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October 20, 2023

VIA ELECTRONIC FILING

Bernard Logan, Clerk
c/o Document Control Center
State Corporation Commission
1300 East Main Street
Richmond, VA 23219

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Re: Application of Virginia Electric and Power Company
for approval and certification of electric transmission facilities:
230 kV Elmont-White Oak Line #2075, 230 kV Chickahominy-White Oak
Line #2294, and White Oak Substation Expansion

Case No. PUR-2023-00110

Dear Mr. Logan:

On behalf of Hourigan Development, LLC, I enclose for filing in the captioned matter the *Direct Testimony and Exhibit of Brian Jenkins*. Please do not hesitate to contact me with any questions that you may have regarding this filing. Thank you for your assistance.

Very truly yours,

/s/ S. Perry Coburn

S. Perry Coburn

Enclosure

cc: Office of the Hearing Examiners (via email [oheparalegals@scc.virginia.gov] w/ encl.)
Certificate of Service

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

Case No. PUR-2023-00110

For approval and certification of electric transmission
facilities: 230 kV Elmont-White Oak Line #2075,
230 kV Chickahominy-White Oak Line #2294, and
White Oak Substation Expansion

DIRECT TESTIMONY
AND EXHIBIT
OF
BRIAN JENKINS

ON BEHALF OF:

HOURIGAN DEVELOPMENT, LLC

RICHMOND, VIRGINIA

OCT. 20, 2023

**SUMMARY OF THE
DIRECT TESTIMONY OF BRIAN JENKINS**

On behalf of Hourigan Development, LLC (“Hourigan”), Mr. Jenkins offers testimony supporting, and urging State Corporation Commission (“Commission”) approval of, the transmission lines and other facilities (collectively, the “Project”) proposed by Virginia Electric and Power Company (“Dominion” or the “Company”) this case—including, in particular, the Company’s proposed “Route 3” for Project-related transmission lines.

Mr. Jenkins supports Dominion’s statements in its application regarding immediate and anticipated needs for the Project, including those which relate to Hourigan’s planned development identified in the Company’s application as the “VAH Data Center Campus.”

Mr. Jenkins describes service demands at the VAH Data Center Campus that the Project will serve, provided that the Commission approves Route 3, as proposed in Dominion’s application. He describes the stakeholder process that precipitated and informed the design and development of Route 3. Mr. Jenkins describes Route 3’s various advantages, including those that would accrue to the community due to Hourigan’s and other local landowners’ agreement to accommodate long segments of the Project’s transmission lines on their property, as contemplated by Route 3. He also confirms Hourigan’s understanding with regard to the considerable additional infrastructure that would be required to serve the VAH Data Center Campus if the Commission does not approve Route 3 in this case.

Mr. Jenkins describes some of the many community and other benefits—including increased tax revenues, job growth, and economic development—that reasonably can be expected to accrue to Henrico County, and to the Commonwealth of Virginia, if and when the VAH Data Center Campus is developed and otherwise put to use, as planned. Mr. Jenkins discusses the ways in which Hourigan’s and others’ plans for the VAH Data Center Campus are consistent with and supportive of Henrico County’s operative comprehensive plan, as well as the economic development objectives of both the County and the Commonwealth.

Finally, Mr. Jenkins describes how community and other benefits associated with the VAH Data Center Campus and, in turn, the Project itself, could be diminished or postponed if Dominion’s proposed Route 3 is not approved in this case.

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DIRECT TESTIMONY OF BRIAN JENKINS

- 1 **Q. Please state your name and business address.**
- 2 A. My name is Brian Jenkins, and my business address is 411 East Franklin Street, Suite
3 400, Richmond, Virginia 23219.
- 4 **Q. What is your occupation and by whom are you employed?**
- 5 A. I am Senior Managing Director of Development at Hourigan Development, LLC.
- 6 **Q. What is Hourigan Development, LLC (“Hourigan”)?**
- 7 A. Hourigan is an integrated construction and development firm, founded in 1994 by our
8 current CEO, Mark Hourigan. We are headquartered in the City of Richmond, but we
9 also have offices elsewhere in Virginia, including Virginia Beach and Charlottesville.
- 10 **Q. On whose behalf are you testifying in this proceeding?**
- 11 A. I am testifying on behalf of Hourigan in this proceeding.

