

part 7

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

\*\*\*\*\*  
APPLICATION OF CASE NO. PUE-2015-00107  
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and Certification  
of Electric Facilities Haymarket  
230 kV Double Circuit Transmission  
Line and 230-34.5 kV Haymarket  
Substation  
\*\*\*\*\*

TRANSCRIPT OF PROCEEDINGS BEFORE  
THE HONORABLE GLENN P. RICHARDSON, HEARING EXAMINER

June 21, 2016  
VOLUME I  
10:00 a.m. - 5:54 p.m.  
Richmond, Virginia

REPORTED BY: SCOTT D. GREGG, RPR

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11  
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1 APPEARANCES:

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15					15	today's evidentiary hearing.			
16					16	We're here today to receive evidence on			
17	EXHIBITS				17	an application filed by Dominion Virginia Power on			
18	No.	Marked for ID		Rec'd	18	November 6th of 2015. The application requests			
19	1	42		42	19	authority to construct and operate new electric			
20	2	56		56	20	facilities in Prince William and Loudoun Counties and			
21	3	56		56	21	the Town of Haymarket, Virginia. Specifically, the			
22	4	107		108	22	application requests the Commission to approve three			
23	5	110		110	23	separate upgrades to Virginia Power's existing system.			
24	6	118		118	24	First, the Company requests authority to			
25	7	120		120	25	convert its existing Gainesville-Loudoun transmission			

Line Number 124, located in Prince William and Loudoun Counties from 115 kilovolt operation to 230 kilovolt operation.

Next, the Company requests authority to construct a new 230 kilovolt double circuit transmission line approximately 5.1 miles in length in Prince William County and Haymarket, Virginia. The proposed transmission line will run from a tap point on the Company's Gainesville-Loudoun transmission Line Number 124 to a new Haymarket Substation in Prince William County.

Finally, the Company requests authority to construct a new substation in Prince William County on land to be owned by the Company.

In the Company's applications, these proposals are referred to collectively as the Company's proposed I-66 overhead route.

The Company's application also contains four alternative routes for the Commission's consideration. These routes are described in the Company's application as the Carver Road alternative road, the Madison alternative route, the I-66 hybrid alternative route, and finally the railroad alternative route.

A detailed description of these various

routes as well as the proposed route can be found in the Company's application.

On December 11th of 2015, the Commission entered an order for notice and hearing that docketed the application, assigned the case to a hearing examiner for all further proceedings, and established a procedural schedule in this case.

Pursuant to the Commission's scheduling order, we have had several local hearings in Northern Virginia, we had a local hearing on February 24th in Prince William County, and also on March 14th in Prince William County.

In addition, pursuant to a ruling dated February 8th of 2016, I scheduled an additional local hearing that was conducted on May 2nd of 2016.

Also, pursuant to a ruling dated March 21st, 2016, the evidentiary hearing was continued until today in order to give Heritage and Somerset additional time to investigate the application and prefile their testimony.

Now, what I would like to do first is hear from public witnesses, and then I will entertain opening statements from counsel.

I have before me this morning -- I believe it's four pink appearance forms from public

witnesses.

If there's anyone else in the courtroom who would like to testify as a public witness, please obtain one of these pink forms from our Commission's bailiff, Ms. Bell; pass it to her and we will receive your testimony.

The first person I have is Troy Murphy.

TROY MURPHY, called as a witness, having been first duly sworn, was examined and testified as follows:

THE HEARING EXAMINER: Mr. Murphy, state your name for the record.

THE WITNESS: My name is Troy Murphy, with the public policy manager at the Northern Virginia Technology Council.

THE HEARING EXAMINER: Thank you. Do you have a statement you'd like to make?

THE WITNESS: I do. Good morning. I'm Troy Murphy. I'm here on behalf of the Northern Virginia Technology Council, a regional trade association representing nearly 1,000 member companies and organizations to register our strong concern with the State Corporation Commission's Staff report regarding proposed -- to register our strong concern with the State Corporation Commission's Staff report

regarding a proposed Dominion Virginia Power transmission project in the Haymarket area of Prince William County.

This report potentially could result in a precedent where data center customers incur the costs of undergrounding for aesthetic reasons electronic -- electric transmission lines that would serve new data center infrastructure and operations in Virginia, as well as help maintain overall service reliability for customers in the region.

We are concerned that should this recommendation be implemented, Virginia would very quickly lose its competitiveness in attracting new data center jobs and investment and see impairment to its pro business preparation.

Earlier this year, NVTC released a research report, the economic and fiscal contribution that data centers make to Virginia which indicates that data centers in Virginia have a large overall economic impact. In 2014, the total statewide economic impact attributable to the data center industry was approximately 36,000 jobs, 2.7 billion in wages, 8.6 billion in economic output, and 298.9 million in state and local tax revenue.

The report shows that the sector is

<p style="text-align: right;">Page 13</p> <p>1 broadly represented in many regions of the</p> <p>2 Commonwealth and has wide-ranging economic development</p> <p>3 potential.</p> <p>4 Since 2009, economic development</p> <p>5 announcements by the Virginia Economic Development</p> <p>6 Partnership and data processing hosting and related</p> <p>7 services have averaged 1.3 billion per year and</p> <p>8 reached a high of two billion in 2014.</p> <p>9 Overall, the sector represented</p> <p>10 31.5 percent of total statewide investment announced</p> <p>11 in 2012, 44.4 percent of announced investment in 2013,</p> <p>12 and 47.2 percent in 2014.</p> <p>13 Northern Virginia is home to the largest</p> <p>14 concentration of private sector data center employment</p> <p>15 and locations in Virginia and one of the largest in</p> <p>16 the US. Virginia State and local governments have</p> <p>17 targeted data centers for economic development</p> <p>18 purposes over the past several years. In fact,</p> <p>19 Virginia has maintained a sales tax exemption for</p> <p>20 qualified data centers since 2009, and subsequently</p> <p>21 strengthened it to ensure the Commonwealth is</p> <p>22 competitive in landing data center jobs and</p> <p>23 investment.</p> <p>24 NVTC is very concerned about the</p> <p>25 potential impact of a decision by the SCC establishing</p>	<p style="text-align: right;">Page 15</p> <p>1 THE HEARING EXAMINER: Any questions of</p> <p>2 counsel?</p> <p>3 MS. LINK: No questions.</p> <p>4 MR. CHAMBLISS: Yes, I have a question,</p> <p>5 Your Honor.</p> <p>6 THE HEARING EXAMINER: All right,</p> <p>7 Mr. Chambliss. Please give us your name and who you</p> <p>8 represent for the record.</p> <p>9 MR. CHAMBLISS: I'm William Chambliss;</p> <p>10 I'm the general counsel of the Virginia State</p> <p>11 Corporation Commission.</p> <p>12 CROSS-EXAMINATION</p> <p>13 BY MR. CHAMBLISS:</p> <p>14 Q. Mr. Murphy, where do you reside?</p> <p>15 A. I reside in northern Virginia,</p> <p>16 Alexandria.</p> <p>17 Q. So the construction of the line at issue</p> <p>18 here would not personally impact where you live; is</p> <p>19 that correct?</p> <p>20 A. Not me personally, no.</p> <p>21 Q. All right. Now, you're expressing the</p> <p>22 view of the Northern Virginia Technology Council?</p> <p>23 A. I am.</p> <p>24 Q. Does the Northern Virginia Technology</p> <p>25 Council have a position about maintaining the scenic</p>
<p style="text-align: right;">Page 14</p> <p>1 a precedent where data centers locating or expanding</p> <p>2 in Virginia would be required to bear the cost of</p> <p>3 undergrounding for aesthetic reasons electric</p> <p>4 transmission infrastructure required to serve both a</p> <p>5 facility and to improve reliability in the surrounding</p> <p>6 area.</p> <p>7 There's a tremendous competition between</p> <p>8 jurisdictions for data center investment and jobs. As</p> <p>9 a capital-intensive industry, data centers employ a</p> <p>10 site-selection process that is very sensitive to costs</p> <p>11 associated with building out facilities in various</p> <p>12 potential jurisdictions.</p> <p>13 We believe that a decision by the</p> <p>14 Commission requiring data centers to bear the cost of</p> <p>15 undergrounding electric transmission infrastructure in</p> <p>16 addition to the other significant costs associated</p> <p>17 with building out a data center facility will greatly</p> <p>18 hinder Virginia's competitiveness and seeking</p> <p>19 additional data center investment and expansion across</p> <p>20 the Commonwealth.</p> <p>21 We urge the Commission to be mindful of</p> <p>22 our state's business reputation and the many economic</p> <p>23 advantages of data centers as you consider the Staff</p> <p>24 report in this matter.</p> <p>25 Thank you.</p>	<p style="text-align: right;">Page 16</p> <p>1 and historic assets of the Commonwealth?</p> <p>2 A. We do not have a position on that. I</p> <p>3 want to just be clear, I'm here speaking on behalf of</p> <p>4 our president and CEO, Bobbie Kilberg, and not a</p> <p>5 subject-matter expert on this area.</p> <p>6 MR. CHAMBLISS: Okay. That's all the</p> <p>7 questions I have.</p> <p>8 THE HEARING EXAMINER: All right. Thank</p> <p>9 you very much, Mr. Murphy. You may stand down.</p> <p>10 Ryan Dunn.</p> <p>11 RYAN DUNN, called as a witness, having</p> <p>12 been first duly sworn, was examined and testified as</p> <p>13 follows:</p> <p>14 THE HEARING EXAMINER: Mr. Dunn, for the</p> <p>15 record, please give us your full name and address.</p> <p>16 THE WITNESS: Sure. Ryan Dunn, with the</p> <p>17 Virginia Chamber of Commerce. Address is 472 Three</p> <p>18 Chopt Road, Manakin-Sabot, Virginia.</p> <p>19 THE HEARING EXAMINER: All right. You</p> <p>20 have a statement?</p> <p>21 THE WITNESS: Yes, sir, I have actually a</p> <p>22 couple of statements; one from the Virginia Chamber,</p> <p>23 and I have a couple other letters I'd like to just</p> <p>24 reference.</p> <p>25 Letter here is from the president and CEO</p>

4 (Pages 13 to 16)

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1 of the Virginia Chamber of Commerce, Barry DuVal, in  
2 reference to the Dominion Power's proposed Haymarket  
3 transmission line and substation. My comments are not  
4 about the project itself, but more about the potential  
5 unintended consequences that could result from the SCC  
6 Staff's project report if the implicit reasoning  
7 behind it were adopted.

8 Virginia has consistently been ranked one  
9 of the best states to conduct business. The  
10 Commonwealth has many strong attributes that attract  
11 and retain business in a global marketplace. One of  
12 our key selling points has always been our positive  
13 business and regulatory climate. However, the  
14 Virginia Chamber is concerned that the Staff's project  
15 report recommendation will discourage businesses from  
16 locating or expanding in Virginia by making it more  
17 difficult for a proposed expansion to get electricity  
18 service it needs to operate.

19 The Virginia Chamber does not presume to  
20 get into the details of which route to select or  
21 specific technologies that should be employed. In an  
22 economically competitive marketplace, we're very  
23 concerned about all perceived regulatory hurdles that  
24 would discourage business from operating in Virginia.  
25 Regulatory barriers to business sites, locations will

1 make Virginia less attractive to businesses and will  
2 place our economic development programs at a distinct  
3 disadvantage.

4 In short, a welcoming pro business  
5 climate is our state's key attribute. Please do all  
6 that you can to maintain this vital selling point.

7 Thank you for your consideration of my  
8 comments. On behalf of the Virginia Chamber and your  
9 public service, sincerely, Barry DuVal, president and  
10 CEO of the Virginia Chamber.

11 We also received a letter at the Chamber  
12 of Commerce addressed to Barry DuVal from Delegate  
13 Terry Kilgore. And I wanted to just read a few of his  
14 comments as it relates to the matter. And he wasn't  
15 able to be here.

16 During my years in the House of  
17 Delegates, I've worked consistently to promote the  
18 Commonwealth's economic development and enact policies  
19 that would make Virginia and especially its rural  
20 regions, such as the one I represent, attractive for  
21 new businesses. However, I'm concerned about the  
22 arguments being used against Virginia Dominion Power's  
23 proposal to build a transmission line and substation  
24 to serve a major data center in Prince William. These  
25 concerns go on to say, first, the demand that the

1 Commission should reject the project or treat it  
2 differently simply because its main driver is a single  
3 large customer wrongly dismisses its benefits to the  
4 greater community and would set a terrible precedent  
5 for the Commonwealth. The argument ignores the fact  
6 that the new electric transmission facilities would  
7 serve the area surrounding the data center.

8 Secondly, another issue raised by  
9 Delegate Kilgore, I'm concerned about demands that the  
10 new data center or other new job-creating businesses,  
11 for that matter, be forced to cover a significant  
12 portion of an electric transmission's project; this  
13 would set another bad precedent.

14 Finally, his third point, I'm troubled by  
15 the demands that at least part of the project be  
16 placed underground. The Commission Staff --  
17 Commission's Staff in their report on the proposal  
18 noted that the partial underground placement would  
19 more than triple the cost of the project, raising it  
20 from 51 million to almost \$167 million. We have to do  
21 everything we can to keep the price of electricity  
22 reasonable in the Commonwealth.

23 In conclusion, Delegate Kilgore goes on  
24 to say, I have confidence that the Commission will do  
25 the right thing and take the proper action. And I

1 urge the Commission to approve the proposed route.  
2 However, I thought I had to share with you my concern  
3 about some of the unreasonable arguments being made in  
4 this case.

5 Our state's rural localities are in many  
6 cases desperate for new investment and new jobs. I  
7 believe the policies being advocated by the opponents  
8 of this project would be a severe blow to bringing new  
9 economic opportunities and the prospect of a better  
10 life to the men and women of these communities.

11 Sincerely, Delegate Terry Kilgore, member  
12 of the Virginia House of Delegates, First District.

13 Your Honor, I have a few more letters  
14 I'll just submit. One is from the Prince William  
15 Chamber. We also have letters that have been  
16 submitted from the Loudoun County Chamber of Commerce;  
17 the Dulles Regional Chamber; the Mount Vernon Lee  
18 Chamber of Commerce; the Northern Virginia Chamber of  
19 Commerce, who is with us today; and the Prince William  
20 Chamber of Commerce. And I have the Prince William  
21 Chamber's letter to be submitted as well.

22 THE HEARING EXAMINER: All right. If you  
23 would hand those to the Commission's bailiff, we'll go  
24 ahead and pass them to the file.

25 THE WITNESS: That concludes my comments,

<p style="text-align: right;">Page 21</p> <p>1 sir.</p> <p>2 THE HEARING EXAMINER: All right. Any</p> <p>3 questions of Mr. Dunn?</p> <p>4 MR. CHAMBLISS: Yes, I do, Your Honor.</p> <p>5 CROSS-EXAMINATION</p> <p>6 BY MR. CHAMBLISS:</p> <p>7 Q. Mr. Dunn, you are employed by the</p> <p>8 Virginia Chamber of Commerce; is that right?</p> <p>9 A. Yes, sir.</p> <p>10 Q. And you read a letter from Barry DuVal;</p> <p>11 and he is the president of the Virginia Chamber?</p> <p>12 A. Yes, sir.</p> <p>13 Q. So he's your boss?</p> <p>14 A. Correct.</p> <p>15 Q. All right. And in that letter, he</p> <p>16 expressed concerns about a recommendation in the</p> <p>17 Virginia Staff's report; is that right?</p> <p>18 A. I just submitted the letter, but, yes, I</p> <p>19 believe that's correct.</p> <p>20 MR. CHAMBLISS: Do you want to hand the</p> <p>21 letter back to him.</p> <p>22 THE WITNESS: Thank you.</p> <p>23 BY MR. CHAMBLISS:</p> <p>24 Q. Take a look at that letter because as I</p> <p>25 heard you read it, I heard something about a Virginia</p>	<p style="text-align: right;">Page 23</p> <p>1 exhibit or whatever your preference is.</p> <p>2 THE HEARING EXAMINER: I won't mark</p> <p>3 public comments as exhibits because we don't have</p> <p>4 anybody here to cross-examine the authors of those</p> <p>5 letters. According to the customary practice of the</p> <p>6 Commission, I'll just treat them as written comments,</p> <p>7 submit them to the file.</p> <p>8 MS. LINK: Thank you.</p> <p>9 MR. REISINGER: Your Honor, I'd like to</p> <p>10 ask one question of the witness.</p> <p>11 THE HEARING EXAMINER: All right, sir.</p> <p>12 Please identify yourself and who you are representing.</p> <p>13 CROSS-EXAMINATION</p> <p>14 BY MR. REISINGER:</p> <p>15 Q. Good morning, Mr. Dunn. I'm Will</p> <p>16 Reisinger. I represent The Coalition to Protect</p> <p>17 Prince William County in this case.</p> <p>18 And you read a letter from Delegate Terry</p> <p>19 Kilgore into the record; is that right?</p> <p>20 A. Correct.</p> <p>21 Q. Do you know, does Delegate Kilgore</p> <p>22 represent Prince William County in the General</p> <p>23 Assembly?</p> <p>24 A. He does not.</p> <p>25 Q. Do you know the senators and delegates</p>
<p style="text-align: right;">Page 22</p> <p>1 Staff report recommendation?</p> <p>2 A. Yes. The Virginia Chamber is concerned</p> <p>3 is that Staff's project report recommendation will</p> <p>4 discourage businesses from locating or expanding in</p> <p>5 Virginia by making it more difficult for a proposed</p> <p>6 expansion due to electric services it needs to</p> <p>7 operate.</p> <p>8 Q. Can you cite that recommendation as you</p> <p>9 sit there this morning where it is in the Staff's</p> <p>10 report?</p> <p>11 A. I cannot, but Barry DuVal might be able</p> <p>12 to.</p> <p>13 MR. CHAMBLISS: Okay. Well,</p> <p>14 unfortunately, Mr. DuVal is not here, so I think that</p> <p>15 concludes my questions.</p> <p>16 MS. LINK: Your Honor, just have a</p> <p>17 procedural question. Is it possible to get copies of</p> <p>18 those letters? We can get it from the bailiff.</p> <p>19 THE HEARING EXAMINER: Yes. I'll ask the</p> <p>20 bailiff to run copies for counsel of the parties, yes.</p> <p>21 MS. LINK: Thank you.</p> <p>22 MR. CHAMBLISS: Yes, thank you.</p> <p>23 MS. LINK: It might be appropriate -- I</p> <p>24 don't know if they have been submitted through the</p> <p>25 website, but it might be appropriate to mark it as an</p>	<p style="text-align: right;">Page 24</p> <p>1 who do represent Prince William County?</p> <p>2 A. I know some of them, probably not all of</p> <p>3 them.</p> <p>4 Q. Okay. Are you aware that the delegates</p> <p>5 and senators who do represent Prince William County in</p> <p>6 the General Assembly have filed a letter with the</p> <p>7 Commission stating their opinion that the customer</p> <p>8 should bear some portion of the cost of this project?</p> <p>9 A. I'm unaware that all of them have done</p> <p>10 that from Prince William.</p> <p>11 MR. REISINGER: Okay. Thank you.</p> <p>12 THE HEARING EXAMINER: Any further</p> <p>13 questions?</p> <p>14 All right. Mr. Dunn, thank you very much</p> <p>15 for your testimony.</p> <p>16 THE WITNESS: Thank you.</p> <p>17 THE HEARING EXAMINER: Peter Cooper.</p> <p>18 PETER COOPER, called as a witness, having</p> <p>19 been first duly sworn, was examined and testified as</p> <p>20 follows:</p> <p>21 THE HEARING EXAMINER: Mr. Cooper, for</p> <p>22 the record, please give me your full name and address.</p> <p>23 THE WITNESS: My name is Peter Cooper. I</p> <p>24 am a consultant to the owner of a specific property</p> <p>25 that's impacted by this project. I reside in the</p>

6 (Pages 21 to 24)

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1 State of Vermont, in 122 West Road, Manchester,  
2 Vermont, but I have an office in Washington, DC, which  
3 is 3630 Highwood Drive, Southeast, Washington, DC.

4 THE HEARING EXAMINER: All right, sir,  
5 you may proceed.

6 THE WITNESS: Your Honor, I'm here to  
7 offer some comments about a specific variation, and  
8 that would be what I think is commonly known as the  
9 Wal-Mart variation.

10 I recently found this out, I think it  
11 was, Thursday or Friday that this variation was  
12 getting legs, as I think was represented --

13 THE HEARING EXAMINER: Before you get to  
14 that, who do you represent?

15 THE WITNESS: Well, I represent the  
16 landowner, the Cloverleaf Trust, which owns a  
17 authority on Route 55, adjacent to the Wal-Mart  
18 property, and it is commonly known as the LJ Clavelli  
19 property because LJ Clavelli is the trustee.

20 THE HEARING EXAMINER: Where is the  
21 property located in relation to the Wal-Mart? North,  
22 south, east, or west?

23 THE WITNESS: The property immediately to  
24 the west.

25 THE HEARING EXAMINER: Immediately to the

1 impact the property.

2 THE HEARING EXAMINER: Maybe I can help  
3 you out.

4 Debbie, can you put this on the overhead.

5 We'll put this on the overhead. That big  
6 held building right in the center I believe is the  
7 Wal-Mart?

8 THE WITNESS: That's correct. And if you  
9 follow the line of the transmission variation,  
10 transmission line variation, westward, you will note  
11 that it dives south along the Wal-Mart property and  
12 then doglegs to the west which crosses our real  
13 estate.

14 What you see is an image of raw land,  
15 with absolutely no development whatsoever. What I can  
16 show you, if I can project it on camera, is the  
17 approved development that is to take place on that  
18 site.

19 And I think that in speaking with  
20 members -- or a specific member, staff member -- I  
21 think his name is Chris Behrens, at Dominion, that  
22 there's possibly a way to route this transmission line  
23 that would avoid crossing over our property and  
24 crossing Route 55 without any, I don't think, severe  
25 cost implications, but would certainly remove the --

1 west?

2 THE WITNESS: Yes.

3 THE HEARING EXAMINER: And will it be --  
4 your property be adjacent to the transmission line or  
5 would they be right-of-way required?

6 THE WITNESS: Well, there's a  
7 right-of-way -- in this particular variation, there's  
8 a right-of-way across the southeastern-most component  
9 of this property.

10 And I think the concern is that in  
11 speaking with a staff member of Dominion Power  
12 yesterday, they were unaware that there is a  
13 substantial retail development approved for that  
14 particular site. And this existing variation would  
15 certainly severely impact that preliminary site plan  
16 approval by crossing over and having a pole positioned  
17 in what will be development property.

18 I brought with me some exhibits that  
19 reflect this site plan approval and the nature of the  
20 property. Unfortunately with such short notice, I  
21 didn't get to produce images of the Wal-Mart  
22 variation, as it does cross this development property.  
23 But I think that with the exhibits by the power  
24 company and the exhibits that I can present today,  
25 that one can deduce how that power line is going to

1 what I would consider the detrimental effect of the  
2 transmission line crossing our property and having a  
3 pole installed on our property.

4 We have a comprehensive proffer agreement  
5 with the county to do several things; widen the road;  
6 we're creating an entryway very close to where this is  
7 going to be and where that pole would be; we have  
8 what's known as an interparcel connector which is  
9 going to run essentially under that transmission line.  
10 And we're not sure where the pole is going to be that  
11 would affect that interparcel connector.

12 So in discussing with Mr. Behrens  
13 yesterday a concept where we could try to keep most of  
14 that power line on the Wal-Mart property, not cut  
15 diagonally across ours with any great significance and  
16 not have any pole on our property and then cross 55 on  
17 to the user's property and head westward to the  
18 substation.

19 I can pass these out to any of the  
20 attorneys here so that they can see what we are  
21 talking about in terms of development and how that  
22 image would impact this development.

23 So pass these out.

24 We're not averse to the concept in  
25 general. I think we're only averse to it crossing the



<p style="text-align: right;">Page 29</p> <p>1 corner of our property that is going to be a retail 2 development.</p> <p>3 THE HEARING EXAMINER: Could you point 4 out to me where the property line is for your client's 5 property? And I'm looking at the overhead and I see 6 that the Wal-Mart variation, of course, goes behind 7 the Wal-Mart and then it makes a turn that looks like 8 it goes to the southwest, and then it turns and goes 9 towards the west-northwest, and then comes south.</p> <p>10 Where in relation is your property?</p> <p>11 THE WITNESS: This property is the 12 property line for the Wal-Mart property and our 13 property, which is this component over here.</p> <p>14 This transmission line will run across 15 the corner of -- southeast corner of our property, and 16 there will be a pole there and then it will go south 17 here over to the user's property.</p> <p>18 And our effort is to see that we can get 19 it to come straight across or take a short dogleg 20 where it's not going to impact the development of the 21 property, eliminate the pole on our property entirely.</p> <p>22 And in talking to Mr. Behrens, we were 23 discussing the idea of extending this pole further to 24 the south and then cutting that way if he needs to 25 take it diagonally and put the next pole over here so</p>	<p style="text-align: right;">Page 31</p> <p>1 THE WITNESS: Well, I think that it 2 concludes my comments and suggestions. And I'm 3 certainly happy to answer any questions about what 4 we're hoping to do.</p> <p>5 THE HEARING EXAMINER: So let me 6 understand your proposal. Once the line goes behind 7 Wal-Mart for the Wal-Mart variation, turns to the 8 southwest, you want to extend that southwest corridor 9 down to the area of Route 55, correct?</p> <p>10 THE WITNESS: Yes, to have a pole as 11 close to 55 as possible to carry over 55, and the 12 other pole would be there on that parcel before it 13 turns westward.</p> <p>14 THE HEARING EXAMINER: Right. But your 15 specific proposal is it goes across 55 and then it 16 goes onto FST's property, which, I believe, is 17 immediately below route --</p> <p>18 THE WITNESS: Well, there may be -- 19 again, there may be a necessity to come across our 20 corner of our property diagonally very close to the 21 boundary line, which would not really impact us too 22 severely. And this is what I was going to try to work 23 out with Mr. Behrens and his colleagues to find out 24 what we could accommodate without creating more 25 problems.</p>
<p style="text-align: right;">Page 30</p> <p>1 that it eliminates the structure --</p> <p>2 THE HEARING EXAMINER: Then you're into 3 FST's property down there.</p> <p>4 THE WITNESS: Well, this is something 5 that I'm very unfamiliar with because, as I say, I've 6 gotten involved with this just in the past week.</p> <p>7 There was a time when there was so many 8 variations, and this one was not really high on the 9 list of potential, but as I said though, it was 10 determined that it was getting legs as of last week 11 and that's why we have come here to see if we could 12 come up with some alternative. And Mr. Behrens seemed 13 to be agreeable to explore that alternative to avoid 14 this impact.</p> <p>15 THE HEARING EXAMINER: Now, I'm a little 16 confused about Mr. Behrens. Did you say he works for 17 the Commission Staff or --</p> <p>18 THE WITNESS: No, no, I'm sorry. He's 19 with Dominion Power.</p> <p>20 MS. LINK: Your Honor, he's the project 21 manager; and we have been alerted to this issue just 22 as recently as Friday afternoon.</p> <p>23 THE HEARING EXAMINER: All right. Okay. 24 All right. You may continue if you'd 25 like.</p>	<p style="text-align: right;">Page 32</p> <p>1 THE HEARING EXAMINER: So your proposal 2 is to extend that line; another proposal is to extend 3 it down to John Marshall Highway and then parallel 4 John Marshall Highway before it makes a turn to the 5 substation?</p> <p>6 THE WITNESS: If that was on -- as a 7 possibility, yes. Again, I don't have any specific 8 proposals other than the general concept of keeping 9 the pole off of the Clavelli property and to reduce 10 any impact of our developability of that site, as it's 11 been already planned.</p> <p>12 THE HEARING EXAMINER: All right. Do you 13 have anything further?</p> <p>14 THE WITNESS: No. That's all I have to 15 offer.</p> <p>16 THE HEARING EXAMINER: Any questions?</p> <p>17 MS. LINK: Your Honor, I do, just for 18 clarification.</p> <p>19 THE HEARING EXAMINER: All right. 20 Ms. Link, please identify who you are and who you 21 represent. I know who you represent but the record 22 doesn't.</p> <p>23 MS. LINK: May I approach the podium?</p> <p>24 THE HEARING EXAMINER: Absolutely.</p> <p>25 CROSS-EXAMINATION</p>

1 BY MS. LINK:

2 Q. Good morning, Mr. Cooper.

3 A. Good morning.

4 Q. My name is Vishwa Link, and I represent  
5 Dominion Virginia Power in this proceeding. Glad to  
6 see you made it.

