

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, DECEMBER 15, 2016

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2016 DEC 15 P 2: 57

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY
d/b/a DOMINION VIRGINIA POWER

CASE NO. PUE-2016-00135

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 December 1, 2016, Virginia Power and Electric Company d/b/a Dominion Virginia Power ("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 Charles City and Prince George Counties, Virginia. 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.*

The Company proposes to rebuild, within the existing right-of-way, an approximately 0.99 mile portion of its existing 500 kilovolt ("kV") Chickahominy-Surry Line #567 ("Line #567"), where the transmission line crosses the James River between Charles City County and Prince George County.¹ The portion of Line #567 that the Company proposes to rebuild includes an approximately 0.79 mile river crossing, with the remaining 0.2 mile of the rebuild project on the riverbanks ("Proposed Project").²

¹ Line #567 extends from the Surry Substation in Surry County to the Chickahominy Substation in Charles City County.

² Application, Appendix at 16.

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The Company proposes to remove and replace a total of four structures. The Company would replace two existing COR-TEN[®] anchor structures on land with two new galvanized steel anchor structures. The Company would also replace two lattice COR-TEN[®] structures in the river with two new galvanized steel lattice structures.³

According to the Application, COR-TEN[®] possesses inherent corrosion properties and the Company determined, during a recent inspection, that the existing towers the Proposed Project would replace have deteriorated beyond the point of repair and that their replacement is the appropriate course of action.⁴ The Company asserts that the Proposed Project provides the benefit of replacing aging transmission facilities that are reaching the end of their service lives, thereby enabling the Company to maintain the overall long-term reliability of its transmission system.⁵

According to the Application, the height of the two proposed anchor structures would be approximately 90 feet, measured above grade, which is approximately 15 feet taller than the existing anchor structures.⁶ The two proposed river structures would be approximately 414 feet tall, which is approximately the same height as the existing river structures.⁷ The Company indicates that the heights of the new structures are approximated exclusive of foundation reveal and are subject to change based on final engineering design.⁸

³ Application at 2.

⁴ Application, Appendix at 2-3.

⁵ *Id.* at 2-4.

⁶ *Id.* at 1.

⁷ *Id.*

⁸ *Id.* at 24-27.

In addition to the proposed structure replacements, the Proposed Project would also replace approximately 0.95 mile of existing conductor on Line #567 with approximately 0.99 mile of new conductor.⁹ Dominion states that the existing 4500 ACSR conductor is unique in the Company's system, and that the Company has a limited ability to repair or restore 4500 ACSR conductor or to obtain equipment associated with this type of conductor.¹⁰ Dominion asserts that replacing this nonstandard conductor with a standard conductor should reduce repair time in an emergency situation.¹¹ The Company also indicates that four shield wires located above the line would be replaced with two shield wires.¹²

The Company anticipates that the Proposed Project could be in service by December 2017 subject to Commission approval and outage scheduling. The Company states that it would need approximately four months for construction of the Proposed Project as well as 14 months for engineering, material procurement, and construction permitting.¹³ The estimated cost of the Proposed Project is approximately \$10.9 million.¹⁴

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

⁹ *Id.* at 1.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* at 9, 37.

¹³ *Id.* at 12.

¹⁴ *Id.* at 13.

Department of Environmental Quality - State Corporation Commission Memorandum of Agreement Regarding Consultation on Wetland Impacts.¹⁵ 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 Proposed Project.¹⁶

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),¹⁷ 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.¹⁸

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; 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

¹⁵ *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).

¹⁶ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated December 5, 2016, to David L. Davis, Department of Environmental Quality, filed in Case No. PUE-2016-00135.

¹⁷ *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).

¹⁸ Letter from William Henry Harrison, IV, Esquire, State Corporation Commission, dated December 5, 2016, to Bettina Sullivan, Department of Environmental Quality, filed in Case No. PUE-2016-00135.

proceeding; and the Commission's Staff ("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. PUE-2016-00135.
- (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"),¹⁹ 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 March 30, 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 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, Charlotte P. McAfee, Esquire, Dominion Resources 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,

¹⁹ 5 VAC 5-20-10 *et seq.*

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 January 26, 2017, 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 January 26, 2017, the Company shall publish in two (2) successive weeks the sketch map of the proposed route, as shown on page 81 of the Appendix to the Application, and the following notice as display advertising (not classified) in a newspaper or newspapers of general circulation in every county and municipality through which the Proposed Project would be built:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
VIRGINIA ELECTRIC AND POWER COMPANY
d/b/a DOMINION VIRGINIA POWER
FOR APPROVAL AND CERTIFICATION OF ELECTRIC
TRANSMISSION FACILITIES IN THE COUNTIES OF
CHARLES CITY AND PRINCE GEORGE
CASE NO. PUE-2016-00135

On December 1, 2016, Virginia Power and Electric Company d/b/a Dominion Virginia Power ("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 Charles City and Prince George Counties, Virginia. 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.*

The Company proposes to rebuild, within the existing right-of-way, an approximately 0.99 mile portion of its existing 500 kilovolt ("kV") Chickahominy-Surry Line #567 ("Line #567"), where the transmission line crosses the James River between Charles City County and Prince George County. The portion of Line #567 that the Company proposes to rebuild includes an approximately 0.79 mile river crossing, with the remaining 0.2 mile of the rebuild project on the riverbanks ("Proposed Project").

