

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, JANUARY 30, 2019

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APPLICATION OF

APPALACHIAN POWER COMPANY

CASE NO. PUR-2018-00188

For approval and certification of electric facilities:  
Glendale area improvements 138 kV Transmission  
Project pursuant to Title 56 of the Code of Virginia

ORDER FOR NOTICE AND HEARING

On December 20, 2018, pursuant to Virginia Code ("Code") § 56-46.1 and the Utility Facilities Act, Code § 56-265.1 *et seq.*, Appalachian Power Company ("Appalachian" or "Company") filed an application and supporting documents for approval and certification to construct, own, operate, and maintain the Glendale area improvements 138 kilovolt ("kV") project, located partly in Carroll County and partly in the City of Galax, Virginia ("Application").

Specifically, Appalachian seeks approval from the State Corporation Commission ("Commission") to construct and operate: (i) a new 2.0 mile Wolf Glade 138 kV Extension transmission line on a 100-foot right-of-way ("ROW") between a tap point on the Company's existing Jubal Early-Piper's Gap transmission line and a new Wolf Glade 138 kV Substation to be located in the City of Galax, approximately 0.5 mile northeast of the Company's existing Cliffview Substation;<sup>1</sup> (ii) the new Wolf Glade Substation; (iii) a 0.5 mile relocation and extension of the Cliffview 69 kV Tap transmission line; (iv) an addition of a 138/69 kV transformer and other improvements at Jubal Early Substation;<sup>2</sup> and (v) a new 138 kV line

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<sup>1</sup> Application at 1.

<sup>2</sup> Response to Guidelines at 33.

termination, associated equipment, and a control house expansion at the Huffman Substation,<sup>3</sup> all of which are referred to collectively as the "Project." As proposed by Appalachian, following completion of the Project, the existing Cliffview Substation, about 0.2 mile of the Cliffview 69 kV Tap, and approximately 14 miles of the double circuit 88 kV (operated at 69 kV) transmission line between Byllesby and Wythe Substations would be retired.<sup>4</sup>

Appalachian explains that the proposed Project would maintain reliability for the Company's customers in the City of Galax, as well as parts of Carroll and Grayson Counties in light of thermal and voltage violations of applicable transmission planning criteria.<sup>5</sup> To address these violations, Appalachian asserts that the proposed Project would need to be in service by December 2021.<sup>6</sup> Appalachian estimates that the Company would need approximately 24 months, after entry of a final order approving and certificating the Project, for the Company to engineer, design, acquire ROW, obtain permits, and to undertake material procurement and construction necessary to place the proposed Project in service.<sup>7</sup>

Appalachian considered alternatives to the proposed Project. Appalachian represents that when compared to these alternatives, the proposed Project is the more efficient, cost-effective, and comprehensive long-term electrical solution, with far fewer environmental impacts.<sup>8</sup>

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<sup>3</sup> *Id.*

<sup>4</sup> *Id.* at 3.

<sup>5</sup> Application at 2.

<sup>6</sup> *Id.* at 3.

<sup>7</sup> *Id.*

<sup>8</sup> Response to Guidelines at 13.

Appalachian estimates the conceptual cost of the proposed Project to be \$38 million, consisting of \$13 million for transmission line-related costs and \$25 million for substation-related costs.<sup>9</sup>

The proposed 2-mile double-circuit 138 kV line and 0.5-mile double-circuit 69 kV line comprising the proposed Project would require new ROW easements.<sup>10</sup> The proposed route for the proposed 2-mile double circuit 138 kV line crosses both Carroll County and the City of Galax, while the proposed route for the proposed 0.5-mile double-circuit 69 kV line would be located solely within the City of Galax.<sup>11</sup> Appalachian represents that some new third-party access road easements may also be required for the proposed Project. Appalachian also asserts that the proposed Wolf Glade Substation would be located on a 16.7 acre parcel, which Appalachian has purchased.<sup>12</sup>

As provided by § 62.1-44.15:21 D 2 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. As required by Section 3 of the Department of Environmental Quality - State Corporation Commission Memorandum of Agreement Regarding Wetland Impacts Consultation, the Staff of the Commission ("Staff") has

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<sup>9</sup> *Id.* at 15.

<sup>10</sup> *Id.* at 19, 27-28.

<sup>11</sup> *Id.* at 27.

