

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, FEBRUARY 21, 2024

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APPLICATION OF

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VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2023-00141

For approval and certification of electric transmission facilities: Line #235 230kV rebuild from Clover Substation to Structure #235/310

FINAL ORDER

On August 10, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in Halifax, Mecklenburg, and Charlotte Counties, Virginia. Dominion filed its 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 Application, the Company proposes to complete the following, which is collectively referred to as the "Rebuild Project":¹

- Rebuild approximately 16 miles of the 230 kV Line currently numbered² as Line #235 between Clover Substation and Structure #235/310 using higher capacity conductor to achieve an expected summer emergency rating of 1,573 MVA, and renumber the rebuilt 16-mile line segment to Line #2226; and
- Complete work at Clover Substation to support the new line rating.

¹ Application at 2.

² The Application states that in Case No. PUR-2021-00137, the Company proposed to cut and renumber a segment of Line #235 between Clover Substation and Structure #235/310 to Line #2226. *Id.* at n.1. The Company states that the Commission issued a Final Order approving this (and other) work on February 22, 2022. *Id.* The Application provides that the Company anticipates that this segment will be cut and renumbered by June 1, 2024. *Id.* The Application states that throughout the appendix, the Company refers to Line #235 by its current number, #235. *Id.* Further, the Company states that some of the attachments to the Appendix, particularly those prepared for and submitted to PJM, refer to Line #235 by its future number, Line #2226. *Id.*

On September 6, 2023, the Commission entered an Order for Notice and Comment, which among other things: docketed the Company's Application; established a procedural schedule; required the Company to provide public notice of its Application; allowed interested persons an opportunity to file written comments on the Application; allowed any person or entity to participate as a respondent by filing a notice of participation; allowed for the filing of requests for a hearing on the Application; directed Staff to investigate the Application and file a Staff Report; and assigned the case to a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and file a final report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the proposed Project by the appropriate agencies and to provide a report on the review.³ On June 15, 2023, DEQ filed its report on Dominion's Application ("DEQ Report"), which includes the Wetland Impact Consultation provided by DEQ's Office of Wetlands and Stream Protection.

No notices of participation, hearing requests, or public comments were filed.

On December 8, 2023, Staff filed its Staff Report, and on December 21, 2023, the Company filed its rebuttal testimony.

On January 8, 2024, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report"), was issued. In the Report, the Senior Hearing Examiner made the following findings:⁴

³ Letter from William H. Harrison, Esquire, State Corporation Commission, dated August 23, 2023, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2023-00141; Letter from William H. Harrison, Esquire, State Corporation Commission, dated August 24, 2023, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2023-00141.

⁴ Report at 20-21.

- (1) The Company established the need for the Rebuild Project to comply with mandatory NERC⁵ Reliability Standards and to maintain reliable service to accommodate overall growth in the Company's Southside Load Area;
- (2) The Company established that Demand Side Management will not obviate the need for the Rebuild Project;
- (3) The Company's proposed construction schedule and in-service date for the Rebuild Project appear reasonable;
- (4) The Company's proposed transmission-related and substation-related costs for the Rebuild Project appear reasonable and prudent;
- (5) The Company reasonably considered the use of existing right-of-way for the Rebuild Project;
- (6) The Rebuild Project will not have a material adverse impact in scenic, environmental, or historic resources;
- (7) In part, the recommendations in the DEQ Report "Summary of Findings and Recommendations" are "desirable or necessary to minimize adverse environmental impact"⁶ associated with the Rebuild Project;
- (8) The Commission should reject the following recommendations in the DEQ Report: (i) [Department of Conservation and Recreation ("DCR") Division of Natural Heritage's ("DCR-DNH")] recommendation regarding ecological cores⁷; (ii) DCR-DNH's recommendation related to the development and implementation of an invasive species management plan as part of the Company's IVMP⁸; (iii) DCR-DNH's recommendation regarding enhanced planned right-of-way restoration and maintenance practices⁹; and (iv) [DEQ's Office of Pollution Prevention's] recommendation regarding the development of an effective [Environmental Management System]¹⁰;
- (9) The Company reasonably addressed the following comments in the DEQ Report: (i) [Virginia Department of Health - Office of Drinking Water's]

⁵ North American Reliability Corporation.

