

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 8, 2022

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REGULATORY OFFICE
CONTROL CENTER

220220042

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2021-00100

For approval and certification of electric transmission facilities: Beaumeade-Belmont 230 kV Transmission Line #227 Reconductor and Partial Rebuild

FINAL ORDER

On May 20, 2021, 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 certification of electric transmission facilities in Loudoun 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 seeks approval of both a reconductor project ("Reconductor Project") and a partial rebuild project (collectively, the "Project").¹ Specifically, Dominion seeks to (i) reconductor approximately 6.7 miles of the Company's networked overhead 230 kilovolt ("kV") transmission Line #227 between its existing Beaumeade and Belmont Substations, using 2-768.2 ACSS/TW/HS conductor, designed for a maximum operating temperature of 250 degrees Celsius and a minimum summer transfer capacity of 1573 MVA; (ii) uprate the line terminal equipment at Beaumeade and Belmont Substations to 4000 Amp standards by replacing line switches, line leads, wave traps, breakers, breaker switches, and bus segments as needed; (iii) uprate line switches at the Company's Ashburn Substation and Northern Virginia Electric

¹ Ex. 2 (Application) at 2.

Cooperative's Cochran Mill Delivery Point, which are intermediate stations tapped from Line #227, to 4000 Amps; (iv) remove an idle 230 kV conductor between Structures #227/182-188; and (v) within the 6.7-mile Reconductor Project, remove five double circuit 230 kV weathering steel lattice towers (Structures #227/182-186) supporting 0.76 mile of the existing Line #227 and an idle 230 kV conductor, which will be replaced with four double circuit and two single circuit 230 kV galvanized steel poles.²

Dominion states that the Project is necessary to maintain the reliability of its transmission system and resolve potential criteria violations of mandatory North American Electric Reliability Corporation ("NERC") Reliability Standards.³ The Company further states that the Project will replace aging infrastructure that is at the end of its service life.⁴

The Company states that the desired in-service date for the Project is December 31, 2023.⁵ The Company represents that the estimated conceptual cost of the Project (in 2021 dollars) is approximately \$15.1 million, which includes approximately \$11.3 million for transmission-related work and \$3.8 million for substation-related work.⁶

Dominion represents that given the availability of existing right-of-way ("ROW") and the statutory preference given to the use of existing ROW, and because of the additional costs and environmental impacts that would be associated with the acquisition and construction of new ROW, the Company considered no alternate routes requiring new ROW for the Project.⁷

² *Id.*

³ *Id.*

⁴ *Id.* at Appendix p. i.

⁵ *Id.* at 4.

⁶ *Id.* at 4-5.

⁷ *Id.* at 5.

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On June 14, 2021, the Commission issued an Order for Notice and Hearing ("Procedural Order") which, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Commission's Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter. No comments or notices of participation were filed.

As also directed in the Procedural Order, Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On August 12, 2021, the Commission received the report filed by DEQ ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provides general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. According to the DEQ Report, the Company should:

1. Follow DEQ recommendations including the avoidance and minimization of impacts to wetlands and streams.
2. Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels.
3. Evaluate DEQ's database of pollution complaint cases to establish the exact location, nature and extent of the identified petroleum release site and its potential to impact the Project.
4. Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable.

5. Coordinate with the Department of Conservation and Recreation ("DCR") regarding an inventory for populations of diabase glade rare plant species.
6. Coordinate with DCR regarding the development of an invasive species plan to be included as part of the maintenance practices for the right-of-way.
7. Coordinate with DCR for updates to the Biotics Data System database during the final design stage of engineering and upon any major modifications of the Project construction to avoid and minimize impacts to natural heritage resources.
8. Contact the Department of Wildlife Resources ("DWR") on any additional coordination regarding the protection of the green floater mussel, if instream work becomes necessary.
9. Coordinate with DWR regarding its general recommendations to protect wildlife resources.
10. Coordinate with the Virginia Outdoors Foundation ("VOF") on minimizing the impacts of the replacement structures on VOF open space easements in the vicinity of the Project.
11. Employ best management practices, spill prevention and control countermeasures, and other measures as appropriate for the protection of water supply sources.
12. Follow the principles and practices of pollution prevention to the extent practicable.
13. Limit the use of pesticides and herbicides to the extent practicable.⁸

On October 8, 2021, Staff filed testimony along with an attached report ("Staff Report") summarizing the results of its investigation of Dominion's Application. Staff concluded that Dominion has reasonably demonstrated the need for the proposed Project.⁹ Staff therefore did

⁸ Ex. 8 (DEQ Report) at 5-6.