<sup>12</sup> *Id.* at 19.

advised the Department of Environmental Quality ("DEQ"), acting on behalf of the State Water Control Board, that the Company filed its Application and that consultation may be required.<sup>13</sup>

In addition to consultation on wetlands, § 56-46.1 G of the Code directs the Commission and DEQ to coordinate the environmental review of proposed electric facilities. Moreover, § 56-46.1 A of the Code provides for the Commission to receive and to consider reports on the proposed facilities from state environmental agencies. Accordingly, the Staff has requested DEQ to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.<sup>14</sup>

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, finds that: this matter should be docketed; Appalachian 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 respondents in this proceeding; and the Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon. We further find that a Hearing Examiner should be appointed to rule on any discovery issues that may arise over the course of this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2018-00188.

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<sup>13</sup> Letter from William Henry Harrison IV, Esquire, State Corporation Commission, dated December 28, 2018, to David L. Davis, CPWD, PWS, Director, Office of Wetlands & Stream Protection, Department of Environmental Quality, filed in Case No. PUR-2018-00188.

<sup>14</sup> Letter from William Henry Harrison IV, Esquire, State Corporation Commission, dated December 28, 2018, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2018-00188.

(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"),<sup>15</sup> 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 June 18, 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, George J.A. Clemo, Esquire, Woods Rogers PLC, Wells Fargo Tower, Suite 1400, P.O. Box 4125, Roanoke, Virginia 24038-4125. 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>.

(5) On or before March 6, 2019, 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

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<sup>15</sup> 5 VAC 5-20-10 *et seq.*

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 March 6, 2019, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown in Exhibit 3 to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in Carroll County, Virginia, and the City of Galax, Virginia:

NOTICE TO THE PUBLIC OF  
AN APPLICATION BY APPALACHIAN POWER COMPANY  
FOR APPROVAL AND CERTIFICATION OF GLENDALE  
AREA IMPROVEMENTS 138 KV TRANSMISSION PROJECT  
PURSUANT TO TITLE 56 OF THE CODE OF VIRGINIA  
CASE NO. PUR-2018-00188

On December 20, 2018, pursuant to Virginia Code § 56-46.1 and the Utility Facilities Act, Virginia Code § 56-265.1 *et seq.*, Appalachian Power Company ("Appalachian" or "Company") filed an application and supporting documents for approval and certification to construct, own, operate, and maintain the Glendale area improvements 138 kilovolt ("kV") project, located partly in Carroll County and partly in the City of Galax, Virginia ("Application").

Specifically, Appalachian seeks approval from the State Corporation Commission ("Commission") to construct and operate: (i) a new 2.0 mile Wolf Glade 138 kV Extension transmission line on a 100-foot right-of-way ("ROW") between a tap point on the Company's existing Jubal Early-Piper's Gap transmission line and a new Wolf Glade 138 kV Substation to be located in the City of Galax, approximately 0.5 mile northeast of the Company's existing Cliffview Substation; (ii) the new Wolf Glade Substation; (iii) a 0.5 mile relocation and extension of the Cliffview 69 kV Tap transmission line; (iv) an addition of a 138/69 kV transformer and other improvements at Jubal Early Substation; and (v) a new 138 kV line termination, associated equipment, and

a control house expansion at the Huffman Substation, all of which are referred to collectively as the "Project." As proposed by Appalachian, following completion of the Project, the existing Cliffview Substation, about 0.2 mile of the Cliffview 69 kV Tap, and approximately 14 miles of the double circuit 88 kV (operated at 69 kV) transmission line between Byllesby and Wythe Substations would be retired.

Appalachian explains that the proposed Project would maintain reliability for the Company's customers in the City of Galax, as well as parts of Carroll and Grayson Counties in light of thermal and voltage violations of applicable transmission planning criteria. To address these violations, Appalachian asserts that the proposed Project would need to be in service by December 2021.

Appalachian estimates that the Company would need approximately 24 months, after entry of a final order approving and certificating the Project, for the Company to engineer, design, acquire ROW, obtain permits, and to undertake material procurement and construction necessary to place the proposed Project in service.

Appalachian considered alternatives to the proposed Project. Appalachian represents that when compared to these alternatives, the proposed Project is the more efficient, cost-effective, and comprehensive long-term electrical solution, with far fewer environmental impacts.

Appalachian estimates the conceptual cost of the proposed Project to be \$38 million, consisting of \$13 million for transmission line-related costs and \$25 million for substation-related costs.

The proposed 2-mile double-circuit 138 kV line and 0.5-mile double-circuit 69 kV line comprising the proposed Project would require new ROW easements. The proposed route for the proposed 2-mile double circuit 138 kV line crosses both Carroll County and the City of Galax, while the proposed route for the proposed 0.5-mile double-circuit 69 kV line would be located solely within the City of Galax. Appalachian represents that some new third-party access road easements may also be required for the proposed Project. Appalachian also asserts that the proposed Wolf Glade Substation would be located on a 16.7 acre parcel, which Appalachian has purchased.

