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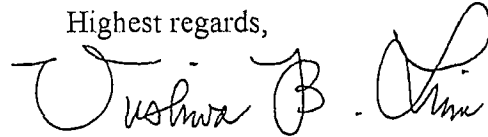
*Application of Virginia Electric and Power Company
For approval and certification of electric transmission facilities:
Haymarket 230 kV Double Circuit Transmission Line and 230-34.5 kV Haymarket Substation
Case No. PUE-2015-00107*

Dear Mr. Peck:

Enclosed please find for electronic filing in the above-captioned proceeding, Virginia Electric and Power Company's *Response to Motion for Expedited Consideration and Extension of Time*.

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

Highest regards,


Vishwa B. Link

Enc.

cc: Hon. Glenn P. Richardson, Hearing Examiner
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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

APPLICATION OF)	
)	
VIRGINIA ELECTRIC AND POWER COMPANY)	Case No. PUE-2015-00107
)	
For approval and certification of electric)	
transmission facilities: Haymarket 230 kV)	
Double Circuit Transmission Line and)	
230-34.5 kV Haymarket Substation)	

VIRGINIA ELECTRIC AND POWER COMPANY'S
RESPONSE TO MOTION FOR EXPEDITED CONSIDERATION
AND EXTENSION OF TIME

Pursuant to the State Corporation Commission of Virginia's ("Commission") August 24, 2017 Order Granting Expedited Consideration, Virginia Electric and Power Company ("Dominion Energy Virginia" or "Company"), by counsel, hereby provides the following response to the Motion for Expedited Consideration and Extension of Time filed by the Coalition to Protect Prince William County (the "Coalition") on August 21, 2017 ("Motion for Extension"). Dominion Energy Virginia respectfully requests the Commission deny the Motion for Extension, and states as follows:

Background

1. On November 6, 2015, the Company filed an application ("Application") with the Commission for a certificate of public convenience and necessity ("CPCN") for the proposed Haymarket 230 kilovolt ("kV") double circuit transmission line and 230-34.5 kV Haymarket Substation pursuant to Va. § 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 on the converted Line #124 approximately 0.5 mile north of the Company's existing Gainesville Substation 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. On April 6, 2017, the Commission entered its Interim Order, which, among other things, found that the public convenience and necessity require the Company to construct the Haymarket Project and that a CPCN should be issued authorizing the Project.¹ The Commission found that the Project is needed,² and that, with respect to routing, "both the Railroad Route and the Carver Road Route meet the statutory criteria in this case."³ Because the Railroad Route was not constructible without approval from Prince William County, the Commission directed the Company to seek authorization for the necessary easement on that route.⁴

3. On June 5, 2017, the Company filed its Update to the Commission notifying the Commission that construction of the Railroad Route was not feasible due to the legal inability to procure the necessary rights-of-way. On June 23, 2017, the Commission entered its Final Order wherein the Commission restated "that the proposed Project is needed,"⁵ and it "approve[d] construction and operation of the proposed Project along the Carver Road Route."⁶

4. On July 12, 2017, the Coalition filed a Motion for Rehearing or Reconsideration

¹ Interim Order at 7.

² *Id.* at 10.

³ *Id.* at 11.

⁴ *Id.* at 14-15.

⁵ Final Order at 3.

⁶ *Id.* at 3-4.

of the Commission's Final Order ("Motion for Rehearing or Reconsideration").⁷ The Coalition's "Motion"⁸ for Rehearing or Reconsideration was brought on two grounds. Specifically, the Coalition alleged:

(1) the Customer has introduced new evidence that challenges the "need" that serves as the basis of Dominion's application; and,

(2) the [Commission's] Order contravenes Virginia statutory and constitutional law to the extent it authorizes the taking of private property when the Commission has found that the "need" for the Transmission Line is driven by a single retail customer.⁹

5. On August 16, 2017, the Company filed its Response to Petitions for Rehearing or Reconsideration ("Response")¹⁰ and demonstrated, as it related to need for the Haymarket Project, that: (i) the need for the Haymarket Project has been established in the record and, other than timing based on delays in permitting, that need has not diminished since the evidentiary hearing; (ii) the data center campus in Prince William County, Virginia is continuing to be developed and will result in large block load additions, which the Company cannot serve without a new transmission solution; and, (iii) additional new development in the area has been approved and announced, which further reinforces the need for – and benefits of – this Project.¹¹

Argument

6. In its Motion for Extension, the Coalition argues that the Company's Response

⁷ Somerset Crossing Homeowners Association also separately filed a Petition for Rehearing or Reconsideration ("Somerset Petition for Rehearing or Reconsideration").

⁸ Since the Motion for Rehearing or Reconsideration was filed pursuant to 5 VAC 5-20-220, it can be considered to be a Petition for Rehearing or Reconsideration.

⁹ Motion for Rehearing or Reconsideration at 2.

¹⁰ To the extent additional claims were raised by Somerset Crossing Homeowners Association, the Company also responded to claims raised by the Somerset Petition for Rehearing or Reconsideration.

