

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JULY 10, 2017

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2017-00078

For approval and certification of electric transmission facilities under Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 *et seq.*

ORDER FOR NOTICE AND HEARING

On June 5, 2017, 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 Prince William 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 proposes to rebuild, entirely within an existing right-of-way and Company-owned property, approximately 8.5 miles of existing 115 kilovolt ("kV") transmission lines, Possum Point – Smoketown Line #18 and Possum Point – Smoketown Line #145, located between the existing 115 kV switch yard at the Company's Possum Point Power Station site and the Northern Virginia Electric Cooperative ("NOVEC") Smoketown Delivery Point ("DP"), entirely within Prince William County (collectively, the "Rebuild Project"). The Company proposes to utilize 230 kV design on all but the first 0.7 mile segment originating from the 115 kV switch yard at the Possum Point Station site, which will be rebuilt to 115 kV design. While the Company proposes to construct the lines to be capable of operating at 230 kV, the

Company states that operation of the lines would continue at 115 kV until such time as needed to serve the Northern Virginia Load Area.¹

Lines #18 and #145 currently provide service to three NOVEC DPs, which in turn serve approximately 11,360 NOVEC customers.² The Company asserts that the proposed Rebuild Project is necessary so the Company can maintain and improve reliable electric service to customers served by Lines #18 and #145, which have been identified as nearing their end-of-life, consistent with the Company's Transmission Planning Criteria.³ The Company states that these lines were originally constructed between 1948 and 1954 on single wooden H-frames and wooden three-pole H-frame structures and that the Company has determined it is no longer cost-effective to continue to repair or replace individual components.⁴

In proposing to construct the Rebuild Project at 230 kV but continue to operate it at 115 kV, the Company asserts that while the Rebuild Project is not capacity driven, it is prudent planning and engineering to design and build new overhead facilities with a 60-year life expectancy to the maximum level of capacity and flexibility that can be obtained at a reasonable cost for long-term growth, particularly in the Northern Virginia Load Area where the Company has made consistent efforts since 2009 to move load off the 115 kV system and convert lines to 230 kV where appropriate.⁵ The Company also states that it has become aware of a potential

¹ Application at 2.

² Appendix at 81.

³ Application at 3.

⁴ Appendix at 3.

⁵ Application at 4.

large block load addition to NOVEC's Independent Hill DP which ultimately may drive a change in the operating voltage of Lines #18 and #145 from 115 kV to 230 kV.⁶

The Company states that the approximate height of the structures to be replaced ranges between 51 feet and 56 feet.⁷ The Company proposes new structure heights ranging between approximately 64 feet and 126 feet, which heights are subject to change based on final engineering design.⁸ The Company states that in total, 125 existing structures, most of which consist of wooden poles, will be removed and replaced by 88 new structures, many of which are proposed to be galvanized steel structures and poles.⁹ The Application further states, among other things, that no new easements would be required for the Rebuild Project.¹⁰

The Company anticipates an in-service date for the proposed Rebuild Project of December 2019 and states that the Company will need approximately 15 months for construction of the Rebuild Project.¹¹ The estimated cost of the Rebuild Project consists of approximately \$18.8 million for transmission line work and approximately \$124,000 for station work.¹²

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

⁶ *Id.*

⁷ Appendix at 99-109.

⁸ *Id.*

⁹ Appendix at 1-2.

¹⁰ *Id.* at 111.

¹¹ *Id.* at 92.

¹² Application at 5; Appendix at 93.

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.¹³ The Staff of the Commission ("Staff") has requested the Office of Wetlands & Stream Protection at the DEQ to provide a Wetland Impacts Consultation for this Rebuild Project.¹⁴

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),¹⁵ the Commission must receive and consider reports on the proposed facilities from state environmental agencies. The Staff has requested the DEQ to coordinate an environmental review of this Application by the appropriate agencies and to provide a report on the review.¹⁶

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that this matter should be docketed; that Dominion should give notice of its Application to interested persons and the public; that public hearings, including a public hearing in Prince William County, Virginia, should be scheduled for the purpose of receiving testimony

¹³ *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).

¹⁴ Letter from Ashley B. Macko, Esquire, State Corporation Commission, dated June 9, 2017, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2017-00078.

¹⁵ *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).

¹⁶ Letter from Ashley B. Macko, Esquire, State Corporation Commission, dated June 9, 2017, to Bettina Sullivan, Department of Environmental Quality, filed in Case No. PUR-2017-00078.

and evidence on the Application; that interested persons should have an opportunity to file comments on the Application or participate as a respondent in this proceeding; and that 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-2017-00078.

