

# Virginia State Corporation Commission eFiling CASE Document Cover Sheet

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**Case Number (if already assigned)** PUE-2015-00107

**Case Name (if known)** Application of Virginia Electric and Power Company,  
For approval and certification of electric transmission  
facilities: Haymarket 230 kV Double Circuit  
Transmission Line and 230-34.5 kV Haymarket  
Substation

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January 19, 2018

**VIA HAND DELIVERY**

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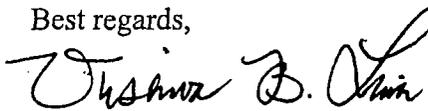
*Application of Virginia Electric and Power Company  
 For approval and certification of electric transmission facilities:  
 Haymarket 230 kV Double Circuit Transmission Line and 230-34.5 kV Haymarket Substation  
 Case No. PUE-2015-00107*

Dear Mr. Peck:

Enclosed for filing in the above-captioned proceeding, please find Virginia Electric and Power Company's *Motion for Extension*.

Please do not hesitate to call if you have any questions in regard to the enclosed.

Best regards,



Vishwa B. Link

Enc.

cc: Hon. Glenn P. Richardson, Hearing Examiner  
 Hon. Deborah V. Ellenberg, Chief Hearing Examiner  
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COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

APPLICATION OF )  
 )  
VIRGINIA ELECTRIC AND POWER COMPANY )  
 )  
For approval and certification of electric )  
transmission facilities: Haymarket 230 kV )  
Double Circuit Transmission Line and )  
230-34.5 kV Haymarket Substation )

Case No. PUE-2015-00107

**MOTION FOR EXTENSION AND EXPEDITED CONSIDERATION**

Pursuant to Rule 110 and 230 of the Rules of Practice and Procedure<sup>1</sup> of the State Corporation Commission (the "Commission") and for good cause shown, Virginia Electric and Power Company ("Dominion Energy Virginia" or the "Company"), by counsel, hereby respectfully moves for an extension of the procedural deadlines and the hearing date in this matter until after the General Assembly adjourns on March 10, 2018 (the "Motion"). In light of impending filing deadlines, the Company requests expedited consideration of the Motion.

To facilitate timely resolution of the Motion, the Company has contacted counsel to other parties invited to submit testimony in this remand proceeding.<sup>2</sup> The Coalition to Protect Prince William County (the "Coalition") and Somerset Crossing Home Owners Association, Inc. ("Somerset") have seen and agreed to the Motion. The Commission Staff ("Staff") does not oppose the Motion.

In support of this Motion, Dominion Energy Virginia states as follows:

1. On November 6, 2015, the Company filed an application ("Application") with the Commission for a certificate of public convenience and necessity for the proposed Haymarket

<sup>1</sup> 5 VAC 5-20-10 *et seq.*

<sup>2</sup> See Hearing Examiner's Ruling, December 13, 2017, Case No. PUE-2015-00107, ordering paragraphs 1 and 3.

230 kilovolt (“kV”) double circuit transmission line and 230-34.5 kV Haymarket Substation pursuant to Va. Code § 56-46.1 and the Utility Facilities Act, Va. Code § 56-265.1 *et seq.* The Company proposed to (i) convert its existing 115 kV Gainesville-Loudoun Line #124, located in Prince William and Loudoun Counties, to 230 kV operation, (ii) construct in Prince William County, Virginia and the Town of Haymarket, Virginia a new 230 kV double circuit transmission line to run approximately 5.1 miles from a tap point approximately 0.5 mile north of the Company’s existing Gainesville Substation on the converted Line #124 to a new 230-34.5 kV Haymarket Substation, and (iii) construct a 230-34.5 kV Haymarket Substation on land in Prince William County to be owned by the Company (collectively, the “Haymarket Project” or “Project”).

2. The Commission held hearings for public comments in Haymarket, Virginia on February 24, 2016, March 14, 2016, and May 2, 2016, and at the Commission in Richmond, Virginia on May 10, 2016. The evidentiary hearing commenced on June 21, 2016, at the Commission before the Honorable Glenn P. Richardson.

3. The Commission entered its Interim Order on April 6, 2017, and its Final Order on June 23, 2017. The Commission found that the Project is needed, and approved construction and operation of the Project along one of the five proposed routes.

4. On July 14, 2017, the Commission issued its Order Granting Reconsideration in this matter in response to separate requests filed by the Coalition and Somerset.

5. On July 24, 2017, the Company filed a Motion to Hold Proceeding in Abeyance that requested, among other things, sixty days to coordinate with Prince William County regarding the constructability of the route approved in the Final Order. On July 25, 2017, the Commission issued its Order on Requested Abeyance, directing the parties to file pleadings. The

parties filed such pleadings.

