

**UNITED STATES DEPARTMENT OF ENERGY**

**Office of Fossil Energy  
Washington, D.C.**

**FE Docket No. PP-89**

**Bangor Hydro-Electric Company**

**Presidential Permit**

**Order No. PP-89**

**January 22, 1996**

**PRESIDENTIAL PERMIT**  
**BANGOR HYDRO-ELECTRIC COMPANY**

**ORDER NO. PP-89**

BACKGROUND

The Office of Fossil Energy (FE) of the Department of Energy (DOE) has the responsibility for implementing Executive Order 10485, as amended by Executive Order 12038, which requires the issuance of Presidential permits for the construction, connection, operation, and maintenance of electric transmission facilities at the United States international border.

On December 16, 1988, Bangor Hydro-Electric Company (Bangor Hydro) filed an application with the Department of Energy (DOE) for a Presidential permit to construct electric transmission facilities at the international border between the U.S. and Canada. Bangor Hydro proposes to construct an 80-mile, 345-kilovolt (kV), overhead transmission line which will cross the U.S.-Canadian border at Baileyville, Maine, and terminate at an existing 345/115-kV substation located at Orrington, Maine. These facilities will connect at the international border with similar facilities to be constructed by the New Brunswick Electric Power Commission (NB Power).

The interconnection will operate in parallel with an existing 345-kV international interconnection owned by the Maine Electric Power Company (MEPCO). According to Bangor Hydro, the existing MEPCO line operates nearly continuously at its 700-megawatt (MW) limit. Bangor Hydro's new line will increase by 300 MW the power transfer capability between NB Power and the New England region.

Bangor Hydro claims that the additional 300 MW of transfer capacity will provide opportunities for short-term economic interchanges of power between NB Power and the New

England region. In addition, Bangor Hydro estimates that the new facilities will make available approximately 30-40 MW of emergency capacity to the electric utilities in the New England region even if no generating capacity is actually purchased by New England utilities. Finally, Bangor Hydro claims that the increased power transfer capability will provide for the transmission of long-term capacity from Canada if and when additional power purchases are made.

In addition to the 345-kV line, Bangor Hydro will add reactive compensation to support the increased power transfer from New Brunswick. This will be provided by the addition of approximately 100 million volt-amperes reactive (Mvar) of shunt capacitors at the Maxcys substation and 120 Mvar of shunt capacitors at the South Gorham substation.

Notice of the application was placed in the Federal Register on January 19, 1988, (54 FR 2201) soliciting comments, protests, or petitions to intervene. In response to this notice, petitions to intervene were received from the following electric utilities: Maine Electric Power Company; Nova Scotia Power Corporation; Central Maine Power Company, New Brunswick Power Commission; and Connecticut Light and Power Company and Western Massachusetts Electric Company (joint petition). None of the intervenors protested Bangor Hydro's application or presented any information or issues to be addressed in the proceeding. During the review process, New Brunswick Power Commission and Nova Scotia Power Corporation withdrew their petitions to intervene.

#### DECISION

In reviewing the Bangor Hydro application, the DOE determined that granting a Presidential permit would constitute "a major federal action significantly affecting the quality of the human environment" and, therefore, prepared an environmental impact statement (EIS) in compliance with the provisions of the National Environment Policy Act of 1969 (NEPA) and the President's Council on Environmental Quality (CEQ) regulations. A Notice of Intent to prepare an EIS and to hold public scoping meetings was placed in the Federal Register on May 22, 1989 (54 FR 22006) and public scoping meetings were held in Brewer, Calais,



Milford, and Machais, Maine, on June 13, 14, and 15, 1989. In October 1993, the DOE published and distributed approximately 350 copies of a draft EIS to interested individuals and agencies. Following distribution of the draft EIS, DOE announced a public comment period and conducted public hearings in Bradley and Woodland, Maine, on January 10 and 11, 1994, to solicit oral comments on the draft EIS. All comments received during the public hearings and the 72-day comment period were addressed in the final EIS, which was published and distributed in August 1995. Based on the information contained in the final EIS, the DOE has prepared a Record of Decision which has been placed in this Docket.

The DOE has also determined that the proposed project would not adversely impact the reliability of the U.S. electric power supply system. A staff analysis in support of this determination has also been placed in this Docket.

Finally, the Secretary of State and the Secretary of Defense favorably recommended that the request for a Presidential permit be granted as hereinafter provided.

#### ORDER

Pursuant to the provisions of Executive Order 10485, as amended by Executive Order 12038, and the Rules and Regulations thereunder (Title 10, Code of Federal Regulations, section 205.320 et seq.), permission hereby is granted to Bangor Hydro-Electric Company to construct, connect, operate, and maintain at the international border of the United States and Canada, one alternating current, 345-kV, overhead transmission line as further described in Article 2 below, upon the following conditions:

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this permit. This permit may be modified or revoked by the President of the United States without notice, or by the DOE after public notice, and may be amended by the DOE after proper application thereto.

Article 2. The facilities covered by and subject to this permit shall include the following facilities and all supporting structures within the right-of-way occupied by such facilities:

One 345-kilovolt (kV) alternating current transmission line crossing the U. S.-Canada border at Baileyville, Maine, and extending approximately 83.8 miles to an existing substation at Orrington, Maine. This Order provides for the expansion of the Orrington substation to accommodate the new international facilities.

The facilities authorized herein are more specifically shown and described in the application filed by Bangor Hydro on December 16, 1988, in Docket PP-89.

