# COMMONWEALTH OF VIRGINIA

# STATE CORPORATION COMMISSION

# AT RICHMOND, FEBRUARY 5, 2025

#### APPLICATION OF

## VIRGINIA ELECTRIC AND POWER COMPANY

#### CASE NO. PUR-2024-00044

For approval and certification of electric transmission facilities: 230 kV Apollo-Twin Creeks Lines, and Twin Creeks, Sycolin Creek, Starlight, Lunar, and Apollo Substations

#### FINAL ORDER

On March 27, 2024, Virginia Electric and Power Company ("Dominion" or the

"Company") filed with the State Corporation Commission ("Commission") an application

("Apollo Application") for approval and certification of electric facilities in Loudoun County,

Virginia.<sup>1</sup> Dominion filed its Apollo Application pursuant to § 56-46.1 of the Code of Virginia

("Code") and the Utility Facilities Act, Code § 56-265.1 et seq.

Through its Apollo Application, the Company proposed to complete the following

(collectively, the "Apollo-Twin Creeks Project"):<sup>2</sup>

(1) Construct a new double circuit overhead 230 kilovolt ("kV") transmission line on entirely new right-of-way by cutting the Company's existing 230 kV Edwards Ferry-Pleasant View Line #203 at Structure #203/2 (collectively, the "Apollo-Twin Creeks Lines"). From the cut-in location within the existing right-of-way, the Apollo-Twin Creeks Lines will extend approximately 1.9 miles within a predominantly 100-foot-wide right-of-way, interconnecting the proposed Twin Creeks, Sycolin Creek, Starlight, and Lunar Substations and terminating at the proposed Apollo Substation, as defined in the Apollo Application. The proposed Apollo-Twin Creeks Lines will be supported primarily by double circuit dulled galvanized steel monopoles and will utilize three-phase twin-bundled 768.2 Aluminum Conductor Steel Supported/ Trapezoidal Wire/High Strength (ACSS/TW/HS) type conductor with a summer transfer capability of 1,573 MVA; and

# 250210083

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<sup>&</sup>lt;sup>1</sup> Ex. 5 (Apollo Application) at 2.

 $<sup>^{2}</sup>$  *Id.* at 2-3.

(2) Construct five new 230-34.5 kV substations in Loudoun County, Virginia, on property to be obtained by the Company (the Twin Creeks Substation Sycolin Creek Substation, Starlight Substation, Lunar Substation, and Apollo Substation).

In the Apollo Application, Dominion asserted that the proposed Apollo-Twin Creeks Project is necessary to assure that it can provide requested service to three data center customers ("Customers A, B, and C") in Loudoun County, Virginia and to maintain reliable electric service consistent with North American Electric Reliability Corporation Reliability Standards.<sup>3</sup>

The Company identified an approximately 1.9-mile overhead proposed route for the Apollo-Twin Creeks Lines ("Apollo Proposed Route").<sup>4</sup> The Apollo Proposed Route collocates with, or is parallel to, the Company's future Aspen-Golden Lines and existing or planned utilities for approximately 79% of its total length – specifically, with the future Aspen-Golden Lines for approximately 0.9 mile (48% of its length), and with other existing and proposed water and sewer lines for 0.2 and 0.4 mile, respectively (a total of an additional 31% of its length).<sup>5</sup> Further, of the 14 parcels crossed by the Apollo Proposed Route, nine (64%) are owned by Customers A, B, and C, which accounts for at least 77% of the total length of the Apollo Proposed Route.<sup>6</sup>

<sup>4</sup> Id.

<sup>5</sup> Id. at 5.

<sup>6</sup> Id.

<sup>&</sup>lt;sup>3</sup> Id. at 4.