6. On December 6, 2017, the Commission issued its Order Remanding for Further Proceedings. The Commission noted that the parties' recently-filed pleadings sought to introduce new information. The Commission remanded the matter and directed the Hearing Examiner to conduct additional proceedings.

7. On December 13, 2017, the Hearing Examiner issued a ruling setting deadlines for filing additional testimony and setting the matter for hearing (the "Procedural Ruling"). Specifically, the Procedural Ruling directed (i) the Company to file testimony by January 5, 2018, (ii) the Staff, the Coalition, and Somerset to file testimony by January 26, 2018, and (iii) the Company to file rebuttal testimony by February 2, 2018. The Procedural Ruling set a public evidentiary hearing to convene on February 8, 2018.

8. The Company filed its remand direct testimony on January 5, 2018.

9. House Bill No. 1202 was introduced on January 10, 2018, in the Virginia General Assembly. See Attachment 1. If enacted, it establishes a pilot program consisting of the approval of the underground construction of two electrical transmission lines. As a part of the pilot program, upon affirmation of project need by the Commission and petition by the Company, the Commission is directed to approve as a qualifying project a transmission line that can be read to apply to the I-66 Hybrid Route that has been considered in this proceeding. Accordingly, HB 1202, if enacted, could affect these proceedings on remand. As a result, the Company respectfully requests that the remaining procedural deadlines be extended until after the General Assembly adjourns on March 10, 2018. The following extended dates are proposed for Commission consideration:

- March 27, 2018 (from January 26, 2018): Staff, Coalition, and Somerset

remand testimony due;

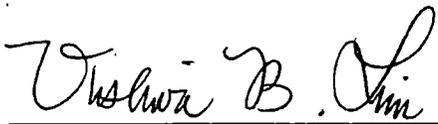
- April 11, 2018 (from February 2, 2018): Company remand rebuttal testimony due; and
- April 24, 25, 30 or May 1, 2018 (from February 8, 2018): public evidentiary hearing.

10. Given these circumstances, and in the interest of judicial economy, the Company respectfully requests an extension of the remaining deadlines and the hearing date set forth in the Procedural Ruling. No party will be prejudiced by granting the relief requested. The Company has been authorized to represent that the Coalition and Somerset have seen and agreed to this Motion. The Company has also been authorized to represent that the Staff does not oppose the relief requested in this Motion.

WHEREFORE, for the reasons set forth above and for good cause shown, Dominion Energy Virginia respectfully requests that the Commission or the Hearing Examiner: (i) grant the Motion in an expedited manner; and (ii) extend the remaining deadlines and the hearing date set forth in the Procedural Ruling until after the General Assembly adjourns on March 10, 2018, as detailed herein.

Respectfully submitted,

VIRGINIA ELECTRIC AND POWER COMPANY

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January 19, 2018

2018 SESSION

INTRODUCED

18104402D

HOUSE BILL NO. 1202  
Offered January 10, 2018  
Prefiled January 10, 2018

A BILL establishing a pilot program approving the construction of two underground electric transmission lines.

Patron—Hugo

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

§ 1. There is hereby established a pilot program to further the understanding of underground electric transmission lines in regard to electric reliability, construction methods and related cost and timeline estimating, and the probability of meeting such projections. The pilot program shall consist of the approval to construct qualifying electrical transmission lines of greater than 69 kilovolts but not exceeding 230 kilovolts, in whole or in part underground. Such pilot program shall consist of a total of two qualifying electrical transmission line projects, constructed in whole or in part underground, as specified and set forth in this act.

§ 2. Notwithstanding any other law to the contrary, as a part of the pilot program established pursuant to this act, the State Corporation Commission (the Commission) shall approve as a qualifying project a transmission line of 230 kilovolts or less that is pending final approval of a certificate of public convenience and necessity from the Commission as of December 31, 2017, for the construction of an electrical transmission line approximately 5.3 miles in length, utilizing both overhead and underground transmission facilities, of which the underground portion shall be approximately 3.1 miles in length, which has been previously proposed for construction within or immediately adjacent to the right-of-way of an interstate highway. Once the Commission has affirmed the project need through a final order, the project shall be constructed in part underground, and the underground portion shall consist of a double circuit. The Commission shall approve such underground construction within 30 days of receipt of the written request of the public utility to participate in the pilot program pursuant to this section. The Commission shall not require the submission of additional technical and cost analyses as a condition of its approval, but it may request such analyses for its review. The Commission shall approve the underground construction of one contiguous segment of the transmission line that is approximately 3.1 miles in length that was previously proposed for construction within or immediately adjacent to the right-of-way of the interstate highway, for which, by resolution, the locality has indicated general community support. The remainder of the construction for the transmission line shall be aboveground. The Commission shall not be required to perform any further analysis as to the impacts of this route, including environmental impacts or impacts upon historical resources. The electric utility may proceed to acquire the right-of-way and take such other actions as it deems appropriate in furtherance of the construction of the approved transmission line, including acquiring the cables necessary for the underground installation.

