DISCLAIMER
This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the Clerk of the Commission, Document Control Center.

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

For approval of expenditures for new generation facilities and for a certificate of public convenience and necessity	**CASE NO. PUE000009**
and	
For approval and certification of transmission facilities	**CASE NO. PUE000010**

HEARING EXAMINER'S RULING

May 15, 2000

On May 4, 2000, Virginia Electric and Power Company ("Virginia Power" or the "Company") filed a Motion for Interim Authority to Make Financial Expenditures and to Undertake Permitting, Site Development, and Construction Work ("Motion") for the proposed combustion turbine units and related facilities in Caroline County, Virginia, near the Town of Ladysmith and the Company's Ladysmith substation (the "Project"). The Company proposes commercial operation of the Project on or about June 1, 2001, to partially meet a need for capacity in 2001 and subsequent years. The Company asserts that the generating unit equipment is scheduled to be delivered to the site in October 2000, and that a minimum of eight months is needed to erect the units. The Company asserts, however, that a longer schedule would provide a greater probability of meeting the June 1, 2001, commercial operation date. To enhance the probability of meeting that commercial operation date, the Company requests the Commission conditionally grant it authority to make financial expenditures for the Project and to begin necessary permitting, site preparation, and construction work, as needed, to ensure timely installation of the units. The Company acknowledges that any such activities would be conducted at its own expense and risk.

On May 11, 2000, Virginia Power supplemented its Motion, at the direction of the hearing examiner. Therein, the Company asserts that it started site preparation and engineering work in February and April 2000, respectively. The Company advises that it would like to position itself to begin construction work such as building foundations and other facilities during the summer construction season.

Dynegy Power Corp. ("Dynegy") filed its response to the Motion and urged the Commission to defer action until oral argument could be presented at the public hearing scheduled for May 23, 2000. Dynegy argues that Virginia Power has not made a factual showing to support its contentions that interim authority on or before May 15, 2000, is necessary. Dynegy also argues that Commission precedent does not support granting the

Motion. It argues that in the limited instances in which the Commission has granted similar interim authority, notice and an opportunity for hearing on the request for interim authority was provided or evidence was received before the Commission acted. Dynegy contends that to the extent there is any time pressure present in the instant case, the responsibility lies with Virginia Power.

Staff also filed a response to the Motion and urges the Commission to deny the Motion without prejudice. Staff argues that the Company has not provided any compelling reason to warrant granting the Motion at this time. Further, Staff identifies environmental issues that require consideration before any construction work begins. Staff also notes that the public hearing on the application is only a few days away, on May 23, 2000. Staff notes that should circumstances later dictate a need for interim authority, the Company could seek it at that time.

I concur with Staff and Dynegy. I can find no compelling reason to grant the Motion at this time. The Commission has granted interim authority similar to that requested by Virginia Power in two recent cases, but notice and an opportunity for hearing on the request was provided before that authority was granted to Doswell.[1] Moreover, a hearing was held and evidence was received in another case before the Commission granted interim authority to Virginia Power.[2] Finally, Staff raises environmental issues that should be addressed at the hearing only eight days from now. Accordingly,

I find that the Motion should be, and hereby is, **DENIED** without prejudice.

_____
Deborah V. Ellenberg
Chief Hearing Examiner

Document Control Center is requested to mail or deliver a copy of the above Ruling on May 15, 2000, to: Guy T. Tripp, III, Esquire, Riverfront Plaza, East Tower, 951 E. Byrd St., Richmond, VA 23219; John F. Dudley, Esquire, 900 E. Main St., 2nd Fl., Richmond, VA 23219; Thomas B. Nicholson, Esquire, 1021 E. Cary St., Richmond, VA 23218; Pamela Johnson, Esquire, and Jill C. Hayek, Esquire, P. O. Box 26666, Richmond, VA 23261; Edward L. Flippen, Esquire, and Kodwo Ghartey-Tagoe, Esquire, One James Center, 901 E. Cary St., Richmond, VA 23219-4030; Meade Browder, Esquire, Commission counsel; and to the Commission's Divisions of Energy Regulation, Public Utility Accounting, and Economics and Finance.

---

[1] *Application of Doswell Limited Partnership for a certificate of public convenience and necessity pursuant to Va. Code § 56-265.2, for an exemption from the provisions of Chapter 10 of Title 56 pursuant to Va. Code § 56-265.2 B, for a waiver of or exemption from Commission information requirements, for interim authority to make financial expenditures and to undertake certain activities, and for other and further relief,* Case No. PUE00092, Order Granting Exemption (April 20, 2000).

[2] *Application of Virginia Electric and Power Company for approval of expenditures for new generation facilities pursuant to Va. Code § 56-234.3 and for a certificate of public convenience and necessity pursuant to Va. Code § 56-265.2,* Case No. PUE980462, Order (January 14, 1999).