1 **Q. What is the subject matter of your testimony?**

2 A. My testimony relates to Virginia Electric and Power Company's ("Dominion" or the
3 "Company") June 23, 2023 application in this case (the "Application"), and aspects of the
4 transmission expansion and other facilities (collectively, the "Project") that is the subject
5 of Dominion's Application. I explain some of the principal reasons why Hourigan
6 supports Commission approval of the Project as proposed in the Application, and confirm
7 the accuracy of Project-related statements and actions that the Application attributes to
8 Hourigan. Based on my and Hourigan's collective experience and expertise, I describe
9 the Project's necessity and likely impacts with regard to certain properties on or near
10 which Dominion is proposing to site certain Project-related transmission lines and other
11 facilities. In doing so, I also describe Hourigan's plans and understanding with regard to
12 how Hourigan's and others of these properties will be developed and used.

13 **Q. Would you please briefly describe Hourigan's business and the kinds of
14 construction and development services that it provides?**

15 A. As an integrated construction and development firm, Hourigan engages in a variety of
16 business activities ranging from traditional construction and general contracting services
17 to real estate investments and project development. Hourigan takes pride in its ability to
18 do top quality work for a diverse client base.

19 **Q. Are there any projects Hourigan has been involved in recently that help to illustrate
20 the diversity of Hourigan's client base?**

21 A. Yes, there are many. Examples include the office tower we recently completed at 600
22 Canal Place in downtown Richmond. In that project, we were responsible, not only for

1 building the Class A office tower that exists today, but also for the demolition of an
2 existing structure on the site. In addition, Hourigan recently partnered with Virginia
3 Commonwealth University to build a one-million-square-foot medical facility, the VCU
4 Health Adult Outpatient Pavilion at 1001 East Leigh Street in Richmond. We are
5 currently working with FeedMore to develop and build its new headquarters.

6 **Q. In addition to office buildings and medical facilities like those you've just described,**
7 **does Hourigan have experience building or developing projects for manufacturing**
8 **or other industrial uses?**

9 A. Yes. Hourigan has successfully completed projects for manufacturing operating units of
10 large corporations like Phillip Morris USA and Hewlett Packard and, more recently, a 1.5
11 million square foot development for Lowe's called Deepwater Industrial Park. In
12 addition, Hourigan has also done extensive federal contract work for the Department of
13 Defense and others in the defense/military space, including a Tier III Mission Critical
14 Operation and Data Center, facilities that meet Sensitive Compartmented Information
15 Facility ("SCIF") requirements, facilities that meet Secret Internet Protocol Routing
16 Network ("SIPRNET") requirements, and hangar facilities supporting the Atlantic region
17 of the Naval Facilities Engineering Systems Command ("NAVFAC").¹

18 **Q. What is Hourigan's interest in this proceeding?**

19 A. Hourigan has contracted to purchase approximately 320 acres of land local to the White
20 Oak Technology Park in Henrico County. Hourigan intends to develop this land for data

¹ NAVFAC provides the United States Navy and Marine Corps with facilities and other support for expeditionary operations.

1 center operations, advanced manufacturing, and/or other comparable industrial uses. The
2 land is identified in Dominion's Application as the "VAH Data Center Campus."²

3 Hourigan is interested in this proceeding because of the numerous direct and indirect
4 impacts Dominion's proposed transmission Project would have on the VAH Data Center
5 Campus. First and foremost, plans for the VAH Data Center Campus cannot be realized,
6 and will not advance Henrico County's or the Commonwealth's economic development
7 goals if businesses at the VAH Data Center Campus lack reliable access to adequate
8 electrical supply, and this will require considerably more transmission capacity than
9 existing facilities can provide. It is my understanding that Dominion's Project, as
10 proposed, will give the VAH Data Center Campus, as well as other nearby properties that
11 are, or soon will be, developed for data center and other industrial uses, necessary and
12 reliable access to electrical power, without the need for additional infrastructure (as I
13 discuss later in my testimony)—provided that the State Corporation Commission (the
14 "Commission") also approves for Project-related transmission lines Dominion's proposed
15 "Route 3." The case also implicates Hourigan's interests by virtue of the fact that
16 Dominion's proposed Route 3 traverses the VAH Data Center Campus.

