STATE OF CONNECTICUT
PUBLIC UTILITIES REGULATORY AUTHORITY
EDUCATION, OUTREACH, AND ENFORCEMENT

December 2, 2022
In reply, please refer to:
Docket 17-12-03RE08

Chairman Marissa P. Gillett
Public Utilities Regulatory Authority
10 Franklin Square
New Britain, CT 06051

RE: Docket No. 17-12-03RE08 – PURA Investigation Into Distribution System Planning of the Electric Distribution Companies – Resilience and Reliability Standards and Programs; Motion Requesting Adoption of Undergrounding Report

Dear Chairman Gillett,

The Office of Education, Outreach, and Enforcement (EOE) has concluded working group meetings and offers the attached report for the Authority's review. As indicated in the report, EOE submits this Motion for approval of the following basic structure of an undergrounding strategy, to be applied on the interim until full Resiliency Frameworks are implemented under this docket.

Undergrounding Categories

For the purposes of this strategy, undergrounding projects will be categorized as follows:

- *Undergrounding projects fully-funded by ratepayers after an EDC evaluates and identifies a project, through PURA approved processes, as necessary to address general safety, reliability and resilience goals.*

  - *Projects here may be requested projects, or those identified by the EDC sua sponte.*

- *Customer-requested projects, whether new development or conversion from above-ground lines, that do not sufficiently meet criteria demonstrating public benefit towards resiliency goals. These may be single-user, developer, or municipal requests.*

- *Municipal-requested undergrounding projects where a portion is ratepayer funded, and the remainder is funded by the requesting municipality.*

The process below will be applied to these categories:

Preliminary Step for First Year of This Program: By January 31, 2023 the EDCs submit their interim methodologies to PURA that address how they will identify, *sua sponte,* projects worthy of undergrounding, and how they will evaluate those *sua sponte* and requested projects using the criteria listed in Step 1 below. This step will serve as the "Interim Procedure" to be used for undergrounding until the Resiliency Frameworks required by the final decision in 17-12-03RE08 are finalized and approved and can incorporate undergrounding procedures established here.

Step 1: March 1 through April 30, EDCs assess projects for undergrounding, identified *sua sponte* or received as requests for undergrounding projects from municipalities. EDCs will evaluate these projects based on the following criteria:

i. Historical Reliability Performance and Outage Drivers for the electric circuit during blue, gray and dark-sky days.
ii. System routing and characteristics of the electric circuit, including Density and Type of Vegetation affecting it.
iii. Feasibility of construction, including existing underground utility congestion and easement rights and a timeline investigation (both in terms of project duration and in terms of urgency prioritization across the various needs).
iv. Project intensity and impact on resources (human, budget, etc).

v. Cost-benefit of measures available, as discussed in the 17-12-03RE08 decision.

vi. Alignment with company Standards, as well as IEEE, NERC etc.

vii. Alignment with all applicable regulatory requirements.

viii. Environmental justice, community needs, medical issues, commercial and industrial customer needs as discussed in the 17-12-03RE08 decision.

Projects that, after review of these criteria, are recommended *to proceed as fully ratepayer funded due to their public benefit*, will be Category 1 projects. EDC-identified projects not selected for Category 1 treatment will be tabled for later consideration. Municipal requests not selected for Category 1 treatment will be considered for Category 2 (partial rate-payer funding) treatment. If such a municipal request does not sufficiently satisfy the criteria above but nonetheless encompasses a viable undergrounding project, it should be identified as a Category 2 project: *Municipal-requested undergrounding projects where a portion is ratepayer funded, and the remainder is funded by the requesting municipality. The ratepayer-funded portion shall not exceed the amount of funds expected to be needed to maintain the reliability and resiliency of equivalent above-ground facilities for the expected life of those facilities.*

Step 2: By July 30, produce a report identifying which projects are selected for "Category 1" treatment and "Category 2" treatment. Municipalities disagreeing with the categorizing of a request as "Category 2" may provide comments on the reports regarding the reasons for their disagreement. Unless otherwise identified, Docket 17-12-03RE08 will be used to collect the reports.

Step 3: As part of the rate adjustment mechanism proceedings, PURA will review all proposed undergrounding Category 1 and 2 projects. Once the undergrounding program has run for a full year, PURA will also be able to review projects implemented during the prior year. Category 3 projects are *customer-requested projects, whether new development or conversion from above-ground lines, that do not sufficiently meet criteria demonstrating public benefit towards resiliency goals and may be single-user,*

developer, or municipal requests. Information on the completion of these projects, and proposed projects falling into this category, is expected to be provided at RAM proceedings as well. Although rate-payer fuds are not used for these projects, reporting on them will give PURA a more holistic view of overall resiliency efforts.

Step 4: At the close of the RAM proceedings, as part of the final decision PURA will identify which projects may proceed as Category 1 and Category 2 projects.

Step 5: The above steps recommence each January 1, until the underground strategy discussed herein can be folded into the expected Resiliency Frameworks.

The categories and process elements, and the reasons for recommendation, are further elaborated on in the attached report. EOE thanks the Authority for its attention to this matter.

Sincerely,

Public Utilities Regulatory Authority
Office of Education, Outreach, & Enforcement