

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 30, 2015

REGULATORY OFFICE  
DOCUMENT CONTROL CENTER

APPLICATION OF

2015 SEP 30 P 3:38

DELMARVA POWER & LIGHT COMPANY

CASE NO. PUE-2015-00092

For approval and certification of the Virginia portion of the Piney Grove-Wattsville 138 kV/69kV transmission line project under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1, *et seq.*

ORDER FOR NOTICE AND COMMENT

On August 24, 2015, Delmarva Power & Light Company ("Delmarva" or "Company") filed with the State Corporation Commission ("Commission") an Application for a certificate of public convenience and necessity to construct and operate the Virginia portion of a transmission line extending from Maryland into Accomack County, Virginia.<sup>1</sup> Delmarva 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.*

According to the Application, the Company proposes to replace and rebuild an existing 69 kilovolt ("kV") transmission line,<sup>2</sup> which extends from the Piney Grove substation in Worcester County, Maryland, to the Wattsville substation in Accomack County, Virginia, with a double-circuit 138 kV/69 kV transmission line ("Proposed Project"). The Proposed Project would be constructed using the right-of-way for the existing 69 kV line, and the existing wood

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<sup>1</sup> On August 28, and September 23, 2015, Delmarva supplemented its Application with additional information filed by the Company.

<sup>2</sup> The existing 69 kV line is comprised of two circuits: (1) Circuit 6729, extending from the Piney Grove substation to the Kenney substation, located entirely in Maryland; and (2) Circuit 6712, extending from the Kenney substation to the Wattsville substation, located in Maryland and Virginia. Direct Pre-filed Testimony of Raymond F. Rouault at 4.

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poles would be replaced by larger, weathering steel poles that can support both circuits.<sup>3</sup> Most of the new single steel pole structures would range from approximately 80 to 120 feet above ground in height, and a small number of structures would range from approximately 60 feet to 135 feet above ground.<sup>4</sup> The total length of the Proposed Project is approximately 30.9 miles, 6.15 miles of which would be in Virginia, between the Maryland-Virginia border and the Wattsville substation.<sup>5</sup>

According to the Application, the Proposed Project is needed to address, among other things, a thermal overload identified in planning studies that could adversely impact reliability as early as June 2018.<sup>6</sup> Additionally, the existing 69 kV transmission line, which was originally installed in the 1940s, must be replaced to address the risk associated with its age and condition.<sup>7</sup> The in-service date for the Proposed Project is June of 2018.<sup>8</sup>

In its Application, Delmarva estimates that it will take 17 months to construct the Proposed Project.<sup>9</sup> The Company estimates the total capital cost of the Proposed Project to be approximately \$44.7 million, of which approximately \$8.9 million is estimated for the Virginia portion.<sup>10</sup>

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<sup>3</sup> Application at 6-8. According to the Company, there would be a limited need to amend or supplement certain right-of-way agreements. Direct Pre-filed Testimony of Raymond F. Rouault at 9, 11.

<sup>4</sup> Application at 7.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at 4.

<sup>7</sup> *Id.* at 4, 7.

<sup>8</sup> *Id.* at 1.

<sup>9</sup> Direct Pre-filed Testimony of Raymond F. Rouault at 16.

<sup>10</sup> Application at 7; Direct Pre-filed Testimony of Jaclyn R. Cantler at 7.

As provided by § 62.1-44.15:21 of the Code, the Commission and the State Water Control 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 State Water Control 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.<sup>11</sup> The Commission Staff ("Staff") has requested the Office of Wetlands & Stream Protection, Department of Environmental Quality, to provide a Wetland Impacts Consultation for the Proposed Project.<sup>12</sup>

As directed 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 proposed 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,<sup>13</sup> the Commission must receive and consider reports on the proposed facilities from state environmental agencies. Accordingly, the Staff has requested the DEQ to coordinate an environmental review of this Application by the appropriate agencies and to provide a report on

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<sup>11</sup> *In the Matter of 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).

<sup>12</sup> Letter from William H. Harrison, IV, Esquire, State Corporation Commission, dated August 31, 2015, to David L. Davis, Department of Environmental Quality, filed in Case No. PUE-2015-00092.