⁹ Ex. 7 (Dodson Direct) at Staff Report p. 21.

not oppose the issuance of the certificate of public convenience and necessity ("CPCN") requested in the Company's Application.¹⁰

On October 27, 2021, the Company filed rebuttal testimony. In its rebuttal testimony, Dominion sought to clarify four recommendations in the DEQ Report and requested that the Commission reject three other recommendations.¹¹

Due to the ongoing public health concerns related to the spread of COVID-19, a hearing for the receipt of testimony from public witnesses was scheduled to be held telephonically on November 9, 2021, but was subsequently canceled when no one signed up to testify as a public witness.¹² The evidentiary hearing was convened virtually, with no party present in the Commission's courtroom, on November 10, 2021. The Company and Staff participated at the hearing.

On December 3, 2021, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report") was issued. In the Report, the Senior Hearing Examiner found: (i) the record supports the need for the Project to meet NERC reliability standards and to support continued economic growth in the area; (ii) the Project will use existing right-of-way to the maximum extent practicable; (iii) the Project will have no material adverse impact on scenic, environmental, or historic resources; (iv) the Company reasonably addressed the permitting and/or routing comments submitted in the DEQ Report by VOF regarding visual impacts from the new pole structures, and the Virginia Department of Transportation ("VDOT") regarding permit requirements; (v) the Company reasonably addressed environmental permitting and/or

¹⁰ *Id.*

¹¹ Ex. 9 (Carr Rebuttal) at 3; Ex. 10 (Studebaker Rebuttal) at 3.

¹² Tr. 5.

coordination in the DEQ Report by DCR regarding the development of an invasive species plan, DCR regarding an inventory of rare tree and plant species, DWR regarding its general recommendation to protect wildlife resources, DEQ regarding the evaluation of a petroleum release site in close proximity to the Project, and DEQ's general comment to consider the development of an effective Environmental Management System ("EMS"); (vi) DEQ recommendations Nos. 1, 2, 4, 7, 8, 11, 12 and 13 in the DEQ Report are desirable or necessary to minimize adverse environmental impact associated with the Project; (vii) the Company reasonably addressed DEQ recommendations Nos. 3, 5, 6, 9, and 10 and these recommendations should be rejected as unnecessary; (viii) the Company reasonably considered the requirements of the Virginia Environmental Justice Act ("VEJA");¹³ (ix) the Project does not represent a hazard to public health or safety; (x) the Company's decision not to consider any alternate routes for the Project was reasonable; and (xi) the Company reasonably addressed the potential impact of the Project on aviation resources.¹⁴ The Senior Hearing Examiner recommended that the Commission adopt the findings and recommendations in the Report, issue a CPCN to the Company to construct and operate the Project, and dismiss the case.¹⁵

On December 10, 2021, the Company filed its comments to the Report in which the Company stated that it supports the Report's finding and recommendations and requested that the Commission adopt the report and approve the Application.¹⁶

¹³ Code § 2.2-234 through -235.

¹⁴ Report at 16-17.

¹⁵ *Id.* at 17.

¹⁶ Comments at 3. No participant filed comments opposing the findings and recommendations set forth in the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides that "it shall be unlawful for any public utility to construct . . . facilities for use in public utility service . . . without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege."

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

Whenever the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize adverse environmental impact. . . . In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 67-101.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that "[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the

line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned."