250210083

The Company stated the desired in-service date for the proposed Apollo-Twin Creeks Project is September 30, 2028.<sup>7</sup> The Company represented the estimated conceptual cost of the proposed Apollo-Twin Creeks Project is approximately \$280.7 million (in 2023 dollars).<sup>8</sup>

On April 17, 2024, the Commission issued an Order for Notice and Hearing, which among other things: consolidated and docketed the applications for Case Nos. PUR-2024-00032 and PUR-2024-00044 ("Applications"); established a procedural schedule; directed Dominion to provide notice of its Applications to interested persons and the public; scheduled public hearings for the purpose of receiving testimony and evidence on the Applications; provided interested persons an opportunity to file comments on the Applications or participate as a respondent; directed the Commission's Staff ("Staff") to investigate the Applications and file testimony and exhibits containing its findings and recommendations; and appointed a Hearing Examiner to conduct all further proceedings in the consolidated matter on behalf of the Commission and file a final report.

Timely notices of participation were filed by Loudoun County, Virginia ("Loudoun"); JK Land Holdings, LLC ("JK Land Holdings"); Lansdowne Conservancy ("Lansdowne"); NA Dulles Real Estate Investor, LLC ("NA Dulles"); Theresa A. Ghiorzi; Allan Myers VA, Inc. ("Allan Myers"); Leesburg Pike Community Church ("LPCC"); Loudoun County Sanitation Authority ("LCSA"); Piedmont Environmental Council ("Piedmont"); Philadelphia-Baltimore-Washington Laborers' District Council ("PBWLDC"); and Visa U.S.A. Inc. ("Visa"). The Commission received a large number of public comments on the Company's Application.

<sup>&</sup>lt;sup>7</sup> Id. at 7.

<sup>8</sup> Id. at 9.

250210083

On August 6, 2024, a telephonic public witness hearing was held with counsel for Dominion, Loudoun, JK Land Holdings, Lansdowne, LPCC, LCSA, Piedmont, Visa, Theresa Ghiorzi appearing pro se, and Staff in attendance. Additionally, on September 5, 2024, a public witness hearing was convened in Leesburg, Virginia, where approximately forty witnesses provided testimony to the Commission.

On August 13, 2024, Allan Myers and PBWLDC filed testimony. On August 14, 2024, Loudoun, NA Dulles, LPCC, LCSA, Lansdowne, JK Land Holdings, and Theresa Ghiorzi filed testimony.

On August 21, 2024, Staff filed its testimony and exhibits, and on September 4, 2024, the Company filed its rebuttal testimony.

The Hearing Examiner convened an evidentiary hearing on September 18, 19, 20, 23, and 26, 2024. Counsel for Dominion, JK Land Holdings, Lansdowne, LPCC, Piedmont, Visa, PBWLDC, NA Dulles, Loudoun, LCSA, Theresa Ghiorzi, appearing pro se, and Staff were in attendance. No public witnesses signed up to testify.<sup>9</sup>

On November 1, 2024, the Senior Hearing Examiner issued the Report of M. Renae Carter, Senior Hearing Examiner ("Report"). In the Report, the Senior Hearing Examiner made the following findings and recommendations for the combined cases:<sup>10</sup>

- (1) There is sufficient evidence that the Aspen-Golden and Apollo-Twin Creeks Projects are needed.
- (2) The evidence demonstrates that both the Aspen-Golden and Apollo-Twin Creeks Projects support economic development in Loudoun County and the Commonwealth.

<sup>&</sup>lt;sup>9</sup> Tr. at 245.

<sup>&</sup>lt;sup>10</sup> Report at 173-75.