² The VAH acronym refers to Vienna Finance, Inc. ("Vienna"), Atlantic Crossing LLC ("Atlantic"), and Hourigan. Vienna and Atlantic own certain of the properties comprising the VAH Data Center Campus and have partnered with Hourigan to develop the VAH Data Center Campus in a manner consistent with and supportive of Henrico County's comprehensive plan.

1 **Q. Does Hourigan agree with Dominion's statements in its Application that there is a**
2 **need for the Project?**

3 A. Yes. While I am not an electricity expert, it is Hourigan's understanding, from having
4 worked closely with Dominion in developing certain aspects of its proposal, including
5 with regard to the routing of transmission lines, that there are both immediate and longer-
6 term needs for this Project and the additional transmission capacity that it would provide.
7 The immediate needs relate to certain identified violations of North American Electric
8 Reliability Corporation ("NERC") reliability standards beginning in the summer of 2023,
9 as well as the ability to maintain reliable service for the overall load growth in the area,
10 which includes the VAH Data Center Campus.

11 **Q. Does Hourigan stand to benefit from the Project?**

12 A. Yes. The additional transmission capacity will give the VAH Data Center Campus
13 reliable access to power. A continuous and reliable power supply is essential to
14 operations like those envisioned for the VAH Data Center Campus, and is the single most
15 important site-selection criterion that data center owners, microchip manufacturers, and
16 investors in those businesses look for when considering potential locations for their
17 facilities.

18 **Q. Can you elaborate on the significance of Dominion's preferred Route 3?**

19 A. Yes. The immediate significance of Route 3, from Hourigan's perspective, is that it
20 traverses Hourigan's land comprising the VAH Data Center Campus. The design of
21 Route 3 is, itself, the product of collective efforts by Hourigan and other interested
22 parties, working in close collaboration with Dominion, to devise a feasible alternative to

1 the routes that Dominion presented while conducting stakeholder outreach in 2022. The
2 routes initially proposed in that process raised concerns with local stakeholders due to
3 their physical intrusions upon, or close proximities to, certain residential and other
4 properties. Route 3 addressed those concerns by maximizing collocation with existing
5 linear facilities (such as roadways, railroads, and planned sewer lines), and by siting long
6 segments of the Project's transmission lines on and across land comprising the VAH Data
7 Center Campus—all as agreed to by Hourigan and other owners of that land. For these
8 and other reasons, out of all of the various routes that have been presented in connection
9 with this transmission Project, Route 3 has the least impact on residences and residential
10 neighborhoods and is the most compatible with existing and planned uses of land local to
11 the Project.

12 **Q. Does this mean Hourigan supports Route 3?**

13 A. Yes. Hourigan supports Route 3 because use of Route 3 addresses the concerns
14 previously raised by stakeholders and non-consenting landowners while doing nothing to
15 detract from the Project's many beneficial impacts. Hourigan and other owners of VAH
16 Data Center Campus property have consented to the siting of Project-related transmission
17 lines on their land as contemplated by Route 3.

18 **Q. Would you please elaborate on your comments regarding the concerns and process
19 that led to the design and development of Route 3?**

20 A. It is Hourigan's understanding, based on stakeholder meetings, and from having worked
21 closely with interested parties—including those who previously owned and contracted to
22 sell to Hourigan certain parcels now comprising the VAH Data Center Campus—that the

1 proposed Route 3 specified in Dominion's Application was developed in response to
2 stakeholder concerns regarding certain alternative routes that Dominion had previously
3 presented for stakeholders' consideration. Those alternative routes raised concerns with
4 stakeholders due to their intrusions upon, or proximities to, privately owned land and
5 other properties local to the Project. Although Route 3 is not the shortest of the available
6 routes that have been presented, the consent and support of Hourigan and others with
7 ownership interests in the privately owned land that Route 3 traverses, coupled with the
8 obvious benefits of avoiding the need to intrude upon, or come in close proximity with,
9 non-consenting property-owners' land, clearly distinguish Route 3 as the superior choice
10 from a community benefit standpoint.