7 A. Yes. I just got in this morning.

8 Q. I'm glad that the travel was safe.

9 So just to be fair, you raised this issue  
10 with the Company Friday afternoon -- or you spoke with  
11 the Company representative, Mr. Behrens, yesterday  
12 afternoon; is that correct?

13 A. I did. I was backpacking in Vermont for  
14 the entire four-day weekend from Thursday on, so  
15 nobody was getting me.

16 Q. All right. And Mr. Behrens -- and I'm  
17 using the Hearing Examiner's map that he has put up on  
18 the screen.

19 You-all talked about some options,  
20 correct?

21 A. Yes, yes.

22 Q. All right. And one option -- and your  
23 main concern is what you're calling the pole, but the  
24 angle structure that would be on the Clavelli  
25 property?

1 A. Yes.

2 Q. What are you planning to develop there?

3 A. Well, it's a full retail center. It's  
4 160,000 feet center, with -- Home Depot would be the  
5 anchor.

6 Q. 160,000 square feet?

7 A. Yeah.

8 Q. All right. And so what you are  
9 essentially looking for in this situation is an option  
10 that would perhaps somehow span the property but not  
11 necessarily site an angle structure on the property?

12 A. Correct.

13 Q. Okay. So you're not objecting to a  
14 spanning of the property; it's more the location of an  
15 angle structure?

16 A. Yes.

17 Q. All right.

18 A. And to reduce the impact as much as  
19 possible on the developed area, whether it's parking  
20 lot or not because it is somewhat of a visual problem  
21 for a lot of folks.

22 Q. Understood. But you're not necessarily  
23 looking to just have zero impact on the Clavelli  
24 property, correct?

25 A. If it's necessary to cross a small piece

1 A. Correct.

2 Q. And looking at the development plan that  
3 you submitted --

4 A. Yes.

5 Q. -- is it fair to just roughly state that  
6 that angle structure would be sited somewhere here in  
7 a parking lot; is that correct?

8 A. Well, it would involve the parking lot.  
9 And we're not really sure how it's going to impact the  
10 small building in the southeast corner.

11 Q. This building, sir?

12 A. Southeast corner.

13 Q. Excuse me.

14 A. The other way. And there are buildings  
15 here. We really don't know where that pole is going  
16 to sit, and so there are buildings here -- well, you  
17 can't see what I'm doing, but over there in the middle  
18 of the parcel, there are two building sets that run  
19 north-south.

20 Q. These two that I'm pointing to?

21 A. Yes, that's correct.

22 Q. All right. And your concern is that an  
23 angle structure somewhere in this vicinity could  
24 impact your development plans for the small buildings  
25 in the southeast and the middle buildings here?

1 of the corner, that's fine.

2 Q. All right, sir. And you said that this  
3 substantial retail development has an approved site  
4 plan?

5 A. This is a preliminary approved site plan  
6 that exists today. That site plan is what has been  
7 approved.

8 What is transpiring now is an expansion  
9 of the floor area to accommodate Home Depot's needs,  
10 so we're going back in for a special use permit  
11 amendment to accommodate the additional 40,000 square  
12 feet that Home Depot wants for a garden center.

13 Q. Just to sum up, you're saying that the  
14 use you have approved is for 120,000 square feet?

15 A. 160-.

16 Q. 160- is current?

17 A. Yes.

18 Q. And you're going to expand it to 200,000?

19 A. It will be approximating that, yes.

20 Q. That's what the special use permit  
21 process is going through?

22 A. Yes.

23 Q. And is that ongoing?

24 A. It will be ongoing for the next  
25 several -- I'd say seven or eight months anyhow.

<p style="text-align: right;">Page 37</p> <p>1 MS. LINK: All right, sir. I don't have 2 any further questions. Thank you. 3 THE HEARING EXAMINER: I have one more 4 question. You said the Home Depot would be the anchor 5 for this particular development? 6 THE WITNESS: Yes. 7 THE HEARING EXAMINER: What is that 8 building that's located on the southeast corner, the 9 small building in the parking lot? 10 THE WITNESS: That could be a bank site, 11 it could be a food site. They typically like the 12 frontage on the major highways. 13 THE HEARING EXAMINER: All right. Okay. 14 Any further questions? 15 MS. ALEXANDER: Yes, I do have one 16 question. 17 CROSS-EXAMINATION 18 BY MS. ALEXANDER: 19 Q. I'm Wendy Alexander, and I represent FST 20 Properties, LLC in this matter. And I'd also like to 21 go up to the podium. 22 I've never done this, so I apologize if I 23 put this upside down. 24 I also just roughly drew, you know, what 25 I suspected would be the power line as it was crossing</p>	<p style="text-align: right;">Page 39</p> <p>1 just now was suggesting a straight cut over to FST -- 2 A. Well, I misspoke because I thought that 3 the -- what I'll call the Amazon property was directly 4 across, but I think the point I was really trying to 5 make was that we would minimize the impact on the 6 Clavelli property by taking the pole 51 as close as 7 possible to 55 and then crossing diagonally, if 8 necessary, across a small corner to capture the next 9 pole on the south side of 55 which would be on the 10 Amazon property. 11 Q. Okay. So based on your preliminary 12 discussions with Dominion's project manager, seem to 13 be an acceptable, possible alternative? 14 A. It was possible because it was going to 15 require Mr. Behrens talking to other people on staff 16 there at Dominion. So, no, he was not going to say, 17 oh, yeah, we can do that, but he did say he'd like to 18 explore that. 19 Q. I just wanted to correct for the record 20 that, yes, you're not advocating for a straight-across 21 reference -- 22 A. No, that was a misstatement, for sure. 23 MS. ALEXANDER: Thank you. I have no 24 further questions. 25 MS. LINK: And, Your Honor, I know we did</p>
<p style="text-align: right;">Page 38</p> <p>1 that southeast corner of your property. 2 Mr. Cooper, is it possible -- and I 3 believe Dominion's counsel, you know, kind of took 4 this tact with you as well. I mean, would it be 5 possible, to your knowledge, for a pole to be 6 coexisting within a parking lot area for your 7 development? 8 A. Well, I'd say it's atypical to have that 9 kind of structure there, but I was taking the position 10 based upon my conversations with Mr. Behrens that it 11 is possible and maybe even probable that we could take 12 care of this issue the way we discussed, whereas -- 13 they call it pole 51, which is the last pole on that 14 property, the Wal-Mart property -- to extend pole 51 15 southward; and if it had to cut the corner of the 16 Clavelli property without coming into the parking lot 17 or into any structural considerations, that that would 18 be fine with us. 19 Q. Okay. And so pole 51, best of your 20 knowledge, was located somewhere right around there? 21 A. It's the last pole on the Wal-Mart 22 parcel. 23 Q. Which is where I believe I'm pointing 24 here. 25 Again, I believe your earlier testimony</p>	<p style="text-align: right;">Page 40</p> <p>1 not want to mark the letters as an exhibit, but is it 2 appropriate to ask that this approved proffer 3 development plan be marked as an exhibit? 4 THE HEARING EXAMINER: Yes, I will mark 5 this as Exhibit 1. 6 THE WITNESS: I would present a larger 7 copy along with the proffer statement, which includes 8 all the requirements of the development of the road, 9 scenic areas, and that sort of thing which might have 10 something to do with this. 11 MS. LINK: Your Honor, maybe the entire 12 exhibit can be marked Exhibit 1 and we can get copies 13 at the break? 14 THE HEARING EXAMINER: Yes, yes. 15 MS. LINK: Thank you. And, Your Honor, 16 we can address this through the rebuttal testimony. 17 THE HEARING EXAMINER: That will be fine. 18 MS. LINK: Mr. Berkin. 19 THE HEARING EXAMINER: Mr. Chambliss. 20 MR. CHAMBLISS: I do have some further 21 questions, Your Honor. 22 THE HEARING EXAMINER: Okay. 23 CROSS-EXAMINATION 24 BY MR. CHAMBLISS: 25 Q. Just let me ask you to identify that. On</p>

1 this Exhibit I, the preapproval map, the shaded areas  
2 here all represent buildings; is that correct?

3 A. Yes --

4 Q. All right.

5 A. -- in a general layout, yes.

6 Q. And this area that I'm pointing to right  
7 now with the sort of dashed lines in it, that looks  
8 like a parking lot; is that right?

9 A. Correct.

10 Q. So these buildings that run north and  
11 south in the middle of the property, are there  
12 entrances to those property -- buildings will be  
13 facing the parking lot?

14 A. We were talking about what's known as the  
15 Town Center idea, which has perhaps come and gone, but  
16 it would be either, either way.

17 Q. Okay. So there might be --

18 A. Sidewalks.

19 Q. -- sidewalks here between these two sets  
20 of buildings?

21 A. Yeah.

22 Q. This is not an entranceway into the  
23 property then, this area right here between the two  
24 north-south buildings?

25 A. That is the entry, yeah. So it would be

1 driving down a town center.

2 Q. Counsel for FST drew an approximation of  
3 the proposed structure being right there.

4 I wondered if that would be right in  
5 front of a store?

6 A. Well, I think that if the storefront was  
7 facing the parking lot, as they customarily are, yes,  
8 it would, it would be right there.

9 Q. You have not engaged in any discussions  
10 with these property owners of these parcels on the  
11 south side of Route 55?

12 A. No, I have not.

13 MR. CHAMBLISS: All right. I think  
14 that's all the clarifying questions I have, Your  
15 Honor.

16 THE HEARING EXAMINER: Thank you.

17 Any further questions?

18 Mr. Cooper, thank you very much. You may  
19 stand down.

20 THE WITNESS: Thank you.

21 THE HEARING EXAMINER: Exhibit No. 1 will  
22 be received into the record.

23 (Exhibit No. 1 was marked and admitted  
24 into evidence.)

25 THE HEARING EXAMINER: Michael Forehand.

1 MICHAEL FOREHAND, called as a witness,  
2 having been first duly sworn, was examined and  
3 testified as follows:

4 THE HEARING EXAMINER: Good morning.  
5 Please give me your full name and address.

6 THE WITNESS: Michael Forehand, vice  
7 president of government relations, and counsel with  
8 the Northern Virginia Chamber of Commerce. The  
9 Chamber's address is 7900 West Park Drive, Suite A550,  
10 Tysons, Virginia.

11 THE HEARING EXAMINER: You may proceed.

12 THE WITNESS: Good morning. As I said,  
13 my name is Michael Forehand. I represent the Northern  
14 Virginia Chamber of Commerce. Thank you for the  
15 opportunity to express our support for Dominion  
16 Virginia Power's application for a transmission  
17 project in the Haymarket area of Prince William  
18 County.

19 The Northern Virginia Chamber represents  
20 700 member companies, with over 500,000 employees  
21 across the Northern Virginia region. We strongly  
22 believe this project will promote the continued  
23 economic growth and health of our region by making  
24 reliable and secure supplies of energy available to a  
25 major new data center and by strengthening electric

1 infrastructure in Prince William County. The new  
2 project will benefit many other customers beyond the  
3 new data center operation.

4 Northern Virginia is one of the world's  
5 great data hubs, with half of the nation's Internet  
6 traffic running through our region. Our superior  
7 infrastructure and strategic location have given our  
8 region many competitive advantages in this field.  
9 These competitive advantages, however, could be  
10 severely weakened if the Commission adopts proposals  
11 made by the opponents of the Haymarket project and  
12 included in certain elements of the Staff report.

13 These proposals, if endorsed by the  
14 Commission, would damage the Commonwealth's ability to  
15 attract new businesses, especially energy-intensive  
16 operations such as data centers. While the impact  
17 would be felt statewide, it would be particularly  
18 damaging in Northern Virginia.

19 We are concerned that some parties are  
20 urging the Commission to reject this project  
21 altogether because they assert it's designed mainly to  
22 serve a single new customer and will not in their  
23 opinion benefit the general public. The Chamber  
24 disagrees.

25 This 230 kilovolt line is intended to

<p style="text-align: right;">Page 45</p> <p>1 improve the reliability of service generally in the 2 area, as well as to accommodate a new facility by one 3 of the state's leading corporate citizens. 4 Rejection of the project would also be a 5 sharp break from precedent and a damaging blow to 6 efforts of our region and, in fact, the whole 7 Commonwealth to attract new development. 8 Businesses considering relocating to 9 Virginia have always had the assurance that they will 10 have reliable, secure access to the energy they need 11 to function. Rejection of the Haymarket project could 12 challenge the assurance that they -- and could lead to 13 many business prospects, including data centers, to 14 look elsewhere. 15 Finally, we are concerned about the 16 precedence set by demands that the new data center 17 cover a significant portion of the Haymarket's cost. 18 This situation is made even worse if the call to place 19 part of the project underground is incorporated in the 20 Commission's final order. The prospect of bearing 21 tens of millions of dollars in additional cost could 22 be a game-changer not only for this customer, but for 23 businesses and industrial prospects seeking to locate 24 in Virginia moving forward. 25 A final order with these conditions would</p>	<p style="text-align: right;">Page 47</p> <p>1 and energy infrastructure in the region as a whole on 2 this particular project. 3 Q. Do you know if Virginia Power would be 4 building it but for the new data center campus being 5 proposed? 6 A. I would not want to speak on behalf of 7 Dominion Virginia Power on that. 8 Q. I'm asking you to speak on behalf of the 9 Chamber. 10 Would the Chamber support this project if 11 there were no data center? 12 A. If it were to improve the electric 13 infrastructure in that particular region, we'd be 14 happy to. 15 MR. CHAMBLISS: Okay. Thank you. 16 THE HEARING EXAMINER: Any further 17 questions? 18 MS. ALEXANDER: I have one question. 19 CROSS-EXAMINATION 20 BY MS. ALEXANDER: 21 Q. Again, Wendy Alexander, on behalf of FST 22 Properties, LLC. 23 Does the Northern Virginia Chamber of 24 Commerce have a position on the Wal-Mart variation 25 within the application?</p>
<p style="text-align: right;">Page 46</p> <p>1 send the wrong signal to the business community at a 2 time when Northern Virginia is seeking to diversify 3 and grow its economy. Virginia law has a procedure in 4 place for allocating the costs of underground 5 transmission lines. A locality interested in pursuing 6 this path can develop a methodology to allocate those 7 cost to customers within that locality. 8 We believe that Dominion's application as 9 filed will help promote the continued economic 10 development of our region and strengthen our electric 11 infrastructure in addition to meeting the needs of a 12 new data center. 13 For these reasons, we respectfully urge 14 the Commission to approve the application as filed. 15 Thank you for the opportunity to speak with you today. 16 THE HEARING EXAMINER: Any questions? 17 Mr. Chambliss. 18 CROSS-EXAMINATION 19 BY MR. CHAMBLISS: 20 Q. Does the Northern Virginia Chamber of 21 Commerce have a position whether this project is 22 necessary in the absence of this one customer coming 23 in? 24 A. The Northern Virginia Chamber as part of 25 our energy supports improved electric infrastructure</p>	<p style="text-align: right;">Page 48</p> <p>1 A. I wouldn't want to speak to that 2 particular variation. 3 MS. ALEXANDER: Thank you. 4 THE HEARING EXAMINER: Anything else? 5 Mr. Forehand, thank you very much for 6 your testimony. 7 THE WITNESS: Thank you-all. 8 THE HEARING EXAMINER: I will ask once 9 again, is there anyone in the courtroom that desires 10 to make a statement as a public witness? 11 Let the record show there is no response. 12 And we will begin the evidentiary portion 13 of the hearing. If I can get counsel first to 14 identify themselves and who they represent, starting 15 with Ms. Link and heading towards Ms. Macgill. 16 MS. LINK: Thank you, Your Honor. Good 17 morning. I'm Vishwa Link, on behalf of Virginia 18 Electric and Power Company. I'm with the law firm of 19 McGuireWoods. Appearing with me today are my 20 associates Lisa Crabtree and Will Bushman, along with 21 in-house counsel, Charlotte McAfee. 22 THE HEARING EXAMINER: Thank you. 23 MS. ALEXANDER: Good morning, Your Honor. 24 Wendy Alexander, representing FST Properties, LLC. 25 I'm with Walsh, Colucci, Lubeley &amp; Walsh.</p>

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1 MR. COUGHLIN: My name is Michael  
2 Coughlin. I'm here on behalf of Southview 66, LLC.  
3 And I'm also with the law firm of Walsh, Colucci,  
4 Lubeley & Walsh.  
5 MS. HARDEN: Good morning. My name is  
6 Courtney Harden. I'm with the firm of Rees Broome.  
7 And I am here representing the Somerset Crossing  
8 Homeowner's Association.  
9 THE HEARING EXAMINER: Thank you.  
10 MR. REISINGER: Good morning, Your Honor.  
11 My name is William Reisinger. I'm with the law firm  
12 Green Hurlocker and here representing The Coalition to  
13 Protect Prince William County.  
14 THE HEARING EXAMINER: All right.  
15 MR. CHAMBLISS: I'm William H. Chambliss,  
16 general counsel of the Virginia State Corporation  
17 Commission. I appear on behalf of the Staff of the  
18 Commission, along with Staff counsel Andrea Macgill  
19 and Alisson Klaiber.  
20 THE HEARING EXAMINER: All right. Thank  
21 you, Mr. Chambliss.  
22 MR. CHAMBLISS: We have one more counsel  
23 in the room also, Your Honor.  
24 MR. QUINAN: Your Honor, I'm Michael  
25 Quinan. I'm with Christian & Barton. I'm here on

1 behalf of the Heritage respondents.  
2 Your Honor, the Heritage respondents  
3 advised counsel for the other parties and the  
4 Commission on Friday that it plans to withdraw and  
5 would like to withdraw from this matter. And I'm  
6 wondering if you would take that up as a preliminary  
7 matter prior to opening statements?  
8 THE HEARING EXAMINER: Why are you  
9 withdrawing, Mr. Quinan? I gave you a continuance so  
10 you can investigate the application and prefiled  
11 testimony.  
12 MR. QUINAN: Right, right. And we did  
13 prefile testimony. And I have to be a little careful  
14 here because obviously the advice I've given to my  
15 clients is protected by the attorney-client privilege.  
16 Our clients have asked for me to make several points.  
17 One is, you know, legal proceedings are  
18 expensive; and the decision to withdraw was made after  
19 reviewing the Staff's testimony and Dominion's  
20 rebuttal testimony in this case.  
21 The Heritage respondents continue to hope  
22 that the Commission will approve the I-66 hybrid  
23 route, and they believe that a strong case can be made  
24 for the hybrid route and has been made by the other  
25 parties and the Commission Staff but that their

1 testimony is not essential to that case.  
2 What the Heritage respondents had tried  
3 to accomplish in their testimony was to have the  
4 Commission look very carefully at some of the other  
5 routes and select another overhead route other than  
6 the I-66 overhead route. However, in light of the  
7 testimony that's been subsequently filed, it does not  
8 appear that any of the other overhead routes, it's  
9 reasonably likely to be approved and that's the basis  
10 for the decision to ask to withdraw at this point.  
11 THE HEARING EXAMINER: Mr. Quinan, did  
12 Christian & Barton recently obtain a client who has  
13 interests that may be adverse to Heritage?  
14 MR. QUINAN: Your Honor, I have to be  
15 very careful here about attorney-client privileges,  
16 but we've done a conflict check and we don't believe  
17 there's any conflict. And this has nothing to do with  
18 any conflict at Christian & Barton.  
19 THE HEARING EXAMINER: Well, I'll just  
20 lay it out on the line, Mr. Quinan. I have heard that  
21 your firm locates either the Company that is  
22 developing the new data center or an affiliated  
23 company; is that correct?  
24 MR. QUINAN: That my firm does?  
25 THE HEARING EXAMINER: Yes.

1 MR. QUINAN: Your Honor, I'm not  
2 personally involved, and I don't know what -- you put  
3 me in a bad position because I don't know what is  
4 within the attorney-client privilege and not within  
5 the attorney-client privilege.  
6 THE HEARING EXAMINER: Well, merely  
7 having another client is not within the  
8 attorney-client privilege because that doesn't have  
9 anything to do with the advice or an opinion or  
10 anything along those lines. I'm not asking you to  
11 tell me what your advice was to this mystery company  
12 or to Heritage.  
13 But I have to tell you, I have a concern  
14 with it because the appearances concern me if you are  
15 representing either the Company that's developing the  
16 data center or an affiliated company that represents  
17 the data center and also representing Heritage.  
18 Now, if the parties consented to that, I  
19 don't have a problem with it. But if they haven't  
20 consented to it and if this new client in some way has  
21 affected your ability to represent Heritage, it does  
22 concern me.  
23 MR. QUINAN: You're taking me by  
24 surprise, so I'm not really prepared to answer, and --  
25 except to tell you that the Heritage company's

<p style="text-align: right;">Page 53</p> <p>1 decision to withdraw is not based on anything other 2 than what I just told you.</p> <p>3 THE HEARING EXAMINER: Right. Do you 4 know whether or not Heritage knows or has consented to 5 the representation of this mystery client?</p> <p>6 MR. QUINAN: One of the reasons I'm in a 7 bad position is that I'm not the only lawyer who 8 worked on this matter, so the honest answer is I don't 9 know. I'm going to have to go talk to some of the 10 other lawyers in my office.</p> <p>11 THE HEARING EXAMINER: But your 12 representation --</p> <p>13 MR. QUINAN: My understanding is there is 14 no conflict. And I do know that the reasons why 15 Heritage has asked to withdraw in this matter are the 16 ones that I just told you.</p> <p>17 THE HEARING EXAMINER: All right. Your 18 statement has nothing to do with this new client, 19 their decision to withdraw? It was expensive, in 20 other words? It was too expensive, and they thought 21 the testimony of the other parties adequately 22 supported their position; is that your statement 23 today?</p> <p>24 MR. QUINAN: It is.</p> <p>25 THE HEARING EXAMINER: All right. Do you</p>	<p style="text-align: right;">Page 55</p> <p>1 Your Honor, it's a surprise to me. You've caught me 2 flat-footed.</p> <p>3 THE HEARING EXAMINER: I didn't mean to 4 catch you flat-footed.</p> <p>5 All right. Thank you, Mr. Quinan.</p> <p>6 MS. LINK: Your Honor, may I make a brief 7 statement in response?</p> <p>8 THE HEARING EXAMINER: Certainly.</p> <p>9 MS. LINK: We found out about the 10 withdraw late Friday afternoon as well. We initially 11 are quite concerned we extended this proceeding at the 12 request of now the respondent that has withdrawn from 13 the case and so now we've had a delay in the 14 proceeding, and, Your Honor, you've shared that.</p> <p>15 THE HEARING EXAMINER: I understand.</p> <p>16 MS. LINK: The other thing is that it 17 does appear that a lot of -- and I don't know how to 18 resolve this except through cross-examination. It 19 does appear that certain testimony might have been 20 influenced by the testimony -- the prefiled testimony 21 of the Heritage respondents, and that may have 22 influenced certain decisions or opinions expressed in 23 testimony. It's an awkward position. I've not in 24 20 years had a situation like this. In terms of the 25 mechanics of just the Company's own rebuttal where we</p>
<p style="text-align: right;">Page 54</p> <p>1 have an ethics counsel in Christian &amp; Barton?</p> <p>2 MR. QUINAN: We do.</p> <p>3 THE HEARING EXAMINER: Did you run this 4 issue by the ethics counsel?</p> <p>5 MR. QUINAN: Your Honor, I didn't take on 6 this matter. I'm here today, but I didn't open this 7 matter, so I will honestly have to talk to my partners 8 about what you're talking about.</p> <p>9 THE HEARING EXAMINER: I get the feeling 10 you're the sacrificial lamb over here this morning; 11 and maybe Mr. Monacell or Ms. Robb should be here.</p> <p>12 MR. QUINAN: Wasn't as the sacrificial 13 lamb. It's because Ms. Robb is dealing with another 14 matter and I was the one who was available to come 15 over, but --</p> <p>16 THE HEARING EXAMINER: All right. Okay. 17 Based upon your representation that it was Heritage's 18 decision and Heritage's alone, I will grant the motion 19 to withdraw the testimony.</p> <p>20 MR. QUINAN: Thank you, Your Honor.</p> <p>21 THE HEARING EXAMINER: But I have to tell 22 you -- and I want you to pass this along to your 23 colleagues -- that I don't like the looks of this. It 24 bothers me.</p> <p>25 MR. QUINAN: And I do want you to know,</p>	<p style="text-align: right;">Page 56</p> <p>1 do reference a Heritage respondent testimony will make 2 some slight corrections to address that in the record, 3 but we do have concerns about coming up to the very 4 eve of the hearing, putting forth such forceful 5 testimony about visual impacts, and then withdrawing 6 it at the last minute, and we're concerned that that 7 has influenced particularly Staff testimony in this 8 proceeding, and we'll explore that through cross.</p> <p>9 THE HEARING EXAMINER: I understand. 10 Thank you. And if my questions didn't make it 11 abundantly clear, I'm concerned as well.</p> <p>12 MS. LINK: Thank you, Your Honor.</p> <p>13 THE HEARING EXAMINER: All right. As an 14 initial matter, I'd like to go ahead and mark the 15 proof of public notice --</p> <p>16 MS. LINK: Yes, Your Honor.</p> <p>17 THE HEARING EXAMINER: -- as Exhibit 2, 18 and the application without the testimony -- just the 19 application itself as Exhibit 3.</p> <p>20 (Exhibit No. 2 was marked and admitted 21 into evidence.)</p> <p>22 (Exhibit No. 3 was marked and admitted 23 into evidence.)</p> <p>24 MS. LINK: Thank you, Your Honor. The 25 application also includes an appendix and DEQ</p>

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1 supplement. Would that also be part of Exhibit 3?

2 THE HEARING EXAMINER: I didn't think so.  
3 I thought they were sponsored by other witnesses in  
4 the case?

5 MS. LINK: They are sponsored in pieces  
6 by the other witnesses, so it might be appropriate to  
7 put the appendix and the DEQ supplement in with the  
8 application.

9 THE HEARING EXAMINER: All right. I'll  
10 do that at your request. When you get the witnesses  
11 on the stand, please get them to identify the  
12 appropriate parts of the appendix that they are  
13 sponsoring.

14 MS. LINK: Sure. It's in their prefiled  
15 direct. I have one witness who has a correction to  
16 the appendix, but we'll make that correction when he  
17 takes the stand.

18 THE HEARING EXAMINER: That's fine.  
19 Thank you.

20 It's time for opening statements. And  
21 Virginia Electric and Power Company, Ms. Link.

22 MS. LINK: Thank you, Your Honor.

23 Good morning again. For the record, my  
24 name is Vishwa Link. I'm appearing on behalf of  
25 Virginia Electric and Power Company.

1 This proceeding was initiated by the  
2 Company in November of 2015 for a certificate of  
3 public convenience and necessity, or a CPCN, to do  
4 three things. One, convert the existing 115 kilovolt  
5 Gainesville-Loudoun Line Number 124 to 230 kV  
6 operations.

7 Two, construct a new double circuit  
8 230 kV overhead line of approximately 5.1 miles from  
9 about a half mile north of the Gainesville Substation  
10 to a new Haymarket Substation.

11 And, three, construct the new Haymarket  
12 Substation.

13 The Company in its application cited  
14 three reasons for the need for the new transmission  
15 facilities. First, to support the system at  
16 transmission voltage in order for Dominion Virginia  
17 Power, or DVP, as the load-serving entity to provide  
18 distribution service to a block load retail electric  
19 service customer. For reasons of customer privacy,  
20 we'll call that "the customer" for purposes of this  
21 proceeding. That customer is located in Prince  
22 William County.

23 Second, to maintain reliable electric  
24 service to its customers to support the overall load  
25 growth in the area.

1 And, third, to comply with the mandatory  
2 North American Electric Reliability Corporation, or  
3 NERC, reliability standards for transmission  
4 facilities, and the Company's planning criteria.

5 There has been a lot of emphasis from the  
6 public witness testimony in this proceeding on what I  
7 would call the main driver for this project, and that  
8 is the customer load. From the Company's standpoint,  
9 there's an overemphasis on this point, and it appears  
10 to have clouded the main reason we are here today.  
11 That reason is the load in Prince William County has  
12 grown and is growing. As I have just noted, a driver  
13 for this case is large block load being added to the  
14 system as a result of an expansion of an existing  
15 business cited in Prince William County.

16 It is first important to remember,  
17 however, that whether one large customer is the driver  
18 to transmission expansion or whether many smaller  
19 customers are, the fact remains that the transmission  
20 expansion provides capacity and reliability to a  
21 general load area that is poised for significant  
22 future development.