Article 3. The facilities described in Article 2 above shall be designed and operated in accordance with the applicable criteria established by the Northeast Power Coordinating Council and consistent with that of the North American Electric Reliability Council. In addition, the facilities authorized herein shall be operated in such a manner so as not to cause the maximum rate of transmission on a combination of the subject facilities and the 345-kV facilities authorized by Presidential Permit PP-43 to exceed 1000 MW in the import mode. Whenever the PP-43 facilities are out of service, the facilities authorized herein shall be limited to a maximum rate of transmission of 700 MW in the import mode.

The operating limitations contained herein are predicated on the installation of approximately 100 million volt-amperes reactive (Mvar) of shunt capacitors at the Maxcys substation and 120 Mvar of shunt capacitors at the South Gorham substation. Without the installation of this reactive compensation, the facilities authorized herein shall be operated in such a manner so as not to cause the maximum rate of transmission on the subject facilities and the PP-43 facilities to exceed 700 MW in the import mode.

Article 4. No change shall be made in the facilities covered by this permit or in the authorized operation of these facilities unless such change has been approved by the DOE.



Article 5. Bangor Hydro or its agent shall at all times maintain the facilities covered by this permit in a satisfactory condition so that all requirements of the National Electric Safety Code in effect at the time of construction are fully met.

Article 6. The operation and maintenance of the facilities covered by this permit shall be subject to the inspection and approval of a properly designated representative of the DOE, who shall be an authorized representative of the United States for such purposes. Bangor Hydro shall allow officers or employees of the United States, with written authorization, free and unrestricted access into, through, and across any lands occupied by these facilities in the performance of their duties.

Article 7. Bangor Hydro shall investigate any complaints from nearby residents of radio or television interference identifiably caused by the operation of the facilities covered by this permit. Bangor Hydro shall take appropriate action as necessary to mitigate such situations. Complaints from individuals residing within one-half mile of the center of the transmission circuit are the only ones which must be resolved. Bangor Hydro shall maintain written records of all complaints received and of the corrective actions taken.

Article 8. The United States shall not be responsible or liable: for damages to or loss of the property of, or injuries to, persons; for damages to, or loss of the facilities covered by this permit; or for damage to, or loss of the property of, or injuries to the person of Bangor Hydro officers, agents, servants or employees, or of others who may be on said premises; any of which may arise from or be incident to the exercise of the privileges granted herein; and Bangor Hydro shall hold the United States harmless from any and all such claims.

Article 9. Bangor Hydro shall arrange for the installation and maintenance of appropriate metering equipment to record permanently the hourly flow of all electric energy transmitted between Canada and the United States over the facilities authorized herein. Bangor Hydro shall prepare, maintain, and preserve complete and accurate records concerning the transfer of such electric energy, and shall furnish a report to DOE annually by February

15, detailing for each month of the previous calendar year: (1) the gross amount of kilowatt-hours of electric energy received; (2) the maximum hourly rate of transmission in kilowatts; and (3) the consideration paid for such energy during each month of the preceding calendar year.

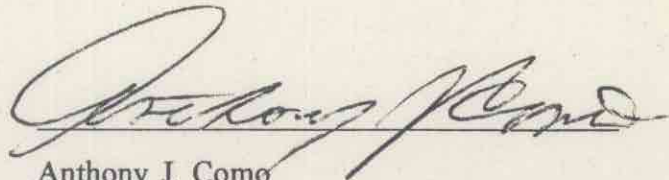
Article 10. Neither this permit nor the facilities covered by this permit, or any part thereof, shall be transferable or assignable, except in the event of the involuntary transfer of the facilities by the operation of law. In the case of such an involuntary transfer, this permit shall continue in effect for a period of 60 days and then shall terminate unless an application for a new permit pursuant to Title 20, Code of Federal Regulations, section 205.323, has been received by the DOE. Upon receipt by the DOE of such an application, this existing permit shall continue in effect pending a decision on the new application. During this decision period, the facilities authorized herein shall remain substantially the same as before the transfer.

Article 11. Upon the termination, revocation or surrender of this permit, the 345-kV transmission line, which is owned, operated, and maintained by Bangor Hydro and described in Article 2 of this permit, shall be removed within such time as DOE may specify and at the expense of Bangor Hydro. If Bangor Hydro fails to remove such facilities and/or any portion thereof authorized by this permit, DOE may direct that such actions be taken for the removal of the facilities or the restoration of the land associated with the facilities at the expense of Bangor Hydro. Bangor Hydro shall have no claim for damages by reason of such possession, removal or repair. However, upon a showing by Bangor Hydro that certain facilities authorized herein, such as portions of its rights-of-way or the transmission line within the United States, are useful to other utility operations within the bounds of the United States, the DOE will not require that those facilities be removed and the land restored to its original condition upon termination of the international interconnection.

Article 12. To the extent that the Record of Decision in this proceeding was predicated on the implementation of certain mitigative measures identified in the EIS, these measures are

incorporated by reference as a condition of this permit. Consequently, Bangor Hydro is required to implement those mitigative measures specified in Section 4.4.1 and Section 4.4.2 of DOE/EIS 0166 as they apply to the corridor and facilities described in Article 2 above.

Issued in Washington, D.C. on January 22, 1996.

A handwritten signature in dark ink, appearing to read "Anthony J. Como", is written over a horizontal line.

Anthony J. Como  
Director  
Office of Coal and Electricity  
Office of Fuels Programs  
Office of Fossil Energy