11 **Q. Are there other reasons why Dominion's proposed Route 3 should be approved?**

12 A. Yes. The Application describes several additional reasons why the Commission should
13 approve Route 3, and Hourigan has no reason to doubt the validity of any of them. Given
14 the nature of the concerns previously raised by local residents and landowners, there is
15 one additional reason described in the Application that seems particularly compelling,
16 and it relates to the inevitability of the fact that transmission facilities of some kind will
17 have to be built in order to serve customers at the VAH Data Center Campus. In other
18 words, even if Route 3 is not approved in this proceeding, that outcome will not relieve
19 Dominion of its obligation to provide adequate electrical service to the various businesses
20 that soon will be operating data centers, advanced manufacturing plants, and/or other
21 similar industrial facilities at the VAH Data Center Campus. This reality further
22 highlights proposed Route 3's superiority to all alternatives: unlike the alternative routes,
23 Dominion's proposed Route 3 provides the additional, long-lived benefit of precluding

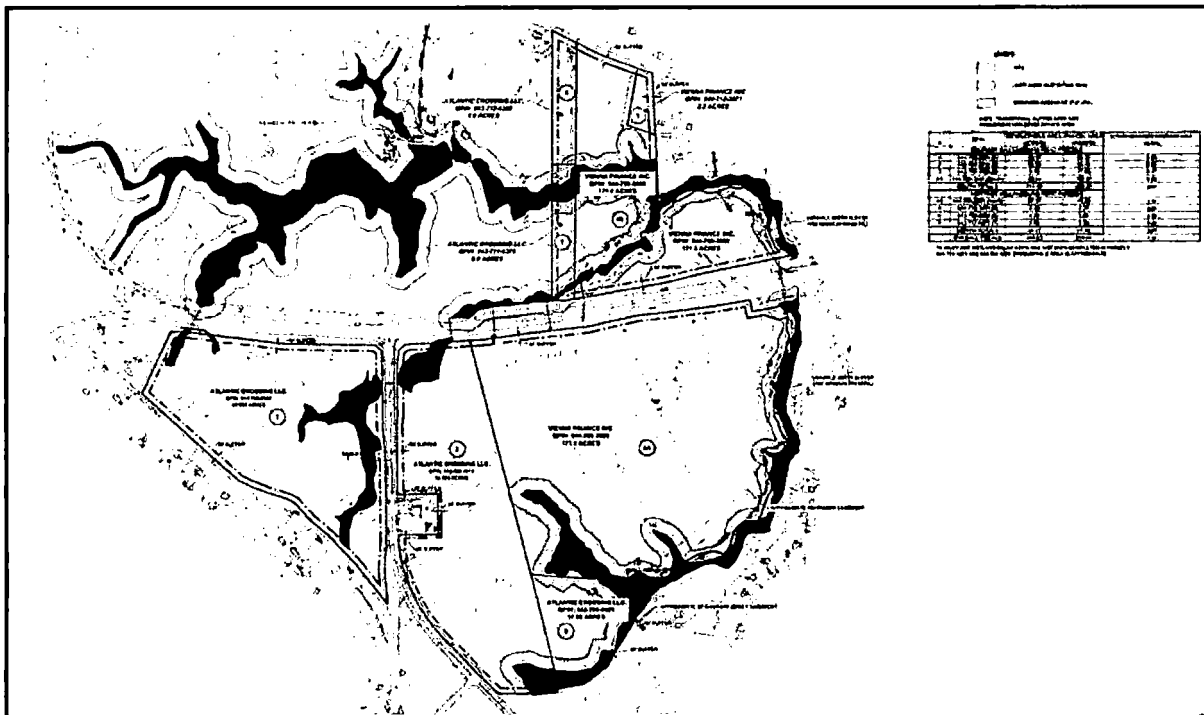
1 the otherwise imminent need for considerable *additional* transmission infrastructure—
2 *i.e.*, infrastructure above and beyond whatever other facilities may be approved in the
3 current proceeding—that would be left unmet if, in this case, the Commission approves
4 one of the alternative routes rather than Route 3. In its Application, Dominion refers to
5 these additional facilities as “Spur Lines.” And it is Hourigan’s understanding that, if
6 Dominion is compelled to build these Spur Lines in order to fulfill its service obligations
7 to occupants of the VAH Data Center Campus and other local industry, the construction,
8 maintenance, and operation of these Spur Lines would entail significant additional costs
9 that Route 3 avoids; would require numerous additional easement rights-of-way that
10 Route 3 does not require; and would result in other costly inefficiencies that invariably
11 would subject local residents and landowners to significantly greater property intrusions,
12 disruptions, and other burdens than any of the alternative routes presented in connection
13 with the current Project. Furthermore, the significant burdens and costs of the Spur
14 Lines—should they be required—would be *incremental* to whatever costs and burdens
15 may accrue to customers and stakeholders as a result of Dominion’s Project-related
16 proposals in the current case.