23 Governor McAuliffe's website lists the  
24 economy as his first policy priority and states as a  
25 first goal, quote, promote Virginia's competitive

1 business climate, to maintain the designation as the  
2 best state for business, closed quote.

3 Nowhere is this more exemplified than in  
4 Northern Virginia and in Prince William County where  
5 this transmission project will be located.

6 According to the county's own website --  
7 and I quote -- as the second largest county in the  
8 Commonwealth of Virginia, Prince William County is a  
9 community of choice, with a strong, diverse economic  
10 base, where individuals and families choose to live,  
11 work, and play, and businesses choose to locate,  
12 closed quote.

13 In addition to presenting statistics,  
14 supporting a 55 percent increase in growth since 2000  
15 in Prince William County, in a letter submitted to  
16 this commission, the Prince William County Chamber of  
17 Commerce stated it is working towards transitioning  
18 from a bedroom community to a hub for innovative  
19 businesses.

20 The chamber credits this successful  
21 transition -- and I quote -- to favorable utility  
22 regulations, low cost of electricity, and the county's  
23 efforts to support favorable outcomes that balance the  
24 needs of both residents and industry, end quote.

25 It is, in fact, this favorable business



<p style="text-align: right;">Page 61</p> <p>1 climate that helped the Commonwealth weather the  2 recent recession and recover from the recession faster  3 than other states.</p> <p>4 There can be no question then that Prince  5 William has experienced unprecedented growth, and the  6 county itself encourages future growth. As recently  7 has May 2016, Prince William Board of Supervisors'  8 chairman, Corey Stewart, said, quote, data centers are  9 vital to our community. They provide significant  10 revenue to help offset the residential tax burden for  11 our residents, closed quote.</p> <p>12 It is uncontested that data centers have  13 contributed to the growth and will be part of the  14 county's future. An appropriate outcome in this  15 proceeding that balances public policy and interest  16 with private concerns will allow Virginia to continue  17 to be the best state for business and will allow the  18 Company to continue its reputation for providing  19 reliable energy at reasonable cost.</p> <p>20 This rapid growth is not complete. The  21 evidence will show that there are approximately five  22 million square feet of non residential development  23 slated to be added in the Company's service territory  24 within the Haymarket load area and another 3.5 million  25 square feet of non residential development in NOVEC's</p>	<p style="text-align: right;">Page 63</p> <p>1 on day one of the new Haymarket Substation being  2 energized, about 500 existing non data center  3 customers will also be served off that station.  4 Because of the shorter distance between the substation  5 and the properties to which energy is being fed, those  6 customers will experience an immediate reliability  7 benefit.</p> <p>8 Among these 500 customers is a local  9 hospital and retail center known as Haymarket Village  10 Center, in addition to existing residential customers.</p> <p>11 The evidence will show, as Mr. Potter  12 will explain, another 2,800 customers will benefit by  13 having the Haymarket Substation as their back-up  14 distribution source. In other words, these 2,800  15 customers are currently served off of the Gainesville  16 Substation. With the addition of the Haymarket  17 Substation, two automated loop schemes or restoration  18 schemes will those commercial and residential  19 customers in under two minutes during certain outage  20 scenarios.</p> <p>21 These reliability benefits will enure to  22 existing non data center customers on day one when the  23 project is energized. These benefits are uncontested  24 by any party or Staff.</p> <p>25 Company Witness Mark Gill will testify on</p>
<p style="text-align: right;">Page 62</p> <p>1 service territory. Together, that's approximately  2 8.5 million square feet of just non residential  3 development tells us that it is not a matter of if  4 additional transmission facilities will be needed in  5 the Haymarket load area, but when.</p> <p>6 Because the customer has requested  7 service for approximately 120 MVA at this location  8 over the next few years, the record will demonstrate  9 the time for additional infrastructure is now.</p> <p>10 Indeed, Staff's own analysis confirms the need and  11 also confirms that nothing short of a transmission  12 solution will solve that need.</p> <p>13 While there's been a lot of focus on the  14 driver for the transmission project, I also want to  15 briefly touch upon what the proposed transmission  16 project adds to the system once it is in place. In  17 other words, I'd like to address the second and third  18 reasons for the projects as discussed in the Company's  19 appendix, and that is to maintain reliable electric  20 service to its customers in the area for the overall  21 growth and to comply with the mandatory NERC  22 reliability standards and the Company's planning  23 criteria.</p> <p>24 As you will hear explained in the  25 rebuttal testimony of Company Witness Harrison Potter</p>	<p style="text-align: right;">Page 64</p> <p>1 rebuttal that NOVEC, the cooperative whose territory  2 surrounds the Haymarket load area, has expressed  3 interest in locating their delivery point in the  4 vicinity of the Haymarket Substation, and this is to  5 accommodate NOVEC's own load growth and resolve  6 operational issues they have between their Broad Run  7 and Evergreen Substations.</p> <p>8 In addition, there will be room to add a  9 third transformer at the Haymarket Substation to allow  10 for an approximately an additional approximately  11 eight -- excuse me -- 80 MVA of growth. What this can  12 mean for the county is that the Company will be ready  13 to serve the Haymarket load area going forward and a  14 subset of that 8.5 million square feet of future  15 development, as we discussed, comes to fruition, the  16 transmission system will be more ready to accommodate  17 the future growth than it is today.</p> <p>18 Therefore, although the block load  19 customer was the catalyst for this facility, the  20 facility will benefit the local area and the  21 transmission system immediately on day one and be  22 beneficial and, more importantly, supportive of the  23 Prince William growth in the future. It will be an  24 integrated network transmission asset.</p> <p>25 Thus far, I have focused on the need for</p>

16 (Pages 61 to 64)

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1 the project. In addition to verify the need for  
2 transmission line, which the Staff has done in this  
3 case, the Commission must also consider several  
4 factors when reviewing the Company's application.  
5 Under Code Section 56-486.1 A, the Commission must  
6 give consideration to the effect of the facility on  
7 the environment and establish such conditions as maybe  
8 desirable or necessary to minimize adverse  
9 environmental impact.

10 The Commission must also give  
11 consideration to reports by state agencies concerned  
12 with environmental protection, to local comprehensive  
13 plans, to economic development in the Commonwealth,  
14 and to improvements in service reliability that may  
15 result from the construction of such facility.

16 A main area of analysis, however, resides  
17 in Virginia Code Section 56-46.1 B where it requires,  
18 quote, as a condition to approval, the Commission  
19 shall determine that the line is needed and that the  
20 corridor or route the line is to follow will  
21 reasonably minimize adverse impact on the scenic  
22 assets, historic districts, and environment of the  
23 area concerned, closed quote.

24 From these statutes and past Commission  
25 transmission cases, it is clear that adherence to this

1 minimizes the adverse impacts. What that means is  
2 while one route may on the surface appear to have  
3 fewer visual impacts and impacts on historic  
4 resources, it may have greater impact to the  
5 environment, both temporary and permanent, cost  
6 significantly more, have greater impacts from  
7 construction, be less reliable, have a negative impact  
8 on commercial development, and cannot be built in time  
9 to meet the stated need. Of course what I'm speaking  
10 about now is the I-66 hybrid route in comparison to  
11 the overhead I-66 route.

12 You will hear testimony from Company  
13 Witnesses Berkin and Koonce. And they look at several  
14 factors; the environmental impact, the scenic assets,  
15 historic resources, cost, temporary or construction  
16 impacts, reliability, and the in-service date.

17 Mr. Berkin will tell you that the  
18 environmental impact of the I-66 hybrid route is  
19 actually greater than the Company's preferred route of  
20 the I-66 overhead. He will also explain how the  
21 underground line has more environmental impacts than  
22 the overhead solution, and visually it has impacts due  
23 to the permanent clearing of shrubs and forest lands,  
24 the placing of manholes every 2,000 feet, the  
25 development of permanent roads, and the five to seven

1 section of the law requires a delicate balancing act,  
2 and it is one with which the Commission is very  
3 familiar.

4 Making these difficult decisions through  
5 a centralized state body, immune to local interest, is  
6 the reason the General Assembly vested this commission  
7 with transmission-siting authority.

8 The Commission's role here is to consider  
9 all the evidence and balance the public policy and  
10 interest with the private concerns and select a  
11 constructible option that reasonably minimizes adverse  
12 impacts on scenic assets, historic districts, and the  
13 environment.

14 The role is both art and science, and it  
15 requires a weighing of a number of factors.  
16 Importantly, no one criterion is called out as being  
17 more important than the others. Indeed, while it  
18 seems to be the focus of this proceeding, nothing in  
19 the statutory standard makes visual or viewshed  
20 impacts a controlling factor of any kind. Those  
21 impacts, along with all the others, should be weighed  
22 and factored into the analysis.

23 This Commission is regularly asked to  
24 weigh all the impacts of a route and alternatives and  
25 to make a judgment call as to which option reasonably

1 acre transition station that is required.

2 Company Witness Koonce will tell you,  
3 first, that the Company's policy is to install  
4 transmission lines overhead. And underground  
5 transmission lines have been installed in very limited  
6 circumstances where no viable overhead route exists or  
7 through pilot efforts. Indeed, underground  
8 transmission lines are only one percent of the  
9 Company's system.

10 He will also testify that there is no  
11 comparison when it comes to temporary or construction  
12 impacts and reliability. Underground construction is  
13 a long and complicated process, involving many  
14 challenges such as noise, ground disturbance, and  
15 timing, challenges that you simply do not have with an  
16 overhead route.

17 Mr. Koonce will also explain that while  
18 the record already demonstrates the cost of an  
19 underground route is significantly more than an  
20 overhead solution, \$115 million more, those numbers  
21 are likely conservative based on his recent visit to  
22 and observations of the site in question. In  
23 addition, the hybrid cannot be built in time to meet  
24 the identified need date and is more subject to delays  
25 than the overhead solution.

<p style="text-align: right;">Page 69</p> <p>1 Now, you will also hear from Staff  2 Witness McCoy during this proceeding about the  3 anticipated impacts of the proposed route and the  4 alternatives. The Company respectfully believes that  5 Mr. McCoy has placed too much emphasis on alleged  6 financial consequences based presumably upon visual  7 impacts when, as discussed earlier, the statute does  8 not single out one criterion as more important than  9 another.</p> <p>10 The rebuttal testimony of Company Witness  11 David Lenhoff, of the Altus Group, the only witness in  12 this proceeding with expertise in real estate  13 appraisal concludes that there is no consensus in  14 literature, that property abutting a transmission  15 right-of-way suffers a value loss. He explains many  16 studies indicate that a high-voltage transmission line  17 has no significant effect on residential property  18 values. Among other findings, Mr. Lenhoff disputes  19 claims that proximity to a high-voltage transmission  20 line makes a property more difficult to sell or impact  21 its time on the market.</p> <p>22 He also notes as a general rule, effects  23 on commercial properties are much less evident than on  24 residential properties.</p> <p>25 In sum, the evidence will show that the</p>	<p style="text-align: right;">Page 71</p> <p>1 many occasions in 2014. On January 8, 2015, Somerset  2 Crossing Homeowner's Association granted a deed of  3 gift of easement to Prince William County, giving the  4 county an interest in the property needed for the  5 railroad alternative adjacent to the Somerset Crossing  6 residential neighborhood.</p> <p>7 Although the route was included in the  8 application and included for public notice, based on  9 correspondence with Prince William County dated  10 May 26, 2016, Chairman Stewart informed the Company,  11 quote, the Board does not intend to give the  12 permission necessary for installation of an overhead  13 transmission line with an open-spaced easement, as  14 this would be contrary to the spirit and purpose of  15 such easement, closed quote. That letter is attached  16 as Ms. Diana Faison's rebuttal schedule six.</p> <p>17 With this latest communication, the  18 Company concludes that the railroad alternative is not  19 a viable route for Commission consideration.</p> <p>20 There is one final area I'd like to touch  21 on before we begin the case, and I appreciate your  22 indulgence. I've noted that the I-66 hybrid  23 alternative is significantly more expensive than the  24 I-66 overhead route by approximately \$115 million.</p> <p>25 In his prefiled testimony, Staff Witness</p>
<p style="text-align: right;">Page 70</p> <p>1 overhead I-66 route best meets the statutory  2 requirement to reasonably minimize adverse impact to  3 scenic assets, historic districts, and the environment  4 of the area concerned.</p> <p>5 It is the shortest, least costly, can be  6 built in time, has fewer impacts during construction,  7 has a high percentage of collocation with an existing  8 transportation corridor, and as presented by the  9 rebuttal testimony of Mr. Berkin of NRG, has the same  10 amount of wetlands as the hybrid.</p> <p>11 The hybrid will have greater impacts  12 during construction to the properties in proximity.  13 The construction period can result in activity on the  14 right-of-way for the hybrid for over two years. While  15 the I-66 overhead route does have the greatest number  16 of residences in close proximity, that number is the  17 same as the hybrid; and those residences are already  18 impacted by proximity to a major highway corridor.</p> <p>19 In other words, this major highway  20 corridor is already visually impacted, and the  21 overhead transmission line would not be visually  22 inconsistent with the impacted corridor.</p> <p>23 I would like to briefly summarize the  24 Company's position on the railroad alternative. This  25 alternative was initially discussed with the public on</p>	<p style="text-align: right;">Page 72</p> <p>1 Neil Joshipura raised the issue of cost recovery for  2 that amount and the potential idea that the customer  3 could be required to pay that amount if the hybrid  4 option is selected.</p> <p>5 Staff states, quote, because the need for  6 the project is driven by a single, large customer  7 requesting new service as opposed to being driven by  8 system network needs, the Staff gives considerable  9 weight to the concerns of the respondents and impacted  10 property owners in addition to just looking at costs  11 alone, closed quote.</p> <p>12 This appears to be a new standard created  13 by the Staff that does not appear in the applicable  14 statutes or in any Commission ruling.</p> <p>15 In addition, the Staff states the project  16 may also be viewed as a line extension for electrical  17 service to a new customer and may be subject to cost  18 allocation pursuant to the Company's retail tariff,  19 namely Section XXII D.</p> <p>20 Staff claims the tariff is ambiguous and,  21 quote, may be applicable to certain transmission lines  22 which may be viewed as line extensions, closed quote.  23 Staff leaves it to the Commission to determine if  24 Section XXII D applies.</p> <p>25 While Staff does not set forth their</p>

1 exact theory for how Section XXII D applies to cost  
2 recovery in this proceeding, and setting aside that  
3 this is a CPCN proceeding and not a cost recovery  
4 proceeding in any sense, the Company respectfully  
5 states Section XXII D does not apply to cost recovery  
6 for the new 230 kV transmission lines and Haymarket  
7 Substation for three main reasons.

8 For clarity of the record, we have asked  
9 the Hearing Examiner -- and I believe you have granted  
10 us this opportunity -- to provide the briefs to the  
11 Commission on this important issue and the rest of the  
12 issues in this case.

13 So briefly, for the three reasons:

14 First, as the Commission is well aware, as of May 1st,  
15 2005, the Company became a member of and was fully  
16 integrated into PJM, a FERC-regulated regional  
17 transmission entity. As a result of PJM integration,  
18 PJM began providing FERC-regulated network  
19 integration, transmission service, and that's called  
20 NITS, N-I-T-S, under the PJM open-access transmission  
21 tariff, and that's OATT.

22 That NITS service is provided to DVP as a  
23 transmission-owning load-serving entity, or an LSE. I  
24 apologize for all the acronyms.

25 This replaces services that DVP had

1 Commission cases where transmission facilities were  
2 built to serve data centers and large block loads; and  
3 a ruling to the contrary here would deviate from that  
4 precedent. And I can provide that precedent in  
5 briefing.

6 Retail cost recovery of the wholesale  
7 transmission charges occurs through Code Section  
8 56-585.1A 4, and Staff's position does not adequately  
9 address this legal argument and suggests that the  
10 Commission can overlook FERC's jurisdiction over the  
11 allocation of the undergrounding cost to wholesale  
12 customers.

13 The second reason is that the Company had  
14 made clear in two separate proceedings before the  
15 Commission that Section XXII of the retail tariff does  
16 not apply to underground transmission lines. Staff  
17 ignores this point.

18 Finally, by its own terms, Section XXII  
19 would not apply to the Haymarket transmission  
20 facilities. The underground portion of the hybrid  
21 route would not be an approach line, a branch feeder,  
22 or bulk feeder, which are the only three provisions  
23 where a transition cost could be charged in  
24 Subsection D of Section XXII.

25 Staff calls the tariff ambiguous, but

1 previously provided for itself, pursuant to its own  
2 OATT before PJM integration. The new Haymarket  
3 transmission facilities for which approval is sought  
4 in this case will be utilized by PJM to provide  
5 FERC-regulated transmission service to DVP.

6 DVP's costs for constructing and  
7 operating its transmission facilities used by PJM to  
8 provide NITS are recovered by DVP under its formula  
9 rate approved by FERC for inclusion in PJM's charges  
10 for NITS service.

11 What does that mean? Requiring a retail  
12 ratepayer, like the customer, to provide a  
13 contribution in aid of construction, or C-I-A-C,  
14 pursuant to a state tariff for service under  
15 integrated transmission lines, like the Haymarket  
16 transmission facilities, is preempted because FERC has  
17 exclusive jurisdiction to set rates for such service.  
18 And this includes the allocation of costs.

19 I know that was a mouthful, but to be  
20 clear, we recognize that the SCC has jurisdiction over  
21 siting of the line through this CPCN proceeding, and  
22 that decisions on these issues can affect customers'  
23 rates.

24 In addition, wholesale transmission cost  
25 recovery through FERC is consistent with prior

1 sets forth no argument for exactly what provisions can  
2 reasonably be read to apply to this project through a  
3 plain reading of the tariff.

4 To repeat, while the Staff has not  
5 explained how the tariff can be read to apply to these  
6 circumstances and why the Commission is not preempted  
7 from applying the retail tariff to charge a CIAC on  
8 FERC jurisdictional rates, the Company respectfully  
9 requests post hearing beliefs to fully explore this  
10 important issue.

11 As I noted earlier, the public policy of  
12 the Commonwealth as set forth by the governor is to  
13 make Virginia the best state for business. Clearly, a  
14 decision requiring this customer or any other large  
15 block load customer to pay for the difference between  
16 underground and overhead construction of an integrated  
17 network transmission asset would have a chilling  
18 effect on future development of data centers and other  
19 large commercial and industrial businesses in the  
20 Commonwealth.

21 Even the Staff acknowledges that  
22 charges -- charging a \$115 million CIAC could  
23 jeopardize the development of the Haymarket Campus.  
24 There are many reasons to avoid such a decision, but  
25 the simplest would be to approve the overhead I-66

<p style="text-align: right;">Page 77</p> <p>1 route because it is the route that meets the need in a  2 timely manner, it reasonably minimizes adverse  3 impacts, is more reliable, and is significantly less  4 costly, and it would support economic development.  5 In support of the Company's application  6 we'll present the testimony of Mark Gill, Harrison  7 Potter, Robert Shevencock, Wilson Velazquez, Harold  8 Payne, David Lenhoff, Donald Koonce, Diana Faison, and  9 Jon Berkin. And we look forward to development of the  10 record.  11 THE HEARING EXAMINER: Thank you.  12 I believe Southview 66 and FST Properties  13 are next.  14 I have a question. Will you be doing  15 this for both parties, opening statements?  16 MR. COUGHLIN: I will not. I'll be  17 handling Southview 66 and Ms. Alexander will be  18 handling FST.  19 THE HEARING EXAMINER: All right. Fine.  20 MR. COUGHLIN: Hearing Examiner  21 Richardson, fellow counsel, folks in the audience, my  22 name is Michael Coughlin. I represent Southview 66,  23 LLC.  24 Southview owns a 110-acre parcel at the  25 southwest quadrant of I-66 and Route 29, and it's</p>	<p style="text-align: right;">Page 79</p> <p>1 development; where's the appropriate location and then  2 make sure that we have the ability to get the  3 infrastructure needed from a power perspective there.  4 But that's not what's happening here, and so what all  5 the respondents are left to suffer with is this  6 proceeding and in trying to decide the right balance  7 between their interests and the interests of the  8 public at whole.  9 You'll be hearing from Arthur Fuccillo,  10 who is the executive vice president of Lerner  11 Enterprises, which is the sole member of Southview 66.  12 And what Mr. Fuccillo will testify to is that this  13 property was rezoned last in 1997. Since then, the  14 property has gone through a fairly painful entitlement  15 process to get it to the position where it is now,  16 where it's finally ripe for development. That  17 involved some complicated wetland permitting. And  18 then there was another infrastructure project, the  19 I-66 Route 29 Linton Hall interchange that  20 significantly impacted this property as well and  21 caused a further delay in moving forward.  22 But before these proceedings, the  23 property and the Company felt that, all right, finally  24 our time has arrived; and then, you know, this monkey  25 wrench gets thrown into things.</p>
<p style="text-align: right;">Page 78</p> <p>1 impacted by the Carver, railroad, Madison, and the  2 proposed hybrid route.  3 This case, at least in my mind and  4 experience, is an anomaly in that it seems to be  5 undertaken backwards; you have an end user that is  6 driving the need for these transmission lines and the  7 substation as opposed to there being forethought into  8 where transmission lines should go in the first place  9 to then serve these type of end users.  10 And I won't dwell on this much, but in  11 response to some of the public testimony that you  12 heard from the various chambers of commerce, if this  13 Commonwealth is going to be looking for continued data  14 center growth -- which is certainly coming; there's  15 other cases pending before the State Corporation  16 Commission involving data centers that alone are  17 driving the need for these transition stations or the  18 transition stations and then the infrastructure that  19 comes with them and the substations, what should  20 happen on the policy side with the General Assembly,  21 with the governor's office, with chambers of commerce,  22 and with localities is that they should think where  23 are appropriate locations for these facilities, for  24 facilities that generate more need for power than a  25 single home or even a million square foot commercial</p>	<p style="text-align: right;">Page 80</p> <p>1 The property you'll hear is  2 comprehensively planned RCC, Regional Commercial  3 Center, and is proposed expressly in the comprehensive  4 plan of Prince William County for high-intensity  5 commercial development. And the concept plan that we  6 submitted as Exhibit 2 to our testimony shows one of  7 the concepts that would help realize what's  8 contemplated under existing zoning and then what's  9 contemplated under the comprehensive plan. And it's  10 over a million square feet of commercial development.  11 What has evolved in discussions with end  12 users and very preliminary discussions with Prince  13 William County is the possibility of actually  14 surrounding the perimeter of the commercial center  15 with residential uses and then also locating some  16 large commercial end users on the property as well.  17 So all of these plans and all the efforts  18 that Southview has undertaken would be significantly  19 impacted by the routes that are proposed to go on  20 or -- and near the property. Those routes again being  21 the Carver, Madison, and railroad routes. And they  22 run along the property's Route 29 frontage and  23 actually appear to enter onto the property at one  24 point in a parking area and close to proposed  25 buildings.</p>

1 And so, therefore, the view of this  
2 property when you're heading down Route 29 is not into  
3 commercial development or into attractive residences;  
4 it's instead going to be through a power line. And  
5 contrary to the testimony of Mr. Lenhoff, we think  
6 that will have a significant negative impact on the  
7 property, so, clearly, we are opposed to those routes.

8 The other route that impacts the property  
9 is the underground route, which, all things being  
10 equal, seems to be a sensible solution to the problem  
11 at hand. To use a term of the Christian & Barton  
12 attorney, however, the sacrificial lamb here is  
13 Southview because they bear the biggest brunt of the  
14 underground facility.

15 What happens is a transition station,  
16 which is required to bring the lines underground, is  
17 sited in the corner of the property; it's known as  
18 parcel two; it's approximately an 11-acre parcel;  
19 eight or so acres of it would be completely consumed  
20 by this transmission station, which is proposed to  
21 have 30-foot tall towers on average and then a 75-foot  
22 tall central structure in the middle of it that will  
23 also have a visual impact as you're looking into the  
24 property from 29. And, in addition, it will consume  
25 valuable property. There's a hotel currently planned

1 for that property, and there's also two pad sites  
2 available as well.

3 In addition, the way that the route of  
4 the underground line once it comes underground goes  
5 across the property, it juts into the property, and  
6 the reason for that supposedly is that there's a  
7 purported VDOT storm water management pond that's  
8 proposed for the Southview property. However, to our  
9 knowledge, there hasn't been any communications  
10 between VDOT and our client that says, yes, there's  
11 going to be a pond there. So if it's discovered that  
12 no, a pond is not a real possibility, what we'd want  
13 if the underground facility and line is approved is  
14 for that line to hug as close to 66 as possible. And  
15 we'd like to have further discussions with the Company  
16 on whether our buffer, which is required under our  
17 proffers and under any zoning, goes closer to 66 or  
18 actually the lines go closer to 66, with the goal  
19 being to minimize the impact on the property as much  
20 as possible.

21 The transition or the underground line as  
22 proposed, you know, right now forces a building  
23 farther into the property, whereas that end user wants  
24 to maximize visibility from Route 66.

25 So, you know, our client is not here to,

1 you know, kind of point fingers and impose this line  
2 on anyone else's property; that's not their position.  
3 They are a member of the community. They support, you  
4 know, what's right for this particular area. And, you  
5 know, as you've seen in our testimony, what they are  
6 asking for is actually denial of the application as a  
7 whole because they don't believe that one user can  
8 create a need, certainly not in circumstances like  
9 this where there is no good route.

10 Thank you.

11 THE HEARING EXAMINER: Thank you very  
12 much, Mr. Coughlin.

13 Ms. Alexander.

14 MS. ALEXANDER: Again, for the record,  
15 Wendy Alexander, on behalf of FST Properties, LLC.

16 I was up here briefly, so you vaguely  
17 have an idea as to where the FST property is located,  
18 but it's a 4.6-acre parcel with frontage along State  
19 Route 55. It is located directly adjacent to  
20 Dominion's customer, as it is being identified  
21 throughout this proceeding, and it is located across  
22 the street from the Wal-Mart site. It is west of the  
23 Route 15, 55 intersection, again has great frontage  
24 all along Route 55 there.

25 You will hear from the managing member of

1 FST Properties, LLC, Don Mayer, that currently FST is  
2 zoned M2. It has a one-story building on the site  
3 currently, with about 9,600 square feet. And you will  
4 here that under that current zoning, the FST  
5 Properties could construct a variety of additional  
6 uses, including office, flex, industrial. It's  
7 designated in the Prince William County comprehensive  
8 plan as REC, which is a regional employment center, so  
9 that could contemplate employment uses, services like  
10 retail, restaurants. So there are a variety of  
11 options, development options again under the current  
12 zoning that this property would bear.

13 You will hear that the owner has been  
14 approached by several end users, in fact, and has been  
15 working to determine the best mix of uses. On the  
16 4.6-acre parcel, there is ample space for, again, a  
17 multitude of uses. You will hear in a moment -- I'll  
18 tell you exactly the square footage that we've come up  
19 with, but, of course, that is all determinative -- or  
20 it's all dependent on, rather, whether or not  
21 Dominion's route comes through my client's property.

