

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2017-00143

For approval and certification of electric transmission facilities: Idylwood-Tysons 230 kV single circuit underground transmission line, Tysons Substation rebuild and related transmission facilities

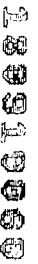
FINAL ORDER

On November 8, 2017, 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 for the proposed underground Idylwood-Tysons 230 kilovolt ("kV") single circuit transmission line ("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.*

Specifically, Dominion proposes to: (i) construct a new single circuit 230 kV underground transmission line, designated 230 kV Idylwood-Tysons Line #2175, to run approximately 4.3 miles from the Company's existing Idylwood Substation to the Company's existing Tysons Substation, with the project located entirely in Fairfax County; (ii) rebuild the Tysons Substation using Gas Insulated Substation ("GIS") equipment to accommodate a six-breaker 230 kV ring bus within the existing property boundaries; (iii) install new Gas Insulated Line terminal equipment at Idylwood Substation for the new Line #2175 installation; and (iv) perform relay work at the Reston Substation (collectively, "Project").<sup>1</sup>

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<sup>1</sup> Ex. 2 (Application) at 2.





On December 8, 2017, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things, directed the Company to provide notice of its Application to interested persons and the public; provided interested persons the opportunity to comment on the Application or to participate as a respondent in this proceeding; directed the Commission's Staff ("Staff") to investigate the Application and file testimony and exhibits containing Staff's findings and recommendations; scheduled a hearing to receive public witness testimony and other evidence on the Application; and assigned a Hearing Examiner to conduct further proceedings in this matter.

On December 27, 2017, the Fairfax County Board of Supervisors ("Fairfax") filed a notice of participation in this proceeding. On January 16, 2018, the Old Dominion Electric Cooperative ("ODEC") filed a notice of participation in this proceeding.

As noted in the Procedural Order, the Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the proposed Project by the appropriate agencies and to provide a report on the review. On January 25, 2018, DEQ filed with the Commission its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ.<sup>2</sup> The DEQ Report provides general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contains the following Summary of Recommendations regarding the proposed Project. The Company should:

- Conduct an on-site delineation of all wetlands and stream crossings within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
- Follow DEQ's recommendations regarding air quality protection, as applicable;

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<sup>2</sup> Ex. 15 (DEQ Report).

- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable;
- Coordinate with the Department of Conservation and Recreation's ("DCR") Division of Natural Heritage regarding its recommendations to protect natural heritage resources as well as for updates to the Biotics Data System database;
- Coordinate with the Department of Game and Inland Fisheries regarding its recommendations to protect wildlife resources;
- Coordinate with the Virginia Outdoors Foundation regarding its recommendation for additional consultation as necessary;
- Coordinate with the Department of Historic Resources regarding its recommendations to protect historic and archaeological resources;
- Follow the principles and practices of pollution prevention to the maximum extent practicable;
- Limit the use of pesticides and herbicides to the extent practicable.<sup>3</sup>

On April 13, 2018, Fairfax filed its testimony and exhibits which, among other things, addressed possible impacts of the Project on Fairfax's wastewater and storm water infrastructure;<sup>4</sup> consistency of the Project with Fairfax County's Comprehensive Plan;<sup>5</sup> the scale and traffic impacts of the Project;<sup>6</sup> as well as the need and potential routes of the Project.<sup>7</sup>

On April 27, 2018, Staff filed its testimony and exhibits summarizing the results of its investigation of Dominion's Application. Staff concluded that the Company has reasonably

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<sup>3</sup> *Id.* at 6-7.

<sup>4</sup> Ex. 12 (Carinci Direct) at 3-5.

<sup>5</sup> Ex. 10 (Bell Direct) at 3.

<sup>6</sup> Ex. 13 (Fuller Direct) at 3-6.

