the existing Manor-Graceton 230 kV line from both Manor and Graceton to terminate in Transource PA's Furnace Run Substation, creating a Furnace Run-Manor 230 kV line and a Furnace Run Graceton #1 230kV line.
 - ii. PPL Electric and BGE will construct a new Furnace Run Graceton #2 230kV circuit by:
 - 1. PPL Electric constructing a new 230kV line from Transource PA's Furnace Run station to the intersection of the current PPL Electric Manor-Graceton 230kV line.
 - 2. Adding a new line, consisting of new arms, conductors and necessary hardware, to the open positions on the existing towers on the current Manor –Graceton 230kV line from the Manor Graceton 230kV intersection point south to the state line.
 - 3. The conductors for the new Furnace Run-Manor, Furnace Run-Graceton #1 and Furnace Run Graceton #2 230kV lines will be similar to those used by PPL Electric when it rebuilt the Conastone-Otter Creek and Graceton Manor 230 kV lines.
 - 4. BGE's existing portion of the Manor-Graceton 230 kV line from the Pennsylvania/Maryland border will be rebuilt as a double-circuit tower line capable of supporting the conductors described above.
 - 5. BGE will add incremental terminal equipment in the Graceton Substation to accommodate the new incremental 230 kV line into that substation.
 - 6. The work performed by BGE will be contained within BGE's existing utility right-of-way and/or easements.
 - iii. PPL Electric will reroute the Conastone-Otter Creek 230 kV line from both Otter Creek and Conastone to terminate in Transource PA's

- Furnace Run Substation, creating a Furnace Run-Otter Creek 230 kV line and a Furnace Run Conastone #1 230kV circuit.
- iv. PPL Electric and BGE will construct a new Furnace Run-Conastone #2 230 kV line by:
 - 1. PPL Electric constructing a new 230kV line from Transource PA's Furnace Run station to the intersection of the current Otter Creek Conastone 230kV line.
 - 2. Adding a new line, consisting of new arms, conductors and necessary hardware, to the open positions on the existing towers on the current Otter Creek Conastone 230kV line from the Otter Creek Conastone 230kV intersection point south to the Conastone Substation.
 - 3. The conductors for the new Furnace Run Otter creek, Furnace Run-Conastone #1 and Furnace Run Conastone #2 230kV lines will be similar to those used by PPL Electric when it rebuilt the Conastone-Otter Creek and Graceton-Manor 230 kV lines.
 - 4. BGE will add incremental terminal equipment to the Conastone Substation to accommodate the new incremental 230 kV line into that substation.
 - 5. PPL Electric will perform all of the construction of the new Furnace Run-Conastone #2 230 kV circuit located in Pennsylvania, whereas BGE will perform all of the construction of the new Furnace Run-Conastone #2 230 kV circuit located in Maryland.
 - 6. The work performed by BGE will be contained within BGE's existing utility right-of-way and/or easements.
- v. Transource PA will modify the initial Furnace Run station configuration to accommodate the addition of a third 500/230kV transformer and terminate the six 230kV lines in the station.