

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, FEBRUARY 21, 2018

SCC-CLERK'S OFFICE  
DOCUMENT CONTROL CENTER

2018 FEB 21 P 2:12

180230462

PETITION OF

REYNOLDS GROUP HOLDINGS INC.

CASE NO. PUR-2017-00109

For permission to aggregate or combine demands of two or more individual nonresidential retail customers of electric energy pursuant to § 56-577 A 4 of the Code of Virginia

FINAL ORDER

On July 13, 2017, Reynolds Group Holdings Inc. ("Reynolds") filed with the State Corporation Commission ("Commission") a Petition, pursuant to § 56-577 A 4 of the Code of Virginia ("Code"), seeking permission to aggregate or combine the demands of three of its subsidiaries at six locations in the Commonwealth of Virginia in the area where Virginia Electric and Power Company ("Dominion") is the local distribution company that is certificated to provide retail electric service.<sup>1</sup>

On August 28, 2017, the Commission issued an Order for Notice and Comment that, among other things, docketed the Petition, directed Reynolds to serve a copy of the Commission's Order for Notice and Comment upon Dominion, provided interested persons an opportunity to file written comments or request a hearing on the Petition on or before October 17, 2017, directed the Commission's Staff ("Staff") to analyze the Petition and present its findings in a report ("Staff Report") on or before November 21, 2017, and permitted Reynolds and any person who filed comments on the Petition to file a response to the Staff Report on or before December 5, 2017.

---

<sup>1</sup> Petition at 1-2. Reynolds identifies itself as the parent of the following companies for which it seeks Commission permission to aggregate or combine demands: Reynolds Presto Products Inc. d/b/a Presto Products Co.; Reynolds Consumer Products, LLC d/b/a Reynolds Metals Co.; and Pactiv LLC d/b/a Reynolds Metals Co. The Petition provides, among other things, peak demand figures and locations for these companies. *Id.* at Attachment A.

On October 17, 2017, Collegiate Clean Energy, LLC ("Collegiate") and Direct Energy Services, LLC ("Direct Energy") filed comments in support of the Petition. Also on October 17, 2017, Appalachian Power Company and Dominion filed comments requesting that the Petition be denied.

On November 21, 2017, Staff filed its Staff Report. Staff recommended that: (i) if the Commission determines that further evidence is necessary to conclude that the Petition is in the public interest and that customers would not be adversely affected by granting the Petition, the Commission should direct Reynolds to refile or supplement its Petition; or (ii) if the Commission determines that no further evidence in this case is needed, the Commission should direct Reynolds to file an annual report that includes certain reporting information described in the Staff Report.<sup>2</sup>

On December 5, 2017, Reynolds, Dominion, Direct Energy, and Collegiate filed comments on the Staff Report.

Also on December 5, 2017, Calpine Energy Solutions LLC ("Calpine") filed a motion for leave to file a response to the Staff Report and to comments filed by several other persons in this proceeding ("Motion"). On December 27, 2017, Dominion filed a response to the Motion, and on January 10, 2018, Calpine filed a reply.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Petition is granted subject to the requirements set forth below.

Under Code § 56-577 A 3, retail access to competitive electricity supply is available to certain large customers with demand exceeding five megawatts. Pursuant to Code § 56-577 A 4, for the purpose of meeting this demand limitation, two or more individual nonresidential retail

---

<sup>2</sup> Staff Report at 8.

customers of electric energy, whose individual demand during the most recent calendar year did not exceed five megawatts, may petition the Commission for permission to aggregate or combine their demands. Code § 56-577 A 4 also provides that the Commission may approve such a petition if it finds that:

- a. Neither such customers' incumbent electric utility nor retail customers of such utility that do not choose to obtain electric energy from alternate suppliers will be adversely affected in a manner contrary to the public interest by granting such petition. In making such determination, the Commission shall take into consideration, without limitation, the impact and effect of any and all other previously approved petitions of like type with respect to such incumbent electric utility; and
- b. Approval of such petition is consistent with the public interest.

