COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00105

For approval and certification of electric transmission facilities: Fentress-Yadkin 500 kV Line #588 Rebuild and New 500 kV Fentress-Yadkin Line #5005

FINAL ORDER

On June 13, 2024, Virginia Electric and Power Company ("Dominion" or the "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric facilities in the City of Chesapeake, 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 proposed to complete the following (collectively, the "Project"):²

(1) Rebuild the Company's existing overhead single circuit 500 kV Fentress-Yadkin Line #588 to address the condition of Line #588, which is approaching its end of service life. Specifically, as proposed, rebuild the approximately 13.5-mile-long Line #588, which currently is supported primarily by single circuit 500 kV weathering steel (COR-TEN®) lattice structures, with primarily single circuit 500 kV dulled galvanized steel monopole structures entirely within the existing right-of-way ("ROW"), which

¹ Ex. 2 (Application) at 2.

² *Id.* at 2-4.

is currently maintained at 150 feet wide,³ or on Company-owned property. Additionally, replace the existing three-phase twin-bundled 2500 Aluminum Conductor Alloy Reinforced conductors with three-phase triple-bundled 1351.5 Aluminum Conductor Steel Reinforced ("ACSR") conductors with a summer transfer capability of 4,357 megavolt amperes ("MVA")⁴ for the entire 13.5 miles. Collectively, this work is referred to as the Line #588 Rebuild.

(2) Construct a new overhead single circuit 500 kV transmission line originating at the Company's existing Fentress Substation and continuing approximately 13.5 miles to terminate at the existing Yadkin Substation, resulting in 500 kV Fentress-Yadkin Line #5005. Specifically, as proposed, the new Line #5005 will be installed with the rebuilt Line #588 entirely within the existing ROW, which is currently maintained at 150 feet wide, or on Company-owned property, supported primarily by single circuit 500 kV dulled galvanized steel monopole structures. Additionally, the proposed Line #5005 will utilize three-phase triple-bundled 1351.5 ACSR conductors with a summer transfer capability of 4,357 MVA. Collectively, this work is referred to as the proposed Line #5005.

³ For approximately 5.7 miles from the existing Fentress Substation to Structure #588/223, the existing Line #588 ROW is 235 feet wide. For the remaining 7.8 miles to the existing Yadkin Substation, the existing Line #588 ROW is 150 feet wide. The entire 13.5-mile existing transmission corridor containing Line #588 currently is cleared and maintained at 150 feet wide. As proposed, the Project is not anticipated to require clearing of any of the additional 85 feet of existing ROW for the rebuilt Line #588 or for the proposed new Line #5005, as described herein. However, Section I.F of the Appendix to the Application describes a Constraint Design Segment that would utilize the entire 235-foot-wide existing ROW for approximately 1.6 miles of the 13.5-mile ROW corridor, as defined and discussed therein. *Id.* at 2 n.4.

⁴ Apparent power, measured in MVA, is made up of real power (megawatt) and reactive power (megavolt ampere reactive). *Id.* at 2 n.5.

⁵ In order to accommodate termination of proposed Line #5005 into the Yadkin Substation, the Company will shift two spans of existing Line #565 where it exits from the Yadkin Substation before reconnecting with the existing Line #565 ROW corridor. Specifically, the Company will replace one existing tower structure with one new three-pole structure within Company-owned property and will replace one existing tower structure with an H-frame structure within the existing ROW corridor. The shifted conductor will be covered by permit within an existing Virginia Department of Transportation ("VDOT") easement. Both of the proposed Line #565 structures are estimated to be within 20% of the existing structure heights. While this work is required by the proposed Project, the Company considers the removal of two existing structures and installation of two new structures (two total structure replacements) entirely within existing Company-owned property or by permit within an existing VDOT easement, to qualify as an "ordinary extension [] or improvement [] in the usual course of business" pursuant to Code § 56-265.2 A 1 and, therefore, believes it does not require approval pursuant to Code § 56-46.1 B or a certificate of public convenience and necessity ("CPCN") from the Commission. Should the Commission determine that a CPCN is required for this Line #565 work as described herein, the Company requests that the Commission grant such CPCN as part of its final order in this proceeding. *Id.* at 2-3 n.6.

(3) Perform substation-related work at the Company's existing Fentress Substation and Yadkin Substation.

According to the Application, Dominion asserts that the proposed Project is necessary to maintain the structural integrity and reliability of its transmission system in compliance with mandatory North American Electric Reliability Corporation Reliability Standards and to help reliably and successfully integrate the Coastal Virginia Offshore Wind Commercial Project with the transmission system in the City of Chesapeake, Virginia, as requested by the Company's Generation Construction Group.⁶

Dominion states that the total length of the existing ROW, which is currently maintained at 150 feet in width, and Company-owned property to be used for the Project, as proposed, is approximately 13.5 miles ("Proposed Route").⁷ Dominion further states that no new ROW would be required for the Project because the existing ROW and Company-owned property are adequate for the proposed Project.⁸ The Company asserts that it did not consider any alternative routes requiring new ROW for the Project, given the availability of existing ROW and the statutory preference given to the use of existing ROW, and because additional costs and environmental impacts would be associated with the acquisition of, and construction on, new ROW.⁹

The Company states that the desired in-service date for the proposed Project is

January 1, 2027. The Company represents that the total estimated conceptual cost of the

proposed Project is approximately \$202.2 million, which includes approximately \$167.9 million

⁶ *Id*. at 2.

⁷ Id. at 4.

⁸ *Id*.