22 Obviously if the preferred route as  
23 proposed in the initial application gets built, that  
24 development potential will be dramatically decreased.  
25 It's not only the proposed overhead route that would

<p style="text-align: right;">Page 85</p> <p>1 cross directly along the frontage of my client's  2 property, it is also the hybrid underground, the I-66  3 alternative, that would also cross the entire northern  4 boundary of FST's property.  5 So when we're talking about what kind of  6 development potential is eliminated if the proposed  7 route as initially, you know, sought in the initial  8 application, basically it would go from approximately  9 91,600 square feet of development space down to about  10 49,000 square feet of available square footage.  11 Again, that's building square footage. So that's  12 roughly half.  13 With respect to the I-66 hybrid, it would  14 have a similar negative effect and impact on the  15 ability for my client to develop the property. While  16 not as significant, the setbacks, the lack of  17 visibility from Route 55, all of that will impact my  18 client's ability to attract development to that site.  19 Again, those easements would require anything to be  20 setback fairly dramatically due to the easements  21 required.  22 Made part of the prefiled testimony here  23 in this proceeding was Denar Antelo's testimony; he  24 was a licensed engineer that my client hired to  25 prepare some layouts showing those impacts. Again,</p>	<p style="text-align: right;">Page 87</p> <p>1 engineer to assist in the development of some, again,  2 possible alternatives where its property might not be  3 affected.  4 So we have in the record, and my client  5 will testify about, an FST variation which would  6 essentially route the line on the customer's property  7 and, again, avoid all impact to FST. It seems a few  8 of those end poles could quite easily be moved and  9 shifted and sounds like Dominion is in support of some  10 movement of those end poles prior to it reaching the  11 substation.  12 So we've got this FST variation route.  13 And I don't believe there's been any objection to the  14 FST variation route. And, again, from a civil  15 engineering perspective, that was a perfectly feasible  16 alternative.  17 Similarly, I believe Dominion Power,  18 itself, had tweaked the FST variation and proposed an  19 FST optimization route. Again, my client doesn't  20 object to that route being considered or approved by  21 the Commission.  22 So, again, while my client does not  23 support the approval of lines meant to support just  24 one end user, to the extent this proceeding turns out  25 to result in a line being approved, we have several</p>
<p style="text-align: right;">Page 86</p> <p>1 those are made part of the proceedings through the  2 prefiled testimony.  3 Mr. Antelo talked about the FAR, which is  4 the Florida area ratio, again being reduced by  5 approximately 50 percent. It goes from .49 available  6 pre take, again on an exhibit that is part of the  7 testimony. And when you take into consideration the  8 100-foot wide easement that Dominion would require  9 for, again, the proposed route that is overhead,  10 you're going down to an FAR of approximately .26. So,  11 again, cut roughly in half.  12 While my client's property is not  13 affected by the Wal-Mart variation as it was, again,  14 put forth in the application and as we have seen from  15 the rebuttal testimony in Dominion's most recent  16 filing and as well as the Staff report, there is now  17 some movement to put forth the Wal-Mart variation as  18 the route that is supported whether the underground or  19 the overhead route are selected -- again, assuming a  20 route is selected at all -- my client certainly  21 supports that in the event a line is approved.  22 At the time my client prefiled his  23 testimony, however, again, there was no report by the  24 Staff and no rebuttal by Dominion indicating that that  25 route had some preference. So my client requested its</p>	<p style="text-align: right;">Page 88</p> <p>1 alternatives that appear to be available that would  2 avoid the FST property. So my client obviously  3 supports either of those alternative lines as they  4 might be described a little more in the testimony  5 today, but would request that the Commission avoid FST  6 property.  7 Thank you.  8 THE HEARING EXAMINER: Thank you. Next  9 is Coalition to Protect Prince William County.  10 MR. REISINGER: Thank you, Your Honor.  11 May it please the Commission, again my name is William  12 Reisinger, here on behalf of The Coalition to Protect  13 Prince William County.  14 Your Honor, The Coalition is a 501(c)(4)  15 organization made up of individuals, businesses, and  16 non-profit organizations united to preserve and  17 enhance the quality of life, natural resources, and  18 historical Heritage of western Prince William County.  19 Many of The Coalition's supporters are  20 also Dominion customers; and The Coalition has serious  21 concerns about the route and proposed cost allocation  22 for this construction.  23 And, Your Honor, The Coalition is not  24 sponsoring direct testimony, but we will support two  25 primary positions in this case.</p>

1 First, if the Commission is inclined to  
2 improve -- to approve the Company's application, The  
3 Coalition strongly supports the I-66 hybrid  
4 alternative route. We believe this is the only route  
5 that will minimize the adverse economic and  
6 environmental impacts of the project.

7 And, second, if the application is  
8 approved, we believe that the costs of the project  
9 should be born at least in part by the customer  
10 pursuant to Section XXII of the Company's terms and  
11 conditions.

12 And, first, with regard to the route of  
13 the proposed project, as you know, the support for the  
14 hybrid alternative route from the community has been  
15 overwhelming; the Commission has received thousands of  
16 comments from concerned citizens, businesses, and  
17 homeowner's associations all supporting the hybrid  
18 alternative only. The vast majority of these comments  
19 have stated that the hybrid alternative would be the  
20 only acceptable route for their businesses and  
21 neighborhoods.

22 State and local officials have also  
23 expressed overwhelming support for the hybrid  
24 alternative only. And just to name a few, the  
25 Haymarket Town Council and the mayor of Haymarket, the

1 board of supervisors of Prince William County, the  
2 Prince William County Planning Commission, and the  
3 Prince William County Historical Commission have all  
4 expressed their support for the hybrid alternative  
5 only.

6 And the legislators serving Prince  
7 William County in the Virginia senate and the House of  
8 Delegates have also expressed their support for the  
9 hybrid alternative route only. And on this point, I  
10 want to address some comments we heard from a  
11 representative from the Virginia Chamber of Commerce  
12 earlier this morning who read into the record a letter  
13 apparently written by Delegate Terry Kilgore. I just  
14 want to remind the Commission that Mr. Kilgore  
15 represents a district in southwest Virginia. He does  
16 not represent Prince William County. And I'd also  
17 like to remind the Commission that the five  
18 legislators that do represent Prince William County  
19 filed comments on the docket on June 16th, and those  
20 comments supported the hybrid alternative route, and  
21 they also supported the proposition that the customer  
22 for whom this project is being constructed should bear  
23 some of the costs of that project.

24 So I think the Commission should place  
25 greater weight on the senators and delegates who

1 actually represent Prince William County as opposed to  
2 legislators from outside of the region.

3 And Ms. Link also represented comments  
4 from Corey Stewart, chairman of the Prince William  
5 County Board of Supervisors. I believe her comments  
6 referenced statements Mr. Stewart made in developments  
7 of Northern Virginia. I have no reason to disagree  
8 that he made those statements, but I'd also like to  
9 remind the Commission that Mr. Stewart filed a letter  
10 with the Commission on June 17th supporting not only  
11 the hybrid alternative route, but also the proposition  
12 that the customer should bear some financial costs of  
13 this proposed development.

14 In addition to legislators and local  
15 government officials, the Virginia Department of  
16 Environmental Quality has filed a letter and report  
17 noting that the hybrid alternative would result in the  
18 least environmental impacts to wetlands.

19 And the Commission Staff's testimony in  
20 this case also supports the hybrid alternative as the  
21 route that would minimize the adverse environmental  
22 impacts of this project.

23 And, Your Honor, for those reasons, we  
24 believe that the evidence in this case is overwhelming  
25 that the hybrid alternative is the only route that

1 would minimize adverse impacts of the construction of  
2 this project, and it is the only route that would be  
3 acceptable for the people who actually live and work  
4 in western Prince William County. And it's apparently  
5 the only route that would be acceptable for their  
6 representatives in the Virginia House of Delegates and  
7 Senate of Virginia.

8 For those reasons, we will ask that the  
9 Commission if it is inclined to grant the Company's  
10 application, authorize the hybrid alternative route  
11 only.

12 And, Your Honor, our second issue  
13 concerns cost recovery. The Coalition believes the  
14 evidence in this case is clear that the project is  
15 being developed solely to serve a single retail  
16 customer. For that reason, we will support the  
17 application of Dominion's line extension policy  
18 contained in the Company's Commission-approved terms  
19 and conditions.

20 The Commission Staff will testify today  
21 that if Dominion's line extension policy were applied  
22 to the project, the customer would likely be required  
23 to make a significant financial contribution towards  
24 the cost of the construction depending on the route  
25 chosen. We believe that this would be the correct



<p style="text-align: right;">Page 93</p> <p>1 results based on the facts and the law of this case.  2 And it's undisputed that the project  3 would not be needed absent the planned development of  4 a data center campus near the Town of Haymarket. I  5 don't believe that Dominion disputes that.  6 Dominion has also admitted in testimony  7 that these facilities will be classified as a, quote,  8 supplemental project by PJM, meaning that they are not  9 necessary to serve any existing reliability need.  10 And, Your Honor, we certainly understand  11 that any electric utility with a monopoly franchise  12 from the Commonwealth has an obligation to serve all  13 customers in its territory regardless of whether those  14 customers are located near or far away from existing  15 infrastructure. But Dominion also has a  16 Commission-approved line extension policy which  17 requires customers in certain circumstances to  18 contribute towards the construction of new  19 infrastructure necessary to serve them.  20 For example, if I chose to build my home  21 or business in a location that lacked access to  22 existing electric infrastructure, the Company's  23 Commission-approved terms and conditions would likely  24 require me to make a financial contribution towards  25 the costs of the facilities necessary to serve my home</p>	<p style="text-align: right;">Page 95</p> <p>1 language of Section XXII of its terms and conditions  2 which may require the customer to make a significant  3 financial contribution towards the cost of the  4 project.  5 And, Your Honor, I thank you for your  6 attention, and we look forward to participating in  7 this case.  8 THE HEARING EXAMINER: Thank you,  9 Mr. Reisinger.  10 Old Dominion Electric Cooperative? ODEC?  11 Who am I missing here?  12 MR. CHAMBLISS: Somerset.  13 THE HEARING EXAMINER: Somerset, all  14 right.  15 MS. LINK: Your Honor, I believe ODEC  16 informed Staff that they would not be participating in  17 the hearing.  18 MR. CHAMBLISS: That's correct, Your  19 Honor.  20 THE HEARING EXAMINER: I went out of  21 order on the opening statements. I'm sorry.  22 MS. HARDEN: Good morning. My name is  23 Courtney Harden, and I'm representing the Somerset  24 Crossing Homeowner's Association.  25 Somerset is involved in this case for a</p>
<p style="text-align: right;">Page 94</p> <p>1 or business.  2 And in this case, the customer chose a  3 location that is not near existing transmission or  4 distribution infrastructure. We believe the same  5 logic should hold true for the retail customer for  6 whom the project would be constructed. Just because  7 this customer would be a large user of energy and  8 require higher voltages of delivery, we do not believe  9 that that means that the plain language of the  10 Company's terms and conditions should not apply. We  11 believe there's no reason to suggest that Section XXII  12 does not apply if the facilities necessary to serve a  13 customer are above a certain voltage threshold.  14 And, Your Honor, we will also argue that  15 even if a party were to argue that Dominion's line  16 extension policy is ambiguous, it must be construed in  17 favor of The Coalition's position and against  18 Dominion. And in our post hearing brief, we will  19 provide precedent from the Virginia Commission and the  20 Supreme Court of Virginia supporting that position.  21 And to conclude, Your Honor, we will ask  22 that if the Commission is inclined to grant the  23 Company's application, the Commission should authorize  24 only the hybrid alternative, and we will argue that  25 the Company should be directed to apply the plain</p>	<p style="text-align: right;">Page 96</p> <p>1 number of reasons, primarily as a member of the  2 community; however, there was a considerable concern  3 regarding the impact of the railroad alternative route  4 on Somerset's common area, which has now been resolved  5 as we heard from Ms. Link earlier.  6 Today, Somerset will rely on their  7 pretrial testimony and the public comments to support  8 what they believe to be the position of the community  9 in this matter, which is that there is not one bit of  10 evidence here that supports that there's a public need  11 for this project.  12 You will not hear any evidence that the  13 project is needed for anyone other than the Company's  14 third-party customer. You will hear evidence that the  15 project is not needed because of any imminent  16 transmission system overloads. There isn't even a  17 whisper of testimony that there's been any engineering  18 studies to demonstrate when and if this project would  19 be needed but for this client, the third-party  20 customer.  21 The Company enjoys quite a bit of special  22 privileges as a result of its status as a utility, but  23 it is also limited by the statutory requirements of  24 56-46.1 which states there must be the need. As a  25 public utility company, it goes without saying that</p>

1 this should be a public need, not a private one.

2 Ms. Link, the counsel for Dominion,  
3 states that none of the requirements of 56-46.1 are  
4 more important than another. And in that statement,  
5 she was talking about the considerations to the  
6 environment, historical areas, et cetera. But  
7 traditional statutory construction would lead us to  
8 say that there is one requirement that is more  
9 important. When you review the statute it says,  
10 first, there must be a need, and then there's an  
11 evaluation as to the other impacts. All of those are  
12 equal in their considerations, but need is the  
13 threshold argument.

14 The Company attempts to bootstrap the  
15 need requirement with the argument that there is a  
16 benefit to the community. The community, Somerset  
17 Homeowner's Association, The Coalition, who is here  
18 representing many of the other participants in this  
19 area, two commercial entities here representing  
20 interests, the county, Prince William County, has made  
21 statements, the Town of Haymarket has made statements.  
22 These -- this is the public, these are the people who  
23 are here to represent the community, and none of them  
24 will tell you that there's an actual need here. There  
25 is an end user who would like to come and put their

1 facility in a place where there is not enough power,  
2 and they would like for the ratepayers, the community,  
3 to bear the cost without there being any evidence of  
4 true benefit.

5 You will see in the Staff report that  
6 there's minimal evidence that there would be job  
7 creation, minimal evidence that there would be any  
8 other benefit to the community other than through to  
9 this individual customer.

10 There's been some emphasis placed on the  
11 idea that there's only one witness prefiled testimony  
12 who has any appraisal practice experience,  
13 Mr. Lenhoff, who is one of the witnesses on behalf of  
14 the Company. But Mr. Lenhoff didn't rely on his own  
15 appraisal experience when he opined that studies have  
16 shown that the financial impact to residences is  
17 between one and ten percent. I think it's important  
18 for you to have a perspective on that.

19 There are 524 homes within the Somerset  
20 community association. And we'll put it at a  
21 conservative tax assessed value of \$450,000 a home.  
22 That provides a real estate value of \$235,800,000 that  
23 will be impacted by this project. Three percent of  
24 that is \$7,074,000. Ten percent of that is  
25 \$23,580,000. That's a significant impact to just one

1 small portion of the community.

2 If the counsel finds that there is need,  
3 Somerset, like the other members of the community,  
4 request that the I-66 hybrid route be the preferred  
5 route that is considered. The evidence will -- excuse  
6 me -- that is selected. The evidence will demonstrate  
7 that the hybrid route has the least impact to the  
8 environment and the historical sites. And you will  
9 hear that the only impediment to the I-66 hybrid route  
10 is the cost. But, again, we go back to the statutory  
11 construction of 56-46.1, and it requires reasonable  
12 effort to minimize the impacts to the community.

13 What is reasonable in this circumstance?

14 In this circumstance, the only benefit is  
15 going to the Company and to the end user. It would be  
16 reasonable for that entity to bear the cost, any extra  
17 cost for the hybrid route.

18 To be clear, Somerset doesn't believe  
19 that the application meets the statutory requirements  
20 for necessity and should be denied. However, if the  
21 Commission finds the need, we advocate for the hybrid  
22 route as the appropriate route.

23 THE HEARING EXAMINER: I just have one  
24 observation. It doesn't look like the I-66 overhead  
25 route would have any visual impact on the Somerset

1 community at all; is that correct?

2 MS. HARDEN: Your Honor, I'm sorry that  
3 it wasn't clear. I used Somerset as an example as  
4 just one of the communities. We are the only  
5 community association that's participating here.  
6 There's a number of other associations that are right  
7 up against 66.

8 THE HEARING EXAMINER: I understand that,  
9 but it wouldn't really affect Somerset, would it? It  
10 looks like you're about a half a mile away from the  
11 proposed routing.

12 MS. HARDEN: Your Honor, to the extent  
13 that the railroad route has now been removed, that  
14 would have had the biggest impact on Somerset.  
15 However, as a member of the community, we still felt  
16 it was important to point out that there is a  
17 financial impact with an overall reduction in property  
18 values for the community as a whole.

19 THE HEARING EXAMINER: Even the community  
20 that is not even visually impacted by the routing?

21 MS. HARDEN: Your Honor, no. I used that  
22 as an example. It is true that it is located far  
23 enough away that there's very few visible points.  
24 There would be a few of them, but certainly not on top  
25 of them as it would be the communities right up

<p style="text-align: right;">Page 101</p> <p>1 against 66.</p> <p>2 THE HEARING EXAMINER: Okay. It just</p> <p>3 looks like to me based on this map that I have that</p> <p>4 the underground and the overhead I-66 routes would be</p> <p>5 located on the other side of I-66 from the Somerset</p> <p>6 community?</p> <p>7 MS. HARDEN: Yes, sir, that's correct.</p> <p>8 THE HEARING EXAMINER: All right. Okay.</p> <p>9 It's 12 o'clock. Why don't we take a</p> <p>10 ten-minute recess and start with the Company's direct</p> <p>11 after Mr. Chambliss.</p> <p>12 MR. CHAMBLISS: Your Honor, my remarks</p> <p>13 will be very brief, maybe five minutes or less.</p> <p>14 THE HEARING EXAMINER: All right. Let's</p> <p>15 go.</p> <p>16 MR. CHAMBLISS: Thank you.</p> <p>17 Good morning -- or afternoon, whichever</p> <p>18 it now is --</p> <p>19 THE HEARING EXAMINER: I think it's</p> <p>20 afternoon.</p> <p>21 MR. CHAMBLISS: And I will say as I</p> <p>22 indicated from the table, my remarks will be very</p> <p>23 brief. The issues before you and the Commission have</p> <p>24 been well laid out by the parties. I don't -- I only</p> <p>25 have a couple of remarks in addition to that.</p>	<p style="text-align: right;">Page 103</p> <p>1 I want to address two things in</p> <p>2 Ms. Link's opening statement where she quoted from the</p> <p>3 Staff report, Mr. Joshipura. She says -- she quoted</p> <p>4 this sentence here, because the need for the project</p> <p>5 is driven by a single, large customer requesting new</p> <p>6 service, as opposed to being driven by system network</p> <p>7 needs, the Staff gives considerable weight to the</p> <p>8 concerns of the respondents and impacted property</p> <p>9 owners, in addition to just looking at costs.</p> <p>10 And she quoted that with some scorn,</p> <p>11 saying Staff was establishing some new statutory</p> <p>12 criteria.</p> <p>13 Well, I will tell you that until she said</p> <p>14 that today, I always thought the Company took into</p> <p>15 consideration the impacts on property owners as well</p> <p>16 as costs. I was a little surprised to hear that.</p> <p>17 She also said Mr. Joshipura's testimony</p> <p>18 does not address the legal theory that she brought out</p> <p>19 this morning for the first time about the preemption</p> <p>20 by the Federal Energy Regulatory Commission over the</p> <p>21 allocation of costs over this project.</p> <p>22 I'm sorry. He's an engineer, not a</p> <p>23 psychic. We will address that as well in our briefs.</p> <p>24 Thank you.</p> <p>25 THE HEARING EXAMINER: All right. Thank</p>
<p style="text-align: right;">Page 102</p> <p>1 This is an application for a Certificate</p> <p>2 of Public Convenience and Necessity. And the question</p> <p>3 the Commission is going to have to wrestle with is can</p> <p>4 a customer, a retail customer, currently receiving</p> <p>5 perfectly adequate service at distribution levels</p> <p>6 demand an increase in its service so significant that</p> <p>7 it requires construction of new transmission</p> <p>8 facilities without incurring any financial</p> <p>9 responsibility for its request? That is what this</p> <p>10 case boils down to.</p> <p>11 The Company has a line extension policy</p> <p>12 that deals with service to its retail customers that's</p> <p>13 been discussed a little bit here this morning and will</p> <p>14 be discussed in briefs at the end of the case. It may</p> <p>15 apply, it may not apply. You may find it applies and</p> <p>16 requires the customer to make a financial</p> <p>17 contribution; you may find that it doesn't apply and</p> <p>18 there's no financial contribution necessary.</p> <p>19 But that's the question here. This is a</p> <p>20 customer that's already in the service area, already</p> <p>21 receiving adequate service; now it wants a new</p> <p>22 service, a new service that will require new</p> <p>23 facilities to be built. Does that customer bear any</p> <p>24 responsibility? That's the question for the</p> <p>25 Commission.</p>	<p style="text-align: right;">Page 104</p> <p>1 you very much.</p> <p>2 I believe that concludes opening</p> <p>3 statements. And at this point, we will take a</p> <p>4 ten-minute recess and reconvene at about 12:15.</p> <p>5 (A recess was taken.)</p> <p>6 THE HEARING EXAMINER: Ms. Link.</p> <p>7 MS. LINK: Company calls Mark R. Gill.</p> <p>8 MARK R. GILL, called as a witness, having</p> <p>9 been first duly sworn, was examined and testified as</p> <p>10 follows:</p> <p>11 DIRECT EXAMINATION</p> <p>12 BY MS. LINK:</p> <p>13 Q. What is your name, position of</p> <p>14 employment, and business address?</p> <p>15 A. My name is Mark R. Gill. I'm a</p> <p>16 consulting engineer in the electrician transmission</p> <p>17 planning group with Dominion Virginia Power. My</p> <p>18 address is 701 East Cary Street, Richmond, Virginia.</p> <p>19 Q. Do you have with you a document entitled,</p> <p>20 direct testimony of Mark R. Gill, consisting of a</p> <p>21 one-page witness direct testimony summary, 11 typed</p> <p>22 pages of questions and answers which was filed in a</p> <p>23 public version only in this proceeding on</p> <p>24 November 6th, 2015?</p> <p>25 A. Yes.</p>

1 Q. Was that document prepared by you or  
2 under your supervision?

3 A. Yes.

4 Q. Do you have any corrections or additions  
5 to that document?

6 A. Yes. On page one, line ten, please  
7 strike "26" and insert the number "28."

8 Q. So that sentence now reads, I've now been  
9 employed by the Company for 28 years?

10 A. Yes.

11 Q. Do you also have a correction to make to  
12 the portion of the appendix that you sponsor?

13 A. Yes. It's appendix section I.C, page 17.  
14 After the period in the second line, please insert the  
15 sentence, "at Haymarket Substation, comma, 250-100  
16 MVAR reactor banks and associated equipment would also  
17 be installed, period."

18 THE HEARING EXAMINER: I'm sorry. I'm  
19 looking in the appendix. Could you direct me to the  
20 appropriate page?

21 THE WITNESS: Yes, sir, page 17.

22 THE HEARING EXAMINER: Page 17, is this  
23 the environmental routing study?

24 MS. LINK: No, sir, Your Honor. This is  
25 in volume one.

1 crude illustration, but we've just described it in  
2 words. We didn't do a revised exhibit?

3 A. Yes.

4 THE HEARING EXAMINER: I understand.  
5 BY MS. LINK:

6 Q. Earlier the Hearing Examiner asked for  
7 the sections of the appendix that you sponsor.

8 Is it true that you sponsor sections IA  
9 through IC, IE, II, and you cosponsor section IH?

10 A. Yes, that's correct.

11 Q. All right. And with those revisions that  
12 you made here today to the testimony and the appendix  
13 sections you sponsor, if I were to ask you the  
14 questions appearing in your testimony, would your  
15 answers be the same?

16 A. Yes.

17 Q. And would you wish to sponsor that as  
18 your direct testimony in this proceeding?

19 A. Yes.

20 MS. LINK: Your Honor, may we have  
21 Mr. Gill's direct testimony marked.

22 THE HEARING EXAMINER: Mr. Gill's direct  
23 testimony will be marked as Exhibit 4.

24 (Exhibit No. 4 was marked for  
25 identification.)

1 THE HEARING EXAMINER: Volume one, all  
2 right.

3 I got you.

4 MS. LINK: I put the edit on the screen  
5 if it's helpful if people want to write it into their  
6 book.

7 BY MS. LINK:

8 Q. Mr. Gill, one moment. I'll let the  
9 Hearing Examiner write it down.

10 THE HEARING EXAMINER: I'm a slow writer,  
11 so it might take a minute.

12 All right. Does everyone have that  
13 addition, Counsel?

14 BY MS. LINK:

15 Q. You had one more edit?

16 A. Yes, ma'am. On page 22 of that same  
17 appendix section, it's labeled attachment I.C.4,  
18 alternative four. If I can direct your attention to  
19 the Haymarket Substation there on the far-left of the  
20 page, it shows on the one line there are four reactor  
21 banks; two of those reactor banks should have been  
22 located at the Heathcote Station, so two banks at  
23 Heathcote Station and two banks at the Haymarket  
24 Station.

25 Q. Just for the record, I've made a very

1 MS. LINK: Your Honor, we'd move the  
2 admission of Exhibit 4; and Mr. Gill is available for  
3 cross-examination.

4 THE HEARING EXAMINER: The testimony will  
5 be received, subject to cross-examination.

6 (Exhibit No. 4 was admitted into  
7 evidence.)

8 THE HEARING EXAMINER: I believe  
9 Mr. Coughlin is next; is that correct?

10 MR. COUGHLIN: No cross-examination.

11 THE HEARING EXAMINER: No cross?  
12 Ms. Alexander?

13 MS. ALEXANDER: No cross, thank you.

14 THE HEARING EXAMINER: Ms. Harden?

15 MS. HARDEN: No cross on the direct, Your  
16 Honor.

17 THE HEARING EXAMINER: Mr. Reisinger?

18 MR. REISINGER: Yes, Your Honor, very  
19 briefly.

20 CROSS-EXAMINATION

21 BY MR. REISINGER:

22 Q. Good afternoon, Mr. Gill.

23 A. Good afternoon.

24 Q. I think I have just one question for you.  
25 You discuss on pages nine and ten of your testimony,

<p style="text-align: right;">Page 109</p> <p>1 you talk about NERC reliability standards; is that 2 right? 3 A. Yes, sir. 4 MR. REISINGER: Your Honor, I'd like to 5 hand out a document. 6 BY MR. REISINGER: 7 Q. Mr. Gill, do you have a copy of this 8 document? 9 A. Yes. 10 Q. Okay. And you see that this is the 11 Company's response to The Coalition's interrogatory 12 number 2-16; is that right? 13 A. That's correct. 14 Q. And you sponsored the Company's response 15 to this question; is that right? 16 A. Yes. 17 Q. And do you see here that the 18 interrogatory asked whether the project would-be 19 needed to assure reliability of the transmission and 20 distribution systems in the local area if not for the 21 new demand attributable to the customer's data center? 22 A. Yes. 23 Q. Okay. And could you read into the record 24 your response? 25 A. Sure. As stated in the Company's</p>	<p style="text-align: right;">Page 111</p> <p>1 reliability criteria violation involved in this -- 2 that's addressed by this project the reason that it's 3 considered a supplemental project by PJM? 4 A. Yes. And I address the NERC 5 identification of projects in my rebuttal testimony, 6 but I can get into that here a little bit if you'd 7 like. 8 Q. All right. It just takes a yes or no. 9 Why -- that's why it's a supplemental project, isn't 10 it? 11 A. Yes. It's not a NERC reliability 12 violation, but it goes to the transmission owner 13 reliability. 14 Q. All right. And feel free to supplement 15 that if you feel necessary. 16 A. Well, for instance, the three types of 17 projects would be a baseline project, and that would 18 address a NERC criteria violation; they have gone to 19 the new category system, so it's P0 through P7. And 20 those are typically identified as a result of the load 21 flow analysis that takes place between the Company and 22 PJM. 23 There are also network project upgrades; 24 those are typically projects that are driven by a 25 generator interconnect or a merchant transmission</p>
<p style="text-align: right;">Page 110</p> <p>1 response to question number 2-13 of The Coalition's 2 second set, there's not a NERC reliability criteria 3 violation driving the construction of the project. 4 Without the request to serve the proposed Haymarket 5 Substation, the Company did not have plans to 6 construct a 230 kV line into the Haymarket load area. 7 Q. Okay. Thank you. 8 MR. REISINGER: Your Honor, could I have 9 this interrogatory admitted? 10 THE HEARING EXAMINER: All right. The 11 interrogatory from The Coalition to Protect Prince 12 William County, question number 2-16, will be marked 13 Exhibit 5 and received into the record. 14 (Exhibit No. 5 was marked and admitted 15 into evidence.) 16 MR. REISINGER: Thank you. No further 17 questions. 18 THE HEARING EXAMINER: Commission Staff? 19 MR. CHAMBLISS: I think I just have one 20 question also. 21 CROSS-EXAMINATION 22 BY MR. CHAMBLISS: 23 Q. Mr. Gill, with reference to the answer 24 you had just provided Mr. Reisinger regarding this 25 interrogatory, is the fact that there is no NERC</p>	<p style="text-align: right;">Page 112</p> <p>1 customer. And then there are supplemental projects 2 that are driven by the local -- or the transmission 3 owner criteria. 4 Q. And this one falls into the latter 5 category? 6 A. Yes, sir, it does. 7 MR. CHAMBLISS: All right. Thank you. 8 THE HEARING EXAMINER: Any redirect? 9 MS. LINK: Just briefly, Your Honor. 10 REDIRECT EXAMINATION 11 BY MS. LINK: 12 Q. Mr. Gill, you call this a supplemental -- 13 PJM supplemental project, and that's subject to local 14 transmission owner criteria, correct? 15 A. Yes, ma'am. 16 Q. And who is the local transmission owner 17 in this case? 18 A. The Company. 19 Q. Virginia Electric and Power Company? 20 A. Yes. 21 Q. And on page ten of your direct 22 testimony -- it's the rest of the response referenced 23 by Mr. Reisinger at line two? 24 A. Yes. 25 Q. -- in order to comply with the mandatory</p>

1 NERC reliability standards, is the Company required to  
2 maintain facility connection requirements?

3 A. Yes, ma'am.

4 Q. Okay. And keeping those facility  
5 connection requirements and filing those facility  
6 connection requirements is a requirement from NERC,  
7 correct?

