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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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December 15, 2022

BY ELECTRONIC DELIVERY

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 December 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
December 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

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).

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.
- 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. On November 14, 2022, HICO submitted the building permit application. The Company is reviewing the building design drawings and expects a building permit by March 2023.

Achievements

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

- All of the old 38 kV distribution equipment has been removed from the Idylwood Substation.
- As of November 29, 2022, the Company completed relocation of Line 2035 from its original location to the new location.

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 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. The outage to relocate Line 2035 ahead of the Thanksgiving holiday was delayed by two days, but the Company managed to complete the relocation and energize on time. The next outage at Idylwood is not expected until February or March 2025 when the substation is energized.

2. Asbestos issues – In September, the Company discovered asbestos duct banks believed to be installed in the late 1950s. The Company completed removal of the asbestos duct banks in the beginning of November. However, the Company discovered additional asbestos duct banks in early November. This removal is expected to be complete in early January or February 2023. These discoveries were unanticipated as there was no documentation indicating the presence

of asbestos. The asbestos issues impacted the Company's schedule and will result in an approximate three-month delay. The 230kV GIS building will now start construction on August 1, 2023 (previously expected construction start date was April 27, 2023).

3. Material delays – Supply chain issues continue to impact the Project.

Upcoming Construction

- 1. The Company is working with Verizon and Cox design teams to relocate communication conductors and to move sidewalk and turning lane.
- 2. Finish removal of asbestos.
- 3. Construct 230 kV control enclosure foundations in February/March 2023 timeframe.

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.

The most recent notifications were the following:

- 1. Project team notified community of Idylwood-Tysons of the work that has been taking place inside of Idylwood Substation and is currently scheduled to be complete at the end of 2022.
- 2. A recent update was sent Tuesday, December 13, 2022, to outline remaining activities needed to energize the line.

Budget

\$115.7 million of \$159 million spent.

Noteworthy Changes

No additional noteworthy changes.

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of December 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