§ 3. In reviewing applications submitted by public utilities for certificates of public convenience and necessity for the construction of electrical transmission lines of 230 kilovolts or less filed between the effective date of this act and July 1, 2020, the Commission shall approve, consistent with the requirements of § 4, one additional application as a qualifying project to be constructed in whole or in part underground as a part of this pilot program. The one qualifying project shall be in addition to the qualifying project described in § 2.

§ 4. For purposes of § 3 of this act, a project shall be qualified to be placed underground, in whole or in part, if it meets all of the following criteria:

a. An engineering analysis demonstrates that it is technically feasible to place the proposed line, in whole or in part, underground;

b. The governing body of each locality in which a portion of the proposed line will be placed underground indicates, by resolution, general community support for the project and that it supports the transmission line to be placed underground;

c. A project has been filed with the Commission or is pending issuance of a certificate of public convenience and necessity by July 1, 2020;

d. The estimated additional cost of placing the proposed line, in whole or in part, underground does not exceed 2.5 times the cost of placing the same line overhead, assuming accepted industry standards for undergrounding to ensure safety and reliability. If the public utility, the affected localities, and the Commission agree, a proposed underground line whose cost exceeds 2.5 times the cost of placing the

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59 line overhead may also be accepted into the pilot program;

60 e. The public utility requests that the project be considered as a qualifying project under this act;  
61 and

62 f. The primary need of the project shall be for purposes of grid reliability, grid resiliency, or to  
63 support economic development priorities of the Commonwealth and shall not be to address aging assets  
64 that would have otherwise been replaced in due course.

65 § 5. Approval of a transmission line pursuant to this act for inclusion in the pilot program shall be  
66 deemed to satisfy the requirements of § 15.2-2232 and local zoning ordinances with respect to such  
67 transmission line and any associated facilities, such as stations, substations, transition stations and  
68 locations, and switchyards or stations, that may be required.

69 § 6. The Commission shall report annually to the Commission on Electric Utility Restructuring, the  
70 Joint Commission on Technology and Science, and the Governor on the progress of the pilot program  
71 by no later than December 1 of each year that this act is in effect. The Commission shall submit a final  
72 report to the Commission on Electric Utility Restructuring, the Joint Commission on Technology and  
73 Science, and the Governor no later than December 1, 2024, analyzing the entire program and making  
74 recommendations about the continued placement of transmission lines underground in the  
75 Commonwealth. The Commission's final report shall include, among other items, an analysis and  
76 findings of the costs of underground construction and historical and future consumer rate effects of such  
77 costs, the effects of undergrounding transmission lines on grid reliability, operability including operating  
78 voltage, probability of meeting cost and construction timeline estimates of such underground  
79 transmission lines, and aesthetic or other benefits attendant to the placement of transmission lines  
80 underground.

81 § 7. For the qualifying projects chosen pursuant to this act and not fully recoverable as charges for  
82 new transmission facilities pursuant to subdivision A 4 of § 56-585.1, the Commission shall approve a  
83 rate adjustment clause. The rate adjustment clause shall provide for the full and timely recovery of any  
84 portion of the cost of such project not recoverable under applicable rates, terms, and conditions  
85 approved by the Federal Energy Regulatory Commission and shall include the use of the fair return on  
86 common equity most recently approved in a Commission proceeding for such utility, as defined by  
87 subsection A of § 56-585.1. Such costs shall be entirely assigned to the utility's Virginia jurisdictional  
88 customers. The Commission's final order regarding any petition filed pursuant to this section shall be  
89 entered not more than three months after the filing of such petition.

90 § 8. Approval of a proposed transmission line for inclusion in this program shall not preclude the  
91 placing of existing or future overhead facilities in the same area or corridor by other transmission  
92 projects.

93 § 9. The provisions of this act shall not be construed to limit the ability of the Commission to  
94 approve additional applications for placement of transmission lines underground.

95 § 10. If two applications that meet the requirements of this act are not submitted to the Commission,  
96 the Commission shall document the failure of the projects to qualify for the pilot program in order to  
97 justify approving fewer than two projects to be placed underground, in whole or in part.

98 § 11. Insofar as the provisions of this act are inconsistent with the provisions of any other law or  
99 local ordinance, the provisions of this act shall be controlling.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 19th day of January 2018, a true and accurate copy of the foregoing filed in Case No. PUE-2015-00107 was sent via electronic mail and hand-delivered or mailed first class, postage pre-paid, to the following:

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