

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, SEPTEMBER 27, 2018

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2018 SEP 27 A 10: 20

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2018-00139

For approval and certification of electric facilities: Fudge-Hollow-Low Moor Line #112 and East Mill-Low Moor Line #161 138 kV Transmission Line Partial Rebuild

ORDER FOR NOTICE AND HEARING

On August 27, 2018, 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 Alleghany County, Virginia, and City of Covington, 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: (i) rebuild, entirely within existing transmission right-of-way, Virginia Department of Transportation right-of-way, or on Company-owned property, approximately 1.4 miles of the existing 138 kV overhead transmission Lines #112 and #161, which are collocated primarily on steel towers running from the Company's existing Fudge Hollow Station to the existing Covington Substation; (ii) rebuild three existing structures between Covington Substation and the Line #112 and #161 Junction, entirely within existing right-of-way; (iii) rebuild, entirely within existing right-of-way, approximately 3.9 miles of the existing 138 kV overhead transmission Line #112 on steel towers running from the Line #112 and #161 Junction to the Line #112 and #133 Junction; (iv) replace existing shield wire within the entire existing 7.3-mile 138 kV overhead transmission corridor between the Company's

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existing Fudge Hollow and Low Moor Substations, which contains Line #112 and segments of Line #161 and Line #133, with one fiber optic shield wire, which will facilitate Company network telecommunications between Fudge Hollow Substation and Low Moor Substation; and (v) perform minor work at the existing Fudge Hollow, Covington, and Low Moor Substations, including conductor and connector replacement (collectively, the "Rebuild Project").¹

Dominion states that the Rebuild Project is necessary to rebuild portions of Fudge Hollow-Low Moor Line #112 and East Mill-Low Moor Line #161, which are nearing their end of life.²

The Company states that the Rebuild Project could be in service by December 31, 2020, subject to Commission approval and outage scheduling.³ According to the Application, the estimated cost of the Rebuild Project is approximately \$11.3 million, which includes \$11.0 million for transmission-related work and \$0.3 million for substation-related work.⁴

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 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

¹ Application at 2-3.

² Application, Appendix at 1.

³ Application at 3.

⁴ *Id.*

Agreement Regarding Consultation on Wetland Impacts.⁵ The Staff of the Commission ("Staff") has requested the Office of Wetlands & Stream Protection at the DEQ to provide a Wetland Impacts Consultation for the Rebuild Project.⁶

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),⁷ 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.⁸

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that: this matter should be docketed; Dominion should give notice of its Application to interested persons and the public; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application; interested persons should have an opportunity to file comments on the Application or participate as a respondent in this

⁵ *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).

⁶ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated August 29, 2018, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2018-00139.

⁷ *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).

⁸ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated August 29, 2018, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2018-00139.

proceeding; and 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-2018-00139.

(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"),⁹ 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 public evidentiary hearing on the Application shall be convened on February 12, 2019, 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 this evidentiary hearing 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.

(4) A copy of the Application may 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

⁹ 5 VAC 5-20-10 *et seq.*

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

(5) On or before October 19, 2018, the Company shall cause to be sent by first class mail a copy of the notice and sketch map prescribed in Ordering Paragraph (6) 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.

(6) On or before October 19, 2018, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown on page 211 of the Appendix to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in Alleghany County, Virginia, and City of Covington, Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
VIRGINIA ELECTRIC AND POWER COMPANY
FOR APPROVAL AND CERTIFICATION OF ELECTRIC
FACILITIES: FUDGE-HOLLOW-LOW MOOR LINE #112
AND EAST MILL-LOW MOOR LINE #161 138 KV
TRANSMISSION LINE PARTIAL REBUILD
CASE NO. PUR-2018-00139

On August 27, 2018, 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 Alleghany County, Virginia, and City of Covington, 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: (i) rebuild, entirely within existing transmission right-of-way, Virginia Department of Transportation right-of-way, or on Company-owned property, approximately 1.4 miles of the existing 138 kV overhead transmission Lines #112 and #161, which are collocated primarily on steel towers running from the Company's existing Fudge Hollow Station to the existing Covington Substation; (ii) rebuild three existing structures between Covington Substation and the Line #112 and #161 Junction entirely within existing right-of-way; (iii) rebuild, entirely within existing right-of-way, approximately 3.9 miles of the existing 138 kV overhead transmission Line #112 on steel towers running from the Line #112 and #161 Junction to the Line #112 and #133 Junction; (iv) replace existing shield wire within the entire existing 7.3-mile 138 kV overhead transmission corridor between the Company's existing Fudge Hollow and Low Moor Substations, which contains Line #112 and a segment of Line #161 and Line #133, with one fiber optic shield wire, which will facilitate Company network telecommunications between Fudge Hollow Substation and Low Moor Substation; and (v) perform minor work at the existing Fudge Hollow, Covington, and Low Moor Substations, including conductor and connector replacement (collectively, the "Rebuild Project").

