

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 8, 2018

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

2018 AUG -8 P 4: 09

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2018-00090

For approval and certification of electric facilities: Lanexa-Northern Neck Line #224 230kV Transmission Line Partial Rebuild Projects

ORDER FOR NOTICE AND HEARING

On June 18, 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 King and Queen, King William, and New Kent Counties, 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 to rebuild, entirely within an existing right-of-way or on Company-owned property, four separate segments of its existing Lanexa-Northern Neck Line #224 230 kilovolt ("kV") transmission line.¹ The Company proposes to (i) remove and replace nine structures and foundations spanning the Pamunkey River and crossing adjacent tidal marshlands (the "Pamunkey River Rebuild"), (ii) remove and replace seven structures and foundations spanning the Mattaponi River and crossing adjacent tidal marshlands (the "Mattaponi River Rebuild"), (iii) remove and replace two double circuit COR-TEN® lattice structures and two adjacent wood H-frame structures, which are currently carrying a single transmission circuit, and

¹ Application at 2.

180820049

foundations on the existing 230 kV Line #224 crossing I-64 in New Kent County west of the intersection of I-64 and Route 3 (the "I-64 Rebuild"), and (iv) remove and replace one double circuit COR-TEN® lattice structure, which is currently carrying one transmission circuit for Line #224 and another for Line #2016, and foundation, with two double deadend 2-pole structures and foundations (the "Diascund Rebuild") (collectively, the "Rebuild Projects").²

Dominion states that the Rebuild Projects are necessary to maintain the structural integrity and reliability of its transmission system in compliance with mandatory North American Electric Reliability Corporation Reliability Standards.³ Further, the Company states that the Rebuild Projects will replace aging infrastructure that is at the end of its service life.⁴

The Company states that the needed in-service date for the Rebuild Projects is May 2021.⁵ The estimated cost of the Rebuild Projects is approximately \$30.7 million, which includes an estimated \$1.0 million cost for substation- and distribution-related work.⁶ The estimated cost for each segment of the Rebuild Projects is approximately (i) \$13.9 million for the Pamunkey River Rebuild, all of which is for transmission-related work, (ii) \$12.5 million for the Mattaponi River Rebuild, which includes approximately \$11.5 million for transmission-related work and approximately \$1.0 million for substation- and distribution-related work, (iii) \$2.3 million for the I-64 Rebuild, all of which is for transmission-related work, and (iv)

² Application at 2-3.

³ Application at 2.

⁴ Application at 3.

⁵ Application at 5, Application Appendix at 17. The Company requests the Commission to enter a final order by January 15, 2019, in order to procure the necessary materials prior to the start of construction in April 2019. Application Appendix at 17.

⁶ Application at 6.

\$2.0 million for the Diascund Rebuild, all of which is for transmission-related work.⁷

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.⁸ The Staff of the Commission ("Staff") has requested the Office of Wetlands & Stream Protection at the DEQ to provide a Wetland Impacts Consultation for the Rebuild Projects.⁹

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),¹⁰ the Commission must receive and consider reports on the proposed facilities from state environmental agencies. The Staff has requested the DEQ to coordinate an

⁷ Application Appendix at 18.

⁸ *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).

⁹ Letter from Kiva Bland Pierce, Esquire, State Corporation Commission, dated June 25, 2018, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2018-0090.

¹⁰ *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).

environmental review of this Application by the appropriate agencies and to provide a report on the review.¹¹

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-2018-00090.
- (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"),¹² 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 January 15, 2019, 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

¹¹ Letter from Kiva Bland Pierce, Esquire, State Corporation Commission, dated June 25, 2018, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2018-00090.

¹² 5 VAC 5-20-10 *et seq.*

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: <http://www.scc.virginia.gov/case>.

(5) On or before September 7, 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 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 September 7, 2018, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown on page 268 of the Appendix to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in King and Queen, King William, and New Kent Counties, Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
VIRGINIA ELECTRIC AND POWER COMPANY
FOR APPROVAL AND CERTIFICATION OF ELECTRIC
FACILITIES: LANEXA-NORTHERN NECK LINE #224
230 KV TRANSMISSION LINE REBUILD
CASE NO. PUR-2018-00090

