



## **3rd-Party Assessment: Undergrounding UI Transmission Line Would Increase Costs Borne by Ratepayers to \$838 Million**

*Cost estimate for undergrounding Fairfield to Congress transmission line is within the range of accuracy for UI's internal estimate of \$1 billion, as opposed to approximately \$300 million for an overhead solution proposed by UI as its preferred alternative*

*UI: "...it is frankly surprising to see so many elected officials and their constituents continue to push for a project design that would add half a billion dollars to Connecticut electric rates"*

**ORANGE, Conn. — June 11, 2025** — Today, United Illuminating (UI), a subsidiary of Avangrid, Inc., announced that the completion of a third-party estimate on the costs of designing and implementing an underground plan in rebuilding the transmission system infrastructure from Bridgeport to Fairfield, known as the Fairfield to Congress project. According to the estimate, completed by Dashiell Corporation and HBK Engineering, undergrounding the transmission line from Congress Street Substation to Sasco Creek would cost approximately \$838 million, as opposed to the \$306 million estimate for an overhead solution; the approximately half-a-billion-dollar differential would be borne entirely by Connecticut ratepayers. The finding aligns with the Connecticut Siting Council (CSC)'s decision in Docket No. 516, in which they found, "based on the record of this proceeding, the Council finds the cost of any underground configuration would result in an unreasonable economic burden on the ratepayers of the state."

"At UI, our responsibility – to our 345,000 customers and all our stakeholders across Connecticut – is to design and implement the least-cost solution that best achieves our primary obligation: providing safe, reliable, and resilient electricity to our customers," **said Frank Reynolds, President and CEO of UI.** "In both transmission

and distribution projects, there are certainly times when we recommend an underground solution, but given the cost increases our customers bear for underground projects, we must offer substantial proof to regulators that an overhead solution is either not viable or would be more costly. In the case of Fairfield to Congress, we know there has been strong community advocacy for an underground design plan, but because we can achieve our reliability and resiliency objectives with a more affordable overhead route, we have always stood by our preferred alternative for the benefit of the customers we serve.”

The third-party assessment for an underground route is within the range of accuracy for the \$1.01 billion cost that UI estimated and provided to the CSC in its 2023 application to rebuild this segment of the MetroNorth transmission line corridor ([Docket No. 516](#)). As part of this application, UI included a conceptual underground alternative for the CSC commissioners’ consideration. Contrary to some public commentary on this issue, it would actually be in UI’s best interest financially to select a more expensive project design as its “preferred alternative,” as a more expensive project would result in higher earnings for the company. However, like all electric distribution companies in the United States, UI is a regulated company that does not compete for customers; therefore, UI cannot lawfully consider only financial gain in its project design process. Thus, regulatory bodies – in this case, the CSC – require utilities like UI to select the most prudent design: the design that achieves the necessary objectives at the least cost for the company’s customers. UI’s initial “preferred alternative” was for an overhead solution that followed a path on the south side of the MetroNorth corridor, which UI estimated would cost around \$300 million.

In Connecticut, the costs of regional transmission projects, such as the Fairfield to Congress transmission line, are normally spread across the 14 million New England customers of the Regional Transmission Organization (RTO), known as the Independent System Operator of New England (ISO-NE). However, if the CSC were to approve a project design that exceeds what ISO-NE determines to be a reasonable revenue requirement consistent with good utility practice, ISO-NE would likely require the cost differential to be borne by Connecticut ratepayers as localized costs, according to the Transmission Cost Allocation Process established by FERC. In essence, if the CSC were to approve the overhead solution as proposed by UI, the

approximate \$300 million cost would be spread across the entire 14 million customer ISO-NE region. However, if the CSC were to approve an underground solution at the estimated costs, Connecticut ratepayers alone would be responsible for the additional \$500 million in costs.

“With Connecticut’s high electricity rates continually in the news, it is frankly surprising to see so many elected officials and their constituents continue to push for a project design that would add half a billion dollars to Connecticut electric rates,” **said Jim Cole, Vice President of Projects at Avangrid.** “At UI, we recognize the immense responsibility we have to provide best-in-class reliability and resiliency at the least possible cost to our customers, which is why we continue to work hard to develop prudent project designs for transmission line rebuilds across our service area.”

Upon performing a regular asset condition survey in 2018, UI identified the need to rebuild its aging transmission infrastructure that runs along the Connecticut Department of Transportation (CTDOT)/MetroNorth railroad. In addition to the study, transmission infrastructure placed on the railroad catenaries also interfered with CTDOT’s short-term maintenance and long-term capital plans for upgrades to the MetroNorth railroad system. Thus, UI pursued a plan to move the transmission infrastructure off the railroad infrastructure and rebuild it on steel monopoles within or directly next to the corridor. UI has completed three of the five phases of work, and construction is progressing on the fourth phase (Milvon to West River, which runs from New Haven to Milford). The fifth phase, Fairfield to Congress, was remanded back to the Connecticut Siting Council by the Superior Court for further consideration on the design plan.

“The transmission system is only as strong as its weakest link,” **continued Cole.** “These aging assets no longer meet minimum design standards, and less than a week after failing [MetroNorth electrical infrastructure](#) halted and delayed trains on Connecticut’s railroad for more than 12 hours, our customers know more than ever the cascading effects that failures in this system can have. Thus, failing to finish what we started would subject our entire transmission grid to safety and reliability impacts, including restricted growth in the region, cascading blackouts, and even

the potential for broad-scale system failure. As this region's only provider of electricity – a resource that is increasingly critical to both economic development and life safety – we simply cannot allow that to happen. That's why we're eager to work with regulators, elected officials, and all our stakeholders to move this project forward."

For more information on UI's Railroad Transmission Line Upgrade program, please visit <https://www.uirailroadtlineupgrades.com>.