COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 12, 2018

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SCC-CLERK'S OFFICE

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2018-00082

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For approval and certification of electric facilities: Chesterfield-Lakeside Line #217 230 kV transmission line rebuild

ORDER FOR NOTICE AND HEARING

On May 31, 2018, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application for approval and for a certificate of public convenience and necessity to construct and operate electric transmission facilities in Chesterfield County, Virginia, and Henrico County, Virginia ("Application"). Dominion filed the Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq*.

Dominion proposes: (i) to rebuild, entirely within an existing right-of-way or on Company-owned property, approximately 21.3 miles of existing 230 kV transmission Line #217 from the Company's existing Chesterfield Substation in Chesterfield County to the Company's existing Lakeside Substation in Henrico County; (ii) to remove or replace certain structures on Line #287 located on or near Chesterfield Power Station property, two of which share a common structure with Line #217; and, (iii) to perform minor work at the related substations (collectively, the "Rebuild Project").¹ ł

¹ Application at 2.

Dominion states that the Rebuild Project is necessary to resolve generation deliverability violations identified by PJM Interconnection LLC and to address Line #217 nearing its end of life.²

The Company states that the needed in-service date for the Rebuild Project is June 1, 2020.³ The estimated cost of the Rebuild Project is approximately \$31.6 million.⁴ The estimated cost for transmission line work is approximately \$31.0 million, and the estimated cost for substation work is approximately \$0.6 million.⁵

As provided by § 62.1-44.15:21 D 2 of the Code, the Commission and the State Water Control Board ("Board") must consult on wetland impacts prior to the siting of electric utility facilities that require a certificate of public convenience and necessity. Acting on behalf of the Board, the Department of Environmental Quality ("DEQ") must prepare a Wetland Impacts Consultation on this Application, as required by the Code and Sections 2 and 3 of the Department of Environmental Quality - State Corporation Commission Memorandum of Agreement Regarding Consultation on Wetland Impacts.⁶ The Staff of the Commission ("Staff") has requested the Office of Wetlands & Stream Protection at the DEQ to provide a Wetland Impacts Consultation for this Rebuild Project.⁷

⁷ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated June 6, 2018, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2018-0082.

² Application Appendix at 1.

³ Application at 3, Application Appendix at 44.

⁴ Application at 3, Application, Appendix at 45.

⁵ Id.

⁶ In re Receiving comments on a draft memorandum of agreement between the State Water Control Board and the State Corporation Commission, Case No. PUE-2003-00114, 2003 S.C.C. Ann. Rept. 474, Order Distributing Memorandum of Agreement (July 30, 2003).

As provided by §§ 10.1-1186.2:1 B and 56-46.1 A of the Code, the Commission and the DEQ must coordinate reviews of the environmental impact of electric generating plants and associated facilities. Pursuant to the Code and the Department of Environmental Quality - State Corporation Commission Memorandum of Agreement Regarding Coordination of Reviews of the Environmental Impacts of Proposed Electric Generating Plants and Associated Facilities (August 2002),⁸ the Commission must receive and consider reports on the proposed facilities from state environmental agencies. The Staff has requested the DEQ to coordinate an environmental review of this Application by the appropriate agencies and to provide a report on the review.⁹

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that: this matter should be docketed; Dominion should give notice of its Application to interested persons and the public; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application; interested persons should have an opportunity to file comments on the Application or participate as a respondent in this proceeding; and the Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUR-2018-00082.

⁸ In re Receiving comments on a draft memorandum of agreement between the Department of Environmental *Quality and the State Corporation Commission*, Case No. PUE-2002-00315, Order Distributing Memorandum of Agreement, 2002 S.C.C. Ann. Rept. 559 (Aug. 14, 2002).

⁹ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated June 6, 2018, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2018-00082.

(2) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"),¹⁰ a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

(3) A public evidentiary hearing on the Application shall be convened on November 5, 2018, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff. Any person desiring to offer testimony as a public witness at this evidentiary hearing should appear in the Commission's courtroom fifteen (15) minutes prior to the starting time of the hearing and identify himself or herself to the Commission's Bailiff.

