December 2017 **PROJECT UPDATE**



Transource Energy filed applications to build the Independence Energy Connection with the Maryland Public Service Commission (PSC) and the Pennsylvania Public Utility Commission (PUC). As we enter the regulatory review phase of the project, where both the need and route will be evaluated, we want to take this opportunity to thank you for your participation in the process. We received thousands of comments that helped us identify power line routes that we feel best balance the need to reinforce the electric grid and the disturbance

caused by the project. We look forward to continuing to work with you and your community.

Independence Energy Connection FREQUENTLY ASKED QUESTIONS

Why were Franklin and York counties, Pa., and Washington and Harford Counties, Md., selected to build the project?

PJM selected Transource's solution to address the congestion issues and awarded construction of the project in August 2016. Transource chose the study area based on the geographic proximity to the system limitations that were identified by PJM Interconnection.

How was the route chosen?

Transource hosted two rounds of open house meetings and the 10 events provided landowners and community members the opportunity to give detailed input regarding study segments.

Transource worked to balance the public input with a variety of factors such as existing land use, sensitive species and habitats, soils and topography, historic and cultural resources, and the opportunity to parallel existing infrastructure.

Detailed information on the selection of the proposed routes is included in the applications submitted to the Pennsylvania Public Utility Commission and the Maryland Public Service Commission.

Did Transource target preserved farmland?

No. Transource selected the study area based on geographic proximity to the congestion identified by PJM Interconnection. Constraints were identified and the study segments reflected the route options capable of providing a solution to the problem.

Can power lines and farm fields share the countryside?

They absolutely can and already do. Transmission infrastructure and farming have coexisted since the beginning of the development of our nation's electrical grid. In fact, many of the transmission design standards in the National Electrical Safety Code (NESC) were originally developed to ensure that the most commonly used farming machinery could continue to be operated safely in the right-of-way.

Transource understands the valuable role agriculture plays in this region and our engineers worked to ensure typical farming practices, from crops to orchards, could continue within the right-of-way.

How will directly-involved landowners be compensated for an easement on their properties?

Transource treats landowners with respect. We believe property owners should be treated fairly and made whole for property encumbered by a transmission line project. This simple premise helps us successfully negotiate the property and easements required for our projects. Agents will review the fair market value for property in your area and extend an offer of a one-time payment. There also can be compensation for crop loss or damages during construction. This will be handled during one-on-one discussions with involved landowners.

What type of structure will be used?

Based on input gathered during the siting process, Transource updated its proposal to include the use of steel monopoles across the project; except in instances where engineering standards or topography may require a variance in structure type or height. This change reduces the footprint of the structure to a 6-to 10-foot diameter pole, compared to a 30-foot-by-30-foot base for a self-supporting lattice structure.

Directly-involved landowners will be fairly compensated for easements required to build the line as well as potential impacts or crop loss during construction and restoration.



The photograph depicts a typical double-circuit steel monopole. Actual structure type and height may vary along the route. While the structure type may vary, the typical right-of-way is 130 feet wide for safe construction, operation and maintenance of the facilities.

What happens next?

The Pennsylvania Public Utility Commission and the Maryland Public Service Commission will be conducting thorough reviews of PJM's assessment of the need for this project, as well as Transource's selection of the proposed routes. The formal regulatory process can include public hearings for landowners and community members to provide comments. Since announcing our proposed routes for the power lines, we have begun talking with landowners and making arrangements to conduct field surveys. Construction will proceed after the states' review and determination that the improvement is prudent.

About the Project Need and Benefit

Who is Transource?

Transource Energy is responsible for the siting, safe construction and maintenance of the project.

Who is PJM Interconnection?

PJM Interconnection does not have customers and is not a utility. Acting as a neutral, independent party, PJM operates a competitive wholesale electricity market and manages the high-voltage electric grid to ensure reliability for more than 65 million people in parts of 13 states, including Pennsylvania and Maryland.

PJM's long-term regional planning process provides a broad, regional perspective that identifies the most effective and cost-efficient improvements to the grid to ensure reliability and economic benefits on a system-wide basis.

Why is this project needed?

Through its regional transmission expansion planning, PJM identified concerns with the delivery of electricity on the high-voltage grid into the region. Using a competitive model, PJM reviewed solution proposals from transmission companies and chose Transource's solution to alleviate the electric congestion that was identified.

What is electric congestion?

Heavy use of the electric grid produces congestion, a situation in which an available supply of the lowest-priced electricity can't flow freely to consumers in a specific area.

Who benefits from the project?

For this project, PJM projects cost savings for consumers in 10 power zones. Those zones are listed below and displayed on the map to the right. Generally speaking, when low-cost electricity is introduced into the market, it helps drive the overall competitiveness of the electric grid for all power zones.

Benefiting Power Zones Identified by PJM:

American Electric Power Co., Inc, Allegheny Power Systems, Baltimore Gas & Electric, ComEd, Dayton Power and Light Company, Duke Energy Ohio and Kentucky, Duquesne Light, Dominion, East Kentucky Power Cooperative, Potomac Electric Power Company.

The high-voltage electric grid operates across towns, counties and state boundaries. As such, the benefit of this project is not confined to geographical boundaries. Customer driven improvement projects in one area of the grid can benefit customers on another part of the electric grid. For example, recent improvements made in Indiana and Westmoreland counties, more than 100 miles away, improved how the grid operates in York County.

Across the project area, Transource will use local workers, services and supplies on the project, when possible. Transource prioritizes investment in the local economies where construction occurs.

Why can't this project run on the existing towers?

The existing infrastructure does not have the available capacity because the project solution necessitates a 230 kV double-circuit structure fully utilized with high capacity wires. The new lines proposed for our project are meant to supplement the existing transmission facilities rather than to replace them.

Why aren't the lines being buried?

Transource understands there are situations that require transmission lines be placed underground, however safety considerations and the higher cost of constructing, as well as the environmental impact of repairing and maintaining underground transmission lines effectively prohibit their routine use for a high-voltage transmission line.

Safety Information

What are the effects of electric and magnetic fields?

Transource's top priority is safety. All electrical equipment carrying a current generates electric and magnetic fields (EMF). This pertains as much to the electrical appliances in our homes as it does to power lines, substations and related equipment.

In the past, questions have been raised about a possible link between exposure to EMF and certain health effects. Numerous studies have been conducted and, as a body of work, are inconclusive that EMF produced by power lines has any causal relation to health conditions or disease in humans or animals. Transource will comply with all federal and state rules and regulations regarding EMF. Visit the project website for links to independent third-party studies and more information.

Will stray voltage be an issue with this project?

Stray voltage is typically not a concern for high-voltage transmission lines. These lines differ in engineering standards for the design, operation and maintenance that apply to transmission facilities than for distribution lines.