¹¹ Dominion Energy Virginia Response at 6-20. The Company further explained that beyond need, all other arguments raised in the Petitions are substantially the same as those made during the case. All of those issues were briefed fully, subject to recommendations by the Hearing Examiner, and addressed and decided by the Commission. *Id.* at 23-26.

“included new information attempting to rebut the Coalition’s position that there is not and may not be any additional load requirements.”¹² In particular, the Coalition points to the introduction of the affidavit of Harrison S. Potter (“Potter Affidavit”),¹³ which stated “that the current circuits are near capacity and that new facilities and equipment are necessary.”¹⁴ The Coalition argues, *“It is this new information the Coalition seeks to rebut, and can only do so with expert assistance.”*¹⁵

7. The Coalition is incorrect that this is new information.

8. The Company’s Application included a detailed description of the current electric facilities in the Haymarket Load Area, including the three distribution circuits discussed in the Potter Affidavit.¹⁶ Indeed, the Company – as of November 6, 2015 – stated,

The Company’s distribution network to the Customer’s site will consist of three 34.5 kV distribution circuits (Gainesville DC #378, #379, and #695). . .

These three circuits represent the full extent of load that the Company’s distribution network will be able to serve until the proposed Haymarket Substation is energized. Gainesville DC #379 and #695 are rated for 36 MVA and Gainesville DC #378 is rated for 54 MVA (for a total of 126 MVA) with differing amounts of load currently served by each circuit. Due to the amount of load identified by the Customer and the line mileage from the Company’s existing Gainesville Substation, prudent utility practice would prevent building additional distribution circuits to feed the Customer long-term. . . .

As load in the Haymarket Load Area increases in tandem with the Customer’s requested load ramp schedule, overloads are projected to occur in summer (commencing June 1) 2017. The Customer has requested service for 101 MVA by summer 2017, and with only

¹² Motion for Extension at ¶2.

¹³ Response at Attachment 4.

¹⁴ Motion for Extension at ¶3.

¹⁵ *Id.* (emphasis added).

¹⁶ Ex. 3 (Appendix) at 9-10.

48.9 MVA available on distribution circuits, the Company has worked with the Customer to adjust the original ramp schedule mentioned in Section I.A.¹⁷

The Company's Application provides detailed historical and projected loads for the three distribution circuits in the Haymarket Load Area, with and without load growth from the Customer.¹⁸

9. Company Witness Potter further addressed these issues in his Rebuttal testimony.¹⁹ Indeed, Mr. Potter expressly testified that "*existing distribution infrastructure is not adequate to serve a block load of this magnitude from the Company's existing Gainesville distribution Substation.*"²⁰

10. What is more, Commission Staff ("Staff") investigated this exact issue – the then-existing load on the existing distribution circuits. Staff Witness Neil Joshipura testified that "Staff agrees with the Company that a distribution solution is not feasible due to the large amount of load projected to be supplied to the Customer. Accordingly, the Staff agrees that transmission facilities are required, and thus, the Project is needed."²¹ The Hearing Examiner expressly evaluated this issue and found:

After reviewing the record in this case, I find that a new transmission line is needed for Dominion [Energy Virginia] to meet its statutory duty to provide reasonably adequate service at reasonable and just rates to all of its customers in the Haymarket load area, including the Customer's new data center. *The evidence introduced in this case reveals that there are three distribution circuits currently serving the area; namely, distribution circuits #378, #379, and #695. Further, Dominion [Energy Virginia]'s existing distribution circuits do not have sufficient capacity to*

¹⁷ *Id.* Further adjustment has occurred due to the already extended timing for this proceeding.

¹⁸ *Id.* at Attachments I.B.1 and I.B.2.

¹⁹ Ex. 39 (Potter Rebuttal) at 2-4.

²⁰ *Id.* at 6 (emphasis added).

²¹ Ex. 19 (Joshipura) at 6.

*serve the aggregate load of the Customer's new data center, existing customers, and future projected load growth.*²²

And the Commission implicitly affirmed this finding when it found that the “proposed Project is needed....[and] will permit the Company to maintain reliable electric service to its other customers and support overall growth in the area.”²³

11. Because almost two years has passed since the Company filed the Application, the Company included the Potter Affidavit to serve as an update to the *existing and current* load on the Haymarket Load Area distribution circuits, and then, only to the extent the Commission “is inclined to consider information outside the evidentiary record in consideration of these Petitions.”²⁴ The information provided in the Potter Affidavit continues to show that the circuits are near capacity, having become *more* loaded over the intervening time (just as the Company forecasted in the case, and the Hearing Examiner found).²⁵ Nevertheless, the record amply demonstrates “that the current circuits are near capacity and that new facilities and equipment are necessary,”²⁶ and incorporation of the Potter Affidavit is not necessary to the Commission’s full and fair deliberations regarding the Coalition’s Motion for Rehearing or Reconsideration.²⁷

12. Indeed, loading on the existing distribution circuits was not even raised by the

²² Report of Glenn P. Richardson, Hearing Examiner (Nov. 15, 2016) at 63 (emphasis added).

²³ Interim Order at 10; *See also* Final Order at 3.

²⁴ Response at p. 15-16.

²⁵ Hearing Examiner’s Report at 63-65.