(4) A copy of the Application may be obtained by submitting a written request to counsel for the Company, David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means. Copies of the public version of all documents also shall be available for interested persons to review in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <u>http://www.scc.virginia.gov/case</u>.

(5) On or before July 12, 2018, the Company shall cause to be sent by first class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (6) to all owners, as of the

¹⁰ 5 VAC 5-20-10 et seq.

date of this Order, of property within the route of the proposed line, as indicated on the map or

sketch of the route filed with the Commission, which requirement shall be satisfied by mailing to

such persons at such addresses as are indicated in the land books maintained by the

commissioner of revenue, director of finance, treasurer, or other officer of the county or

municipality designated as provided by § 58.1-3100 et seq. of the Code.

(6) On or before July 12, 2018, the Company shall publish in two (2) successive weeks

the sketch map of the proposed route, as shown on page 288 of the Appendix to the Application,

and the following notice as display advertising (not classified) in a newspaper or newspapers of

general circulation in Chesterfield County, Virginia, and Henrico County, Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY VIRGINIA ELECTRIC AND POWER COMPANY FOR APPROVAL AND CERTIFICATION OF ELECTRIC FACILITIES: CHESTERFIELD-LAKESIDE LINE #217 230 KV TRANSMISSION LINE REBUILD CASE NO. PUR-2018-00082

On May 31, 2018, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application for approval and for a certificate of public convenience and necessity to construct and operate electric transmission facilities in Chesterfield County, Virginia, and Henrico County, Virginia ("Application"). Dominion filed the Application pursuant to § 56-46.1 of the Code of Virginia and the Utility Facilities Act, Code § 56 265.1 *et seq.*

Dominion proposes: (i) to rebuild, entirely within an existing right-of-way or on Company-owned property, approximately 21.3 miles of existing 230 kV transmission Line #217 from the Company's existing Chesterfield Substation in Chesterfield County to the Company's existing Lakeside Substation in Henrico County; (ii) to remove or replace certain structures on Line #287 located on or near Chesterfield Power Station property, two of which share a common structure with Line #217; and, (iii) to perform minor work at the related substations (collectively, the "Rebuild Project"). Dominion states that the Rebuild Project is necessary to resolve generation deliverability violations identified by PJM Interconnection LLC and to address Line #217 nearing its end of life.

The Company states that the needed in-service date for the Rebuild Project is June 1, 2020. The estimated cost of the Rebuild Project is approximately \$31.6 million. The estimated cost for transmission line work is approximately \$31.0 million, and the estimated cost for substation work is approximately \$0.6 million.

The proposed route for the Rebuild Project is approximately 21.3 miles of existing transmission line corridor currently occupied by the existing 230 kV transmission Chesterfield-Lakeside 230 kV Line #217. The route is in Chesterfield (0.5 mile) and Henrico (20.8 miles) Counties. The Rebuild Project originates in Chesterfield County at the Chesterfield Substation located at the Chesterfield Power Station off Coxendale Road. From the Chesterfield Power Station, the route generally heads northeast from the station property for 0.5 miles and continues northeast into Henrico County after the line crosses the James River. The line continues in a northeasterly direction for approximately 5.6 miles. Then, for 2.4 miles, the line continues in a north-northwesterly direction for 12.8 miles and terminates at Lakeside Substation in Henrico County off Hilliard Road. The existing structures for the entire Rebuild Project range in height from 45 to 228 feet, and the proposed structures range in height from 55 to 228 feet. The existing average structure height is 63 feet, and the proposed average structure height is 74 feet.

All distances and directions are approximate. A sketch map of the route accompanies this notice. A more detailed map of the route may be viewed on the Commission's website: <u>http://www.scc.virginia.gov/pur/elec/transline.aspx</u>.

The Commission may consider a route not significantly different from the routes described in this notice without additional notice to the public.

A more complete description of the Rebuild Project may be found in the Company's Application.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public evidentiary hearing to be held on November 5, 2018, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony from members of the public and evidence related to the Application from the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness at this hearing should appear fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

Copies of the Application and documents filed in this case are available for interested persons to review in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <u>http://www.scc.virginia.gov/case</u>.