The Code further requires that the Commission consider existing ROW easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, § 56-259 C of the Code provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represents that the Project is necessary in order to resolve potential criteria violations of mandatory NERC Reliability Standards by increasing transmission capacity, and to maintain reliable service in Loudoun County, Virginia.¹⁷ Based on information provided by the Company, Staff agreed with Dominion that the Project is needed to resolve potential reliability criteria violations identified by the Company and PJM Interconnection, L.L.C.¹⁸ The Commission finds that the Company has adequately demonstrated that load growth in the area supports the need for the Project and that the Project is needed to maintain reliable service in Loudoun County, Virginia.

¹⁷ See Ex. 2 (Application) at 2.

¹⁸ Ex. 7 (Dodson Direct) at Staff Report pp. 6-7.

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds that the evidence in this case demonstrates that the Project will maintain reliable service and support overall growth in Loudoun County, Virginia.¹⁹

Rights-of-Way and Routing

Dominion has adequately considered usage of existing ROW. The Project, as proposed, would be constructed on existing ROW, with no additional ROW required.²⁰

Impact on Scenic Assets and Historic Districts

As noted above, the Project would be constructed on existing ROW already owned and maintained by Dominion. The Commission finds that such construction will avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Virginia Department of Historic Resources, and environment of the area concerned, as required by § 56-46.1 B of the Code, subject to the recommendations provided in the following section.

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.

¹⁹ See *id.* at Report p. 16.

²⁰ See Ex. 2 (Application) at 5; Ex. 7 (Dodson Direct) at Staff Report p. 15.

The Commission finds that there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests that the Project should not be constructed.

There are, however, recommendations included in the DEQ Report for the Commission's consideration. The Company filed a response opposing three of these recommendations.

First, Dominion requests that the Commission reject the recommendation by DCR related to development and implementation of an invasive species management plan.²¹ The Company asserts that it "already has a robust Integrated Vegetation Management Plan . . . in place that utilizes mechanical, chemical, and cultural methods for controlling vegetation, including invasive species."²² It therefore states that the development and implementation of a separate invasive species plan is unnecessary.²³ The Commission agrees with the Hearing Examiner that the invasive species plan recommended by DCR is duplicative of the Company's Integrated Vegetation Management Plan and therefore is unnecessary.²⁴

Second, Dominion requests that the Commission reject the recommendation by DWR to conduct significant tree removal and ground-clearing activities outside of the primary songbird nesting season.²⁵ Dominion states that it does not expect any ground clearing activities to be

²¹ Ex. 10 (Studebaker Rebuttal) at 3.

²² *Id.*

²³ *Id.* at 3-4.

²⁴ The Company has requested, and the Commission has approved, rejection of a comparable DEQ recommendation in similar circumstances in several prior proceedings. *See, e.g., Application of Virginia Electric and Power Company, For approval and certification of electric facilities: Loudoun-Ox 230 kV Transmission Line Partial Rebuild Projects*, Case No. PUR-2019-00128, 2020 S.C.C. Ann. Rept. 306, 309, Final Order (June 2, 2020); *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Lockridge 230 kV Line Loop and Lockridge Substation*, Case No. PUR-2019-00215, 2020 S.C.C. Ann. Rept. 391, Final Order (Oct. 1, 2020).

²⁵ Ex. 10 (Studebaker Rebuttal) at 3, 5.

Dominion also offered clarifications to certain DEQ recommendations. In response to the recommendation that the Company further evaluate the potential impacts of identified petroleum release sites in close proximity to the Project, Dominion states that the pollution complaint ("PC") number of concern was only open for a short duration, over twenty years ago, and it is reasonable to assume that the release was limited to only soil.³³ Dominion asserts the portion of the Project where the PC is located will have little to no ground disturbing activities, and therefore exposure to any potentially contaminated soil will be minimal to none.³⁴ Dominion therefore does not expect the PC will have a negative impact on the Project.³⁵ We direct the Company to coordinate with DEQ to avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable if contaminated soil associated with the petroleum release highlighted in the DEQ Report is identified.³⁶

In response to the recommendations by DCR to avoid, or conduct an inventory of, certain documented, rare species in the Project area to evaluate potential impacts, Dominion states it will do its best to avoid the documented rare resources during its removal of danger trees and overall construction of the Project.³⁷ We find the Company's assurances to be reasonable.