⁶ Code § 56-46.1 A.

⁷ DEQ Report at 17.

⁸ *Id.* at 18.

⁹ *Id.*

¹⁰ *Id.* at 21.

recommendation to identify water wells in close proximity to the Rebuild Project¹¹; (ii) DCR-DNH's request to provide an addendum to its [Integrated Vegetation Management Plan] that addresses invasive species by providing such addendum to DCR-DNH for review¹²; and (iii) DCR's recommendation pertaining to the Whitemouth Shiner by confirming that the Company does not expect to conduct any instream work to construct the Rebuild Project that would impact the species¹³;

- (10) There are no feasible alternatives to the Rebuild Project;
- (11) The Rebuild Project does not represent a hazard to public health or safety;
- (12) The Company reasonably addressed the impact of the Rebuild Project on aviation resources; and
- (13) The Company reasonably considered the requirements of the Virginia Environmental Justice Act in its Application.

On January 16, 2024, Staff filed its comments on the Report. On January 18, 2024, Dominion filed comments on the Report. In its comments to the Report, the Company asserted that it made an error in its Application that underrepresented the cost of the Rebuild Project by approximately \$2.5 million and updated the total cost estimate to \$36.3 million (in 2023 dollars). On February 5, 2024, the Company filed an addendum to its comments to the Report in which the Company represented it had provided supporting information for the cost increase to Staff and represented that Staff did not oppose filing of the addendum or approval of the \$2.5 million cost adjustment.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

¹¹ *Id.* at 20.

¹² *Id.* at 18.

¹³ *Id.*

Senior 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:¹⁴

I therefore *RECOMMEND* the Commission enter an Order that:

- (1) *ADOPTS* the findings and recommendations contained in the Report;
- (2) *ISSUES* a certificate of public convenience and necessity ("CPCN") to construct and operate the Rebuild Project;
- (3) *DISMISSES* 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 are supported by law and evidence, have a rational basis, and are adopted herein. The Commission finds that the public convenience and necessity requires the construction of the Rebuild Project and that CPCNs authorizing the Rebuild Project should be issued subject to the recommended findings and conditions contained in the Report. In approving the Application, the Commission accepts the Company's updated cost estimate of the Rebuild Project.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Senior Hearing Examiner's findings and recommendations.
- (2) The Senior Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Dominion is authorized to construct and operate the Rebuild Project as proposed in its Application, subject to the findings and conditions imposed herein.

¹⁴ Report at 21.

(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 CPCNs to construct and operate the Rebuild Project is granted as provided for herein.

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

Certificate No. ET-DEV-CHA-2024-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Charlotte County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00141, cancels Certificate No. ET-DEV-CHA-2023-A, issued to Virginia Electric and Power Company in Case No. PUR-2022-00175 on May 31, 2023.

Certificate No. ET-DEV-HAL-2024-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Halifax County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00141, cancels Certificate No. ET-DEV-HAL-2023-A, issued to Virginia Electric and Power Company in Case No. PUR-2022-00175 on May 31, 2023.

Certificate No. ET-DEV-MEC-2024-B, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Mecklenburg County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00141, cancels Certificate No. ET-DEV-MEC-2024-A, issued to Virginia Electric and Power Company in Case No. PUR-2023-00088 on January 16, 2024.

(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 Certificate Numbers that show the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(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 CPCNs issued in Ordering Paragraph (5) with the maps attached.

(8) The Rebuild Project approved herein must be constructed and in service by June 30, 2026. No later than ninety (90) days before the in-service 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.

Commissioner James C. Dimitri participated in this matter.

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.