- (3) Dominion has provided sufficient evidence that existing rights of way would be used for the Aspen-Golden Project where possible but that existing rights of way cannot meet the needs for the majority of the Aspen-Golden Project. The record supports approval of Route 1AA with the [JK Land Holdings] Belmont Landbay KK Variation (including flexibility to microsite the Aspen-Golden Lines' route and structures on the [JK Land Holdings] Belmont Property); the [LPCC] Proposed Modified Segment; and the ability to work with Allan Myers to determine possible siting solutions on Allan Myers' property.
- (4) Given the concerns about the Updated Hybrid Proposal's route,<sup>11</sup> constructability, and cost and given the lack of environmental analysis and environmental justice analysis, I do not find the Updated Hybrid Proposal meets the statutory criteria for Certificate of Public Convenience and Necessity ("CPCN") issuance, nor do I find that the total public interest is best served by the Updated Hybrid Proposal.
- (5) Dominion has provided sufficient evidence that existing rights of way cannot meet the needs for the Apollo-Twin Creeks Project, and the record evidence supports Commission approval of the route proposed in the Apollo-Twin Creeks Application.
- (6) The record establishes that Aspen-Golden Route 1AA and the Apollo-Twin Creeks Route both avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable to environmental, historic, and scenic resources.
- (7) It is desirable or necessary to establish the uncontested recommendations of the [Department of Environmental Quality ("DEQ")] Report as conditions for approval of the Aspen-Golden and Apollo-Twin Creeks Projects.
- (8) Pertaining to the Apollo-Twin Creeks Project only, the Commission should require Dominion to:
  - Coordinate with the Department of Wildlife Resources to minimize impacts to songbirds from the project;
  - Coordinate with the Department of Wildlife Resources and DEQ, as appropriate, to minimize any impact to the presence of the Green Floater should either or both of (i) in-stream work in Goose Creek or its tributaries be necessary, or (ii) the Company anticipate that right of way clearing will reduce shade along Goose Creek or its tributaries; and
  - Follow any laws or regulations, and obtain any relevant permits, concerning the avoidance and/or handling of Torrey's Mountain-mint.

<sup>&</sup>lt;sup>11</sup> The Updated Hybrid Proposal was proposed by Loudoun.

- (9) Pertaining to the Aspen-Golden Project only, the Commission should adopt as reasonable Dominion's proposal to plot and call out wells and to coordinate with the Virginia Department of Health's Office of Drinking Water as needed.
- (10) Pertaining to both the Aspen-Golden and Apollo-Twin Creeks Projects, the Commission should:
  - Decline to adopt the DEQ recommendation that Dominion further evaluate certain petroleum release sites to determine the location, nature, and extent of release, as well as the potential to impact the projects;
  - Decline to condition approval of either project on the DEQ recommendation to avoid and minimize impacts to ecological cores; and
  - Decline to adopt the recommendations that Dominion develop and implement an invasive species management plan as part of its right of way maintenance practices, as well as any requirement that these practices include revegetation using native species, with robust monitoring and an adaptive plan if initial revegetation attempts are unsuccessful or an outbreak of invasive species emerges.
- (11) The Aspen-Golden Project's cost estimate, utilizing Route 1AA, and the Apollo-Twin Creeks Project's cost estimate, are supported by the evidence. The cost estimate for the Updated Hybrid Proposal is not reasonable based on this record.
- (12) There is sufficient record evidence that the public health and safety will not be harmed by the construction and operation of the Apollo-Twin Creeks Project or the Aspen-Golden Project.
- (13) The Company reasonably considered the requirements of the Virginia Environmental Justice Act in both the Aspen-Golden and Apollo-Twin Creeks Applications.
- (14) The Commission should decline to approve a specific requirement that construction of the Aspen-Golden Project incorporate any specific amount of labor from Loudoun County, the Commonwealth, and/or environmental justice communities.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as

follows.

## Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and

detailed analysis thereof - the Senior Hearing Examiner made the following recommendations:<sup>12</sup>

Accordingly, *I RECOMMEND* the Commission enter an Order:

- (1) ADOPTING the findings above;
- (2) *APPROVING* the Aspen-Golden and Apollo-Twin Creeks Applications subject to the conditions set forth herein;
- (3) GRANTING Certificates of Public Convenience and Necessity for: (i) the Apollo-Twin Creeks Project, using the route proposed in that Application; and (ii) the Aspen-Golden Project, using Route 1AA as modified for the [JK Land Holdings] Belmont Landbay KK Variation and the [LPCC] Proposed Modified Segment, and including the ability to work with Allan Myers to determine possible solutions to site the Aspen-Golden Lines on Allan Myers' property without interfering with this business's future construction plans; and
- (4) **DISMISSING** [this case] from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Senior Hearing