230 kV Transmission Line #2049 Partial Rebuild Project, Case No. PUR-2020-00239, Doc. Con. Cen. No. 210330038, Final Order at 8 (Mar. 23, 2021).

³³ Ex. 10 (Studebaker Rebuttal) at 6-7.

³⁴ *Id.* at 7.

³⁵ *Id.*

³⁶ The Commission has previously made a similar finding in in prior proceedings. *See, e.g., Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: 230 kV Lines #2113 and #2154 Transmission Line Rebuilds and Related Projects*, Case No. PUR-2021-00010, Doc. Con. Cen. No. 210930053, Final Order at 10-11 (Sept. 15, 2021).

³⁷ Ex. 10 (Studebaker Rebuttal) at 7-8. More specifically, Dominion agrees to provide its construction team with information about the rare plant species of concern prior to the commencement of construction activities and agrees to coordinate with DCR if the species of concern is found within the Project area. The Company also agrees to do its best to avoid the documented rare state tree in the Project area. *Id.*

In response to VOF's recommendation that any replacement structures and associated project components should have less of a presence on the landscape or mimic existing towers, Dominion states that it has reached out to VOF to discuss its recommendation and has provided additional information to VOF regarding the Project.³⁸ We direct Dominion to continue to coordinate with VOF to address any outstanding concerns regarding the Project's potential visual impacts.³⁹

Next, in response to certain recommendations by VDOT's project review and comment resolution form, which was attached to the DEQ Report, Dominion states that it has reached out to VDOT to provide additional information and insight about the route permitting process for electric transmission projects.⁴⁰ We direct Dominion to continue to coordinate with VDOT to address any outstanding concerns about the route permitting process.

Finally, Dominion shall be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project.

Environmental Justice

The VEJA sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."⁴¹ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad,

³⁸ Ex. 9 (Carr Rebuttal) at 3-5.

³⁹ The Commission has previously made a similar finding in in prior proceedings. *See, e.g., Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: 230 kV Lines #2113 and #2154 Transmission Line Rebuilds and Related Projects*, Case No. PUR-2021-00010, Doc. Con. Cen. No. 210930053, Final Order at 10-11 (Sept. 15, 2021).

⁴⁰ Ex. 9 (Carr Rebuttal) at 3, 6. The Company asserts that it commits to obtaining all required permits from VDOT prior to starting construction of the proposed Project. *Id.* at 6.

⁴¹ Code § 2.2-235.

including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁴²

We agree with the Hearing Examiner that the Company reasonably considered the requirements of the VEJA.⁴³ We direct Dominion to continue to engage environmental justice communities and others affected by the Project in a manner that allows them to meaningfully participate in the Project development and approval process.⁴⁴

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) 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 Project is granted as provided for herein, subject to the requirements set forth herein.

(3) 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-2022-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 detailed map attached to the Certificate, and to construct and operate facilities as authorized in

⁴² Code § 2.2-234. *See also, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia, Case No. PUR-2021-00001, Doc. Con. Cen. No. 210920108, Final Order at 14 (Sept. 9, 2021); Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company, Case No. PUR-2020-00134, Doc. Con. Cen. No. 210440236, Final Order at 25 (Apr. 30, 2021); Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq., Case No. PUR-2020-00035, Doc. Con. Cen. No. 210210007, Final Order at 14-15 (Feb. 1, 2021).*

⁴³ Report at 15, 17.

⁴⁴ *Id.* at 15; Ex. 2 (Application), Appendix at 128.

Case No. PUR-2021-00100; Certificate No. ET-DEV-LDN-2022-A cancels Certificate No. ET-91ae issued to Virginia Electric and Power Company on October 1, 2020 in Case No. PUR-2019-00215.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for each Certificate Number that shows the routing of the transmission lines approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by December 31, 2023. No later than 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 request.

(7) 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.