17 The additional regulatory delay attending the need for Dominion to file an additional
18 application for approval to build additional facilities (the Spur Lines), at additional
19 expense to ratepayers, offers yet another reason to approve Route 3, because delays of
20 this kind could potentially diminish the currently very strong level of interest that
21 business owners and investors have and are showing in the VAH Data Center Campus
22 properties. Outside investment is important to maximizing the value of these properties,
23 and of the value they will bring to the community.

1 Declining the VAH entities' offer to accommodate Project-related transmission lines on
2 their land (as contemplated by Route 3) is not sensible in these circumstances.

3 **Q. Can you describe the VAH Data Center Campus?**

4 A. Yes. The VAH Data Center Campus covers approximately 320 acres of land at the
5 intersection of Technology Boulevard and Route 60, less than 2 miles northwest of the
6 existing White Oak Technology Park. A site map of the VAH Data Center Campus is
7 attached as Exhibit BJ-1 to my testimony and excerpted below:



8
9 **Q. Why does Hourigan intend to develop this land for data center and advanced
10 manufacturing uses?**

11 A. At a very high level, data center operations and microchip fabrication are rapidly growing
12 and increasingly important industries. They play central roles in countless activities,

1 including many that have important social and economic implications for Virginia and
2 nationally.

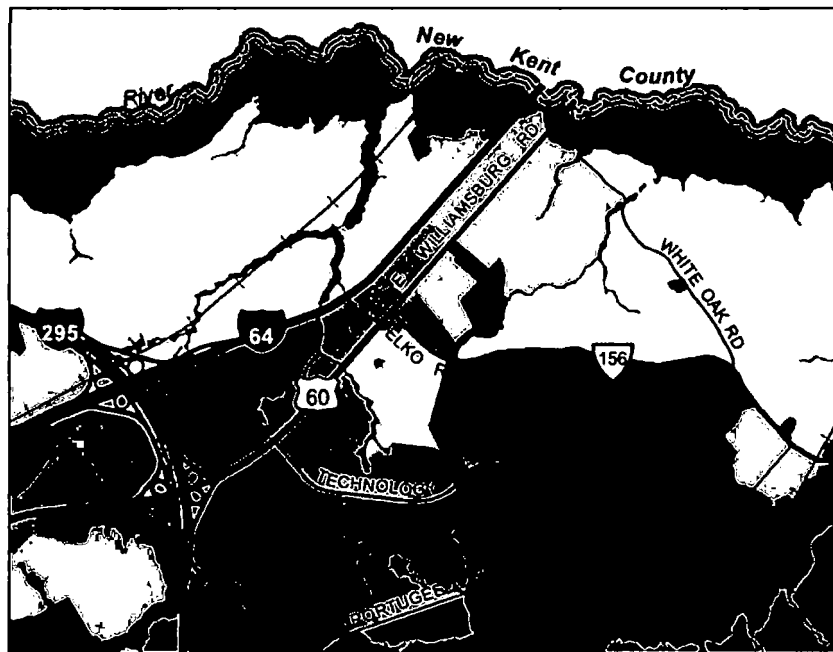
3 The VAH Data Center Campus properties lend themselves to data center operational uses
4 by virtue of, among other things, their geographic location. For data center uses, these
5 properties are favorable—not just in Virginia or nationally, but on the North American
6 continent—because of their close proximity to North American landings of subsea cables,
7 which act as a central nervous system of sorts for the World Wide Web. Proximity to
8 these cable landings has triggered significant regional investment activity, some of which
9 further enhanced these properties’ locational advantages for data center uses by financing
10 the development and installation of a vast fiber network that now exists here in Virginia.
11 From an advanced manufacturing standpoint, the properties’ proximity to key domestic
12 and international shipping and transportation hubs—at Port of Virginia and elsewhere—
13 offers ready access to important supply chains and distribution networks.

