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Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 et seq.

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September 15, 2022

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Mr. Bernard Logan, Clerk c/o Document Control Center State Corporation Commission 1300 East Main Street Tyler Building - First Floor Richmond, Virginia 23219

Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 et seq.

Case No. PUR-2017-00002

Dear Mr. Logan:

Please find enclosed for electronic filing in the above-captioned proceeding Virginia Electric and Power Company's September 15, 2022 *Quarterly Update Report*.

Please do not hesitate to contact me if you have any questions in regard to the enclosed.

Highest regards,

/s/ Jontille D. Ray

Jontille D. Ray

cc: David J. DePippo, Esq. Vishwa B. Link, Esq. Briana M. Jackson, Esq. Service List Idylwood Substation Rearrangement Project
Case No. PUR-2017-00002
Quarterly Update Report
September 15, 2022

Background

On September 8, 2021, the Virginia State Corporation Commission ("SCC") issued an Order on Motion authorizing Virginia Electric and Power Company d/b/a/ Dominion Energy Virginia ("the Company") to extend the project construction to the new December 31, 2026 in-service date for the Idylwood Substation Rearrangement Project ("Rebuild Project" or "Project").¹

The Company, in part, requested the in-service date extension because:

The unanticipated delay in obtaining the necessary local approvals has disrupted the Company's prior scheduling, sequencing, and planning for the construction of the Rebuild Project requiring the Company to release any prior outage requests it had made to support the prior schedule. In addition, the ability to obtain and coordinate both distribution- and transmission-side outages in northern Virginia, generally, and in the area of the Project, specifically, has become increasingly difficult due to customer and system loading. For example, because obtaining outages in the peak loading seasons of winter and summer generally is not possible, it essentially is mandatory that the work must be performed during the fall and spring. Moreover, the limited fall and spring outage windows must accommodate increased outage needs in the Northern Virginia area for ongoing projects and system needs. The Company also must coordinate its outages to ensure reliability contingencies in the area and must coordinate outages with certain customers, such as the Washington Metropolitan Area Transit Authority. Outages must be submitted months in advance. Adding to those scheduling difficulties, as part of compliance with its local approvals, construction is limited to certain times and must be performed in a manner that reduces noise to ensure the Company minimizes impacts to the nearby community. Recent work on another GIS project at a different substation has further informed the Company's view on the added complexity of the installation of new GIS systems. Finally, compounding these variables, to the greatest extent possible, the Company must keep the Idylwood Substation energized during project construction to meet the growing load needs of the surrounding areas. These current circumstances have led to more complex, on-the-ground logistics and construction sequencing than initially anticipated for this Project during the proceeding before the Commission.²

As required by the Order on Motion, the Company shall:

Submit quarterly construction status updates regarding the Rebuild Project to the Director
of the Commission's Division of Public Utility Regulation until the Rebuild Project is
completed or until further order of the Commission.

¹ Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 et seq., PUR-2017-00002, Order on Motion at 4 (Sept. 8, 2021).

² Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities: Idylwood Substation Rebuild and Rearrangement of 230 kV Transmission Lines #202, #207, #251, #266, #2035, and #2097, PUR-2017-00002, Motion of Virginia Electric and Power Company for Relief from May 31, 2020 In-Service Date at 4-5 (Apr. 27, 2020).

- Post each quarterly construction status update on the Company's website: www.DominionEnergy.com/shreve.
- Post its Construction Timeline on the website and update the Construction Timeline, as needed, to maintain accuracy.

Project Overview

The Idylwood Substation Rebuild Project rebuilds the existing Idylwood Substation on Shreve Road, originally built in the late 1950s, to support growing capacity and projected reliability concerns in the region. These enhancements will allow Dominion Energy to continue providing safe and reliable electric service to the community.

Due to the limited space at the site, Dominion Energy is investing in Gas Insulated Substation ("GIS") technology. The existing substation currently uses Air-Insulated Technology. By utilizing GIS technology, Dominion Energy will be able to largely utilize the substation's existing footprint while modernizing the facility to meet area demand and minimizing impact to surrounding neighbors. GIS is the best available technology and offers several benefits:

- GIS equipment takes up less space, allowing Dominion Energy to accommodate growth in the area, while operating within the existing property;
- GIS is more reliable than traditional air-insulated substations, meaning fewer outages for customers; and
- GIS requires less maintenance than traditional substations.

Idylwood Substation is a necessary and important component of the electrical system and is critical in maintaining reliability for the area. As such, it is necessary that most of the substation equipment remain energized while crews perform their work. This increases the complexity of the Project and has also impacted our timeline. To perform operations safely, crews must work in a limited space and temporarily relocate some of the equipment to install new equipment. Additionally, we must limit the number of crews working inside the substation at the same time.

