

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 3, 2024

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2023-00029

For approval and certification of electric transmission facilities: Possum Point 2nd Transformer and New 230 kV Tie Line

FINAL ORDER

On March 9, 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 Prince William County, 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.*

Specifically, the Company proposed to complete the following, which is collectively referred to as the "Project":

- Install a second 500-230 kilovolt ("kV") transformer bank at the Possum Point 500 kV Substation and perform associated bus work;
- Rebuild approximately 0.8 miles of existing 230 kV transmission Line #2078 between the Company's existing Possum Point 500 kV and 230 kV Substations within an existing corridor on Company-owned property, in order to utilize the existing corridor to accommodate a second circuit following the addition of a 500-230 kV transformer bank at the Possum Point 500 kV Substation;
- Install approximately 0.95 miles of a new 230 kV transmission line, Line #2216, between the Company's existing Possum Point 500 kV and 230 kV Substations along the majority of the Line #2078 corridor and primarily collocated with the Line #2078 structures, with three new structures on Company-owned property in a new approximately 0.29-mile corridor adjacent to the existing Possum Point 500 kV Substation;

- Install a circuit breaker and line terminal equipment at the Possum Point 230 kV Substation; and
- Install two new structures to raise Lines #215/#2001 and Lines #237/#2022 to provide clearance for Line #2078 and Line #2216.

On April 5, 2023, the Commission issued an Order for Notice and Comment that, among other things, directed Dominion to provide notice of its Application; established a procedural schedule, including the opportunity for interested persons to file comments, notices of participation, and requests for hearing; directed the Commission's Staff ("Staff") to investigate the Application and file a report containing Staff's findings and recommendations; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and to 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 provide a report on the review.¹ On May 25, 2023, DEQ filed its report on Dominion's Application, 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 September 1, 2023, Staff filed its Staff Report, and on September 15, 2023, the Company filed its rebuttal testimony.

¹ Letter from Michael J. Zielinski, Esquire, State Corporation Commission, dated March 20, 2023, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2023-00029; Letter from Michael J. Zielinski, Esquire, State Corporation Commission, dated March 20, 2023, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2023-00029.

On October 20, 2023, the Hearing Examiner issued the Report of M. Renae Carter, Hearing Examiner ("Report"). In the Report, the Hearing Examiner made the following findings:²

- (1) Structures #215/3A-#2001/3A and #237/3A-#2022/3A should be treated as ordinary extensions or improvements in the usual course of business and should not be part of any Certificate of Public Convenience and Necessity ("CPCN") the Commission ultimately approves for the Project;
- (2) The Project is needed to comply with Dominion's mandatory planning criteria, North American Electric Reliability Corporation Reliability Standards, and Federal Energy Regulatory Commission Form 715³ reporting requirements, and to enable the Company to maintain transmission system reliability;
- (3) Anticipated load reductions from demand-side management will not obviate the need for the Project;
- (4) The Project will support economic development in Prince William County;
- (5) The Company has considered the feasibility of locating the Project facilities on existing rights-of-way as required by law;
- (6) The Project avoids or reasonably minimizes 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;
- (7) Any CPCN the Commission ultimately may approve for the Project should not be conditioned on the Company coordinating with the Department of Historic Resources as to new Structures #215/3A-#2001/3A and #237/3A-#2022/3A;
- (8) It is unnecessary, based on the record of this case, to require the Company to register for coverage under the General Virginia Pollutant Discharge Elimination System Permit, to develop a Project-specific stormwater pollution prevention plan, and to require matting sourced from natural/organic materials; these matters already are addressed by the Company's *Standards & Specifications for Erosion & Sediment Control and Stormwater Management for Construction and Maintenance of Linear Electric Transmission Facilities*, and the Company must

² Report at 24-25.

³ The Report inadvertently referred to Form 715 as "Form 15" in Finding #2. *Compare id.* at 24 with Application, Appendix at 5 ("In summary, the proposed Project will address criteria violations in compliance with . . . [Federal Energy Regulatory Commission] Form No. 715 reporting requirements . . ."), and Staff Report at 3 ("Dominion states that the Project is needed to: . . . address criteria violations in compliance with the Company's Planning Criteria, which are found in Federal Energy Regulatory Commission Form 715 . . .").

comply with these standards for all activities in Virginia, which includes the Project;

- (9) Given the Company's existing Environmental Management System Manual and the Commission's prior rejection of a comparable recommendation, the Commission should reject DEQ's recommendation for the Company to consider developing an effective Environmental Management System;
- (10) The Company has reasonably addressed the potential impact of the Project on aviation resources;
- (11) The Company reasonably considered and rejected alternatives to the Project;
- (12) The Project does not represent a hazard to public health or safety; and
- (13) The Company reasonably considered the requirements of the Virginia Environmental Justice Act.

On November 9, 2023, Dominion filed comments on the Report.

On April 12, 2024, Dominion filed an update letter in the proceeding ("Update"). In the Update, the Company reports that it was unable to obtain the outages it had requested for Fall 2024.⁴ The Company further notes that time-of-year restrictions associated with the Northern Long-Eared Bat and Bald Eagle limit the Company's ability to construct the Project during certain months.⁵ The Update states that the Company, as a result of these factors, will need to shift its requested Fall 2024 outages to Fall 2025.⁶ The Company states that its in-service target date has been updated from November 30, 2025, to November 30, 2026.⁷

The Update further asserts that the one-year extension of the in-service target date will increase costs for transmission related work by \$2 million, increasing the estimated total cost of

⁴ Update at 1.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

the Project from \$31.5 million to \$33.5 million.⁸ The Company further represents that the Commission Staff does not oppose the filing of the Update.⁹ The Company also respectfully requests a final order in this proceeding by June 1, 2024.¹⁰

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

Hearing Examiner's Report

After analyzing the law and weighing the evidence—and providing a thorough and detailed analysis thereof—the Hearing Examiner made the following recommendations:¹¹

Accordingly, I *RECOMMEND* the Commission enter an Order:

- (1) *ADOPTING* the findings in this Report;
- (2) *GRANTING* the Company's Application to construct the Project;
- (3) *ISSUING* a CPCN to the Company to construct and operate the Project; and
- (4) *DISMISSING* this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the 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 Project and that a CPCN authorizing the Project should be issued subject to the recommended findings and conditions contained in the Report, including the

⁸ *Id.*

⁹ *Id.* at 2.

¹⁰ *Id.* at 1.

¹¹ Report at 25.

Update from the Company with regard to the estimated total Project cost and its in-service target date.

Accordingly, IT IS ORDERED THAT:

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

Application and Update, subject to the findings and conditions imposed herein.

(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 CPCN to construct and operate the 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 CPCN to Dominion:

Certificate No. ET-DEV-PRW-2024-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Prince William County and the Cities of Manassas and Manassas Park, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00029, and cancels Certificate No. ET-DEV-PRW-2023-B, issued to Virginia Electric and Power Company in Case No. PUR-2023-00049 on October 23, 2023.

(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 an electronic map for the Certificate Number that shows 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 CPCN issued in Ordering Paragraph (5) with the maps attached.

(8) The Project approved herein must be constructed and in service by November 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.

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.