As required by Code § 56-577 A 4, Reynolds is seeking to aggregate the demand of "individual nonresidential retail customers of electric energy within the Commonwealth."<sup>3</sup> As also required by Code § 56-577 A 4, each such nonresidential retail customer had an "individual demand during the most recent calendar year [that] did not exceed five megawatts." When aggregated, the customers' demands exceeded the required five megawatt threshold but did not exceed one percent of the incumbent electric utility's peak load during the most recent calendar year. The aggregated peak demand of these nonresidential retail customers is 10.12 megawatts.<sup>4</sup> This represents approximately 0.06% of Dominion's system peak.<sup>5</sup> Dominion's system peak, which is expected to exceed 17,000 megawatts in 2017, is expected to grow by significantly

---

<sup>3</sup> See Staff Report at 4.

<sup>4</sup> See *id.*

<sup>5</sup> See *id.* at 6-7; *Commonwealth of Virginia ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan Filing Pursuant to § 56-597 et. seq.*, Case No. PUR-2017-00051, Doc. Con. Cen. No. 170510017, Virginia Electric and Power Company's Report of Its Integrated Resource Plan, dated May 1, 2017, Figure 2.2.3 (Summary of the Energy Sales & Peak Load Forecast) at 22.

more than 0.06% each year (*i.e.*, an annual average of 1.3%) over the next 15 years.<sup>6</sup> Staff did not contest the conclusion that the impact of granting the Petition would be *de minimis*.<sup>7</sup> In addition, because this is the first petition filed under Code § 56-577 A 4, there is no impact from "other previously approved petitions of like type with respect to such incumbent electric utility."

Based on the above, the Commission finds that pursuant to Code § 56-577 A 4 a, "[n]either such customers' incumbent electric utility nor retail customers of such utility that do not choose to obtain electric energy from alternate suppliers will be adversely affected in a manner contrary to the public interest by granting such petition." Finally, in accordance with Code § 56-577 A 4 b, the Commission imposes "periodic monitoring and reporting obligations" as recommended by Staff, including the filing of the names of the aggregating customers, each customer's most recent individual demand, and the most recent combined demand of the aggregating customers. This information shall be filed with the Commission on an annual basis,<sup>8</sup> with the first such report to be filed one year from the date of this Final Order.

Accordingly, IT IS ORDERED THAT:

- (1) Reynolds' Petition is granted as set forth herein.
- (2) Calpine's Motion is denied.
- (3) This case is dismissed.

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

Deirdre C. Brekke, Esquire, Reynolds Group Holdings, 1900 West Field Court, Lake Forest, Illinois 60045; Craig G. Goodman, President, National Energy Marketers Association, 3333 K

---

<sup>6</sup> See Staff Report at 6-7.

<sup>7</sup> See *id.*

<sup>8</sup> See *id.* at 7.

Street, N.W., Suite 425, Washington, D.C. 20007; Irene Leech, Virginia Citizens Consumer Council, 4220 North Fork Road, Elliston, Virginia 24087; Brian R. Greene, Esquire, and Eric J. Wallace, Esquire, GreeneHurlocker, PLC, 1807 Libbie Avenue, Suite 102, Richmond, Virginia 23226; Cliona M. Robb, Esquire, Michael J. Quinan, Esquire, Edward L. Petrini, Esquire, and James G. Ritter, Esquire, Christian & Barton, LLP, 909 East Main Street, Suite 1200, Richmond, Virginia 23219; Noelle J. Coates, Esquire, American Electric Power Service Corporation, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219; James R. Bacha, Esquire, American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio 43215; Lisa S. Booth, Esquire, and William H. Baxter, II, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Richmond, Virginia 23219; Joseph K. Reid, III, Esquire, and Elaine S. Ryan, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; Timothy E. Biller, Esquire, and Harry M. Johnson, III, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd 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 23219-3424. A copy also shall be delivered to the Commission's Office of General Counsel and Divisions of Utility Accounting and Finance and Public Utility Regulation.