(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"),¹⁷ 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 local public hearing shall be convened on September 14, 2017, at 7 p.m., at Fitzgerald Elementary School, 15500 Benita Fitzgerald Drive, Woodbridge, Virginia 22193, to receive testimony on the Company's Application from public witnesses participating as provided by 5 VAC 5-20-80 C, *Public witnesses*, of the Rules of Practice.

(4) A public evidentiary hearing on the Application shall be convened on November 2, 2017, 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 either of these hearings should appear in the Commission's courtroom fifteen (15) minutes prior to the starting time of the hearing and identify himself or herself to the Commission's Bailiff.

¹⁷ 5 VAC 5-20-10 *et seq.*

(5) A copy of the Application can 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>.

(6) On or before July 28, 2017, the Company shall cause to be sent by first class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (7) 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.

(7) On or before August 11, 2017, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown on page 197 of the Appendix to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in Prince William County:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
 VIRGINIA ELECTRIC AND POWER COMPANY
 FOR APPROVAL AND CERTIFICATION OF ELECTRIC
 TRANSMISSION FACILITIES IN
 PRINCE WILLIAM COUNTY:
 POSSUM POINT – SMOKETOWN REBUILD
CASE NO. PUR-2017-00078

On June 5, 2017, 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 Prince William County, 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 and Company-owned property, approximately 8.5 miles of existing 115 kilovolt ("kV") transmission lines, Possum Point – Smoketown Line #18 and Possum Point – Smoketown Line #145, located between the existing 115 kV switch yard at the Company's Possum Point Power Station site and the Northern Virginia Electric Cooperative ("NOVEC") Smoketown Delivery Point ("DP"), entirely within Prince William County (collectively, the "Rebuild Project"). The Company proposes to utilize 230 kV design on all but the first 0.7 mile segment originating from the 115 kV switch yard at the Possum Point Station site, which will be rebuilt to 115 kV design. While the Company proposes to construct the lines to be capable of operating at 230 kV, the Company states that operation of the lines would continue at 115 kV until such time as needed to serve the Northern Virginia Load Area.

Lines #18 and #145 currently provide service to three NOVEC DPs, which in turn serve approximately 11,360 NOVEC customers. The Company asserts that the proposed Rebuild Project is necessary so the Company can maintain and improve reliable electric service to customers served by Lines #18 and #145, which have been identified as nearing their end-of-life, consistent with the Company's Transmission Planning Criteria. The Company states that these lines were originally constructed between 1948 and 1954 on single wooden H-frames and wooden three-pole H-frame structures and that the Company has determined it is no longer cost-effective to continue to repair or replace individual components.

In proposing to construct the Rebuild Project at 230 kV but continue to operate it at 115 kV, the Company asserts that while the Rebuild Project is not capacity driven, it is prudent planning and engineering to design and build new overhead facilities with a 60-year life expectancy to the maximum level of capacity and flexibility that can be obtained at a reasonable cost for long-term growth, particularly in the Northern Virginia Load Area where the Company has made consistent efforts since 2009 to move load off the 115 kV system and convert lines to 230 kV where appropriate. The Company also states that it has become aware of a potential large block load addition to NOVEC's Independent Hill DP which ultimately may drive a change in the operating voltage of Lines #18 and #145 from 115 kV to 230 kV.

The Company states that the approximate height of the existing structures to be replaced ranges between 51 feet and 56 feet. The Company proposes new structure heights ranging between approximately 64 feet and 126 feet, which heights are subject to change based on final engineering design. The Company states that in total, 125 existing structures, most of which consist of wooden poles, will be removed and replaced by 88 new structures, many of which are proposed to be galvanized steel structures and poles. The Application further states, among other things, that no new easements would be required for the Rebuild Project.

The Company anticipates an in-service date for the proposed Rebuild Project of December 2019 and states that the Company will need approximately 15 months for construction of the Rebuild Project. The estimated cost of the Rebuild Project consists of approximately \$18.8 million for transmission line work and approximately \$124,000 for station work.

Proposed Transmission Line Route

The proposed route for the Rebuild Project is approximately 8.5 miles of existing transmission line corridor currently occupied by the existing 115 kV transmission Lines #18 and #145 within the existing right-of-way, including 0.1 mile of existing right-of-way for individual lines tapping three NOVEC DPs, and existing Company-owned power station property. The route is entirely within Prince William County and originates at the Possum Point Station located on the Company's Possum Point Power Station site at the terminus of Possum Point Road. From the Possum Point Station, the route heads north from the station property and continues north on Company-owned property for 1.5

miles, then continues in a northwesterly direction for approximately 3.8 miles within existing right-of-way, before turning northeasterly for approximately 3.1 miles, terminating approximately 400 feet north of the Smoketown DP, just south of Smoketown Road.