<sup>13</sup> *In the Matter of Receiving comments on a draft memorandum of agreement between the Department of Environmental Quality and the State Corporation Commission*, Case No. PUE-2002-00315, 2002 S.C.C. Ann. Rept. 559, Order Distributing Memorandum of Agreement (Aug. 14, 2002).

the review.<sup>14</sup> By letter dated September 10, 2015, the DEQ informed the Staff that it would coordinate a review of the environmental impact of the Proposed Project and that it would provide a report to the Commission.<sup>15</sup>

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that this matter should be docketed; that the Company should give notice of its Application to interested persons and the public; that interested persons should have an opportunity to comment and request a hearing on the Application; and that the Staff should investigate the Application and file a report containing the Staff's findings and recommendations. The Commission further finds that a Hearing Examiner should be assigned to rule on any discovery matters that may arise in this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUE-2015-00092.

(2) A copy of the Application may be obtained by submitting a written request to counsel for the Company, Timothy E. Biller, Esquire, Hunton & Williams LLP, 951 East Byrd Street, Richmond, Virginia 23219-4074. 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

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<sup>14</sup> Letter from William H. Harrison, IV, Esquire, State Corporation Commission, dated August 31, 2015, to Bettina Sullivan, Department of Environmental Quality, filed in Case No. PUE-2015-00092.

<sup>15</sup> Letter from Bettina Sullivan, Department of Environmental Quality, of September 10, 2015, to William H. Harrison, IV, Esquire, State Corporation Commission, filed in Case No. PUE-2015-00092.

holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

(3) On or before November 4, 2015, the Company shall cause to be sent by first class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (4) 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.

(4) On or before November 4, 2015, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown in Attachment V.A.1 of the Response to Guidelines, filed on September 23, 2015, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in Accomack County:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
DELMARVA POWER COMPANY  
FOR APPROVAL AND CERTIFICATION OF ELECTRIC  
TRANSMISSION FACILITIES IN ACCOMACK COUNTY  
CASE NO. PUE-2015-00092

On August 24, 2015, Delmarva Power & Light Company ("Delmarva" or "Company") filed with the State Corporation Commission ("Commission") an Application for a certificate of public convenience and necessity to construct and operate the Virginia portion of a transmission line extending from Maryland into Accomack County, Virginia. Delmarva 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.*

According to the Application, the Company proposes to replace and rebuild an existing 69 kilovolt ("kV") transmission line, which extends from the Piney Grove substation in Worcester County, Maryland, to the Wattsville substation in Accomack County, Virginia, with a double-circuit 138 kV/69 kV transmission

line ("Proposed Project"). The Proposed Project would be constructed using the right of way for the existing 69 kV line, and the existing wood poles would be replaced by larger, weathering steel poles that can support both circuits. Most of the new single steel pole structures would range from approximately 80 to 120 feet above ground in height, and a small number of structures would range from approximately 60 feet to 135 feet above ground. The total length of the Proposed Project is approximately 30.9 miles, 6.15 miles of which would be in Virginia, between the Maryland-Virginia border and the Wattsville substation.

According to the Application, the Proposed Project is needed to address, among other things, a thermal overload identified in planning studies that could adversely impact reliability as early as June 2018. Additionally, the existing 69 kV transmission line, which was originally installed in the 1940s, must be replaced to address the risk associated with its age and condition. The in-service date for the Proposed Project is June of 2018.

In its Application, Delmarva estimates that it will take 17 months to construct the Proposed Project. The Company estimates the total capital cost of the Proposed Project to be approximately \$44.7 million, of which approximately \$8.9 million is estimated for the Virginia portion.

### **Route for Proposed Project**

The route for the Proposed Project in Virginia is approximately 6.15 miles long and is entirely within an existing transmission line corridor. The southern terminus of the route is the existing Wattsville Substation located on Chincoteague Road. The route heads northeasterly approximately 0.10 mile, including the crossing of Vernon Road. The route then heads northwesterly for approximately 0.76 mile.

The line then heads east approximately 0.40 mile where it crosses Route 679 (Fleming Rd) and continues approximately 0.17 mile. The route then heads northeasterly approximately 4.6 miles, where it crosses Route 679 (Fleming Rd) a second time, Route 709 (Horntown Rd), Route 712 (Sign Post Rd) and Route 714 (Silverthorne Rd). Approximately 0.12 mile northeasterly of where it crosses Route 714 (Silverthorne Rd) the route leaves the Commonwealth of Virginia and enters the State of Maryland.