<sup>7</sup> Ex. 11 (Lanzalotta Direct) at 3-12.

demonstrated the need for the proposed Project and that the proposed route provides the most optimal route for the proposed Project.<sup>8</sup>

On April 11, 2018, the Company filed rebuttal testimony which, among other things, addressed that both Staff and Fairfax acknowledge the need for the Project;<sup>9</sup> concerns raised by Fairfax regarding storm water and wastewater pipes;<sup>10</sup> construction of the proposed Project and coordination with other government agencies;<sup>11</sup> and support of both Staff and Fairfax for proposed Underground Alternative 05.<sup>12</sup>

On February 26, 2018, a public hearing was held in Fairfax, Virginia. Three public witnesses appeared and testified at the hearing. On May 8, 2018, a public hearing was held in Richmond, Virginia. No public witnesses appeared to testify at the hearing.<sup>13</sup>

On June 8, 2018, Dominion and Fairfax ("Stipulating Parties") filed a Joint Motion For Leave to Present Stipulation and Recommendation, attaching a proposed stipulation ("Stipulation") between the two parties which stated, among other things, that the Company and Fairfax agree that the Project is needed, that the Company has met the statutory requirements for approval; and that Underground Alternative 05 is the optimal route for the Project.<sup>14</sup>

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<sup>8</sup> Ex. 14 (Joshapura Direct, Staff Report) at 37.

<sup>9</sup> Ex. 16 (Gill Rebuttal) at 2.

<sup>10</sup> Ex. 17 (Reitz Rebuttal) at 2.

<sup>11</sup> Ex. 18 (Mayhew Rebuttal) at 2.

<sup>12</sup> Ex. 19 (Berkin Rebuttal) at 2.

<sup>13</sup> The Commission received written comments from Macerich Land Holdings on May 31, 2018.

<sup>14</sup> Ex. 20 (Stipulation). The Stipulation is attached to this Order at Attachment A.

On June 12, 2018, a hearing was convened in which Dominion, Fairfax, and Staff introduced evidence into the record.<sup>15</sup>

The Report of Alexander F. Skirpan, Jr., Senior Hearing Examiner ("Report") was entered on July 26, 2018. In his Report, the Hearing Examiner found that:

1. The Project is needed to (i) resolve a potential criteria violation of the mandatory NERC Reliability Standards for the 230 kV lines feeding the Tysons Loop, and (ii) maintain reliable service to the Tysons Loop area;
2. The Company's proposed Underground Alternative 05 best satisfies the statutory requirement that the line is needed and that the corridor or route the line is to follow will reasonably minimize adverse impact on the scenic assets, historic districts and environment of the area concerned;
3. The recommendations contained in the DEQ Report, with the proposed modification to the recommendation of the DCR's Division of Natural Heritage presented in the rebuttal testimony of Company witness Mayhew, should be adopted by the Commission as conditions of approval;
4. The proposed Project should be approved and granted a Certificate;
5. The Replacement Tower Proposal should be approved and the Company's Certificate for Line #2097 should be amended as requested; and
6. The Stipulation should be adopted.<sup>16</sup>

On August 6, 2018, Dominion and Staff each filed comments on the Report. Dominion stated that it agrees with the Report's Findings and Recommendations in the Report.<sup>17</sup> Staff noted that while it disagreed with the Report's ultimate recommendation regarding the Replacement Tower Proposal, the Hearing Examiner's recommendation was not unreasonable under the facts and circumstances of this case.<sup>18</sup>

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<sup>15</sup> ODEC did not participate at the hearing.

<sup>16</sup> Report at 40.

<sup>17</sup> Comments of Virginia Electric and Power Company at 2.

<sup>18</sup> Comments of Staff at 1.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity require that the Company construct the proposed Project; that the proposed Stipulation is reasonable and should be approved; and that a certificate of public convenience and necessity authorizing the proposed Project should be issued subject to certain findings and conditions contained herein.

Approval

The statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides that "it shall be unlawful for any public utility to construct . . . facilities for use in public utility service . . . without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege."

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

Whenever the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize adverse environmental impact. . . . In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted . . . . Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, . . . and (b) shall consider any improvements in service reliability that may result from the construction of such facility.



the shortest route, crosses the least amount of private land, requires no additional clearing of forested lands, has low impact on the W&OD Park trail and vehicular traffic, has no residences within 60 feet, and is the least costly option of all underground and overhead alternatives.<sup>20</sup>

Dominion has adequately considered existing right-of-way. The Project, using Underground Alternative 05, will primarily be located within existing ROW or road ROW belonging to Virginia Department of Transportation.<sup>21</sup>

### Scenic Assets and Historic Districts

Due to the fact that the Project will be constructed primarily within existing ROW in conjunction with road ROW, the Commission finds that adverse impacts on scenic assets and historic districts in the Commonwealth of Virginia will be minimized as required by § 56-46.1 B of the Code. The record supports that minimal disturbance to the W&OD Park trail, since it will be installed under the trail via horizontal directional drilling.<sup>22</sup>

### Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides that the Commission shall receive, and give consideration to, all reports that relate to the Project by state agencies concerned with environmental protection.