8 A. Yes, it is. It's FAC-001 actually  
9 requires us to have the criteria. FAC-002 requires us  
10 to actually follow the criteria.

11 Q. And then on line four through six you  
12 talk about the Company transmission planning criteria  
13 limits loading on a radial feed in excess of 100  
14 megawatts without an alternative transmission supply;  
15 do you see that?

16 A. Yes.

17 Q. Can you explain a little bit more about  
18 how this supplemental project would exceed the  
19 100 megawatt criteria in the Company's own  
20 transmission planning criteria?

21 A. Yeah, sure. The requested load for the  
22 customers expanded data center campus is approximately  
23 120 megawatts. The total load that would be on the  
24 Haymarket Substation is in the neighborhood of 160  
25 megawatts; that clearly exceeds the 100-megawatt

1 threshold that the Company has established for a  
2 radial line.

3 Q. So when you have load that would exceed  
4 the 100-megawatt criteria, what happens in planning  
5 space?

6 A. We're required to network that line. And  
7 so in this instance, we've proposed a double circuit  
8 230 kV line to be extended to the Haymarket  
9 Substation.

10 Q. So just to sum up. For the -- due to the  
11 exceeding the 100 megawatts, which is a company  
12 planning criteria you maintain to be compliant with  
13 NERC standards, the Company was required to then  
14 network this line?

15 A. Yes.

16 Q. And created the project?

17 A. Correct.

18 MS. LINK: Okay. Thank you. Nothing  
19 further.

20 THE HEARING EXAMINER: Anything else for  
21 Mr. Gill?

22 All right. Thank you very much, sir.  
23 You may stand down.

24 Exhibits 4 and 5 are admitted into the  
25 record.

1 Next witness.

2 MS. CRABTREE: Company calls Harrison  
3 Potter to the stand.

4 HARRISON S. POTTER, called as a witness,  
5 having been first duly sworn, was examined and  
6 testified as follows:

7 DIRECT EXAMINATION

8 BY MS. CRABTREE:

9 Q. Can you, please, state your name,  
10 position of employment, and business address.

11 A. Harrison S. Potter. I'm an engineer  
12 three in our distribution system planning group,  
13 Dominion Virginia Power, 701 East Cary Street  
14 Richmond, Virginia 23219.

15 Q. And do you have with you a document  
16 entitled, the direct testimony of Harrison S. Potter,  
17 consisting of a one-page witness direct testimony  
18 summary, five typed pages of questions and answers  
19 which was filed in public version only in this  
20 proceeding on November 6th, 2015?

21 A. Yes.

22 Q. And did you also cosponsor sections 1A  
23 through 1C, section 1E, and section 1I of the  
24 appendix?

25 A. Yes.

1 Q. And were those documents prepared by you  
2 or under your supervision?

3 A. Yes.

4 Q. Do you have any corrections or additions?

5 A. Yes. On page one, line 15, after  
6 Loudoun, insert "and Prince William Counties."

7 Q. And, Mr. Potter, that's in your direct  
8 testimony?

9 A. Yes, sir, in my direct testimony.

10 THE HEARING EXAMINER: Would you mind  
11 repeating that correction.

12 THE WITNESS: On page one, line 15, after  
13 Loudoun, insert "and Prince William Counties."

14 THE HEARING EXAMINER: All right.

15 THE WITNESS: And then on page three,  
16 line eight, strike "160" and insert "165.5."

17 THE HEARING EXAMINER: 165.5?

18 THE WITNESS: Yes. And then in the  
19 appendix on page 13, attachment 1B3, the non data  
20 center load that's being transferred to Haymarket 2018  
21 was noted at 3.0 MVA. It's a table, so it's on  
22 Haymarket bus number two, circuit 351; that should be  
23 5.5, and that's noted in my rebuttal.

24 THE HEARING EXAMINER: I'm not sure where  
25 that's at. I'm looking for Haymarket bus number two,

<p style="text-align: right;">Page 117</p> <p>1 and I see the 351.</p> <p>2 THE WITNESS: So if you go over to the</p> <p>3 right under the 2018 column --</p> <p>4 MS. CRABTREE: Your Honor, it's on</p> <p>5 page 13 of the appendix.</p> <p>6 THE HEARING EXAMINER: Yes, I'm there.</p> <p>7 You have 3.0. And what should that</p> <p>8 number be?</p> <p>9 THE WITNESS: 5.5.</p> <p>10 THE HEARING EXAMINER: 5.5, okay.</p> <p>11 BY MS. CRABTREE:</p> <p>12 Q. Just to be clear, that 3.0 changing to</p> <p>13 5.5, is that just for the 2018 column?</p> <p>14 A. Well, once you get to the -- insert the</p> <p>15 5.5, there will be a one percent load growth of the</p> <p>16 351 circuit, past that point. And the reason it</p> <p>17 changed is partly a passage of time and load growth in</p> <p>18 the area that's west of Route 15 from when we</p> <p>19 initially submitted the application.</p> <p>20 Q. Mr. Potter, with those corrections and</p> <p>21 updates, if you were asked the questions appearing in</p> <p>22 your direct testimony in the appendix, would you</p> <p>23 provide the same or substantially the same answers</p> <p>24 today?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 119</p> <p>1 THE HEARING EXAMINER: Staff?</p> <p>2 MR. CHAMBLISS: Just briefly.</p> <p>3 CROSS-EXAMINATION</p> <p>4 BY MR. CHAMBLISS:</p> <p>5 Q. With regard to the correction you made in</p> <p>6 the appendix changing the cut overload from 3.0 to</p> <p>7 5.5 -- and I believe you said that number increases by</p> <p>8 one percent each year thereafter -- that's the</p> <p>9 Company's projected load growth for those non data</p> <p>10 center customers served by that station?</p> <p>11 A. Correct.</p> <p>12 MR. CHAMBLISS: Okay. Thanks for that</p> <p>13 explanation.</p> <p>14 And that's all from Staff.</p> <p>15 MS. LINK: No redirect, Your Honor.</p> <p>16 MS. CRABTREE: No redirect, Your Honor.</p> <p>17 THE HEARING EXAMINER: All right.</p> <p>18 Mr. Potter's testimony, along with his sponsored</p> <p>19 testimony, will be received as Exhibit 6.</p> <p>20 Next witness.</p> <p>21 MS. LINK: Your Honor, the next three</p> <p>22 witnesses in the order have been stipulated.</p> <p>23 THE HEARING EXAMINER: All right.</p> <p>24 MS. LINK: So we're prepared to mark</p> <p>25 their testimony and have them admitted to the record</p>
<p style="text-align: right;">Page 118</p> <p>1 Q. And do you wish to sponsor that document</p> <p>2 as your direct testimony in this proceeding?</p> <p>3 A. Yes.</p> <p>4 MS. CRABTREE: Your Honor, I'd ask that</p> <p>5 Mr. Potter's direct testimony be marked for</p> <p>6 identification.</p> <p>7 THE HEARING EXAMINER: Mr. Potter's</p> <p>8 direct testimony will be marked as Exhibit 6.</p> <p>9 (Exhibit No. 6 was marked for</p> <p>10 identification.)</p> <p>11 MS. CRABTREE: At this time, I'd move</p> <p>12 admission of Exhibit 6, subject to cross-examination.</p> <p>13 THE HEARING EXAMINER: It will be</p> <p>14 admitted, subject to cross.</p> <p>15 (Exhibit No. 6 was admitted into</p> <p>16 evidence.)</p> <p>17 THE HEARING EXAMINER: Mr. Coughlin?</p> <p>18 MR. COUGHLIN: I have no cross.</p> <p>19 THE HEARING EXAMINER: All right.</p> <p>20 Ms. Alexander?</p> <p>21 MS. ALEXANDER: No, thank you.</p> <p>22 THE HEARING EXAMINER: Ms. Harden?</p> <p>23 MS. HARDEN: No, sir.</p> <p>24 THE HEARING EXAMINER: Reisinger?</p> <p>25 MR. REISINGER: No, Your Honor.</p>	<p style="text-align: right;">Page 120</p> <p>1 without cross-examination.</p> <p>2 THE HEARING EXAMINER: All right.</p> <p>3 MS. LINK: First is Robert J. Shevencock.</p> <p>4 It is a one-page witness direct testimony summary,</p> <p>5 five typed pages of questions and answers in public</p> <p>6 version only, filed on November 6, 2015.</p> <p>7 And you had asked which sections of the</p> <p>8 appendix he sponsors. He sponsors 1D, as in dog; F,</p> <p>9 as in Frank; 2.A.3; 2.A.6, 2B, and 4. And he</p> <p>10 cosponsors 1A and 1G.</p> <p>11 THE HEARING EXAMINER: All right.</p> <p>12 MS. LINK: May we have that marked.</p> <p>13 THE HEARING EXAMINER: Mr. Shevencock's</p> <p>14 testimony will be marked as Exhibit 7.</p> <p>15 (Exhibit No. 7 was marked for</p> <p>16 identification.)</p> <p>17 MS. LINK: And move for admission of</p> <p>18 Exhibit 7.</p> <p>19 THE HEARING EXAMINER: It will be</p> <p>20 admitted.</p> <p>21 (Exhibit No. 7 was admitted into</p> <p>22 evidence.)</p> <p>23 MS. LINK: Thank you. Next is</p> <p>24 Wilson O. Velazquez. He has one page of witness</p> <p>25 direct testimony summary, five typed pages of</p>

1 questions and answers, public version only, filed on  
2 November 6, 2015.

3 And his sections of the appendix are 2C,  
4 as in cat. And he cosponsors 1G. We'd ask that it be  
5 marked and admitted.

6 THE HEARING EXAMINER: All right.  
7 Mr. Velazquez' testimony will be marked as Exhibit 8  
8 and admitted into the record.

9 (Exhibit No. 8 was marked and admitted  
10 into evidence.)

11 MS. LINK: Thank you, Your Honor. And  
12 next we have Diana T. Faison. Her testimony was one  
13 page witness direct testimony summary, four pages of  
14 questions and answers, a public version only, filed on  
15 November 6, 2015.

16 She cosponsors sections two and three of  
17 the appendix and the environmental routing study. May  
18 we have that marked and admitted.

19 THE HEARING EXAMINER: It will be marked  
20 and admitted as Exhibit 8 (sic).

21 (Exhibit No. 9 was marked and admitted  
22 into evidence.)

23 MS. LINK: Eight or nine?

24 THE HEARING EXAMINER: Excuse me. Nine.

25 MS. LINK: Thank you. Thank you, Your

1 the environmental routing study that was submitted to  
2 the Commission in this matter on November 6, 2015.

3 Q. And do you have any corrections or  
4 additions to those documents?

5 A. I do not.

6 Q. If you were asked the questions appearing  
7 therein, would you provide the same or substantially  
8 the same answers today?

9 A. Yes.

10 Q. And do you wish to adopt and sponsor  
11 Mr. Thomas' direct testimony in this proceeding?

12 A. Yes.

13 Q. And, Mr. Berkin, did Mr. Thomas and now  
14 you also sponsor sections 2.A.1, 2.A.2, 2.A.4, 2.A.5,  
15 2.A.7 through 9, sections three, sections five, and  
16 those are all in the appendix?

17 A. Yes, that's correct.

18 Q. And did you also sponsor the DEQ  
19 supplement to the application?

20 A. Yes.

21 MS. CRABTREE: Your Honor, I'd ask that  
22 the direct testimony of Mr. Thomas, as adopted by  
23 Mr. Berkin, be marked for identification.

24 THE HEARING EXAMINER: The testimony of  
25 Mr. Thomas, as adopted by Mr. Berkin, will be marked

1 Honor.

2 MS. CRABTREE: Your Honor, the Company  
3 next calls Jon M. Berkin to the stand.

4 JON M. BERKIN, called as a witness,  
5 having been first duly sworn, was examined and  
6 testified as follows:

7 DIRECT EXAMINATION

8 BY MS. CRABTREE:

9 Q. Can you, please, state your name,  
10 position of employment, and business address?

11 A. Sure. So Jon M. Berkin. Business  
12 address -- I work for Natural Resource Group.  
13 Business address is 1000 IDS Center, 80 South Eighth  
14 Street, Minneapolis, Minnesota 55402.

15 Q. And do you have with you a document  
16 entitled, the direct testimony of Jeffrey R. Thomas,  
17 consisting of a one-page summary, 11 typed pages of  
18 questions and answers, which was filed in public  
19 version only in this proceeding, on November 6th,  
20 2015?

21 A. Yes, I do.

22 Q. And was that document prepared by you or  
23 under your supervision?

24 A. No, it was not. However, I'm adopting  
25 Mr. Thomas' prefled direct testimony and will support

1 as Exhibit 10.

2 (Exhibit No. 10 was marked for  
3 identification.)

4 MS. CRABTREE: And I move the admission  
5 of Exhibit 10, subject to cross-examination.

6 THE HEARING EXAMINER: It will be  
7 admitted, subject to cross.

8 (Exhibit No. 10 was admitted into  
9 evidence.)

10 THE HEARING EXAMINER: Mr. Coughlin?

11 MR. COUGHLIN: No questions.

12 THE HEARING EXAMINER: Ms. Alexander?

13 MS. ALEXANDER: No cross, thank you.

14 THE HEARING EXAMINER: Ms. Harden?

15 MS. HARDEN: No, thank you.

16 THE HEARING EXAMINER: Mr. Reisinger?

17 MR. REISINGER: No questions, Your Honor.

18 THE HEARING EXAMINER: Staff?

19 MR. CHAMBLISS: No, no questions.

20 THE HEARING EXAMINER: All right.

21 MS. CRABTREE: Thank you, Mr. Berkin.

22 THE HEARING EXAMINER: Mr. Berkin, thank  
23 you very much.

24 THE WITNESS: Thank you.

25 MR. CHAMBLISS: Your Honor, did you mark



<p style="text-align: right;">Page 125</p> <p>1 and admit the environmental routing study as well as 2 the testimony?</p> <p>3 THE HEARING EXAMINER: I don't believe I 4 did unless it's in the appendix.</p> <p>5 MS. LINK: Your Honor, I think that is 6 sponsored by Mr. Berkin, but, yes, we can mark it with 7 Mr. Berkin's testimony or with Exhibit 3, your 8 preference.</p> <p>9 THE HEARING EXAMINER: Just go ahead and 10 mark it with Mr. Berkin's testimony.</p> <p>11 MS. LINK: All right.</p> <p>12 MR. CHAMBLISS: Thank you.</p> <p>13 THE HEARING EXAMINER: Marking it twice 14 doesn't really matter, I don't guess, so part of 15 Exhibit 3 or Mr. Berkin's testimony, since he adopted 16 it -- or sponsored it.</p> <p>17 MS. LINK: Thank you. We'll include it 18 with Exhibit 10 then.</p> <p>19 THE HEARING EXAMINER: All right. I 20 believe that concludes the Company's direct case?</p> <p>21 MS. LINK: Yes, Your Honor.</p> <p>22 THE HEARING EXAMINER: Would it be 23 appropriate to take a lunch break now and reconvene at 24 two o'clock?</p> <p>25 MS. LINK: Yes.</p>	<p style="text-align: right;">Page 127</p> <p>1 Lerner Corporation.</p> <p>2 Q. What's your title there?</p> <p>3 A. Executive vice president.</p> <p>4 Q. And what's the relationship between 5 Lerner Enterprises and Southview 66, LLC?</p> <p>6 A. Learner Enterprises is the sole member of 7 Southview 66, LLC.</p> <p>8 Q. And are you authorized to speak on behalf 9 of Southview 66, LLC?</p> <p>10 A. Yes, I am.</p> <p>11 Q. And did you prepare with counsel's 12 assistance direct testimony that was submitted into 13 the record in this case?</p> <p>14 A. I did.</p> <p>15 Q. Do you have any corrections to make to 16 that testimony?</p> <p>17 A. No, I do not.</p> <p>18 Q. And is it still accurate and reflecting 19 Southview 66's position in this matter?</p> <p>20 A. Yes.</p> <p>21 MR. COUGHLIN: Your Honor, we'd like to 22 have marked the direct testimony of Arthur Fuccillo in 23 this matter.</p> <p>24 THE HEARING EXAMINER: All right. 25 Mr. Fuccillo's direct testimony will be marked -- I</p>
<p style="text-align: right;">Page 126</p> <p>1 THE HEARING EXAMINER: We'll stand in 2 recess for lunch break and reconvene at two o'clock. 3 (A luncheon recess was taken.)</p> <p>4 THE HEARING EXAMINER: All right. I 5 believe when we took our break, the Company completed 6 its direct case; is that correct?</p> <p>7 MS. LINK: Yes, Your Honor.</p> <p>8 THE HEARING EXAMINER: All right. Now, 9 we have Southview and FST. 10 Who is going first?</p> <p>11 MR. COUGHLIN: Southview, sir.</p> <p>12 THE HEARING EXAMINER: All right.</p> <p>13 MR. COUGHLIN: Your Honor, I'd like to 14 call Arthur Fuccillo to the stand.</p> <p>15 ARTHUR N. FUCCILLO, called as a witness, 16 having been first duly sworn, was examined and 17 testified as follows:</p> <p>18 DIRECT EXAMINATION</p> <p>19 BY MR. COUGHLIN:</p> <p>20 Q. Good afternoon, Mr. Fuccillo. This is 21 Michael Coughlin here to question you. And if you 22 could, please, state your full name for the record.</p> <p>23 A. Arthur Nicholas Fuccillo.</p> <p>24 Q. And who are you employed by?</p> <p>25 A. I'm employed by Lerner Enterprises and</p>	<p style="text-align: right;">Page 128</p> <p>1 believe the next exhibit is 11. 2 (Exhibit No. 11 was marked for 3 identification.)</p> <p>4 MR. COUGHLIN: Your Honor, we'd like to 5 have that moved into evidence as well.</p> <p>6 THE HEARING EXAMINER: It will be 7 admitted, subject to cross-examination. 8 (Exhibit No. 11 was admitted into 9 evidence.)</p> <p>10 BY MR. COUGHLIN:</p> <p>11 Q. Mr. Fuccillo, have you reviewed any of 12 the rebuttal testimony filed in this case by the 13 Company?</p> <p>14 A. Yes, I have.</p> <p>15 Q. Did you review the rebuttal testimony of 16 David C. Lenhoff?</p> <p>17 A. Yes, I have.</p> <p>18 Q. Do you have a response to Mr. Lenhoff's 19 statement on page seven of his testimony to the effect 20 that when commercial properties are located in 21 proximity to power lines, the effects on commercial 22 properties are much less evident than on any 23 residential properties?</p> <p>24 A. I have a reaction to that. I'm in 25 disagreement with it. I think if you understand</p>

1 retail development and commercial development, you  
2 would realize it's not much less evident, as he  
3 indicates it would be.

4 Q. Do you believe that -- we'll start with  
5 the overhead routes -- that they would have a negative  
6 impact on Southview's property?

7 A. Well, with regard to the three overhead  
8 routes, the railroad, the Madison, and the Carver,  
9 they provide a visual barrier to the project, the  
10 110 acres that we own in that corner. They provide a  
11 visual barrier from Route 29, the new interchange. If  
12 you understand how that property sits and whether  
13 there's anything blocking it, there are no trees  
14 blocking it. It's an interchange that actually rises  
15 up, and, quite frankly, you would looking through  
16 power lines on to what is intended by many to be  
17 Prince William County's Reston Town Center, if we're  
18 fortunate enough in the future to develop it.

19 Q. I'd like to turn your attention to your  
20 left. I have up there Exhibit 2 to your testimony.

21 If you could just explain to the Hearing  
22 Examiner what Exhibit 2 represents?

23 A. Exhibit 2 is one of the options that we  
24 were looking at prior to the announcement of the power  
25 line issue for the single user, Amazon. It shows an

1 open-air center, with a shopping center adjacent to  
2 it. Pursuant to our proffers, we're permitted to  
3 build over a million square feet of commercial space  
4 on the property at the moment. It's one of our  
5 development plans, yes.

6 Q. Okay. And backing up -- and some of this  
7 is in your direct testimony, but the property was  
8 rezoned in 1997; is that correct?

9 A. That's correct.

10 Q. Between then and now, what have you and  
11 your company done to, you know, get to the point where  
12 you're developing these plans and ready to move  
13 forward?

14 A. Well, we're doing a lot as it relates to  
15 the development. Initially we filed for a wetlands  
16 permit with the Army Corps of Engineers and worked  
17 through that over a several-year process, getting  
18 permission to develop commercial property and make  
19 impacts into the wetlands in minor areas, and then  
20 preserving the wetlands on the property into the  
21 future. And we have an agreement with the Army Corps  
22 and the state conservation department that allows us  
23 to develop on the property.

24 After the wetlands were analyzed and  
25 depicted and delineated on the property, we entered

1 into an archeological analysis. It turns out that the  
2 Gaines House for Gainesville was on our property, so  
3 we went on beyond a Phase I and a Phase II into  
4 actually an archeological dig and dedicated the --  
5 what was found into a museum for the State of  
6 Virginia.

7 We've done a significant amount of  
8 architectural analysis and engineering work on the  
9 property. Not only have we done repeated plans and  
10 looking at ways of developing the property, we've met  
11 with retailers and analyzed it from many different  
12 perspectives.

13 We've also filed with both the  
14 transportation department of Prince William County and  
15 the VDOT Department of Transportation improvement  
16 plans along 355 at our main intersection coming in so  
17 that we would have access in and access out, and  
18 that's from the intersection that you see there  
19 depicted all the way down the Catharpin Road, with  
20 improvements along that frontage. That is nearing or  
21 at completion and at approval at the moment.

22 Q. In your estimation, would the overhead  
23 routes of Madison, Carver, and railroad impact what's  
24 known as parcel two, which is in the, we'll call it,  
25 northeast corner of your property?

1 A. Yes.

2 Q. And what's planned in that particular  
3 area of the property?

4 A. Well, we're planning a hotel and two pad  
5 sites. And as evident by the exhibit here, the power  
6 lines would go right up against the hotel.

7 This is the main gateway down Route 29  
8 towards Charlottesville and Warrenton that was planned  
9 by Prince William County in their comprehensive plan  
10 as a regional commercial center. So it was intended  
11 to be something of a gateway location. So obviously  
12 we had a hotel in that corner and as is depicted  
13 there, and the power lines would affect that hotel --

14 Q. And how long you have --

15 A. -- in the Madison, Carver, and railroad  
16 areas.

17 Q. And how long have you been in the  
18 development industry?

19 A. Thirty-five years.

20 Q. And in your experience and also relating  
21 it to this property, are there any other impacts the  
22 overhead routes would have on a development plan like  
23 this?

24 A. Well, there's a visual impact that I  
25 mentioned, there's the barrier impact; that's why I

<p style="text-align: right;">Page 133</p> <p>1 disagree with the comment made in the testimony, there  2 is evidence; if you look at centers that have power  3 lines through, they are generally not the quality  4 centers that we're intending here at gateway location  5 for the area.  6 We are actually at the time also looking  7 at a residential component to this; the general trend  8 in the industry is to commercial, residential, mixed  9 use, and we're looking at a residential component of  10 the project as well that we think would be visually  11 impacted. They are luxury apartments.  12 Q. Did you have your engineer -- or has your  13 engineer prepared a concept plan for that as well?  14 A. Yes. And one other point on this plan  15 before you leave, obviously the route that's indicated  16 there on the hybrid you'll get back to, but that  17 impacts our buildings.  18 Q. Okay. So I just want to right now turn  19 your attention to this document.  20 THE HEARING EXAMINER: Is that document  21 in the testimony, Mr. Coughlin?  22 MR. COUGHLIN: It is not in the record  23 presently. I'd like to ask him to identify it and see  24 if it helps explain further his position of  25 disagreement with Mr. Lenhoff's testimony.</p>	<p style="text-align: right;">Page 135</p> <p>1 significantly from the project itself and makes it far  2 less attractive.  3 Q. And then you mentioned wetlands.  4 Are there wetlands depicted? And you may  5 have to turn to the screen on this exhibit. And if  6 so, are those the wetlands that you had to preserve?  7 A. Yes. The wetlands are depicted between  8 the commercial and the residential. I can show it.  9 THE HEARING EXAMINER: Yes.  10 THE WITNESS: Right in this area here,  11 that was the wetlands delineation that was approved by  12 the Army Corps.  13 THE HEARING EXAMINER: So where you have  14 the crisscross lines there? Looks like the lines are  15 crisscrossed.  16 THE WITNESS: That's part of it, Your  17 Honor. I would submit to you it extends from there  18 all the way down to 55 in the various ponds. And for  19 illustrative purposes, that gap right there would be  20 the wetlands.  21 BY MR. COUGHLIN:  22 Q. And have you reviewed the testimony of  23 John Berkin, with Energy, where he discusses the  24 transition station associated with the underground  25 route, specifically the fact that the structures</p>
<p style="text-align: right;">Page 134</p> <p>1 THE HEARING EXAMINER: Do you have a copy  2 for me and also counsel?  3 MR. COUGHLIN: Yes, I do.  4 THE HEARING EXAMINER: Let the bailiff  5 hand those out.  6 MR. COUGHLIN: I also have copies for  7 counsel as well.  8 THE WITNESS: We're in the process of  9 having discussions with a major tenant that you can  10 see there closest to 66 who depends on 66 visibility.  11 This is an evolution of the plan; It shows a  12 commercial center geared towards that major tenant.  13 It shows a potential food use. It shows a design of a  14 circular commercial project. And then it shows  15 residential on either side in a grid street program  16 that we would submit and attempt to build on the  17 property.  18 BY MR. COUGHLIN:  19 Q. And would the overhead routes have a  20 negative impact on this development plan as well?  21 A. Once again, they would. If you follow  22 the alignment of both the railroad, the Madison, and  23 the Carver, they essentially come onto our property on  24 the edge and then run the entire distance around our  25 property from Route 29. We think it detracts</p>	<p style="text-align: right;">Page 136</p> <p>1 associated with this facility will be on average  2 30 feet tall, with a 75 foot tall center structure?  3 A. Yes, I have.  4 Q. And how would that switching station  5 impact either the Exhibit 2 in your original testimony  6 or the exhibit in front of us now?  7 A. I believe it's called a transition  8 station. And I read Mr. Berkin's testimony and  9 Mr. Velazquez' as well, and I think -- as well as  10 Mr. Koonce, and I believe they all reflect the fact  11 that parcel two would be significantly impacted by the  12 transition station that would be built there.  13 Presently, we're planning a hotel and two pad sites on  14 that property, and they would be destroyed.  15 Q. And does the red highlight your  16 engineer's estimate on this new exhibit, the potential  17 location of the switching station?  18 A. I believe it does, although it appears  19 there's either seven to 11 acres depending upon whose  20 testimony you read as to the size of that transition  21 station area, but this would be the impact to us.  22 It's possible that the red goes onto a neighbor's  23 property as well.  24 Q. Understood.  25 MR. COUGHLIN: Your Honor, I'd like to</p>

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1 have marked this document as an exhibit.

2 THE HEARING EXAMINER: All right. The  
3 document entitled, DVP easement overlay, Grove at  
4 Gainesville, will be marked as Exhibit 12.

5 (Exhibit No. 12 was marked for  
6 identification.)

7 MR. COUGHLIN: I'd like to have it moved  
8 into evidence as well.

9 THE HEARING EXAMINER: It will be  
10 admitted, subject to cross.

11 (Exhibit No. 12 was admitted into  
12 evidence.)

13 BY MR. COUGHLIN:

14 Q. Are you able to quantify the potential  
15 financial impact of the switching station on the  
16 Southview property?

17 A. I think the impact of the transition  
18 station is approximately 14- to \$20 million.

19 Q. And how do you come up with that  
20 estimate?

21 A. Approximately 40,000 to 45,000 a room for  
22 a 200-room hotel and then about \$4 million for each of  
23 the pad sites depending upon how we lease them based  
24 on the then present value.

25 So if we had -- about \$17 million, I

1 you will, interested in being close to highways like  
2 I-66?