### **Description of the Proposed Project**

The approximately two-mile proposed route for the Wolf Glade 138 kV Extension would begin at a tap point at Structure 134-32 on Appalachian's existing Jubal Early-Piper's Gap 138 kV transmission line approximately 0.3 mile west of Hebron Road and would run south for approximately 0.8 mile through largely agricultural/pasture land. The route would then turn southwest for approximately 0.3 mile and then would turn south for approximately 0.4 mile, crossing Creekview Drive, and then would enter the proposed Wolf Glade 138 kV Substation site, located at 130 Jack Guynn Drive, Galax, Virginia 24333. The average height of the structures for the proposed route would be approximately 110 feet tall, with structure heights ranging between 100 and 135 feet.

The approximately 0.5-mile proposed route for the relocated Cliffview 69 kV tap line would begin at a tap point on Appalachian's existing Cliffview 69 kV Tap transmission line between Structures 732-11 and 732-12 (approximately 0.2 mile northwest of the existing Cliffview 69 kV Substation). The proposed route would then traverse due east for approximately 0.5 mile across a wooded area between a residential neighborhood on Deer Haven Drive and the Galax First Assembly of God Church, and would then enter the proposed Wolf Glade 138 kV Substation from the west. The average height of the structures for the 69 kV proposed route would be approximately 85 feet tall, with structure heights ranging between 75 and 95 feet.

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/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 proposed 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 June 18, 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 public version of the Application and documents filed in this case also 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:

Galax Public Library  
610 W. Stuart Drive  
Galax, Virginia 24333  
[www.AppalachianPower.com/Glendale](http://www.AppalachianPower.com/Glendale)

Copies of the public version of the Application may be obtained by submitting a written request to counsel for the Company, George J.A. Clemo, Esquire, Woods Rogers PLC, Wells Fargo Tower, Suite 1400, P.O. Box 4125, Roanoke, Virginia 24038-4125. 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 April 2, 2019, 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 shall 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-2018-00188. Interested persons should obtain a copy of the Commission's Order for Notice and Hearing for further details on participation as a respondent.

On or before June 11, 2019, any interested person wishing to comment on the Company's 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 June 11, 2019, 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 comments shall refer to Case No. PUR-2018-00188.

All documents filed in 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 by the Clerk of the Commission at the address set forth above.

#### APPALACHIAN POWER COMPANY

(7) On or before March 6, 2019, the Company shall serve a copy of this Order for Notice and Hearing on the following officials, to the extent the position exists in Carroll County and the City of Galax: the chairman of the board of supervisors; the mayor or manager (or equivalent official); and the county, city, or town attorney. Service shall be made by either personal delivery or first-class mail to the customary place of business or residence of the person served.

(8) On or before April 2, 2019, 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 April 2, 2019, the Company shall file with the Clerk of the Commission at the address set forth in Ordering Paragraph (8) a certificate of mailing of the 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 this information.

(10) On or before June 11, 2019, 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 June 11, 2019, 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-2018-00188.

(11) Any person or entity may participate as a respondent in this proceeding by filing a notice of participation on or before April 2, 2019. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (8), and the respondent 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-2018-00188.

(12) On or before May 7, 2019, each respondent may file with the Clerk of the Commission, 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 at the address set forth in Ordering Paragraph (8). In all filings, the respondent shall comply with the Commission's Rules of Practice, including 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-2018-00188.

(13) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon such respondent a copy of this Order for Notice and Hearing, a copy of the public version of the Application, and all materials filed by the Company with the Commission unless these materials already have been provided to the respondent.

(14) The Staff shall investigate the Application. On or before May 21, 2019, 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. The Staff shall serve a copy thereof on counsel to the Company and all respondents.

(15) On or before June 4, 2019, 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.

(16) All documents filed in 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 Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: Responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, 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 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.*

(18) This matter is continued.

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

George J.A. Clemo, Esquire, and Brooks A. Duncan, Esquire, Woods Rogers PLC, Wells Fargo Tower, Suite 1400, P.O. Box 4125, Roanoke, Virginia 24038-4125; Noelle J. Coates, Esquire, American Electric Power Service Corporation, 3 James Center, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 202 North 9th Street, 8th Floor, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office

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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 "Docket Search," and clicking "Search Cases," and entering the case number, PUR-2018-00188, in the appropriate box.

of General Counsel and Divisions of Public Utility Regulation and Utility Accounting and Finance.

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