14 To put it simply, location—much like reliable access to adequate electrical supply—are
15 critically important site-selection criteria for data centers, advanced manufacturers, and
16 the major investors supporting those industries, and the VAH Data Center Campus
17 properties score very well in this category.

18 Other reasons to develop the VAH Data Center Campus for data center and advanced
19 manufacturing use have nothing to do with geography. Some, for example, are the result
20 of deliberate and well-considered policy decisions—both locally and at the state level.

21 Local initiative in Henrico County has produced a comprehensive plan, known as the
22 “2026 Comprehensive Plan,” that prioritizes and advances, in various ways, job growth

1 and other forms of economic development activity within the County. Thanks in part to
2 the current state of technology, and the many physical attributes that make Henrico
3 County an ideal place for data center operations, the planned data center and advanced
4 manufacturing uses to which the VAH Data Center Campus properties are expected to be
5 put by Hourigan and others all but ensures the rapid and effective advancement of both of
6 these worthy policy objectives. (I discuss job growth and other economic development
7 benefits in greater detail later in my testimony.) These uses are also in conformity with
8 the land-use targets established by Henrico County’s operative comprehensive plan. This
9 is reflected in the County’s “2026 Future Land Use Map,” which identifies the location of
10 the VAH Data Center Campus for rezoning to facilitate development:³



11

³ Maps and other materials comprising and relating to Henrico County’s 2026 Comprehensive Plan can be found here: <https://henrico.us/planning/2026-comprehensive-plan/>.

The Henrico County 2026 Future Land Use Map excerpted above is available at: <https://henrico.us/pdfs/planning/2026plan/maps/2026-allmaps.pdf>.

1 In existing data center operations local to the area, we have already seen, and continue to
2 see, the positive results of this confluence of geographic, policy-based, and other
3 attributes that support data center development in Henrico County. One example is the
4 Quality Technology Services (“QTS”) data center located in White Oak Technology
5 Park:⁴ with periodic expansions, which are likely to continue, it is now the fourth-largest
6 data center in the world. Meta (formerly Facebook) also maintains data center facilities
7 at White Oak Technology Park, and they, too, have been the subject of multiple phased
8 expansions since first going live in or about August 2020.⁵

9 **Q. Can you please describe the kinds of benefits Hourigan will accrue to the**
10 **community, and to Henrico County and the Commonwealth generally, from data**
11 **center and advanced manufacturing operations at the VAH Data Center Campus?**

12 A. In the immediate term, there will be significant job growth associated with Hourigan’s
13 onsite construction activities. Both of the referenced uses require facilities that we expect
14 to build and expand in multiple phases over time. Initial construction following
15 groundbreaking will be the most labor-intensive part of the process, but every phase, and
16 every expansion, will create jobs. Over the longer-term, thanks in large part to these
17 properties’ unique advantages relative to their planned industrial uses, the properties will
18 attract significant outside investment. Based on initial project planning, the total amount
19 of such investment could exceed \$1 billion, and we expect this investment would go

⁴ White Oak Technology Park is a short drive from the VAH Data Center Campus.

⁵ Henrico County permitting activities related to Meta’s data center expansion plan, known as “Project Tropical,” can be found here: <https://www3.co.henrico.va.us/comments/main.php?Permit=POD2022-00605&Action=related&Submit=Submit>.

1 toward, among other things, the acquisition and installation of specialized equipment,
2 operations and maintenance requiring skilled and well-paid professional and other
3 personnel, and phased or periodic expansions. Relatedly, and based on experience, it is
4 reasonable to expect that development and use of the VAH Data Center Campus will
5 drive significant growth in state and local tax revenue. It has been reported that, for
6 every dollar Henrico County spent in 2018 on public services necessitated by data center
7 operations, the data center industry generated \$8.60 in local tax revenue for the County.⁶

8 **Q. Does this complete your direct testimony?**

9 **A. Yes.**

⁶ Mangum Economics, *The Impact of Data Centers on the State and Local Economies of Virginia*, at 2 (Jan. 2020), available at: https://biz.loudoun.gov/wp-content/uploads/2020/02/Data_Center_Report_2020.pdf.

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EXHIBIT ____ (BJ-1)

OF

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ON BEHALF OF:

HOURIGAN DEVELOPMENT, LLC

RICHMOND, VIRGINIA

OCT. 20, 2023