3 A. Well, in this particular instance, they  
4 are. To the extent that any retailer wants  
5 visibility -- large retailers want more visibility, if  
6 possible. But I would note that the easement in this  
7 particular example, on this particular plan actually  
8 goes over a gas station that's part of this user's  
9 layout and site plan, if you note that. That's the  
10 part closest to 66. They have gas facilities. And  
11 their entrance, which is furthest to the south where  
12 that slight bend in the building is in the rectangle,  
13 they will only come if they are in the middle of the  
14 parking field, not towards the southern part of that  
15 parking field. So this has a tremendous impact in the  
16 ability to make this deal.

17 Q. And what does the green area on  
18 Exhibit 12 show?

19 A. As indicated, it shows 50-foot buffer  
20 easement per our requirement with Prince William  
21 County.

22 Q. So in your estimation, would that also  
23 kind of have to come farther into the property with  
24 the underground route?

25 A. I think that's the impact that's shown

1 would say, in that range.

2 Q. All right. And have you studied an  
3 updated map that Dominion has provided which purports  
4 to show VDOT's storm water management ponds on the  
5 Southview property?

6 A. I've seen a plan that shows a yellow  
7 pond; call it yellow because that's how it was  
8 highlighted.

9 Q. And has VDOT approached you to discuss  
10 placing a pond on the Southview property?

11 A. No, not as yet.

12 Q. Assuming that happens -- referring to the  
13 new Exhibit 12 -- what's the impact of that pond and  
14 having to avoid it on the Southview property?

15 A. Well, we just move the easement closer to  
16 the buildings. And, once again, these buildings that  
17 are shown here have to be moved to the south to  
18 accommodate the easement area that's being proposed.

19 So we would just have a further impact  
20 onto the property potentially based on the location  
21 and the size of the storm water management pond if  
22 VDOT determines that's the case.

23 Q. And this exhibit shows a large user -- a  
24 large building.

25 In your experience, are big box users, if

1 there.

2 Q. So if you could summarize Southview 66's  
3 position on the overhead routes that are proposed to  
4 impact your property, is Southview in favor of or  
5 against those routes?

6 A. We're very much against those routes.

7 Q. And what's your overall position on the  
8 application that Dominion has filed with the State  
9 Corporation Commission?

10 A. Well, I think the first and foremost --  
11 and just talking about us here now and not anything  
12 else -- the proposed hybrid route is very expensive.  
13 I think the testimony that I've reviewed and the  
14 testimony that's been presented into evidence  
15 indicates that the expense of the project even before  
16 you pay us \$20-plus million in easement condemnation  
17 and parcel condemnation dollars is \$111 million. So  
18 you're roughly going to be in the 135- to \$140 million  
19 range, which I would like Amazon to pay for in my  
20 personal opinion as a taxpayer in Virginia because  
21 we're all here today and all of this is caused really  
22 by a decision they made to go to a certain location.

23 We've done a ton of data centers  
24 ourselves, and we usually do them in positions and  
25 areas where they are designated for them in the

<p style="text-align: right;">Page 141</p> <p>1 programs, within the county.</p> <p>2 I don't really want to formulate or have</p> <p>3 an opinion on the proposed route. I sympathize with</p> <p>4 the people who are impacted by it. They are our</p> <p>5 future customers, and I want them to come to our</p> <p>6 center. I have not studied it, I don't know the</p> <p>7 impact of the lines, and I don't know whether trees</p> <p>8 are blocking it. I just know on this particular piece</p> <p>9 of property, there's a significant impact, the hybrid</p> <p>10 route, and it's very expensive.</p> <p>11 In addition to that, there's wetlands</p> <p>12 that are impacted, as indicated in the testimony,</p> <p>13 there's environmental concerns. I don't know whether</p> <p>14 there's any further archeological issues there.</p> <p>15 There's been some reports that there's rock on the</p> <p>16 property, which would make it more difficult to</p> <p>17 trench. It just makes this particular alternative not</p> <p>18 cost effective.</p> <p>19 Q. And one last question. If it turns out</p> <p>20 that the purported VDOT storm water management pond is</p> <p>21 either just in a conceptual phase and, therefore,</p> <p>22 could be eliminated or that it's not necessary and the</p> <p>23 underground route ends up getting approved, would</p> <p>24 Southview want that route to go closer to I-66?</p> <p>25 A. Southview would like it to go in I-66 if</p>	<p style="text-align: right;">Page 143</p> <p>1 and this layout?</p> <p>2 Q. Yes.</p> <p>3 A. The location of the buildings. It's an</p> <p>4 introduction of residential.</p> <p>5 Can you see the difference there?</p> <p>6 Q. Well, I can see that the development</p> <p>7 within each parcel is different, but --</p> <p>8 A. That's correct.</p> <p>9 Q. -- one doesn't represent something that's</p> <p>10 already in existence versus one that's planned?</p> <p>11 A. No, sir. Both -- this was the project</p> <p>12 that we were moving forward with initially many years</p> <p>13 ago -- not many years ago, but a few years ago before</p> <p>14 this issue arose. In the course of the evolution of</p> <p>15 that and meeting with the county and other potential</p> <p>16 retailers, it became this.</p> <p>17 Q. And so what state of approval is this,</p> <p>18 Exhibit 12?</p> <p>19 A. In the conceptual stage. Has not been</p> <p>20 submitted for approval, except that we can build all</p> <p>21 the commercial by right. So we can file a site plan</p> <p>22 tomorrow on about 4- or 500,000 feet of that.</p> <p>23 Q. All right. There's the area within the</p> <p>24 red on Exhibit 12; is that where the hotel was going</p> <p>25 to be?</p>
<p style="text-align: right;">Page 142</p> <p>1 that's possible.</p> <p>2 Q. All right. Fair enough.</p> <p>3 MR. COUGHLIN: No further questions.</p> <p>4 THE HEARING EXAMINER: All right. I</p> <p>5 noticed that FST Properties is not on the list for</p> <p>6 cross-examination, but I'll ask you, do you have any</p> <p>7 questions?</p> <p>8 MS. ALEXANDER: No questions, thank you.</p> <p>9 THE HEARING EXAMINER: Ms. Harden, do you</p> <p>10 have any questions?</p> <p>11 MS. HARDEN: No questions.</p> <p>12 THE HEARING EXAMINER: Mr. Reisinger?</p> <p>13 MR. REISINGER: No questions.</p> <p>14 THE HEARING EXAMINER: Mr. Chambliss?</p> <p>15 MR. CHAMBLISS: I think I have a couple,</p> <p>16 Your Honor.</p> <p>17 CROSS-EXAMINATION</p> <p>18 BY MR. CHAMBLISS:</p> <p>19 Q. Mr. Fuccillo, the map that's up on the</p> <p>20 screen right now, does that depict the same parcel as</p> <p>21 the one shown behind you there?</p> <p>22 A. Yes.</p> <p>23 Q. What's the difference between those two?</p> <p>24 I must have missed it when you were explaining it.</p> <p>25 A. What's the difference between this layout</p>	<p style="text-align: right;">Page 144</p> <p>1 A. Yes, yes, sir.</p> <p>2 Q. Okay. Not there at the moment?</p> <p>3 A. No, it's not there at the moment.</p> <p>4 MR. CHAMBLISS: Okay. That clears it up</p> <p>5 for me. I'm sorry, Your Honor.</p> <p>6 Thank you, Mr. Fuccillo.</p> <p>7 THE WITNESS: No problem.</p> <p>8 THE HEARING EXAMINER: Okay. I had one</p> <p>9 question to follow up to Mr. Chambliss'. Exhibit 2 in</p> <p>10 your testimony, that's a conceptual plan as well,</p> <p>11 correct?</p> <p>12 THE WITNESS: If you can help me with</p> <p>13 that, Your Honor. That's Exhibit 2 right there?</p> <p>14 THE HEARING EXAMINER: Yes.</p> <p>15 THE WITNESS: Yes, Your Honor, that is a</p> <p>16 conceptual plan that we attached to my testimony.</p> <p>17 THE HEARING EXAMINER: So you haven't</p> <p>18 submitted any type of plans to the county for --</p> <p>19 THE WITNESS: We've submitted road plans.</p> <p>20 We've not submitted any building plans yet because</p> <p>21 we're still trying to put it together.</p> <p>22 THE HEARING EXAMINER: All right. Okay.</p> <p>23 Mr. Bushman?</p> <p>24 MR. BUSHMAN: Yes, I have a couple.</p> <p>25 CROSS-EXAMINATION</p>

1 BY MR. BUSHMAN:

2 Q. Good afternoon, Mr. Fuccillo. My name is  
3 Will Bushman. I'm representing Dominion.

4 This ties into Mr. Chambliss' question.  
5 But looking at Exhibit 12 here, do you know roughly  
6 what size the acreage is in this red footprint here?

7 A. I want to say it's approximately five  
8 acres. I don't know exactly, specifically. I know  
9 that the requirement is somewhere from seven to 11  
10 acres, but I think a portion of that you would need to  
11 go into the triangle piece next to us that we don't  
12 own, so you would need to contact that landowner and  
13 get land from him or her or it.

14 Q. I understand. But your belief is that  
15 this red is about five acres?

16 A. I want to say five or six acres. I have  
17 to go back and analyze it. It just shows the visual  
18 impact to it.

19 Q. Okay. And then looking over your  
20 shoulder then to Exhibit 11, is that the same acreage?  
21 It looks like that's a larger footprint.

22 A. It's a larger footprint because, once  
23 again, it bleeds into the triangle piece and it bleeds  
24 over into the right-of-way. So if you took just the  
25 interior portion, if you took the outline of the

1 interior portion of that exhibit, you'd see that it  
2 matches up rather nicely with this exhibit.

3 Q. The interior portion?

4 A. Well, apologize for standing up.

5 You can see if you follow this trace here  
6 and then go to our property line and go up this  
7 property line here, you're probably in the same  
8 approximate square foot area as you would have been,  
9 but this bleeds over into the triangle piece as I  
10 indicated, and this was done really probably taking  
11 into consideration that piece as well or the size  
12 that's been called for by the reports.

13 Q. By which reports?

14 A. The various reports that have been filed,  
15 Staff report, other reports that indicate the size of  
16 the transition station.

17 Q. Okay. Thank you.

18 Now, going back to your testimony, you  
19 just originally said that the estimated financial  
20 impact on parcel two is somewhere in the 17-  
21 \$20 million range?

22 A. I think so, yes.

23 Q. Could you describe what you mean by  
24 financial impact? Is that revenue lost? Property  
25 value?

1 A. You would have to take it in  
2 condemnation. And in condemnation, there would be  
3 appraisals, and the indicating value of that in my  
4 opinion on what we plan to do with the property and  
5 what the county would indicate to me, I think they  
6 would want for their gateway, roughly would be in the  
7 valuation of 17- to \$20 million in land value, not in  
8 lost economic value.

9 Be advised, I'm not giving you an  
10 appraised value that I would want necessarily to be  
11 the actual value; it would have to be a value  
12 determined by appraisals and in court.

13 Q. Understood. And you also talked about  
14 the impact to parcel one from the hybrid route.

15 Do you have an estimate on the financial  
16 impact associated with the hybrid route on --

17 A. That's a great question. I don't have a  
18 number. I know there's an impact on the square  
19 footage having to move the buildings back, so we'll  
20 have less square footage to build because of the  
21 certain parking ratios that you have to maintain with  
22 your buildings. Of course the impact to wetlands  
23 would not enure to our benefit, nor the environmental,  
24 nor the archeological, but -- benefit or detriment.  
25 The bottom line is there would be another impact and

1 that would be the loss of square footage.

2 Q. Based on your experience in the industry,  
3 would you say it would be a significant impact on  
4 the --

5 A. It would be -- I would -- you know, I  
6 can't give you a number, but it would be in the 50 to  
7 \$75 a square foot loss range.

8 Q. Okay. Thank you. And then you also  
9 mentioned that it's zoned commercial by right.

10 Could you --

11 A. Well, it's not by right. It was zoned  
12 commercial pursuant to a zoning application that we  
13 filed back in the '90s and pursued. And we're  
14 permitted to build 1.1 million square feet of  
15 commercial density on the property, so we can file a  
16 site plan tomorrow and move forward with this.

17 Q. Okay. And you also talked about the  
18 mixed use plan for this, the property with commercial  
19 and residential, and I think you said just now  
20 1.1 million for commercial properties only?

21 A. That's what we're approved for.

22 Q. Do you have an estimate on the square  
23 footage for residential development?

24 A. Not square footage, but right now it's  
25 planned for about 900 to a thousand units --

<p style="text-align: right;">Page 149</p> <p>1 Q. Okay.</p> <p>2 A. -- of residential.</p> <p>3 Q. 900 to a thousand.</p> <p>4 But you don't have an estimate on the</p> <p>5 size of the units?</p> <p>6 A. Well, I have -- I don't have an estimate</p> <p>7 of the size of the units. Generally from land value</p> <p>8 standpoint, you're probably looking at 40,000-or-so</p> <p>9 dollars a unit if there was an impact to unit.</p> <p>10 Q. Okay.</p> <p>11 A. Once again, caveating -- which is not a</p> <p>12 verb, but caveating by saying that I'm not the</p> <p>13 appraiser for purposes of the condemnation.</p> <p>14 Q. Understood.</p> <p>15 But a sizable residential plan?</p> <p>16 A. That's correct.</p> <p>17 Q. And what's the plan timeline for this</p> <p>18 development?</p> <p>19 A. I'd like to have done it yesterday.</p> <p>20 We've owned it since 1989. We're working so hard to</p> <p>21 get it done. I'm in conversations with that large</p> <p>22 user right now. I've met with the food store for the</p> <p>23 food store use. We're working on it every day. I</p> <p>24 would like to get it done.</p> <p>25 Q. Imminent?</p>	<p style="text-align: right;">Page 151</p> <p>1 So it's really -- this entire parcel becomes impacted</p> <p>2 visually, aesthetically, physically because I can't</p> <p>3 build on it.</p> <p>4 THE HEARING EXAMINER: But the commercial</p> <p>5 development is primarily in the center where you have</p> <p>6 the, it looks like, circular parking spaces there?</p> <p>7 THE WITNESS: Yes, Your Honor. We're in</p> <p>8 the process of getting this plan approved. You come</p> <p>9 in off of this 55. Here is the interchange. This is</p> <p>10 the main entrance in. The center of town is the</p> <p>11 commercial area under this plan. And to the right is</p> <p>12 the residential, residential, so you're looking in at</p> <p>13 the project really through this vision, and then</p> <p>14 you're looking here and be able to develop there.</p> <p>15 THE HEARING EXAMINER: So the residential</p> <p>16 is essentially southeast and northwest of the --</p> <p>17 THE WITNESS: Essentially southeast and</p> <p>18 southwest of 66, so southeast and southwest.</p> <p>19 THE HEARING EXAMINER: All right. Any</p> <p>20 further questions?</p> <p>21 All right. Mr. Fuccillo, thank you very</p> <p>22 much. Exhibit Nos. 11 and 12 are admitted to the</p> <p>23 record.</p> <p>24 And I believe the other two witnesses on</p> <p>25 the order of presentation are for FST Properties; is</p>
<p style="text-align: right;">Page 150</p> <p>1 A. I'd say it's imminent.</p> <p>2 Q. Is it also fair to say that as a</p> <p>3 developer you would like to have this property</p> <p>4 accessed to adequate and reliable electrical service?</p> <p>5 A. I would think so, yeah. It's in the 21st</p> <p>6 century, yes.</p> <p>7 MR. BUSHMAN: No further questions, Your</p> <p>8 Honor.</p> <p>9 THE HEARING EXAMINER: Mr. Fuccillo,</p> <p>10 again, looking at your Exhibit 12, which is on the</p> <p>11 screen to your immediate right behind you, where are</p> <p>12 the residential units located?</p> <p>13 THE WITNESS: The residential units are</p> <p>14 located around, in essence, what we'd call a town</p> <p>15 center. It doesn't particularly look like a town</p> <p>16 center, but you'd have -- everything here would be a</p> <p>17 residential unit and then a residential unit over here</p> <p>18 so you can walk to the center of town and be part of</p> <p>19 this commercial plan.</p> <p>20 And then this would be an area that we</p> <p>21 were going to build out as its own isolated area. I</p> <p>22 mentioned the hotel and the impact of the two pads.</p> <p>23 It's possible these two pads are also impacted because</p> <p>24 of the station there, which would mean that I would</p> <p>25 have to develop something else, if anything at all.</p>	<p style="text-align: right;">Page 152</p> <p>1 that correct?</p> <p>2 MS. ALEXANDER: That is correct, Your</p> <p>3 Honor. Since Denar Antelo has been excused from the</p> <p>4 hearing, Your Honor, if I can mark and identify his</p> <p>5 prefiled testimony which consisted of one summary</p> <p>6 page, six pages of questions and answers, and three</p> <p>7 pages of exhibits; I believe that was filed on</p> <p>8 May 10th publicly, Your Honor.</p> <p>9 THE HEARING EXAMINER: All right. Let me</p> <p>10 find that.</p> <p>11 Mr. Antelo's testimony will be marked and</p> <p>12 received into the record as Exhibit 13, I believe.</p> <p>13 (Exhibit No. 13 was marked and admitted</p> <p>14 into evidence.)</p> <p>15 MS. ALEXANDER: Thank you, Your Honor.</p> <p>16 I'll ask that Don Mayer be called to testify.</p> <p>17 DON MAYER, called as a witness, having</p> <p>18 been first duly sworn, was examined and testified as</p> <p>19 follows:</p> <p>20 DIRECT EXAMINATION</p> <p>21 BY MS. ALEXANDER:</p> <p>22 Q. Good afternoon. Please state your name</p> <p>23 for the record.</p> <p>24 A. Don Mayer.</p> <p>25 Q. And do you have a membership interest in</p>

1 FST Properties, LLC, Mr. Mayer?

2 A. I do. I'm the owner and managing  
3 partner.

4 Q. Okay. Did you have an occasion to  
5 file -- or prefile, I should say, some testimony on  
6 behalf of FST Properties in this matter?

7 A. I did.

8 Q. Okay. If you recall, did you have a  
9 six-page Q and A session and then three exhibits  
10 attached that were part of your prefiled testimony?

11 A. I did.

12 Q. And did you undertake to provide input  
13 with respect to that testimony?

14 A. Yes, I did.

15 Q. Do you have any corrections to that  
16 particular portion of your testimony?

17 A. No corrections.

18 Q. Okay. Would your answers be the same if  
19 I were to ask you those same questions today?

20 A. Yes, they would.

21 MS. ALEXANDER: Your Honor, I'd like to  
22 at least have marked as Exhibit 14 Mr. Mayer's  
23 prefiled testimony in this matter.

24 THE HEARING EXAMINER: So marked.  
25 (Exhibit No. 14 was marked for

1 office space?

2 A. It is. It's about a 4.6-acre parcel and  
3 we cleared maybe just a little over an acre and a  
4 quarter to build an office building for our own use.

5 Q. Okay. So your property boundary, just  
6 using that exhibit to kind of explain it, is it  
7 curving along that access route to the right of the  
8 white office building and then -- all the northern  
9 frontage along Route 55 and then jutting straight down  
10 south and then paralleling to the right perpendicular  
11 just a little bit below the office space there?

12 A. Yes, that's our property.

13 Q. Okay. And what other uses can be  
14 established within that 4.6-acre lot?

15 A. So we are currently zoned M2 zoning which  
16 allows us to build a lot of mixed use, light  
17 industrial, office space, retail. And the property,  
18 the way it lays out now, is about a little over  
19 90,000 square feet that we can develop on by right.

20 Q. Has anyone approached you about their  
21 interest in either purchasing or leasing property for  
22 development purposes?

23 A. Absolutely. We've been very fortunate.  
24 Had purchased the property back in 2001, and there was  
25 very little going on in the Gainesville, Haymarket

1 identification.)

2 MS. ALEXANDER: And have it be moved in,  
3 subject to cross.

4 THE HEARING EXAMINER: It will be  
5 received, subject to cross.

6 (Exhibit No. 14 was admitted into  
7 evidence.)

8 MS. ALEXANDER: Thank you.

9 BY MS. ALEXANDER:

10 Q. Mr. Mayer, did you have supplemental  
11 testimony to provide to the Hearing Examiner today?

12 A. I do.

13 Q. Let's go in and review certain aspects --  
14 we'll touch on probably some of your prefiled  
15 testimony aspects, but then go into the supplemental  
16 as well.

17 What is the current use of your property?

18 A. So the current use is we have a 9,600  
19 square foot office building that is owner-occupied by  
20 several companies that I own.

21 Q. Okay. And looking behind you on what has  
22 been introduced already into the record -- it was part  
23 of Denar Antelo's prefiled testimony marked as  
24 Exhibit 1 -- can you just identify it as the white  
25 building there that is your current 9,600 square foot

1 area. And in the last year and a half, two years,  
2 there's been a huge development across the street from  
3 us that's gone in with Wal-Mart and Kohl's being an  
4 anchor, as well as a lot of other retail.

5 Since that, in the last year and a half,  
6 we have had tremendous interest from gas stations to  
7 retail pad sites, to fast-food, to banks, and things  
8 like that with our proximity to Route 55 and 15, the  
9 new interchange that's going on as well as the retail  
10 establishment across the street.

11 Q. Okay. And then when Dominion's  
12 application was filed last fall, did it come to your  
13 attention that there were two routes that were part of  
14 that application that affected your property?

15 A. Absolutely.

16 Q. All right. Were those identified as the  
17 I-66 hybrid alternative as well as the preferred or  
18 what is otherwise known as the proposed route?

19 A. Yes.

20 Q. And how do those two routes affect your  
21 property, just generally? Can you speak to that?

22 A. Sure. They take a significant impact on  
23 the property. And I don't know if everybody can see  
24 the drawings, but going along the road is John  
25 Marshall Highway, Route 55.



1 Q. Let me see if I can he -- so you're  
2 talking about going --

3 A. Correct. And so both routes basically  
4 take the telephone poles going directly across the  
5 entire front of the FST property from the northeast  
6 corner all the way to the northwest corner.

7 Q. Mr. Mayer, if you don't mind, if you want  
8 to just drop down one of those exhibits there on top,  
9 I think you have the --

10 A. Sure.

11 Q. -- layout here which is similar to what  
12 we just identified.

13 But when you talk about the taking of the  
14 entire frontage there, do you recognize, you know,  
15 what is labeled as Denar Antelo Exhibit 2?

16 A. Yes.

17 Q. Tell us what that exhibit purports to  
18 show.

19 A. Sure. So that would be basically having  
20 the telephone poles going in front of our property,  
21 like I said, from the corner to corner, impacting all  
22 that area would be taken for those telephone poles.  
23 We go from about a little over 90,000 square feet to  
24 about 49,000 square feet.

25 Q. So is your buildable envelope there in

1 to a negative impact on retail users?

2 A. Absolutely not. The retail users we're  
3 referring to would be people that would actually come  
4 and have a retail pad site, whether it be a restaurant  
5 or bank. I think he interpreted retail users as  
6 customers coming to the site. I can't speak on what  
7 customers would want, but obviously having power lines  
8 above you is going to be an impact. My statement was  
9 truly about people either renting office space or  
10 restaurants and banks and things like that, wanting to  
11 occupy the space.

12 Q. Wanting to develop it?

13 A. Absolutely.

14 Q. Okay. Tell your position in general as  
15 to whether or not FST would like to see a line built  
16 in this instance?

17 A. Sure. I'm also a resident of Prince  
18 William County and I live about a mile and a half from  
19 this location, so I wear two hats here. As a resident  
20 and business owner, I do not want to see any kind of  
21 big power lines in our community. I think there will  
22 be a tremendous impact to the community in general as  
23 well as you can see to my property.

24 As stated earlier, we all know there is a  
25 single-use person here and that individual surrounds

1 Exhibit 2, you know, outlined just within this area  
2 here?

3 A. Yes, it is.

4 Q. Okay. And with respect to Exhibit 1,  
5 which, again, we were just showing prior, that was  
6 showing your 90-plus thousand square feet that was  
7 available to you without the impact of the easement,  
8 correct?

9 A. Absolutely. Not only from, like I said,  
10 office space, but any type of retail space that would  
11 go into there, you would see would drastically be  
12 taken off the main road and any visibility for  
13 customers seeing, as earlier stated, that most  
14 retailers want to road frontage and visibility off the  
15 road.

16 Q. Pointing to Dominion's witness Lenhoff,  
17 in his rebuttal testimony he was asked about -- he was  
18 asked a question about your prefiled testimony,  
19 specifically about retail users; it was on page seven,  
20 line 16 through 20. I know you don't have it in front  
21 of you, but essentially he opined that he didn't think  
22 any negative effect on value would occur from retail  
23 property users traveling under power lines to enter  
24 the businesses.

25 Is that what you meant when you referred

1 my property; they own property to the north, they own  
2 the property behind me, and they just bought the  
3 40 acres on the north, slash, southwest side where the  
4 two proposed data centers are going. So I'm  
5 surrounded by Amazon, or as they are calling it, as a  
6 customer.

7 Q. As you're testifying, this parcel is  
8 where the new proposed data center would be, as well  
9 as the substation, correct?

10 A. And development is happening as we speak.

11 So, you know, again, I don't want to see  
12 it. If this Commission deems that there is a need for  
13 this, then, you know, we would like to see a couple  
14 different variations, which we can talk about, but  
15 we'd also potentially like to see the lines buried  
16 instead of above ground. But there are some  
17 alternatives, if it has to come, that we have filed as  
18 well.

19 Q. Okay. And with respect to the -- if the  
20 need is found -- we'll touch on the alternative  
21 routes, but if the need is found, was there anything  
22 in the Staff reports or in Dominion's rebuttal  
23 testimony that you reviewed that would have you going  
24 along with or agreeing with a potential route they had  
25 proposed?

1 A. Sure. We had focused on the two routes,  
2 which was the I-66 hybrid as well as what they  
3 referred to as the proposed route. It was brought to  
4 our attention sometime last week that there is now a  
5 Wal-Mart variation that was in play.

6 So when we looked at the Wal-Mart  
7 variation, we would support that as well. That does  
8 not impact our property. And while we do not want to  
9 push power lines on anybody else's property, I think  
10 there is a solution that could work within the  
11 Wal-Mart variation.

12 Q. Earlier this morning there was some  
13 public input from Mr. Cooper on that route and there  
14 was some discussion about -- and we'll mark this for  
15 identification purposes as Exhibit 13 -- I'm sorry --  
16 Exhibit 15 -- there was some discussion with  
17 Mr. Cooper about moving one of the end point poles,  
18 which I believe might be this one right here -- when I  
19 say "this," I'm referring to the line that is directly  
20 to the north of the line before it shoots into the  
21 substation property, potentially moving it somewhere  
22 else so that it wouldn't be on what was identified as  
23 the Clavelli property.

24 Do you have any position or problem with  
25 the location of that particular pole somewhere south

1 you for a minute.

2 This aerial depiction that you have on  
3 this smaller screen here on the projector, I don't  
4 believe I have marked that as an exhibit, and I'm not  
5 sure it's in the Company's application. This was --  
6 just to clarify, this map that I put up to help was a  
7 series of aerials that Virginia Power gave to me when  
8 I went up and looked and actually, physically walked  
9 some of the areas up here for the transmission line,  
10 and I'm not aware it's in the record. And I know -- I  
11 think you referred to it as Exhibit 15, but it hasn't  
12 been marked as Exhibit 15.

13 MS. ALEXANDER: I asked that it be marked  
14 as Exhibit 15 just as I was up here.

15 THE HEARING EXAMINER: Do you have  
16 smaller versions?

17 MS. ALEXANDER: I don't. I thought it  
18 was in the larger application.

19 MS. LINK: Your Honor, I'm looking in the  
20 routing study.

21 Do you know where you got this map?

22 MS. ALEXANDER: Mike -- it's page five of  
23 ten.

24 THE HEARING EXAMINER: Let's go off the  
25 record for a minute.

1 of where it currently is shown on Exhibit 15?

2 A. Right. As I stated earlier, we don't  
3 want it at all. But if it has to be installed, we  
4 would support a route like that. And I think in  
5 talking with Dominion earlier today, potentially even  
6 having it where it can cross over and not even touch  
7 the FST property and make very little impact to the  
8 Clavelli property.

9 Q. Just so I'm clear, my question was --  
10 when I was asking that question, it was to have that  
11 last pole be on the data center-owned property, not --  
12 dropping that last pole down there --

13 A. Yeah, absolutely. As we talked about in  
14 all of our alternative routes, why not put it on the  
15 customer's property and not impact anybody else's.

16 Q. Correct. So why don't you drop down one  
17 more exhibit that's on the easel there. You mentioned  
18 some earlier analysis of potential alternative routes,  
19 again that would not affect the FST property.

