



Underground Transmission Lines Pilot Program Proposal

- Of the transmission lines projects approved prior to the end of 2012, the State Corporation Commission shall approve four to be undergrounded. Undergrounding may include the entire project, or appropriate portions of a larger project;
- The pilot program will only be applicable to projects 250 kv or below;
- All potentially eligible projects submitted to the SCC between now and the end of 2012 shall include a technical & cost analysis by the utility of an underground and an overhead project option. The cost analysis shall take into account the impact of the transmission line on real estate values located up to 2,000 feet from the proposed line. However, if a project submitted to the SCC for review relates to a specific and identifiable industry's needs, must be completed in a very limited amount of time in order to facilitate an economic development agreement, and the proposed line is not for general community benefit, both proposals need not be submitted;
- All technical & cost analyses that indicate a project that potentially meets the criteria for inclusion in the pilot shall be reviewed by a five-person review panel. The panel shall consist of a utility company representative, a transmission line technology expert, a member of the Joint Commission on Technology and Science (or a designee of JCOTS) and member of the SCC staff, and a local government representative from an affected jurisdiction. The panel shall submit findings to the SCC as to whether it finds the underground analyses to be sound estimates;
- The SCC shall approve the four projects for undergrounding that meet the following criteria:
 1. The engineering analysis demonstrates that the project (or portion thereof) is technically feasible;
 2. The additional cost of undergrounding does not cause the project cost to be greater than 1.5 times the cost of the same overhead project (based upon the overhead and underground analyses), assuming accepted industry standards for undergrounding to ensure safety and reliability; and
 3. There is demonstrable community support for undergrounding;

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- If four projects are not submitted to the SCC by the end of 2012 that meet the above criteria, the SCC shall document the failure to meet such criteria in order to justify approving less than four underground projects;
- For any project chosen to be placed underground, the utility shall be fully reimbursed for the additional costs, through appropriate mechanisms
- The SCC shall report annually to the Commission on Electric Utilities Restructuring and JCOTS on the progress of the pilot programs.
- Approval of the pilot projects shall not preclude existing or future overhead facilities in the same area or corridor by other transmission projects.
- Utility companies proposing lines that are not accepted for the pilot program or are not otherwise being placed underground shall work to implement low-cost and effective means to improve the aesthetics of overhead transmission lines and towers.
- The pilot program will expire on December 31, 2012.