



The new [Silver Run Electric](#) transmission line project that will connect the existing high-voltage electric system in the Delmarva Peninsula east of Odessa to the Artificial Island nuclear complex in southern New Jersey will only cost Delaware consumers \$6 million, well below the original \$90 million price tag through their monthly electric bills, thanks to a February decision by the Federal Energy Regulatory Commission.

LS Power affiliate, Silver Run Electric, broke ground on the 200,000-square-foot substation on Silver Run Road in Middletown on May 2. One of the highlights of the project will be the installation starting in July of the transmission cables over a three-mile underwater path as much as 70 feet beneath the surface of the Delaware River in under 24 hours, using vertical injector technology for the first time in the United States.

“We’ve done a lot of very specific surveys out in the river looking for essentially anything that’s metallic,” said Project Manager Casey Carroll of East Brunswick, New Jersey-based LS Power. “We’ve done side-scan sonar surveys to make sure that there’s no obstructions in our way. The soils are very conducive to this type of technology, but unfortunately, there’s also a lot of trash that gets dumped in the river. We’ll make a pre-run to make sure that we don’t end up running into an obstacle, say a car that got put in the river or something.”

Carroll said the project dates back to 2013 when PJM, the grid operator, identified a reliability problem on the system that originated in the southern New Jersey area around Artificial Island. The grid operator identified this problem that if left unaddressed, could create blackouts in Southern New Jersey and quickly spread to the Delmarva Peninsula and even Southeastern Pennsylvania. They put it out for bid and received 26 solutions from seven different companies, ranging in price from about \$100 million up to about \$1.5 billion, with LS Power submitting the winning bid and solution at \$150 million.

“First and foremost, it’s really about providing a reliable electrical service,” Carroll said. “So right now, it’s resolving that initial reliability problem for the Delmarva Peninsula. Delaware — being sort of isolated from the rest of the grid — has just a few high voltage lines that feed it down the peninsula. This will provide for a new redundant path.

“Should one of those other lines fail, if there’s a hurricane, or something like that, the fact that this is under the river provides some resiliency to storms. But it provides a lot of extra benefits. If you think about heading towards the beach on a nice summer weekend, all the highways headed down the peninsula are getting pretty crowded. The electrical grid operates in a very similar manner. So by providing this new path, not only is there the storm resiliency, but it also is like an extra lane on the highway. This can help bring those prices down as well.

Carroll said the electrical grid experiences potential instability regularly, in part ironically to continuing efforts by companies and consumers to be more energy efficient. “Changing out all incandescent light bulbs for LEDs or CFLs actually contributes to the problem and makes it worse, particularly during the spring and fall,” he explained.

In 2011, LS Power constructed the Dover SUN Park, which was one of the first utility scale installations in the eastern United States.

Underscoring its commitment to Delaware, LS Power was an early advocate for electric consumers in the fight for a more equitable rate allocation for Delaware consumers — eventually cutting from 60% of the total price tag — a figure that drew protests from the governor and state legislators — to \$6 million by the Federal Energy Regulatory Commission.

“Naturally there’s a cost to maintaining reliability on the system, but now it’s much more commensurate with the benefits that Delaware is receiving and the need for the project,” Carroll said.

“Any project that strengthens Delaware’s competitive positioning in the region, while paying very close attention to environmental impact, is something we should all celebrate,” said Lt. Gov. Bethany Hall-Long, who spoke at the groundbreaking.

The Silver Run project was the first major competitive transmission process in the eastern United States and also provides the first cost cap designed to protect consumers against project overruns. LS Power is also the first new entrant utility to build, own, and operate components of the regional electrical system in Delaware. The project will employ about 30 people over an 18-month period, and could serve nearly 1 million homes when everything is up and running, Carroll said. Construction is expected to be completed by June 2020.

– *By Peter Osborne, Editor, Delaware Business Times (May 21, 2019)*