20 Who helped you designate or design these  
21 routes?

22 A. Yes. So we hired the engineering group,  
23 and Denar was the lead engineer on this project.

24 Q. And I'll put that one up here.

25 THE HEARING EXAMINER: Let me interrupt

1 (There was a discussion off the record.)

2 THE HEARING EXAMINER: Back on the  
3 record.

4 There is a map which is described as  
5 alternate routes, map set, page five of ten. This was  
6 some aerial photos that was given to me during our  
7 tour of the proposed route and also the alternatives.  
8 And Ms. Alexander will get a copy of that. It will be  
9 marked and received as Exhibit 15?

10 MS. ALEXANDER: Yes, we're on Exhibit 15.  
11 (Exhibit No. 15 was marked for  
12 identification.)

13 BY MS. ALEXANDER:

14 Q. I believe we were just going over  
15 testimony with respect to this FST would not object  
16 necessarily if a line were approved to a pole  
17 modification somewhere within, you know, the end point  
18 of the line as long as it was not put on FST's  
19 frontage; is that correct?

20 A. That's correct.

21 Q. Behind you and what's been marked FST  
22 Properties, LLC's Denar Antelo's Exhibit 3 -- and  
23 that's part of the prefiled testimony that's been made  
24 a part of the record -- do you recognize what this is?

25 A. I do.

<p style="text-align: right;">Page 165</p> <p>1 Q. And can you describe what that is?</p> <p>2 A. Sure. So what we had looked at was the</p> <p>3 one pole that was suggested by Dominion was going to</p> <p>4 be in that corner somewhere. If I could -- I don't</p> <p>5 know if everyone can see, but there's a yellow line</p> <p>6 here that kind of goes in here. This is zoned by the</p> <p>7 customer, as well as it goes all the way back and</p> <p>8 around.</p> <p>9 So when we looked at that, we had just</p> <p>10 suggested that since we believed that there's really a</p> <p>11 single user that needs this, why not keep all of the</p> <p>12 power lines on their property. So the engineering</p> <p>13 group devised an alternative route which basically</p> <p>14 comes down south and then heads west, all staying on</p> <p>15 the customer's property.</p> <p>16 Q. And did the engineering group believe</p> <p>17 that this route was constructible and feasibility</p> <p>18 appeared to be as equally buildable as what Dominion</p> <p>19 had proposed in their application?</p> <p>20 A. Yes.</p> <p>21 Q. And are you aware that Dominion Power</p> <p>22 prepared a slight tweak or modification to the FST</p> <p>23 variation?</p> <p>24 A. Yes, I am.</p> <p>25 Q. All right. And had you reviewed what's</p>	<p style="text-align: right;">Page 167</p> <p>1 any knowledge or has anything been brought to your</p> <p>2 attention that those routes would not be capable of</p> <p>3 being built underground?</p> <p>4 A. There's been nothing brought to our</p> <p>5 attention that they could not be capable of building</p> <p>6 underground.</p> <p>7 Q. Are there any other items that you wish</p> <p>8 to discuss with respect to Dominion's rebuttal?</p> <p>9 A. No.</p> <p>10 Q. So, again, in summary, what is it that</p> <p>11 you're asking the Hearing Examiner to do with respect</p> <p>12 to FST?</p> <p>13 A. Sure. If the Hearing Examiner decides,</p> <p>14 Your Honor, that there is a need, we would almost</p> <p>15 basically ask that you not allow them to build those</p> <p>16 power lines on our property, by significantly taking</p> <p>17 about 50 percent of our usable space. We have shown</p> <p>18 that there are at least one alternative route;</p> <p>19 Dominion has come back with another alternative route;</p> <p>20 and the Staff report -- that's why I'm a little</p> <p>21 surprised on the Wal-Mart; I thought the Staff and</p> <p>22 Dominion had even talked about a Wal-Mart variation.</p> <p>23 And when that was brought to my attention, we looked</p> <p>24 at supporting all three of those.</p> <p>25 So if there happens to be a need, we</p>
<p style="text-align: right;">Page 166</p> <p>1 been marked and been made a part of the record, Don</p> <p>2 Mayer Exhibit 3, subject to your cross-examination?</p> <p>3 Do you recognize that?</p> <p>4 A. I do.</p> <p>5 Q. Is that the Dominion Power optimization</p> <p>6 route for the FST optimization route?</p> <p>7 A. Yes.</p> <p>8 Q. And describe again where your parcel is</p> <p>9 in relation to this depiction.</p> <p>10 A. Sure. So Dominion came back and</p> <p>11 basically took our plan and instead of coming across,</p> <p>12 down Route 55 heading west, they went from the corner</p> <p>13 of 15 and 55, took a direct route to the back of the</p> <p>14 customer's property, all the way through.</p> <p>15 Q. And do you have any objection to the</p> <p>16 Dominion FST optimization route?</p> <p>17 A. I do not have any objection.</p> <p>18 Q. Okay. Is it also your understanding that</p> <p>19 either of the alternative routes, the Wal-Mart that we</p> <p>20 just talked about, the FST variation that we just</p> <p>21 talked about, and the FST optimization route that we</p> <p>22 just talked about could be built whether the line were</p> <p>23 approved as an overhead or an underground line?</p> <p>24 A. We would support that.</p> <p>25 Q. Okay. And do you have any -- do you have</p>	<p style="text-align: right;">Page 168</p> <p>1. would, please, ask that you look at those three, then</p> <p>2 taking a piece of property that's going to just</p> <p>3 diminish half of what I can build on.</p> <p>4 MS. ALEXANDER: That's all I have, thank</p> <p>5 you.</p> <p>6 THE HEARING EXAMINER: Don't take that</p> <p>7 off quite yet.</p> <p>8 On that map behind you to the right, it</p> <p>9 looks like there is an easement that is running down</p> <p>10 John Marshall Highway, Route 55 that is in front of</p> <p>11 your property.</p> <p>12 Is that an easement?</p> <p>13 THE WITNESS: There is an easement.</p> <p>14 THE HEARING EXAMINER: A distribution</p> <p>15 line that's run there?</p> <p>16 THE WITNESS: A distribution line?</p> <p>17 THE HEARING EXAMINER: Is there a power</p> <p>18 line?</p> <p>19 THE WITNESS: Not that I'm aware of. I</p> <p>20 think it stops -- this parcel -- originally there were</p> <p>21 three parcels owned by the Hoffman family, the parcel</p> <p>22 that I purchased, the parcel that's behind me that</p> <p>23 Amazon occupies today, and the partial on the corner</p> <p>24 of Route 15 and 55.</p> <p>25 There were some proffers a long time ago</p>

1 back in 2001 when I bought the property. Those  
2 proffers have been somewhat voided because all of the  
3 work that was done across the street by Wal-Mart and  
4 Kohl's expanded all the roads, actually moved the  
5 centerline of the road, so a lot of these easements  
6 we've gone to the county have been shifted because  
7 they all talk about centerline of the road.

8 THE HEARING EXAMINER: All right. Are  
9 you complete with your exam?

10 MS. ALEXANDER: Please.

11 THE HEARING EXAMINER: Mr. Coughlin?

12 MR. COUGHLIN: No cross.

13 THE HEARING EXAMINER: Ms. Harden?

14 MS. HARDEN: No cross.

15 THE HEARING EXAMINER: Mr. Reisinger?

16 MR. REISINGER: No questions.

17 THE HEARING EXAMINER: Mr. Chambliss?

18 MR. CHAMBLISS: Yes.

19 CROSS-EXAMINATION

20 BY MR. CHAMBLISS:

21 Q. Just briefly, Mr. Mayer.

22 This is you right here?

23 A. Yes, sir.

24 Q. Okay. Who is this?

25 A. So that is currently occupied by Amazon.

1 Q. Okay. And was it your testimony that  
2 they own -- they surround you essentially?

3 A. No, sir. There was another slide --  
4 there's -- this one doesn't have it, but -- and don't  
5 hold me to it exactly, but there's a yellow line that  
6 kind of comes here and then comes around the pond and  
7 comes down. That sliver of land all the way back here  
8 is owned by Amazon. The parcel to the east is owned  
9 by another entity.

10 Q. All right. And that particular piece of  
11 property that you just talked about now is what you  
12 were talking about when you said put the lines on the  
13 property owner that's getting the service?

14 A. Correct.

15 MR. CHAMBLISS: Okay. Thank you.

16 THE HEARING EXAMINER: Anything further,  
17 Mr. Chambliss?

18 MR. CHAMBLISS: I'm done, thanks.

19 THE HEARING EXAMINER: Okay. Thank you.

20 MR. BUSHMAN: I have a couple of  
21 questions, Your Honor.

22 THE HEARING EXAMINER: Yes, sir.

23 CROSS-EXAMINATION

24 BY MR. BUSHMAN:

25 Q. Mr. Mayer, you mentioned in your

1 testimony your partial is zoned M2 by right?

2 A. Correct.

3 Q. With your development plans that you  
4 outlined, do you need additional approvals to finalize  
5 that development?

6 A. So there's two parts that we described.  
7 The 90,000-plus square feet is by right. We can build  
8 20 percent of that retail. So what we have proposed  
9 and looked at up until about two years ago was always  
10 building some type of employment center with first  
11 floor retail space. Ever since the Wal-Mart and the  
12 Kohl's and other retail went across the street, we've  
13 had great interest in more of a B1 zoning, which would  
14 give us a hundred percent retail or almost anything.

15 So by right, we can build I think it's  
16 91,600 square feet, with 20 percent retail, but looks  
17 like in talking to the county, there could be an  
18 interest. But the full retail would require rezoning.

19 Q. Do you plan to seek that B1 approval?

20 A. You know, we are looking at all options.  
21 Obviously a B1 approval would be potentially better  
22 for us right now just because of the great interest  
23 we've had where people are coming to us asking about  
24 our piece of property.

25 Q. So assuming you're able to move forward

1 and get the B1 approval and you develop it as you  
2 plan, is it fair to say you would hope that whatever  
3 development is completed there, they would have access  
4 to fair and adequate electrical service?

5 A. I think as the gentleman said earlier, we  
6 have fair and adequate service today, so we'd always  
7 want adequate service for the property.

8 MR. BUSHMAN: Thank you. No further  
9 questions, Your Honor.

10 THE HEARING EXAMINER: Any redirect?

11 MS. ALEXANDER: No redirect, thank you.

12 THE HEARING EXAMINER: Thank you,  
13 Mr. Mayer, for your testimony.

14 Exhibits 14 and 15 will be received into  
15 the record.

16 (Exhibit No. 15 was admitted into  
17 evidence.)

18 THE HEARING EXAMINER: I believe Somerset  
19 is next.

20 MS. HARDEN: Your Honor, Mr. Napoli's  
21 presence here was waived by agreement. With there  
22 being no cross-examination, I would just like to have  
23 his prefiled testimony marked. It consisted of a  
24 one-page summary, 20 pages of testimony, and four  
25 exhibits, totaling 30 pages of exhibit testimony.

<p style="text-align: right;">Page 173</p> <p>1           There is one change; Exhibit 1 and 2 2       should have been reversed in their order. The Prince 3       William County ordinance -- I mean, the supervisors' 4       decision should have been first and the Town of 5       Haymarket decision should have been second. 6           Other than that, we'd ask that it be 7       marked and moved in -- 8           THE HEARING EXAMINER: You're talking 9       about the amended testimony filed two days later -- 10       MS. HARDEN: Yes, sir. 11       THE HEARING EXAMINER: -- to be marked? 12       MS. HARDEN: Yes, sir. And I did provide 13       Ms. Bell a copy previously. 14       THE HEARING EXAMINER: And explain to me 15       the correction again about the exhibits. 16       MS. HARDEN: Your Honor, if you would 17       look at JN-1 and JN-2 -- 18       THE HEARING EXAMINER: All right. 19       MS. HARDEN: -- JN-1 should be the Prince 20       William County Board of Supervisors' resolution. And 21       JN-2 should be the Town of Haymarket resolution. 22       THE HEARING EXAMINER: Okay. I 23       understand. 24       All right. Without objection of counsel, 25       Mr. Napoli's testimony filed on May 12th will be</p>	<p style="text-align: right;">Page 175</p> <p>1           Q.   On whose behalf are you providing 2       testimony today? 3           A.   On behalf of the staff of the SCC. 4           Q.   On June 2nd of this year, did you file 5       direct testimony consisting of five pages of questions 6       and answers, a 22-page report, and appendices, and a 7       one-page summary? 8           A.   Yes, I did. 9           Q.   Was that testimony and report prepared by 10       you or under your supervision? 11          A.   It was. 12          Q.   And do you have any changes or 13       corrections to make to your testimony or report at 14       this time? 15          A.   Yes. I've got one typo on page seven of 16       my report; it refers to Staff interrogatory numbers 17       1-3 and 1-4. That should actually be numbers 3-24 and 18       4-41. 19               On page nine -- 20          Q.   Let me stop you just for a second and 21       make sure everybody is with us. 22               So page seven, line nine is what you're 23       referring to for the interrogatory number correction? 24          A.   Uh-huh, yes. 25               Additionally, on page nine in the</p>
<p style="text-align: right;">Page 174</p> <p>1       marked and received into the record as Exhibit 16. 2       (Exhibit No. 16 was marked and admitted 3       into evidence.) 4       THE HEARING EXAMINER: Of course since 5       Heritage is not here, I think we proceed with the 6       Staff next. 7       MS. MACGILL: Your Honor, Staff's first 8       witness is Mr. McCoy; and I believe he has gone to the 9       restroom. 10       THE HEARING EXAMINER: He's gone to the 11       restroom; that sounds like a good idea. Why don't we 12       take about a ten-minute recess, and we'll be back at 13       about ten after three. 14       (A recess was taken.) 15       MS. MACGILL: Staff calls Wayne McCoy. 16       WAYNE D. MCCOY, called as a witness, 17       having been first duly sworn, was examined and 18       testified as follows: 19       DIRECT EXAMINATION 20       BY MS. MACGILL: 21       Q.   Mr. McCoy, could you, please, state your 22       name and affiliation. 23       A.   My name is Wayne McCoy. I'm president of 24       Mid-Atlantic Environmental, 1517 Mirassou Lane, 25       Virginia Beach, Virginia.</p>	<p style="text-align: right;">Page 176</p> <p>1       footnote, it, again, references numbers 1-3 and 1-4, 2       and that should be also 3-24 and 4-41. 3       Q.   And are those the only changes or 4       corrections you have at this time? 5       A.   Yes. 6       MS. MACGILL: Your Honor, I'd ask that 7       Mr. McCoy's testimony and report and appendices be 8       marked and admitted, subject to cross. 9       THE HEARING EXAMINER: Mr. McCoy's 10       testimony and report will be marked Exhibit 17 and 11       received into the record, subject to cross. 12       (Exhibit No. 17 was marked and admitted 13       into evidence.) 14       BY MS. MACGILL: 15       Q.   Mr. McCoy, have you reviewed the rebuttal 16       testimony filed in this case? 17       A.   I have. 18       Q.   As a result, are there any clarifications 19       you wish to make to your prefiled testimony or report? 20       A.   There's one addition I'd like to make. 21       It was my understanding that the Wal-Mart variation 22       could only be used for the I-66 overhead route and not 23       the I-66 hybrid alternative. This is based upon a 24       question that I asked on Dominion's tour of the 25       proposed routes.</p>

1 Mr. Koonce in his rebuttal testimony,  
2 page 13, line 16, testified that he recommends the use  
3 of the Wal-Mart variation for the I-66 hybrid  
4 alternative. I concur and would recommend this  
5 variation should the Commission select the I-66 hybrid  
6 alternative.

7 Additionally, any concern regarding the  
8 approach to the hospitals helipad would be a  
9 alleviated by this alternative.

10 Q. Do you have any other clarifications at  
11 this time?

12 A. I do not.

13 MS. MACGILL: Mr. McCoy is available for  
14 cross.

15 THE HEARING EXAMINER: All right.  
16 Mr. Coughlin?

17 MR. COUGHLIN: Yes, very briefly. May I  
18 do that from here, Your Honor?

19 THE HEARING EXAMINER: Sure.

20 CROSS-EXAMINATION

21 BY MR. COUGHLIN:

22 Q. Good afternoon, Mr. McCoy.

23 A. Good afternoon.

24 Q. On page nine of your testimony you stated  
25 that once completed, the I-66 hybrid alternative route

1 a visual impact on that commercial property?

2 A. Yes.

3 MR. COUGHLIN: No further questions.

4 THE HEARING EXAMINER: Ms. Alexander?

5 MS. ALEXANDER: Just one -- with that  
6 clarified statement about supporting the Wal-Mart  
7 variation, I have only one question then.

8 CROSS-EXAMINATION

9 BY MS. ALEXANDER:

10 Q. With respect to the FST variation route,  
11 you mentioned on page 21 -- bottom of 21 in your  
12 testimony that although FST has proffered its own  
13 alignment, we offer no opinion on this alignment.

14 Is that because of a --

15 A. Couldn't read it.

16 Q. You did not review it?

17 A. No, I reviewed it, but it was illegible,  
18 and so I believe you probably were the one that sent  
19 the clearer copy, and so I did have an opportunity to  
20 review that.

21 Q. Okay.

22 A. I still would recommend the Wal-Mart  
23 variation because it's still -- one of the concerns --  
24 and I'm not naive enough to believe that the trees at  
25 the intersection of Madison and -- I forgot the name.

1 would have no visual impact on the residences and  
2 commercial structures that abut the I-66 corridor  
3 along the underground portion.

4 Is that still your testimony even though  
5 we now know a little bit more about the transition  
6 station?

7 A. Well, when I phrased that testimony, it  
8 was in the residential area. I did not include that  
9 as part of the -- actually the area across from the  
10 proposed transition station is more commercial, so I  
11 was really referring to the area that was on more  
12 parts of Piedmont where there was more direct, so that  
13 was my intention.

14 Q. And are you familiar with the details of  
15 the transition station?

16 A. I am.

17 Q. Isn't it true that it will have 30-foot  
18 tall, on average, structures within that seven-foot  
19 acre pad?

20 A. Yes.

21 Q. And there will be a 75-foot tall  
22 structure in the center of it?

23 A. Yes.

24 Q. Would you acknowledge that if there's a  
25 commercial property next to that, that there would be

1 Q. State Route 55?

2 A. Yeah. Let me just get to the exhibit.  
3 At the intersection --

4 Q. Known as John Marshall, and that's what  
5 you're talking about?

6 A. There's a forest right there. And based  
7 on economic development, I have no doubt that over  
8 time those trees will disappear into some kind of  
9 commercial development, so, however, one of the things  
10 I do have concern about is when you look at the  
11 perimeter or boundary of the Town of Haymarket, that  
12 area really is sort of a nice gateway into the town.  
13 And so the variations that would come, I'll say, in  
14 front of Wal-Mart, along that alignment, seem to be  
15 more impacting than going to the rear of Wal-Mart and  
16 then coming directly across.

17 Q. Okay. But for purposes of argument,  
18 let's say the routes were put underground, and in that  
19 instance if they were underground, would there be a  
20 problem with the FST variation route?

21 A. No. I think it's a valid --

22 Q. Similar question then with respect to the  
23 FST optimization route, which was a tweak of that  
24 variation supported by Dominion at the time --

25 A. Yes.

<p style="text-align: right;">Page 181</p> <p>1 Q. -- is that also feasible in your opinion 2 if it were underground? 3 A. Absolutely. And one of the advantages -- 4 there's been some testimony it's also on the ownership 5 by the data center. 6 MS. ALEXANDER: Thank you. No further 7 questions. 8 THE HEARING EXAMINER: Ms. Harden? 9 MS. HARDEN: No cross. 10 THE HEARING EXAMINER: Mr. Reisinger? 11 MR. REISINGER: No questions. 12 THE HEARING EXAMINER: Company? 13 MS. CRABTREE: Yes, Your Honor. 14 CROSS-EXAMINATION 15 BY MS. CRABTREE: 16 Q. Good afternoon, Mr. McCoy. Lisa 17 Crabtree, on behalf of Dominion Virginia Power. 18 How long have you been reviewing 19 transmission routes? 20 A. Since, I think, about 1999. 21 Q. And you've worked with the Commission 22 Staff on a number of cases before this Commission over 23 the past ten years, have you not? 24 A. Yes. 25 Q. Could you name a few of those?</p>	<p style="text-align: right;">Page 183</p> <p>1 need? 2 A. Again, I defer to the SCC Staff. 3 Q. Is it a factor in your analysis whether a 4 line can meet a need date? In other words, if there 5 is a deadline for when a certain project is needed, 6 does that factor into your analysis? 7 A. Generally not. 8 Q. And when you say -- I believe you 9 mentioned cultural resources. 10 Can you explain what you mean by that? 11 A. Cultural attachment? Well, things such 12 as, for example, in this case, The Rural Crescent, 13 things that are important to the local folks. 14 Q. Do you have any examples that would be 15 important to the locality or the local folks? 16 A. Sure. In this case, there was a lot of 17 testimony with regard to the historic nature of 18 Haymarket. They deem themselves a historic district, 19 though not recognized by the Department of Historic 20 Resources; but very clearly through their zoning code 21 and their comprehensive plan, they have really tried 22 to make it an area that would be more historical in 23 its architecture, for example. 24 Q. And if you could look behind you on the 25 map that's on the easel, the Company submitted as</p>
<p style="text-align: right;">Page 182</p> <p>1 A. Sure. I started with Wyoming-Cloverdale. 2 And as a result of our investigation, it became 3 Wyoming-Jacksons Ferry; TrAILCo; Path 1; Path 2; 4 Skiffes Creek; Warrenton-Wheeler; and Gainesville. 5 Q. Okay. Now, with any transmission case 6 that you are reviewing a route on, there are a number 7 of factors that have to be considered; is that right? 8 A. Yes. 9 Q. And what factors are important to your 10 analysis? 11 A. The same factors that are done by Code. 12 Q. What would those be? 13 A. Historical, environmental, cultural 14 attachment. 15 Q. Okay. What about cost? 16 A. Cost is not really a factor. I note it, 17 but this is an environmental study, not a cost 18 feasibility study. 19 Q. Okay. Do you look at temporary impacts 20 such as construction? 21 A. Yes. 22 Q. What about reliability of a transmission 23 line? 24 A. That's done by SCC Staff. 25 Q. And what about whether a line meets the</p>	<p style="text-align: right;">Page 184</p> <p>1 rebuttal schedule of Mr. John Berkin, his rebuttal 2 schedule five, have you ever seen that map before? 3 A. Yeah. Isn't this the one you just sent 4 Friday? 5 Q. Yes. 6 A. Yeah. 7 Q. Okay. And I am putting it here on the 8 screen as well. 9 When you mentioned The Rural Crescent, 10 could you indicate on this map approximately where 11 that is? 12 A. Yes. It's to the west of the project, 13 yes -- 14 Q. So -- 15 A. -- in that general area. 16 Q. -- is it your understanding that The 17 Rural Crescent not -- the project would not impact 18 that area? 19 A. Well, if it's the I-66 overhead and 20 hybrid, it would not. 21 Q. And same question regarding the Town of 22 Haymarket, which you indicated the town itself is 23 designated historic but the Virginia Department of 24 Historic Resources has not -- 25 A. Correct.</p>

1 Q. -- that's similarly to the west of this  
2 project area, I believe?

3 A. No. It's to the east. I know it's on  
4 your exhibit, that's where I found it. Yeah, it's  
5 identified on your exhibit as Haymarket Township.

6 Q. Okay. And if you could assist us with  
7 the rebuttal schedule five map, could you indicate  
8 approximately where on that map?

9 A. Sure. It's just east of James Madison.  
10 Basically the Town of Haymarket.

11 Q. So if I look at where you are indicating,  
12 you are talking about the area that is east of the  
13 switching station?

14 A. Yes.

15 Q. And is it your understanding that the  
16 hybrid route is above ground until it gets to the  
17 switching station?

18 A. Yes.

19 Q. So in other words, whether it is the I-66  
20 overhead route or the I-66 hybrid route, it would have  
21 the same visual impact on the Town of Haymarket?

22 A. Yes.

23 Q. Now, returning to the factors you  
24 indicated you look at in your analysis of a route, I  
25 think you said you look at environmental, historic,

1 and cultural attachment?

2 A. Uh-huh.

3 Q. When you say environmental factors, is  
4 that mainly wetlands or are there other items as well?

5 A. For the purpose of SCC cases,  
6 environmental is sort of a much broader brush, and so  
7 it would include wetlands, endangered species, visual  
8 impacts, and so a much broader brush.

9 Q. How are visual impacts an element of  
10 environmental impacts?

11 A. Well, they have an impact on the  
12 citizenry.

13 Q. I'm sorry. What was that?

14 A. They have an impact on the citizens.

15 Q. On the citizens. But as far as your  
16 analysis of the environment, I don't understand how  
17 visual would come into play.

18 A. Well, if you asked me if we were in a  
19 court with regard to wetland issues, that would be the  
20 limited scope of environmental matters. The SCC has a  
21 much broader brush in terms of what environmental  
22 matters are.

23 For example, in a previous case, you  
24 know, we looked at crossing rivers and the impacts on  
25 commercial, industrial, and residential properties as

1 part of that environmental study.

2 Q. Okay. As part of the environmental  
3 study, I think I understand what you're saying now.

4 If we can focus on the wetlands  
5 specifically --

6 A. Yes.

7 Q. -- have you read the rebuttal testimony  
8 of Company Witness Berkin?

9 A. I have.

10 Q. And did you see his, we'll call it, a  
11 correction to the acres of wetlands impacted by the  
12 I-66 hybrid route?

13 A. I did. And if you can take me to that  
14 page, I would...

15 Q. So I think the relevant portion to this  
16 question that is related to the wetlands and  
17 specifically DEQ's valuation starts on page three.

18 A. Okay.

19 Q. But the paragraph that begins in the  
20 bottom of page four, Mr. Berkin indicates that the  
21 impact acreage presented in the Company's application  
22 were based on rights-of-way associated with each  
23 alignment.

24 In the case of the I-66 hybrid  
25 alternative, it is also necessary to construct a

1 switching station, sometimes called a transition  
2 station, where the overhead line would be converted to  
3 underground. The impacts of this switching station  
4 were not previously included in the acreage estimates  
5 for the I-66 hybrid alternative.

6 And then he goes on to say, this would  
7 affect .8 acres of forested wetlands. And with this  
8 addition, the estimated impacts of wetlands along the  
9 I-66 hybrid alternative, including the switching  
10 station, rises to 5.9 acres, equal to the 5.9 acres  
11 estimated for the proposed route.

12 A. Yes.

13 Q. Did you see that testimony before today?

14 A. I did.

15 Q. So you understand that the estimated  
16 wetlands impacted by the I-66 overhead route and the  
17 I-66 hybrid route are now approximately the same?

18 A. No, I don't. My concern here is when the  
19 Applicant comes forward with an environmental study,  
20 all the impacts should be quantified. So the fact  
21 that somehow we missed an entire switching station  
22 and, strangely enough, it was 0.8 acres to make it  
23 equal to the overhead, I question how we got there  
24 and, more importantly, how we didn't get there in the  
25 original application.