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

The Commission may consider a route not significantly different from the route described in this notice without additional notice to the public.

The Application and related documents 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 location:

Delmarva Power Bay Regional Office  
2530 N. Salisbury Blvd  
Salisbury, MD 21801  
Attn: John Petito

Interested persons also may obtain a copy of the Application by submitting a written request to counsel for the Company, Timothy E. Biller, Esquire, Hunton & Williams LLP, 951 East Byrd Street, Richmond, Virginia 23219-4074. If acceptable to the requesting party, the Company may provide the documents by electronic means.

On or before December 4, 2015, interested persons may file written comments on Delmarva's Application with Joel H. Peck, Clerk, State Corporation Commission, P.O. Box 2118, Richmond, Virginia 23218-2118. Interested persons desiring to submit comments electronically may do so on or before December 4, 2015, by following the instructions found 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 comments shall refer to Case No. PUE-2015-00092.

Any person or entity may participate as a respondent in this proceeding by filing, on or before December 4, 2015, 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 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. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by Rule 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUE-2015-00092.

On or before December 4, 2015, any interested person may request a hearing in this matter by filing an original and fifteen (15) copies of a request for hearing. Any request for hearing shall state with specificity why the issues raised in the request for hearing cannot be adequately addressed without a hearing. All such requests for hearing shall be filed with the Clerk of the Commission at the address set forth above, or filed electronically by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Copies of any such filings shall refer to Case No. PUE-2015-00092.

A copy of any written comments, requests for hearing, and notices of participation simultaneously shall be sent to counsel for the Company at the address set forth above.

#### DELMARVA POWER COMPANY

(5) On or before November 4, 2015, the Company shall serve a copy of this Order on the chair of the board of supervisors of Accomack County. Service shall be made by first class mail or delivery to the customary place of business or residence of the person served.

(6) On or before November 18, 2015, the Company shall file proof of the notice and service required by Ordering Paragraphs (4) and (5), including the name, title and address of each official served, with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

(7) On or before November 18, 2015, the Company shall file with the Clerk of the Commission a certificate of the mailing of notice to owners of property prescribed by Ordering Paragraph (3). The certificate shall not include the names and addresses of the owners of property served, but the Company shall maintain a record of such information.

(8) On or before December 4, 2015, interested persons may file written comments on the Company's Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (6). Any interested person desiring to submit comments electronically may do so on or before December 4, 2015, by following the instructions found 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 comments. All comments shall refer to Case No. PUE-2015-00092.

(9) On or before December 4, 2015, 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 (6), and the respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (2). 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. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by Rule 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUE-2015-00092.

(10) 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 have already been provided to the respondent.

(11) On or before December 4, 2015, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the hearing request shall be filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (6), and a copy of the request for hearing shall also be sent to counsel to the Company at the address in Ordering Paragraph (2). Any request for hearing shall state with specificity why the issues raised in the request for hearing cannot be adequately addressed without a hearing. All requests for hearing shall refer to Case No. PUE-2015-00092.

(12) The Staff shall investigate the Company's Application. On or before January 5, 2016, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of a Staff Report containing its findings and recommendations and promptly shall serve a copy of the same on counsel to the Company and all respondents.

(13) On or before January 19, 2016, the Company may file with the Clerk of the Commission and serve on the Staff and all parties any response in rebuttal to the Staff Report and any comments filed by interested persons in this proceeding.

(14) 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 the assigned Staff attorney, if the interrogatory or request

for production is directed to the Staff.<sup>16</sup> 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.*

(15) Pursuant to § 12.1-31 of the Code and 5 VAC 5-20-10 *et seq.*, the Commission assigns a Hearing Examiner to rule on any discovery matter that may arise in this proceeding.

(16) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Noelle J. Coates, Esquire, and Timothy E. Biller, Esquire, Hunton & Williams LLP, 951 East Byrd Street, Richmond, Virginia 23219-4074, Matthew K. Segers, Esquire, Pepco Holdings, Inc., 701 Ninth Street, NW, Suite 1100, Washington, D.C. 20068; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 900 East Main Street, Second Floor, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel and Divisions of Energy Regulation and Utility Accounting and Finance.

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<sup>16</sup> The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking Case Search and entering the case number, PUE-2015-00092, in the appropriate box.