The Company proposes to remove and replace a total of four structures. The Company would replace two existing COR-TEN[®] anchor structures on land with two new galvanized steel anchor structures. The Company would also replace two lattice COR-TEN[®] structures in the river with two new galvanized steel lattice structures.

According to the Application, COR-TEN[®] possesses inherent corrosion properties and the Company determined, during a recent inspection, that the existing towers the Proposed Project would replace have deteriorated beyond the point of repair and that their replacement is the appropriate course of action. The Company asserts that the Proposed Project provides the benefit of replacing aging transmission facilities that are reaching the end of their service lives, thereby enabling the Company to maintain the overall long-term reliability of its transmission system.

According to the Application, the height of the two proposed anchor structures would be approximately 90 feet, measured above grade, which is approximately 15 feet taller than the existing anchor structures. The two proposed river structures would be approximately 414 feet tall, which is approximately the same height as the existing river structures. The Company indicates that the heights of the new structures are approximated exclusive of foundation reveal and are subject to change based on final engineering design.

In addition to the proposed structure replacements, the Proposed Project would also replace approximately 0.95 mile of existing conductor on Line #567 with approximately 0.99 mile of new conductor. Dominion states that the existing 4500 ACSR conductor is unique in the Company's system, and that the Company has a limited ability to repair or restore 4500 ACSR conductor or to obtain equipment associated with this type of

conductor. Dominion asserts that replacing this nonstandard conductor with a standard conductor should reduce repair time in an emergency situation. The Company also indicates that four shield wires located above the line would be replaced with two shield wires.

The Company anticipates that the Proposed Project could be in service by December 2017 subject to Commission approval and outage scheduling. The Company states that it would need approximately four months for construction of the Proposed Project as well as 14 months for engineering, material procurement, and construction permitting. The estimated cost of the Proposed Project is approximately \$10.9 million.

Proposed Transmission Line Route

The Company proposes to rebuild four 500 kV structures (approximately a 0.99 mile segment), entirely within existing right-of-way, of the approximately 44.4 miles of existing 500 kV transmission Line #567. The proposed route originates in Charles City County, 0.96 mile southeast of John Tyler Memorial Highway (State Route 5) and approximately 40 feet north of Dalmation Drive, a private road. The proposed route extends south across Dalmation Drive for approximately 0.11 mile, where it crosses the James River for approximately 0.79 mile. Once coming ashore on the southern bank of the James River, the proposed route extends approximately 0.09 mile in a southerly direction before ending at the first structure on land in Prince George County.

All distances and directions are approximate. A sketch map of the routes accompanies this notice. A more detailed map of the routes may be viewed on the Commission's website: <http://www.scc.virginia.gov/puc/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 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 hearing on March 30, 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 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 Virginia Power
701 East Cary Street, 12th Floor
Richmond, Virginia 23219
Attn: Diana Faison

County of Prince George
6602 Courts Drive, 3rd Floor
Prince George, Virginia 23875
Attn: Mr. Percy C. Ashcraft, County Administrator

County of Charles City
10900 Courthouse Road
Charles City, Virginia 23030
Attn: Mr. Zach Trogdon, County Administrator

Interested persons also may obtain a copy of the Application by submitting a written request to counsel for the Company, Charlotte P. McAfee, Esquire, Dominion Resources 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 February 17, 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. PUE-2016-00135. 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 March 23, 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 March 23, 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 may not be filed with the comments. All such comments shall refer to Case No. PUE-2016-00135.

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 January 26, 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 Proposed Project would be built. Service shall be made by first class mail or delivery to the customary place of business or residence of the person served.

(8) On or before February 17, 2017, 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 February 17, 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 (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 March 23, 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 (8). Any interested person desiring to submit comments electronically may do so on or before March 23, 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 may not be filed with the comments. All comments shall refer to Case No. PUE-2016-00135.

(11) On or before February 17, 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 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. PUE-2016-00135.

(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 have already been provided to the respondent.

(13) On or before March 3, 2017, 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*; 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. PUE-2016-00135.

(14) The Staff shall investigate the Application. On or before March 14, 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.

(15) On or before March 23, 2017, 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) 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.²⁰ 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.*

(17) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Charlotte P. McAfee, Esquire, Dominion Resources Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Vishwa B. Link, Esquire, and Ann Hampton Andrews, 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 North Ninth Street, 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.

²⁰ 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, PUE-2016-00135, in the appropriate box.