⁹ *Id.* at 4-5.

for transmission-related work and approximately \$34.3 million for substation-related work (in 2024 dollars). 10

On July 15, 2024, the Commission issued an Order for Notice and Hearing, which, among other things: docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to interested persons and the public; scheduled public hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or participate as a respondent; directed the Commission's Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations; and appointed 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 provide a report on the review.¹¹

On August 27, 2024, 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.

¹⁰ Id.

¹¹ Letter from Andrew F. Major, State Corporation Commission, dated June 25, 2024, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2024-00105; Letter from Andrew F. Major, State Corporation Commission, dated June 25, 2024, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2024-00105.

The Company filed its proof of notice and service on August 28, 2024. No notices of participation were filed in this matter, and the Commission received one public comment on the Company's Application.

On September 26, 2024, Dominion filed its Motion of Virginia Electric and Power Company for Entry of a Protective Ruling, along with a proposed Protective Ruling. A Hearing Examiner's Protective Ruling, issued on October 4, 2024, set forth the procedures for the handling of confidential information in this proceeding.

On October 10, 2024, Dominion filed its Unopposed Motion to Revise Procedural Schedule with Request for Expedited Treatment ("Motion"). A Hearing Examiner's Ruling, issued on October 15, 2024, granted the uncontested Motion, and revised the procedural schedule accordingly.

On January 6, 2025, Staff filed its testimony and exhibits, and on January 13, 2025, the Company filed its rebuttal testimony. The evidentiary hearing was convened on January 22, 2025, with counsel for Dominion and Staff in attendance. No public witnesses signed up to testify.¹²

On January 30, 2025, the Senior Hearing Examiner issued the Report of M. Renae Carter, Senior Hearing Examiner ("Report"). In the Report, the Senior Hearing Examiner made the following findings: 13

(1) The record demonstrates the Project is needed to replace aging infrastructure that is nearing the end of its useful life, to support transmission system reliability, and to remove one of the most limiting constraints to the delivery of energy from the Coastal Virginia Offshore Wind project;

¹² Tr. at 5.

¹³ Report at 26-27.

- (2) Demand-side management programs will not obviate need for the Project;
- (3) The Project will assure reliable bulk electric power delivery, thereby supporting economic development in the Project area;
- (4) The Company has considered the feasibility of locating the Project facilities on existing [ROW] as required by law;
- (5) The Project route 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 the environment of the area concerned:
- (6) Any Commission approval for the Project should provide flexibility for the Company to continue, through the end of 2025, negotiations with landowners along the Constraint Design Segment, with the provisions that (i) the Project's in-service date not be impacted by the negotiations, and (ii) the Company tender to Staff, by January 31, 2026, a report on the results of these negotiations with the information the Company has proposed for inclusion therein;
- (7) Dominion should be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project and to comply with all uncontested recommendations listed in the DEQ Report's "Summary of Findings and Recommendations";
- (8) The Commission should decline to require the Company to comply with the following recommendations:
 - The proposed March 15 through August 15 time of year restriction on tree removal and ground-clearing activities to protect songbirds;
 - The proposed April 1 to October 30 time of year restriction on mowing and vegetation removal activities to protect the Canebrake rattlesnake;
 - The recommendations pertaining to an invasive species management plan;
 - The recommendations as to ecological cores; and
 - The recommendation to further evaluate three petroleum release sites.
- (9) The Company should be required to:

- Coordinate with the Department of Wildlife Resources to minimize impacts to songbirds while meeting Project needs;
- Train contractors, prior to Project construction, on the natural history and legal status of the Canebrake rattlesnake, and how to identify this species;
- Follow the Company's Integrated Vegetation Management Plan; and
- Follow the Company's own procedures if it encounters petroleum contaminated sediments during construction, and coordinate with the appropriate regulatory agency and use best management practices to ensure soils are disposed of properly in the event contaminated soils are identified during Project construction.
- (10) The Company should continue working with the Department of Historic Resources to mitigate impacts from the Project on the three historic architectural resources referenced herein;
- (11) The Project will not adversely impact the health and safety of persons in the area concerned; and
- (12) The Company reasonably considered the requirements of the Virginia Environmental Justice Act.

Dominion and Staff filed comments on the Report on February 6, 2025. In its comments on the Report, the Company requested that the Commission issue a final order adopting the Report's findings and recommendations and approving the Company's Application for a CPCN for electric transmission facilities in the City of Chesapeake, Virginia. Staff also requested that the Commission adopt the findings and recommendations in the Report.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.

¹⁴ Company comments on Report at 5.

¹⁵ Staff comments on Report at 1.

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: 16

Accordingly, I RECOMMEND the Commission enter an Order that:

- (1) **ADOPTS** the findings and recommendations in this Report;
- (2) **GRANTS** the Company's Application to construct the Project;
- (3) **ISSUES** certificates of public convenience and necessity to the Company to construct and operate the Project; and
- (4) **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 should be adopted. 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. 17

Accordingly, IT IS ORDERED THAT:

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

¹⁶ Report at 28.

¹⁷ In making this finding, we note that the Company's belief that the removal of two existing structures and installation of two new structures (two total structure replacements) entirely within existing Company-owned property or by permit within an existing VDOT easement, qualify as an "ordinary extension [] or improvement [] in the usual course of business" pursuant to Code § 56-265.2 A 1 is uncontested for purposes of the instant Project. For purposes of this Project, we agree with the Company.

- (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-SEC-2025-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in the Cities of Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2024-00105, cancels Certificate No. ET-DEV-SEC-2024-B, issued to Virginia Electric and Power Company in Case No. PUR-2024-00045 on September 27, 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 foregoing Certificate Number that show 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.
- (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 January 1, 2027. The Commission approves a CPCN sunset date of January 1, 2028, for the Project. No later than ninety (90) days before the CPCN sunset 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.