Examiner's findings and recommendations, as applied to Case No. PUR-2024-00044, are supported by law and evidence, have a rational basis, and should be adopted subject to the modifications herein. The Commission finds that the public convenience and necessity requires the construction of the Apollo-Twin Creeks Project and that a CPCN authorizing the Apollo-Twin Creeks Project should be issued subject to the recommended findings and conditions contained in the Report. We are cognizant of some participants' concerns regarding allocation of the costs of the Apollo-Twin Creeks Project.<sup>13</sup> While we decline to address the allocation of

<sup>&</sup>lt;sup>12</sup> Id. at 175.

<sup>&</sup>lt;sup>13</sup> See, e.g., Senior Hearing Examiner's Report at 154; Piedmont Comments at 7-9; Staff Comments at 5 (Staff acknowledging that "the Apollo Twin Creeks portion of the Project appears to be solely attributed to providing service to specific data center customers" but that any decision with respect to allocation of costs should be reserved for "the appropriate future proceeding.").

250210083

costs in the context of a CPCN proceeding,<sup>14</sup> we note that all interested persons, and the Commission's Staff, may bring such issues before the Commission in the context of an applicable rate proceeding (*e.g.*, a biennial review proceeding or a rate adjustment clause proceeding pursuant to Code § 56-585.1 A 4). It is in the context of these proceedings that the Commission may address, under its existing authority,<sup>15</sup> the allocation of costs generally and the allocation of transmission costs specifically.

Accordingly, IT IS ORDERED THAT:

(1) The Commission adopts the Senior Hearing Examiner's findings and recommendations in the Report, solely as they are applicable to Case No. PUR-2024-00044.

(2) Solely as they are applicable to Case No. PUR-2024-00044, the Senior Hearing Examiner's recommendations set forth in the Report are ordered.

(3) Dominion is authorized to construct and operate the Apollo-Twin Creeks Project as proposed in its Apollo Application.

(4) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Apollo-Twin Creeks Project is granted as provided for herein.

<sup>&</sup>lt;sup>14</sup> Senior Hearing Examiner's Report at 154-55 (detailing that the "Commission decides retail cost allocation and/or rate design issues . . . in ratemaking proceedings separate from the Commission's consideration in CPCN proceedings of whether a proposed transmission line meets the statutory criteria for approval[]").

<sup>&</sup>lt;sup>15</sup> See Code § 56-585.1 C (Providing that "[e]xcept as otherwise provided in this section, the Commission shall exercise authority over the rates, terms and conditions of investor-owned incumbent electric utilities for the provision of generation, transmission and distribution services to retail customers in the Commonwealth pursuant to the provisions of Chapter 10 (§ 56-232 et seq.), including specifically § 56-235.2."); and Code § 56-235.2 ("Any rate, toll, charge or schedule of any public utility operating in this Commonwealth shall be considered to be just and reasonable only if . . . the public utility has demonstrated that such rates, tolls, charges or schedules contain reasonable classifications of customers.").

(5) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-LDN-2024-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Loudoun County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2024-00044, cancels Certificate No. ET-DEV-LDN-2023-B, issued to Virginia Electric and Power Company in Case No. PUR-2022-00197 on June 7, 2023.

(6) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation electronic maps for the foregoing Certificate Number that show the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, <u>mike.cizenski@scc.virginia.gov</u>.

(7) Upon receiving the maps directed in Ordering Paragraph (6), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (5) with the maps attached.

(8) The Apollo-Twin Creeks Project approved herein must be constructed and in service by September 30, 2028. The Commission approves a CPCN sunset date of September 30, 2029, for energization of the Apollo-Twin Creeks Project. No later than ninety (90) days before the CPCN sunset date approved herein, for good cause shown, the Company is granted leave to apply and to provide the basis for any extension requested.

(9) This matter is dismissed.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

9