Status Update

Each quarter, the Company will provide a construction update on the following information:

- Permitting
- Achievements
- Challenges
- Upcoming Construction
- Public Outreach and Communications
- Budget
- Noteworthy Changes

Permitting

After consulting with HICO, the Company's contractor for the 230 kV GIS building, the Company made the decision to switch to a pre-cast GIS building, which will reduce the construction of the

230 kV GIS building by two months. HICO plans to submit a building permit application by October 3, 2022, and have approval by January 2023. This will occur once the building design has been completed, which is approximately 5-10 percent complete.

Achievements

Since the June 15, 2022 Quarterly Update, the Company has accomplished several milestones for the Project, including:

- 1. Energized distribution transformer #3.
- 2. Completed the first phase of the security wall along Shreve Road. The main gate arrived on-site in late August and was installed and completed on September 9, 2022.
- 3. Removed overhead Bus #2 and Bus #4.
- 4. Prepared and cleared the area for future GIS construction.
- 5. Completed drilling and pouring concrete for structure number 2164/207.

Key Challenges

Although several key milestones have been achieved, the Company has faced several challenges this quarter, including:

1. Outage delays – Transmission outage scheduling, particularly in Northern Virginia, continues to present challenges for all transmission line and substation construction projects, including the Idylwood Substation Project. Transmission outages are increasingly difficult to obtain approvals for, schedule, and to keep approved outage dates locked in. This dynamic is exacerbated in Northern Virginia due to the density and volume of new line extensions that are needed to accommodate new load requests as well as the continued forecasted load growth that is moving at an unprecedented rate. Company System Operation Center ("SOC") operators work with PJM to maintain system reliability and meet operational contingency planning criteria, but ultimately PJM is the authority that oversees line and substation outages.

Idylwood's location is critical to providing reliable power to Northern Virginia and to accommodate the rapid growth in the area as improvements are made across the region in Fairfax County and beyond. Previously scheduled outages for the 2035-line terminal relocation to Bus #6 is planned for November 2022 and is subject to confirmation by PJM shortly before the outage window.

Due to the steadily increasing growth in Northern Virginia, the Company continues to focus efforts on minimizing delays to the Idylwood Substation project and the many other projects currently under construction, or in the pre-construction phase. The Company has expeditiously prioritized support to help coordinate and prioritize outages. In addition to enhancing coordination with PJM, and ongoing system outage planning criteria and operational tolerances reviews, the Company added the following resources and responsibilities within the Electric Transmission organization:

- a. Increased the number of positions in the Operations Planning long-term study engineer group.
- b. Added a new supervisor position in the SOC Operations Planning team to oversee the long-term outage coordination team's efforts to identify opportunities to reduce congestion on the transmission system and maximize reliability while completing the

maximum number of needed improvement projects. The position focuses on improvements in the long-term transmission outage planning process by providing project managers better visibility and coordination of outages as they are requested and finding projects that can share outages when possible.

c. New manager position in the Electric Transmission Project Execution group to focus on the work in Northern Virginia and provide more support to project managers.

The Company will continue to evaluate improvements in this area, in collaboration with PJM, and adjust where possible.

The additional challenges include:

- 2. Material delays Supply chain issues continue to impact the Project.
- 3. Failure of a portion of the Solid Insulated Bus and low side of the new transformer #2, resulting in slowed progress for six weeks.

Upcoming Construction

- 1. September 2022 Installation of the east main gate.
- 2. October 2022- Removal of the temporary fence along Shreve Road.
- 3. September-November -Removal of concrete foundations in the substation (bay #2 and bay #4) for future 230 kV GIS building.
- 4. November 2022- Relocate the 2035-line terminal from Bus #5 to Bus #6.
- 5. December 2022- January 2023 Install foundations for the 230 kV GIS building.
- 6. Fall 2022 Install structures for 2035-line relocation, pending outage approval.

Public Outreach and Communications

As both Idylwood Substation and Idylwood Tysons crews continue to work within the substation, updates to the community may involve both projects. In the upcoming weeks, the Company will provide an update on Phase I of the Idylwood-Tyson's project, which is the area near the Idylwood Substation.

Notification for the following activities will occur:

- 1. Progress of Idylwood-Tysons crews
- 2. Update on front gate and removal of temporary fence
- 3. Update on removal of wooden matting at the back of the substation

Budget

\$110 million of \$159 million spent.

Noteworthy Changes

None.

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of September 2022, a true and accurate copy of the foregoing, filed in Case No. PUR-2017-00002 was hand delivered, mailed first class, postage pre-paid, or sent by federal express to the following:

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/s/ Jontille D. Ray

Counsel