Copies of the Application and other supporting materials also may be inspected during regular business hours at the following locations:

> Dominion Energy Virginia One James River Plaza, 12th Floor 701 East Cary Street Richmond, Virginia 23219 Attn: Amanda Mayhew

Interested persons also may obtain a copy of the Application by submitting a written request to counsel for the Company, David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Any person or entity may participate as a respondent in this proceeding by filing, on or before August 3, 2018, a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. A copy of the notice of participation as a respondent also must be sent to counsel for the Company at the address set forth above. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. All filings shall refer to Case No. PUR-2018-00082. For additional information about participation as a respondent, any person or entity should obtain a copy of the Commission's Order for Notice and Hearing.

On or before August 24, 2018, any interested person wishing to comment on the Application shall file written comments on the Application with the Clerk of the Commission at the address set forth above. Any interested person desiring to file comments electronically may do so on or before August 24, 2018, by following the instructions on the Commission's website: <u>http://www.scc.virginia.gov/case</u>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All such comments shall refer to Case No. PUR-2018-00082.

All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice may be viewed at <u>http://www.scc.virginia.gov/case</u>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Hearing in this proceeding may be obtained from the Clerk of the Commission at the address set forth above.

VIRGINIA ELECTRIC AND POWER COMPANY

(7) On or before July 12, 2018, the Company shall serve a copy of this Order for Notice

and Hearing on the following local officials, to the extent the position exists, in each county, city, and town through which the Rebuild Project is proposed to be built: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made by either first class mail or

personal delivery to the customary place of business or residence of the person served.

(8) On or before July 31, 2018, the Company shall file proof of the notice and service required by Ordering Paragraphs (6) and (7), including the name, title, and address of each official served, with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

(9) On or before July 31, 2018, the Company shall file with the Clerk of the Commission a certificate of the mailing of notice to owners of property prescribed by Ordering Paragraph (5). The certificate shall not include the names and addresses of the owners of property served, but the Company shall maintain a record of such information.

(10) On or before August 24, 2018, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (8). Any interested person desiring to submit comments electronically may do so on or before August 24, 2018, by following the instructions found on the Commission's website: <u>http://www.scc.virginia.gov/case</u>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2018-00082.

(11) On or before August 3, 2018, any person or entity may participate as a respondent in this proceeding by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (8), and the respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (4). Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the

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extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2018-00082.

(12) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon the respondent a copy of the Application and supporting materials, unless these materials already have been provided to the respondent.

(13) On or before August 3, 2018, each respondent may file with the Clerk of the Commission at the address set forth in Ordering Paragraph (8) and serve on the Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects to establish its case, and each witness's testimony shall include a summary not to exceed one page. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be submitted to the Clerk of the Commission. In all filings, the respondent shall comply with the Commission's Rules of Practice, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2018-00082.

(14) The Staff shall investigate the Application. On or before September 21, 2018, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of testimony and exhibits, and each Staff witness's testimony shall include a summary not to exceed one page. The Staff shall serve a copy thereof on counsel to the Company and all respondents.

(15) On or before October 5, 2018, the Company shall file with the Clerk of theCommission: (a) any rebuttal testimony and exhibits that it expects to offer, and each rebuttalwitness's testimony shall include a summary not to exceed one page; and (b) a summary not to

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exceed one page of each direct witness's testimony if not previously included therewith. The Company shall serve a copy on the Staff and all respondents. If not filed electronically, an original and fifteen (15) copies of such rebuttal testimony and exhibits shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (8).

(16) All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(17) The Company and respondents shall respond to written interrogatories and requests for production of documents within seven (7) calendar days after receipt of the same. In addition to the service requirements of Rule 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically, or by facsimile, on the party to whom the interrogatory or request for production is directed or on the assigned Staff attorney if the interrogatory or request for production is directed to the Staff.¹¹ Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq*.

(18) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: David J. DePippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Vishwa B. Link, Esquire, Sarah R. Bennet, Esquire, and Lisa R. Crabtree, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel,

¹¹ The assigned Staff attorney is identified on the Commission's website, <u>http://www.scc.virginia.gov/case</u>, by clicking "Docket Search," then "Search Cases," and entering the case number, PUR-2018-00082, in the appropriate box.

Office of the Attorney General, 202 North Ninth Street, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel and Divisions of Public Utility Regulation and Utility Accounting and Finance.