Dominion states that the Rebuild Project is necessary to rebuild portions of Fudge Hollow-Low Moor Line #112 and East Mill-Low Moor Line #161, which are nearing their end of life.

The Company states that the Rebuild Project could be in service by December 31, 2020, subject to Commission approval and outage scheduling. According to the Application, the estimated cost of the Rebuild Project is approximately \$11.3 million, which includes \$11.0 million for transmission-related work and \$0.3 million for substation-related work.

The proposed route for the Rebuild Project is located within an approximately 7.3-mile long right-of-way currently occupied by up to three existing 138 kV transmission lines. The existing transmission line right-of-way for the proposed route, which varies in width from 100 to 185 feet, originates at the Company's existing Fudge Hollow Substation from the southern side of Totten Drive (SR F-203), just west of the intersection of Totten Drive and South Durant Road (SR 154) in Alleghany County, then traverses in an easterly direction for 0.6 mile, crossing through the City of Covington, and continuing in an easterly direction for 6.1 miles, terminating at the Company's existing Low Moor Substation on the western side of Rich Patch

Road (SR 616), just south of the intersection of Rich Patch Road and Selma Low Moor Road (SR 696) in Alleghany County. For the proposed Rebuild Project, the existing structures between Fudge Hollow and Covington Substation are proposed to be replaced primarily with double circuit single pole structures; between Covington Substation and Low Moor Substation, the replacement structures are primarily H-frame structures. The minimum proposed structure height anticipated for the proposed structures between Fudge Hollow and Covington Substation is approximately 97 feet, the maximum proposed structure height anticipated is approximately 117 feet, and the average proposed structure height is approximately 105 feet, based on preliminary conceptual design and subject to change based on final engineering design. The minimum proposed structure height between Covington Substation and Low Moor Substation is approximately 52 feet, the maximum proposed structure height is approximately 102 feet, and the average proposed structure height is approximately 74 feet, based on preliminary conceptual design and subject to change based on final engineering design.

All distances and directions are approximate. A sketch map of the route accompanies this notice. A more detailed map of the route may 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 routes described in this notice without additional notice to the public.

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

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public evidentiary hearing to be held on February 12, 2019, 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 this hearing 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 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 locations:

Dominion Energy Virginia
10900 Nuckols Road
Glen Allen, Virginia 23060
Attn: Diana Faison, Senior Siting and Permitting Specialist

Alleghany County Planning Office
9212 Winterberry Avenue
Covington, Virginia 24426
Attn: Ms. Michelle Mongold, Alleghany County Planner

City of Covington Planning Office
333 W. Locust Street
Covington, Virginia 24426
Mr. Eric Tyree, Director of Development Services

Interested persons also may 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 November 9, 2018, 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-2018-00139. 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 December 21, 2018, 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 December 21, 2018, 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 may not be filed with the comments. All such comments shall refer to Case No. PUR-2018-00139.

All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

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

(7) On or before October 19, 2018, the Company shall serve a copy of this Order for Notice and Hearing on the following local officials, to the extent the position exists, in each county, city, and town through which the Rebuild Project is proposed to be built: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made by either first

class mail or personal delivery to the customary place of business or residence of the person served.¹⁰

(8) On or before November 2, 2018, the Company shall file proof of the notice and service required by Ordering Paragraphs (6) and (7), 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.

(9) On or before November 2, 2018, 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 (5). 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.

(10) On or before December 21, 2018, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (8). Any interested person desiring to submit comments electronically may do so on or before December 21, 2018, 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. PUR-2018-00139.

(11) On or before November 9, 2018, 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

¹⁰ Service also may 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 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).*

Commission at the address set forth in Ordering Paragraph (8), and the respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (4). 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-2018-00139.

(12) 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 already have been provided to the respondent.

(13) On or before November 30, 2018, each respondent may file with the Clerk of the Commission at the address set forth in Ordering Paragraph (8) 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 submitted to the Clerk of the Commission. 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*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2018-00139.

(14) The Staff shall investigate the Application. On or before January 11, 2019, 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.

(15) On or before January 25, 2019, the Company shall file with the Clerk of the Commission: (a) 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; and (b) a summary not to exceed one page of each direct witness's testimony if not previously included therewith. 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 (8).

(16) All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(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 on the assigned Staff attorney if the interrogatory or request for production is directed to the Staff.¹¹ 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.

¹¹ 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-2018-00139, in the appropriate box.

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 23219; Vishwa B. Link, Esquire, Jennifer D. Valaika, Esquire, and Lauren E. Wood, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424. 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.