²⁶ Motion for Extension at ¶3. *See* Ex. 3 (Appendix) at 9-10, Attachments I.B.1 and I.B.2; Ex. 39 (Potter Rebuttal) at 2-4, 6; Ex. 19 (Joshipura) at 6; Hearing Examiner’s Report at 63; Interim Order at 10; Final Order at 3.

²⁷ For this reason, the Company’s Response to the Petitions for Rehearing or Reconsideration discusses the record evidence on the issue of need and then states, “If the Commission is inclined to consider information outside the evidentiary record in consideration of these Petitions, the Company offers the Affidavit of Harrison S. Potter, included herewith as Attachment 4, which speaks to developments in the Haymarket Load Area that have transpired since the close of the evidentiary record.” Response to Petitions for Rehearing or Reconsideration at 15-16. However, if the choice is to consider the Potter Affidavit in its deliberation of the Motion or a delay in the proceeding and potential re-opening the discovery process, the Company’s preference would be for the Commission to disregard the Potter Affidavit.

Coalition as a grounds for its Motion for Rehearing or Reconsideration. The Coalition itself states, with regard to need, that it “filed its Motion for Rehearing or Reconsideration on the grounds that Dominion [Energy Virginia]’s customer admitted that its block load electric services requirement does not currently exist and may not exist in the future.”²⁸ The Coalition did not raise the loading on the existing distribution circuits as a grounds for its Motion for Rehearing or Reconsideration. Therefore, it is improper for the Coalition to now claim that it must hire an expert to examine and “provide input to the Coalition” on “the percentage of use of the existing circuits servicing the area.”²⁹

13. The Coalition should not be allowed now to expand the grounds of its Motion for Rehearing or Reconsideration to include the loading on the existing distribution circuits. They have made no showing as to why their Motion should be expanded to include a new count, nor do they even assert that they are trying to add a new count for reconsideration. As the movant, the Coalition has the burden of proof with regard to the counts made in their Motion. By asking for an additional 60 days to file a reply and to retain an expert on a new count not found in their Motion for Rehearing or Reconsideration, the Coalition has essentially admitted that its original count set forth in the Motion – that the Customer need has not materialized and has gone away – has not turned out to be true, and they are seeking other grounds for delay of the proceeding and as a means to urge Commission reconsideration. In addition to being improper, filing new reasons to support a petition for rehearing at this date is well out of time under the Commission’s rules, and the Coalition has not shown good cause to ignore the Commission’s filing deadlines.³⁰

²⁸ Motion for Extension at ¶1; *see also* Motion for Rehearing or Reconsideration at 2.

²⁹ Motion for Extension at ¶6. The Company also questions how this new “expert” would test the veracity of such statements without entirely re-opening the case to allow for discovery. The Company strenuously objects to any requests to re-open the record to allow for additional discovery.

³⁰ 5 VAC 5-20-220 (petitions for rehearing must be filed within 20 days of a Commission final order).

14. The ability to serve existing and projected load with existing infrastructure (*i.e.*, whether the proposed transmission and distribution facilities were needed) was a threshold issue in the case on which evidence was put forth,³¹ investigated by Staff,³² evaluated by the Hearing Examiner,³³ and decided upon by the Commission.³⁴ Notably, in its post-hearing brief, the Coalition expressly stated, “The Coalition did not take a position regarding whether the proposed transmission and distribution facilities are needed to reliably serve the Customer.”³⁵ The Coalition should not be permitted to now take a position and add a new count to its Motion for Rehearing or Reconsideration and seek an extension to hire an expert as a means to further delay the effectiveness of a Final Order in this proceeding.

Conclusion

WHEREFORE, for the reasons stated herein, Dominion Energy Virginia respectfully requests the Commission (i) deny the Motion for Extension; and, (ii) grant any such other relief as deemed necessary and appropriate.

³¹ Ex. 3 (Appendix) at 9-10, Attachments I.B.1 and I.B.2; Ex. 39 (Potter Rebuttal) at 2-4, 6.

³² Ex. 19 (Joshiyura) at 6.

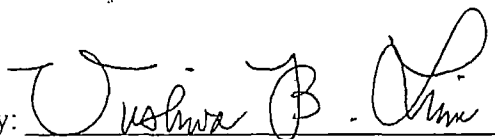
³³ Hearing Examiner’s Report at 63.

³⁴ Interim Order at 10; Final Order at 3.

³⁵ Coalition Post-Hearing Brief (Aug. 5, 2016) at 6.

Respectfully submitted,

VIRGINIA ELECTRIC AND POWER COMPANY

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Counsel for Virginia Electric and Power Company

August 30, 2017

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of August 2017, a true and accurate copy of the foregoing filed in Case No. PUE-2015-00107 was delivered via electronic mail and hand-delivered or mailed first class, postage pre-paid, to the following:

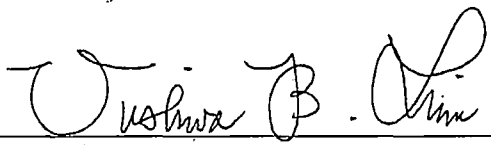
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