150320044

On June 18, 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 King and Queen, King William, and New Kent Counties, 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 to rebuild, entirely within an existing right-of-way or on Company-owned property, approximately four separate segments of its existing Lanexa-Northern Neck Line #224 230 kilovolt ("kV") line. The Company proposes to (i) remove and replace nine structures and foundations spanning the Pamunkey River and crossing adjacent tidal marshlands (the "Pamunkey River Rebuild"), (ii) remove and replace seven structures and foundations spanning the Mattaponi River and crossing adjacent tidal marshlands (the "Mattaponi River Rebuild"), (iii) remove and replace two double circuit COR-TEN® lattice structures and two adjacent wood H-frame structures, which are currently carrying a single transmission circuit and foundations on the existing 230 kV Line #224 crossing I-64 in New Kent County west of the intersection of I-64 and Route 3 (the "I-64 Rebuild"), and (iv) remove and replace one double circuit COR-TEN® lattice structure, which is currently carrying one transmission circuit for Line #224 and another for Line #2016, and foundation, with two double deadend 2-pole structures and foundations (the "Diascund Rebuild") (collectively, the "Rebuild Projects").

Dominion states that the Rebuild Projects are necessary to maintain the structural integrity and reliability of its transmission system in compliance with mandatory North American Electric Reliability Corporation Reliability Standards. Further, the Company states that the Rebuild Projects will replace aging infrastructure that is at the end of its service life.

The Company states that the needed in-service date for the Rebuild Projects is May 2021. The estimated cost of the Rebuild

Projects is approximately \$30.7 million, which includes an estimated \$1.0 million cost for substation- and distribution-related work. The estimated cost for each segment of the Rebuild Projects is approximately (i) \$13.9 million for the Pamunkey River Rebuild, all of which is for transmission-related work, (ii) \$12.5 million for the Mattaponi River Rebuild, which includes approximately \$11.5 million for transmission-related work and approximately \$1.0 million for substation- and distribution-related work, (iii) \$2.3 million for the I-64 Rebuild, all of which is for transmission-related work, and (iv) \$2.0 million for the Diascund Rebuild, all of which is for transmission-related work.

The proposed Rebuild Projects are located entirely within Dominion's service territory and existing right-of-way. More specifically, (i) the Pamunkey River Rebuild stretches 1.7 miles through King William County, Virginia, on the existing 230 kV line #224 that crosses the Pamunkey River approximately 6.5 miles west, northwest of West Point, Virginia; (ii) the Mattaponi River Rebuild traverses approximately 1.3 miles through King William County, Virginia, and King and Queen County, Virginia, on the existing 230 kV Line #224 that crosses the Mattaponi River approximately 9.6 miles northwest of West Point, Virginia; (iii) the I-64 Rebuild stretches for approximately 0.5 mile in New Kent County, Virginia, on the existing 230 kV Line #224; and (iv) the Diascund Rebuild is located entirely within New Kent County on the existing 230 kV Line #224.

The Pamunkey River Rebuild includes replacement of nine structures, currently ranging in height from 67 feet to 180 feet, with an average height of 128 feet. As proposed, the new structures for the Pamunkey River Rebuild would range in height from 61 feet to 180 feet, with a proposed average height of 131 feet. The Mattaponi River Rebuild includes replacement of 7 structures, currently ranging in height from 61 feet to 180 feet, with an average height of 109 feet. As proposed, the new structures for the Mattaponi River Rebuild would range in height from 61 feet to 180 feet, with a proposed average height of 120 feet. The I-64 Rebuild includes replacement of four structures, currently ranging in height from 61 feet to 131 feet, with an average height of 94 feet. As proposed, the new structures for the I-64 Rebuild would range in height from 66 feet to 145 feet, with a proposed average height of 103 feet. The Diascund Rebuild includes replacement of one 140-foot-tall structure with two adjacent structures of 135 feet each.

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

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 Projects 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 January 15, 2019, 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: <http://www.scc.virginia.gov/case>.

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: John A. Mulligan

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 October 16, 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-2018-00090. 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 January 8, 2019, 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 January 8, 2019, by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>. 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-2018-00090.

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 <http://www.scc.virginia.gov/case>. 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

medium may not be filed with the comments. All comments shall refer to Case No. PUR-2018-00090.

(11) On or before October 16, 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 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-2018-00090.

(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 November 13, 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-2018-00090.

(14) The Staff shall investigate the Application. On or before December 4, 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 December 18, 2018, the Company shall file with the Clerk of the Commission: (a) any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page; and (b) a summary not to 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.¹³ 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, Office of the Attorney General, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424. 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.

¹³ The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," then "Search Cases," and entering the case number, PUR-2018-00090, in the appropriate box.