Lines #18 and #145 cross the following roads in Prince William County: River Heritage Boulevard, Potomac River Boulevard, River Ridge Boulevard, Jefferson Davis Highway (U.S. Route 1), Hour Glass Drive, Interstate 95, Four Seasons Drive, Beau Ridge Drive, Lagarde Court, Bushey Drive, Benita Fitzgerald Drive, Brickwood Drive, Dale Boulevard (S. R. 784), Arkendale Street, Adams Street, and Bixby Road.

All distances and directions are approximate. A sketch map of the route accompanies this notice. A more detailed map of the route can be viewed on the Commission's website: <http://www.scc.virginia.gov/pur/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.

A more complete description of the Rebuild Project can be found in the Company's Application.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled public hearings in Prince William County and Richmond, Virginia. A local public hearing will be convened on September 14, 2017, at 7 p.m., at Fitzgerald Elementary School, 15500 Benita Fitzgerald Drive, Woodbridge, Virginia 22193, for the sole purpose of receiving testimony of public witnesses. The public hearing will resume on November 2, 2017, 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 either of these hearings 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 can download unofficial copies from the Commission's website:
<http://www.scc.virginia.gov/case>.

Copies of the Application and other supporting materials also can be inspected during regular business hours at the following locations:

Dominion Virginia Power
 OJRP 12th Floor
 701 East Cary Street
 Richmond, Virginia 23219
 Attn: Ms. Amanda Mayhew

Prince William County
 Development Services Building
 5 County Complex Ct. # 280
 Woodbridge, Virginia 22192
 Attn: Ms. Rebecca Horner

Neabsco District Office
 361 Ridgewood Center
 Woodbridge, Virginia 22192
 Attn: Mr. John Jenkins

Potomac District Office
 15941 Donald Curtis Drive
 Woodbridge, Virginia 22191
 Attn: Ms. Maureen Caddigan

Woodbridge District Office
 15941 Donald Curtis Drive
 Woodbridge, Virginia 22191
 Attn: Mr. Frank Principi

Lincoln Park Office
 3072 Centerville Rd.
 Herndon, Virginia 20171
 Attn: Ms. Deborah Johnson

Interested persons also can 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 August 25, 2017, 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-2017-00078. 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 October 26, 2017, 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 October 26, 2017, 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 cannot be filed with the comments. All such comments shall refer to Case No. PUR-2017-00078.

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 may be obtained from the Clerk of the Commission at the address set forth above.

VIRGINIA ELECTRIC AND POWER COMPANY

(8) On or before July 28, 2017, the Company shall serve a copy of this Order on the chairman of the board of supervisors or mayor of every county, city, and town through which the

Rebuild Project would be built. Service shall be made by first class mail or personal delivery to the customary place of business or residence of the person served.¹⁸

(9) On or before August 25, 2017, the Company shall file proof of the notice and service required by Ordering Paragraphs (7) and (8), 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.

(10) On or before August 25, 2017, 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 (6). 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.

(11) On or before October 26, 2017, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (9). Any interested person desiring to submit comments electronically may do so on or before October 26, 2017, 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 cannot be filed with the comments. All comments shall refer to Case No. PUR-2017-00078.

(12) On or before August 25, 2017, 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

¹⁸ Service may also be made electronically if a locality has submitted a written request to the Company for electronic service, pursuant to the Commission's April 19, 2016 Order in Case No. PUE-2016-00039. *See Petition of Virginia Electric and Power Company, For a continuing waiver of 20 VAC-5-201-10 J of the Rules Governing Utility Rate Applications and Annual Informational Filings to permit electronic service to local officials upon request, Case No. PUE-2016-00039, Doc. Con. Cen. No. 160420194, Order (Apr. 19, 2016).*

at the address set forth in Ordering Paragraph (9), and the respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (5). 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-2017-00078.

(13) 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.

(14) On or before September 8, 2017, each respondent may file with the Clerk of the Commission at the address set forth in Ordering Paragraph (9) 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 filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (9). 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*; 5 VAC 5-20-150, *Copies and format*; and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2017-00078.

(15) The Staff shall investigate the Application. On or before September 28, 2017, 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.

(16) On or before October 12, 2017, the Company shall file with the Clerk of the Commission 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. 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 (9).

(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 the assigned Staff attorney, if the interrogatory or request for production is directed to the Staff.¹⁹ 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

¹⁹ 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-2017-00078, in the appropriate box.

23219; Vishwa B. Link, Esquire, and Jennifer D. Valaika, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219. 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.