The Commission finds that there are no adverse environmental impacts that would prevent the construction or operation of the Project. The DEQ Report supports a finding that the

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<sup>20</sup> *Id.* at 33-34 and 37.

<sup>21</sup> Ex. 2 (Application, Appendix) at 66.

<sup>22</sup> Ex. 2 (Application, Appendix) at 71.



Company's proposed route reasonably minimizes adverse environmental impacts, provided that the Company complies with the recommendations set forth in the DEQ Report.<sup>23</sup> We therefore find that, as a condition of our approval herein, Dominion must comply with all of DEQ's recommendations as provided in the DEQ Report with the following exceptions. The Commission adopts the Hearing Examiner's recommendation that the Company shall consult with DCR for updates to the Biotics Data System only if (i) the scope of the Project involves material changes or (ii) 12 months from the date of this Order pass before the Rebuild Project commences construction.<sup>24</sup> Further, Dominion should be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project.

#### Tower Replacement Proposal

In its Application, the Company also requested approval to replace lattice tower 2097/177 located just south of the Idylwood Substation property.<sup>25</sup> Dominion further asserted that "[a]s part of Fairfax County's approval of Special Exception Amendment application SEA 2014-PR-032 to permit the redevelopment of Idylwood Substation, which was approved by the Commission in Case No. PUR-2017-00002, Fairfax County Staff recommended as a condition of approval that the Company replace lattice tower 2097/177 in order to minimize visual impacts on neighboring properties."<sup>26</sup> We agree with the Hearing Examiner that the record reflects the negative visual impact of the tower, as well as the fact that the tower is 59 years old with a

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<sup>23</sup> The DEQ recommendations are set forth above and discussed in the DEQ Report.

<sup>24</sup> Report at 40.

<sup>25</sup> Ex. 2 (Application) at 2. On May 11, 2018, the Company filed a Motion for Leave to Clarify Its Application ("Motion") in which the Company clarified that it is requesting an amended CPCN for Line #2097 from the Commission to the extent necessary for approval of the Replacement Tower Proposal. The Motion was granted by ruling issued by the Senior Hearing Examiner on May 14, 2018.

<sup>26</sup> Ex. 2 (Application) at 2.

projected useful life of 40 to 60 years.<sup>27</sup> We therefore find, that tower 2097/177 should be replaced.

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project, as proposed in its Application and amended in the Stipulation, subject to the findings and conditions imposed herein.

(2) Dominion is authorized to replace tower 2097/177 as proposed in its Application.

(3) The Stipulation is reasonable and shall be adopted.

(4) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for a certificate of public convenience and necessity to construct and operate the Project is granted as provided for herein, subject to the requirements set forth herein.

(5) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following certificate of public convenience and necessity to Dominion:

Certificate No. ET-79pp, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Fairfax County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2017-00143, cancels Certificate No. ET-79oo, issued to Virginia Electric and Power Company in Case No. PUR-2017-00002 on September 8, 2017.

(6) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation three copies of an appropriate map that shows the routing of the transmission line approved herein, in addition to the facilities shown on the map for cancelled Certificate No. ET-79oo.

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<sup>27</sup> Report at 40.



(7) Upon receiving the map directed in Ordering Paragraph (6), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the certificates of public convenience and necessity issued in Ordering Paragraph (5) with the map attached.

(8) The Project approved herein must be constructed and in service by June 30, 2022. The Company, however, is granted leave to apply for an extension for good cause shown.

(9) This matter is hereby dismissed.

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, Riverside 2, Richmond, Virginia 23219; Vishwa B. Link, Esquire, Jennifer D. Valaika, Esquire, and Katlyn A. Farrell, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; Joanna L. Faust, Assistant County Attorney, and Erin L. Blanch, Assistant County Attorney, 12000 Government Center Parkway, Suite 549, Fairfax, Virginia, 22035-0064; John A. Pirko, Esquire, LeClairRyan, 4201 Dominion Boulevard, Suite 200, Glen Allen, Virginia 23060; 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.