<p style="text-align: right;">Page 189</p> <p>1 I took a look at the national wetland 2 inventory, and there is, in fact, wetlands in that 3 area. Based on testimony earlier today, part of that 4 wetland isn't even part of the switching station 5 property, so I have no basis to understand how it 6 became 0.8. 7 Q. Okay. Even if you don't accept 8 Mr. Berkin's corrections to that number -- 9 A. Well, I just have no basis to know it's 10 0.8. 11 Q. So you have not evaluated that 0.8 12 number? 13 A. No. I rely on the Applicant to give me 14 the right numbers. 15 Q. Okay. Even before that change -- and I'm 16 looking at your report on page 14 -- you noted that 17 the wetlands impacts from the I-66 hybrid alternative 18 route are essentially comparable to the I-66 overhead 19 route. 20 Do you see that on line ten? 21 A. Yes. 22 Q. And you also note that generally an 23 overhead project has more ability to span over 24 wetlands as compared to an underground project? 25 A. Yes.</p>	<p style="text-align: right;">Page 191</p> <p>1 impact with the hybrid, a long-term impact with the 2 overhead, both get rid of the trees. 3 Q. Would you agree there is both a temporary 4 and permanent impact with the hybrid and that that 5 right-of-way also needs to be maintained? 6 A. Oh, absolutely. 7 Q. So your statement would be that there is 8 a permanent impact to both the hybrid and overhead 9 routes for wetlands? 10 A. Right. The PFOI goes because you don't 11 want trees growing up underneath the lines. 12 Q. And according to your report, the impacts 13 from those routes are essentially comparable between 14 the two routes? 15 A. Well, it was -- at least initially, 16 according to the application, it was 0.8 acres, so 17 there wasn't a significant difference. 18 Q. Mr. McCoy, we talked earlier about how 19 you've been a witness in a number of Commission cases. 20 Are you familiar with the statute the 21 Commission looks at to evaluate routing of a 22 transmission line? 23 A. Generally, yes. 24 Q. And I'm putting on the screen 25 Section 56 -- Section 46.1, Subsection B, which has</p>
<p style="text-align: right;">Page 190</p> <p>1 Can I clarify that? 2 Q. Yes. 3 A. Typically what happens in these cases is 4 a caisson is built hopefully outside of wetlands and 5 then the lines then span across the wetlands. And 6 that may or may not be the case in this case on the 7 I-66 overhead because they don't know exactly where 8 every tower is going to be. 9 However, the thing that happens, whether 10 it's an overhead or it's a hybrid, is the majority of 11 the wetlands in this case are PFOI wetlands, 12 palustrine forested wetlands. 13 It's my understanding that it's 14 Dominion's policy not to allow trees to grow under 15 transmission lines, and so it reverts to a scrub-shrub 16 or emergent habitat, which explains why there are 17 a lot of deer stands associated with transmission 18 lines. 19 So that being the case, the hybrid also 20 requires the loss or harvesting of trees. In both 21 cases, you have a hybrid that has a temporary impact 22 and will revert to an emergent scrub-shrub or you have 23 an overhead that will, again, harvest the trees and 24 have an emergent or scrub-shrub habitat. 25 So in my mind, there is a temporary</p>	<p style="text-align: right;">Page 192</p> <p>1 already been referenced in this proceeding today; and 2 I've highlighted a portion there. 3 As a condition to approval, the 4 Commission shall determine that the line is needed and 5 that the corridor or route that the line is to follow 6 will reasonably minimize adverse impact on the scenic 7 assets, historic districts, and environment of the 8 area concerned? 9 A. Yes. 10 Q. Is it fair to say when we talked earlier 11 about your three criteria, they match up reasonably to 12 these three criteria? 13 A. I hope so. 14 Q. And we've already talked about 15 environment just now. And regarding historic 16 districts, that would also be what we've talked about 17 previously with The Rural Crescent and the Town of 18 Haymarket? 19 A. Yeah. There's something I'd like to add; 20 I thank you for bringing this up. 21 I was concerned about the visual 22 simulations and the impacts. The Dutton study that I 23 saw was -- involved a balloon study leaf-on 24 conditions. When I first got this case, I toured in a 25 leaf-off condition. And my feeling was that had that</p>

1 study been done during the leaf-off, that, in  
2 particular, the St. Paul's Church historic asset might  
3 very well have some visual impact. And, in fact, the  
4 photo was from the street, not even from the area that  
5 people attending church or attending church functions  
6 would actually -- where they would be.

7 And so, again, I think the historic  
8 aspects -- fortunately I think some of the battlefield  
9 issues are really the same with overhead and hybrid  
10 just because of where they are located, but I do have  
11 some concerns about the impact study.

12 Q. Now, you mentioned the Dutton study and  
13 the visual tests, and you said that the photos were  
14 taken from the street?

15 A. In front of the -- yeah, in front of the  
16 St. Paul's Church it appears from the street. And  
17 then there was another set that was two different  
18 locations and actually the same photograph.

19 Q. Are you familiar with the Virginia  
20 Department of Historic Resources' guidelines that say  
21 that photos should be taken from public rights-of-way  
22 such as VDOT streets?

23 A. Sure.

24 Q. And you are talking about your review of  
25 the Dutton & Associates report, and I'd like to draw

1 impact.

2 Is that still your conclusion today?

3 A. I still agree with me.

4 Q. And you would agree that this area, the  
5 Haymarket area, is pretty developed as far as -- this  
6 is Northern Virginia we're talking about?

7 A. Certainly.

8 Q. So any of the battlefields that are  
9 located throughout this area, as you noted, tend to  
10 already be encumbered by modern development?

11 A. Yes.

12 Q. And that's true of any of the historic  
13 sites in this area?

14 A. As a generality, I think you can say  
15 that. Certainly Haymarket is developed, but not to  
16 the extent of like Parks at Piedmont or some of the  
17 other areas.

18 Q. Okay. And as far as the impacts to the  
19 one battlefield that you called out in your report,  
20 the Manassas Battlefield --

21 A. Yes.

22 Q. -- on page 11 of your testimony, you note  
23 that both the overhead portion of the I-66 hybrid  
24 alternative and overhead routes pass by the southwest  
25 corner of the Manassas Battlefield?

1 your attention to page eight of your testimony --  
2 sorry -- of your report. And the first line there  
3 says, the MAE -- that's your company correct?

4 A. Yes.

5 Q. -- does generally agree with the findings  
6 of Dominion's historic resource consultant  
7 Dutton & Associates?

8 A. Yeah.

9 Q. But now today you're saying you have some  
10 concerns?

11 A. I said I generally agree. I think there  
12 are a limited number of actual historic assets, and  
13 most of those would not be impacted by the I-66  
14 overhead in particular. Certainly wouldn't be by the  
15 underground.

16 Q. Okay. You just said there's a limited  
17 number of sites. And the only site you mention in  
18 your report is actually the Manassas Battlefield; is  
19 that correct?

20 A. Yes.

21 Q. And as you note here on page eight of  
22 your testimony, the area near the Manassas Battlefield  
23 is already encumbered by I-66, existing power lines,  
24 and development, thus MAE concurs a new transmission  
25 line in this area would impose only an incremental

1 A. Yes.

2 Q. So is it fair to say the impacts to that  
3 historic site is the same between the I-66 overhead  
4 and the I-66 hybrid?

5 A. Yes.

6 Q. The final criteria in the statute we were  
7 talking about earlier are scenic assets.

8 What is your definition of a scenic  
9 asset?

10 A. I would have to say it really varies by  
11 case. I think scenic assets obviously would include  
12 historic assets in some cases; it may be a lake, could  
13 be a river, so it would really be case by case.

14 Q. Does one exist here in Haymarket?

15 A. Scenic asset? Yes, I think one of the --  
16 and this will be probably an odd question and you  
17 won't like it. I think the Town of Haymarket has done  
18 a great job of trying to keep their character mainly  
19 through zoning and certainly not recognized by the  
20 Department of Historic Resources, but as I ate at  
21 Foster's and looked at the McDonald's, you can tell  
22 that they have really tried to keep a tone, and that's  
23 cultural attachment or scenic asset, then I think that  
24 is very positive.

25 And so the other thing that I think is

<p style="text-align: right;">Page 197</p> <p>1 important under scenic assets, there's a tremendous  2 visual impact to the residences adjoining I-66. And I  3 understand that most of those subdivisions have back  4 fences, most of those will be boarded by a ten-foot  5 high fence. But then behind that -- or between those  6 would be a system of lines and towers. I think  7 that -- that is pretty impacting versus manholes every  8 2,000 feet. So I'm sorry I'm not giving you a more  9 focused answer.</p> <p>10 Q. So if I can take the first part of your  11 answer, I think what you said you consider a scenic  12 asset in this area is the Town of Haymarket in your  13 opinion?</p> <p>14 A. I think they have really tried to keep it  15 within reason.</p> <p>16 Q. And we talked about earlier how the Town  17 of Haymarket is located east of the switching station  18 or, in other words, the portion of the route that will  19 always be overhead regardless of which alternative is  20 chosen?</p> <p>21 A. No, I don't think I said that. The  22 switching station -- could you blow that up a little  23 bit more. This is not a great exhibit to use.</p> <p>24 I think I would prefer to use the map set  25 that was associated with the application. And what</p>	<p style="text-align: right;">Page 199</p> <p>1 this from the November 6th filing?</p> <p>2 THE WITNESS: This is the November 5th  3 filing.</p> <p>4 BY MS. CRABTREE:</p> <p>5 Q. Is this the site visit map?</p> <p>6 A. No. This is the original -- maybe we can  7 work together here.</p> <p>8 Q. Mr. McCoy, I think the clarification that  9 we have now is that Haymarket Township is the area  10 closer to the Wal-Mart, Kohl's development to the  11 south of Route 66; is that correct?</p> <p>12 A. And extending along Washington Street, in  13 that area, in that general area. It's not just one  14 block.</p> <p>15 Q. Okay.</p> <p>16 THE HEARING EXAMINER: Mr. Reisinger, are  17 you happy with that designation of where Haymarket is  18 located?</p> <p>19 MR. REISINGER: Yes, Your Honor. I'm  20 told that that is the Town of Haymarket, yeah.</p> <p>21 THE HEARING EXAMINER: I'm glad we found  22 it.</p> <p>23 MR. REISINGER: Thank you.</p> <p>24 BY MS. CRABTREE:</p> <p>25 Q. Now that we've cleared that up,</p>
<p style="text-align: right;">Page 198</p> <p>1 I've got is filed November 5, 2015.</p> <p>2 Q. Are you talking about --</p> <p>3 MR. REISINGER: Excuse me, Your Honor.  4 Can I have counsel point out the Town of Haymarket on  5 this map?</p> <p>6 MS. CRABTREE: Well, I believe earlier  7 Mr. McCoy identified it as this area down here.</p> <p>8 THE WITNESS: Generally associated with  9 Main Street.</p> <p>10 MR. REISINGER: I don't see the Town of  11 Haymarket on this.</p> <p>12 MS. LINK: He's going to point us to  13 something in the appendix, so why don't we let the  14 witness answer.</p> <p>15 THE WITNESS: Okay.</p> <p>16 BY MS. CRABTREE:</p> <p>17 Q. If there's a particular portion of the  18 appendix or routing study you'd like me to put on the  19 screen, I'm happy to do so.</p> <p>20 A. Okay. I think this is page five of five,  21 proposed route map set...</p> <p>22 MS. LINK: Is it --</p> <p>23 THE HEARING EXAMINER: Put it on the  24 overhead.</p> <p>25 MS. LINK: Let's do that, Your Honor. Is</p>	<p style="text-align: right;">Page 200</p> <p>1 Mr. McCoy, the other item you mentioned that was  2 important to your analysis as far as a scenic asset  3 goes, you mentioned the viewsheds of the individual  4 residents along I-66?</p> <p>5 A. Yes.</p> <p>6 Q. And is it fair to say that includes the  7 homes to the north of I-66? I believe we've already  8 heard testimony that south of 66 is more commercial?</p> <p>9 A. Well, actually there are some houses that  10 are impacted to the south, but, generally speaking,  11 the greatest volume of residential impact would be to  12 the north.</p> <p>13 And in trying to assess that, Staff sent  14 two sets of interrogatories and -- because it's just  15 really difficult to get a handle on the numbers, and  16 so Energy was kind enough to provide some exhibits of  17 not necessarily residences or commercial properties  18 within 500 feet, but I asked if they could just --  19 because short of doing LiDAR work and figuring out  20 elevations and, you know, the Joneses are up on a hill  21 so they can see it, I tried to assess what the  22 immediate impact was, and that is really found on the  23 fourth set of interrogatories in response to  24 number 40 -- question 41. So that does not include  25 500 feet away. Those are a direct view. And NRG</p>

1 noted those specific residences.

2 Also in their initial study, they  
3 identified buildings that could have multiple  
4 residences, and so they actually did a count on the --

5 Q. In your report on page four it notes that  
6 the Company identified 286 residences and 13  
7 commercial properties that would have a direct view or  
8 about the towers and lines.

9 Is it fair to say that's what you're  
10 referring to?

11 A. Well, that's what was in the matrix.  
12 Actually when we -- I think after that I received the  
13 additional study.

14 Q. The cite for that number, Mr. McCoy, is  
15 to the discovery response I believe you were just  
16 telling us about.

17 A. Yes, okay, thank you.

18 Q. So is it fair to say it's those 286  
19 residences in the viewsheds from those properties that  
20 you are concerned about when you talk about viewsheds?

21 A. Well, candidly there would be more; those  
22 are just the ones that actually abut or adjoin.

23 Q. Okay.

24 THE HEARING EXAMINER: What are the names  
25 of those subdivisions that are immediately north of

1 they are named here -- the part that actually fronts  
2 to where the line would be, this part of the Heritage  
3 Hunt development is entirely commercial, correct?

4 A. No. I think there's some apartments. My  
5 recollection was there was an adult community.

6 Q. Well, if I look on Google Maps for this  
7 portion of Heritage Hunt --

8 A. Just adjacent to Sport & Health and the  
9 orthodontics.

10 Q. Sure, those all look like commercial  
11 developments to me.

12 A. Those are commercial. But then behind  
13 that, there's a viewshed --

14 Q. You're talking about the homes back here?

15 A. No. I'm talking about -- if you would go  
16 to Gainesville Sport & Health with your pen, see that?  
17 And then come directly up to sort of towards  
18 11 o'clock to the right.

19 Lower.

20 Lower.

21 Right, right in there, those are  
22 residences.

23 Q. These are homes?

24 A. Yeah, I would say an adult community. I  
25 think it's called Heritage Village.

1 I-66 that would be impacted?

2 THE WITNESS: Thank you, Mr. Examiner.  
3 The first comes to mind, Parks at Piedmont. I don't  
4 know if I can give you all the names, but I can give  
5 you the -- I can generally give them to you. Parks at  
6 Piedmont, Heritage Hunt. There was a new subdivision  
7 that we toured, and, candidly, I do not remember the  
8 name, but it's adjacent to Aldebaran (phonetic) Loop.  
9 And Kona was another one that was directly adjacent.

10 THE HEARING EXAMINER: Kona?

11 THE WITNESS: Kona Drive.

12 THE HEARING EXAMINER: Oh, Kona Drive.  
13 BY MS. CRABTREE:

14 Q. Mr. McCoy, do you know of all those  
15 subdivisions you just named directly front to I-66, or  
16 are you naming subdivisions that are also located  
17 further back?

18 A. Well, they are part of a subdivision that  
19 abuts, and then many of them like -- Heritage Hunt is  
20 a good example where it abuts I-66 but then draws away  
21 from it.

22 Q. Well, if we look at Heritage Hunt,  
23 Mr. McCoy, which we labeled on this map and in the map  
24 behind you when they were a respondent to the case --  
25 however, they have now withdrawn, but, nonetheless,

1 Q. Okay. And those are homes within a  
2 commercial development then? You would agree that  
3 they share their neighborhood with a 7-Eleven, a  
4 veterinary clinic, a grille, an Asian restaurant, a  
5 Subway, orthodontics, and the Sport & Health facility  
6 we talked about earlier?

7 A. I would agree that there's commercial  
8 property close to them.

9 Q. Would you agree that transmission lines  
10 are consistent with commercial development?

11 A. Generally speaking, yes.

12 Q. And would you also agree that when you  
13 are evaluating the impact a new transmission line will  
14 have in an area, you need to look at the level of  
15 existing visual impacts in that area?

16 A. Yes. Just as an example of that, that  
17 was where I derived my opinion on the battlefield area  
18 and this commercial area.

19 Q. And you would agree, Mr. McCoy, that this  
20 area is not immune to modern development by any means?

21 A. Oh, not at all.

22 Q. Just today we've heard about a Home Depot  
23 that will be opening across the street from where the  
24 proposed substation will be?

25 A. Uh-huh.

<p style="text-align: right;">Page 205</p> <p>1 Q. FST has told us about roughly 91,000 2 square feet of development they plan to do on their 3 property? 4 A. Yes. 5 Q. Southview told us about a million square 6 feet of high-intensity commercial development they 7 plan on their property? 8 A. I heard about a lot of proposed stuff, 9 yes. 10 Q. And you would agree in addition to what's 11 been proposed, there's already a lot there? 12 A. Yes -- 13 Q. If -- 14 A. -- subject to sale. 15 Q. If you look at the Haymarket area as 16 depicted on Mr. Berkin's rebuttal schedule five, there 17 is both high-density residential and commercial 18 basically everywhere along the routes? 19 A. Sure. 20 Q. And you were on the site visit with the 21 Company as well as the respondents and the Hearing 22 Examiner, correct? 23 A. I spent about eight days up there. 24 Q. You would agree -- would you agree it is 25 a challenging area to set a transmission line?</p>	<p style="text-align: right;">Page 207</p> <p>1 adjoining I-66, and so that obviously from a visual 2 standpoint is a pretty significant impact. To 3 mitigate some of that impact, VDOT is installing 4 ten-foot high walls, but the towers would be 5 significantly higher than those walls. 6 Q. Given the significant level of 7 development in this area of the existing visual 8 impacts to Haymarket, do you think it's a difficult 9 decision for the Commission to require an additional 10 \$115 million to be spent to underground the line? 11 A. I think it's great being a biologist and 12 not a commissioner. 13 Q. So is it fair to say you do think it's a 14 difficult decision? 15 A. I absolutely do. I think it's tough on 16 the Hearing Examiner also. 17 Q. Earlier you mentioned you were a witness 18 to the Staff in the Dominion's Skiffes Creek 19 application? 20 A. Yes. 21 Q. And in that case I've got your prefiled 22 testimony, and that was Case Number PUE-2012-00029? 23 A. I'm very familiar. 24 Q. In that case, the Company was proposing 25 to build a 500 kV line across the James River from its</p>
<p style="text-align: right;">Page 206</p> <p>1 A. I think all of Northern Virginia is very 2 difficult. 3 Q. And within this highly developed area, we 4 have I-66, which I believe is a six-lane highway? 5 A. I think going to eight. 6 Q. Expanding to eight lanes? 7 A. I think so. 8 Q. So there's a median? 9 A. Yes. 10 Q. And shoulder both sides? 11 A. Uh-huh. 12 Q. And now VDOT has installed a sound wall 13 along that highway? 14 A. Yes. 15 Q. And that's all part of the development in 16 this area as well? 17 A. It is. 18 Q. And in addition to those sound walls, 19 VDOT is installing drainage ditches around the sound 20 wall; is that correct? 21 A. Yeah. I think they have a system of 22 storm water ponds. 23 Q. What level of existing impacts would you 24 say this area has? High? Medium? Low? 25 A. Well, I think, you know, a lot of this is</p>	<p style="text-align: right;">Page 208</p> <p>1 Surry to Skiffes Creek? 2 A. Uh-huh, yes. 3 Q. And in that case -- I'm on page four of 4 your prefiled testimony in that proceeding -- you 5 noted that that was a heavily impacted area along the 6 north bank of the James River? 7 A. I did. 8 Q. And you identified the Kingsmill Resort, 9 Busch Gardens, some water tanks from BASF, and 10 Ft. Eustis, a marina, a reserve fleet, and some 11 navigational aids, as well as residential and 12 commercial lighting as the impacts? 13 A. And also Carter Hall. 14 Q. Carter's Grove -- 15 A. Carter's Grove, yeah. 16 Q. And in that case you noted that giving 17 the level of existing visual impacts, it was a 18 difficult issue for the Commission to require spending 19 an additional 310- to \$390 million to underground the 20 line, assuming the need to be met with the underground 21 line? 22 A. Yes. 23 Q. Do you think it's the same level of 24 difficulty in this case? 25 A. No. This was -- you know, each case has</p>

1 its own personality. In the Skiffes Creek case, the  
2 respondents -- some of the respondents kept saying  
3 that this was in an absolutely pristine area that  
4 Captain John Smith would have traveled up, gone to  
5 Jamestown, and, therefore, there should be no crossing  
6 of the river.

7 So in my write-up on that case, I pointed  
8 out that although they were not respondents, certainly  
9 they were much part of it; Kingsmill who absolutely  
10 had no buffer, had an entire development. BASF, a  
11 commercial entity, an industrial entity, was on the  
12 other side of the river; there was the old ships.  
13 There were a lot of man-made issues. And so the  
14 concept that this part of the James River was pristine  
15 was really not correct.

16 The alternative to that was to damage  
17 over 400 acres of wetlands and an easement that  
18 Dominion currently owned and currently owns, and so on  
19 the basis -- or comparative basis, the environmental  
20 impact to that alternative in my opinion was far  
21 greater.

22 The issue of undergrounding -- because  
23 there are people that didn't want to see lights  
24 blinking at night -- to spend \$400 million to  
25 underground which in my understanding would require

1 duct bank with oil transported through it. If there  
2 was ever a leak, that would have been a tremendous  
3 environmental catastrophe. So I thank you for  
4 bringing this up; I still agree with my finding; and,  
5 no, I don't think they are comparable.

6 Q. Do you think that the Haymarket area is  
7 visually pristine?

8 A. No.

9 Q. Now, I think you said earlier that cost  
10 does not really factor into your analysis?

11 A. I noted it in my report, but it's --  
12 that's really above my pay grade.

13 Q. But it's your understanding that the --  
14 or do you understand that the hybrid route is  
15 significantly more expensive than the I-66 --

16 A. I understand it's approximately  
17 \$115 million more.

18 Q. And is it your understanding the  
19 Commission decides who pays for transmission line?

20 A. Yes.

21 Q. Mr. McCoy, you work for -- on behalf of  
22 entities besides the Virginia Commission Staff,  
23 correct?

24 A. Yes.

25 Q. What other states have you worked in?

1 A. Well, I ran a Coast Guard contract where  
2 we worked in states east of the Mississippi, including  
3 Puerto Rico, and just in the Mid-Atlantic area.

4 Q. The Mid-Atlantic area?

5 A. Yeah.

6 Q. So is it fair to say you've worked with  
7 other members of the PJM Interconnection, LLC?

8 A. No.

9 Q. Dominion is the only member of PJM that  
10 you --

11 A. Yes.

12 Q. Earlier you talked about the -- earlier  
13 we were talking about the houses, the 286 residences,  
14 that the Company identified in its discovery as having  
15 a direct view or abutting the tower?

16 A. Yes.

17 Q. And the lines, I should say?

18 A. Yes.

19 Q. Would those homes also have the same  
20 direct view or abut I-66?

21 A. Not after the fencing.

22 Q. So they see a sound wall?

23 A. Yes. And many of them have their own  
24 back wall.

25 Q. They have fences --

1 A. Yeah, wooden fence and then the concrete  
2 wall behind that.

3 Q. Okay. So if you were to try to evaluate  
4 what each one of those homes' views of this line would  
5 be, where would you stand at any given property?

6 A. Well, that's a little hard to answer. We  
7 have access to the ground level. I would say that  
8 many of the homes, and the configuration of the  
9 townhomes in particular, have a garage as their first  
10 story and then start the living space above that.

11 Q. So do you think it's the view from the  
12 backyard that counts? Is it the front of the house?  
13 Is it the back deck? The living space? I'm trying to  
14 understand where you think the viewshed that you're  
15 trying to take into account should be appraised from.

16 A. Well, the viewshed that I evaluate is  
17 ground level.

18 Q. Ground level?

19 A. Yes.

20 Q. So if someone is standing in front of  
21 their house, it's fair to say they will see their  
22 house when they are standing at ground level?

23 A. Yes.

24 Q. And same situation in the backyard, if  
25 they are ground level, what they will see is their

<p style="text-align: right;">Page 213</p> <p>1 back fence?</p> <p>2 A. Yes.</p> <p>3 THE HEARING EXAMINER: Is that entirely</p> <p>4 true, Mr. McCoy? My visit up there, the power line</p> <p>5 proposed was very close to a lot of these residences.</p> <p>6 Sounds like to me you're standing in the backyard and</p> <p>7 you're looking in a tower or in the second floor</p> <p>8 looking straight into a tower.</p> <p>9 THE WITNESS: I absolutely agree with</p> <p>10 you, Mr. Examiner, but I don't think that was her</p> <p>11 question, so I may have misunderstood.</p> <p>12 Suffice it to say, it would be very</p> <p>13 impactful no matter what area you were looking from.</p> <p>14 BY MS. CRABTREE:</p> <p>15 Q. Now, do you know what the span length on</p> <p>16 this line is?</p> <p>17 A. I do not remember.</p> <p>18 Q. Would you accept, subject to check, it's</p> <p>19 between 600 and 700 feet?</p> <p>20 A. Absolutely.</p> <p>21 Q. So not every home along the line would</p> <p>22 have a view of a tower; in some instances it would</p> <p>23 just be the conductor?</p> <p>24 A. Yes.</p> <p>25 Q. Looking at your testimony on page</p>	<p style="text-align: right;">Page 215</p> <p>1 MS. CRABTREE: Your Honor, I'd like to</p> <p>2 have an exhibit marked.</p> <p>3 Your Honor, this is images of</p> <p>4 transmission lines collocated with highways.</p> <p>5 THE HEARING EXAMINER: All right. It's a</p> <p>6 ten-page document of various aerial photographs. I'll</p> <p>7 mark this as Exhibit 18.</p> <p>8 (Exhibit No. 18 was marked for</p> <p>9 identification.)</p> <p>10 BY MS. CRABTREE:</p> <p>11 Q. Mr. McCoy, I'll walk through some of</p> <p>12 these with you and I'll ask you, subject to check --</p> <p>13 and we'll let one of our witnesses verify the</p> <p>14 information.</p> <p>15 A. Okay.</p> <p>16 Q. The first page here shows an overview of</p> <p>17 what is three 230 kV lines that parallel to I-495 from</p> <p>18 Little River Turnpike to Gallows Road.</p> <p>19 So that's also in Northern Virginia?</p> <p>20 THE HEARING EXAMINER: Is that</p> <p>21 represented by that single red line?</p> <p>22 MS. CRABTREE: Yes, Your Honor.</p> <p>23 BY MS. CRABTREE:</p> <p>24 Q. And the second page is a street view of</p> <p>25 this line; and you can see the highway here on the</p>
<p style="text-align: right;">Page 214</p> <p>1 three -- this is your actual testimony -- you know</p> <p>2 that the I-66 routes are shorter, more direct, and</p> <p>3 offer reasonable collocation opportunities.</p> <p>4 Can you explain what you mean by</p> <p>5 "collocation"?</p> <p>6 A. Yeah. Collocation is something that</p> <p>7 would abut or be parallel to some type of engineering</p> <p>8 pathway; could be an interstate, could be a railroad,</p> <p>9 could be a major highway --</p> <p>10 Q. Why is that --</p> <p>11 A. -- or could be a transmission line.</p> <p>12 Q. Why is that a good thing?</p> <p>13 A. Well, for one thing, that's the standard.</p> <p>14 But hopefully in those areas there is an incremental</p> <p>15 increase and impact, visual impact, versus a line that</p> <p>16 was cut through a new area.</p> <p>17 Q. And when you say it's the standard, which</p> <p>18 standard are you referring to?</p> <p>19 A. I think it's the FERC standard.</p> <p>20 Q. FERC guideline number one?</p> <p>21 A. Yeah.</p> <p>22 Q. And are you familiar with other areas in</p> <p>23 Virginia where a transmission line is collocated by a</p> <p>24 major highway such as Highway 66?</p> <p>25 A. Generally, yes.</p>	<p style="text-align: right;">Page 216</p> <p>1 right of the screen, sound wall, and then the</p> <p>2 transmission lines, and homes.</p> <p>3 Is that similar to the situation we are</p> <p>4 discussing or proposing in this case?</p> <p>5 A. That's not what I -- I mean, generally</p> <p>6 speaking, it's paralleling an interstate, but --</p> <p>7 Q. In our case we only have one line?</p> <p>8 A. Yeah, in one case you have one line. And</p> <p>9 certainly the residents are not quite as close to the</p> <p>10 line or don't appear to be as close, and also it seems</p> <p>11 to have some vegetative screening.</p> <p>12 Q. Okay. But you said earlier that this is</p> <p>13 good routing practice, to have transmission lines</p> <p>14 collocated with the highway?</p> <p>15 A. It's one of the options.</p> <p>16 Q. Let's turn to photo 3A. This is a 230 kV</p> <p>17 line paralleling I-66, the same highway we're</p> <p>18 discussing here, but in Arlington.</p> <p>19 And if you turn to the street-view page,</p> <p>20 you can see --</p> <p>21 A. Is that six of ten?</p> <p>22 Q. Yes, sir. And in this instance, we have</p> <p>23 the sound wall, a monopole transmission line, and</p> <p>24 homes that we can see essentially immediately adjacent</p> <p>25 to the transmission line as well?</p>

1 A. Generally, yes.  
 2 Q. And, again, FERC guideline number one  
 3 tells us that this is a good routing practice?  
 4 A. I'm willing to stipulate that there are a  
 5 number of places that towers and transmission lines  
 6 parallel interstate highways.  
 7 Q. It's not a rare situation, by any means?  
 8 A. I can't say that, but I just know that,  
 9 you know, it's common practice.  
 10 Q. Would it surprise you that there are  
 11 dozens of situations, if not more than that, in  
 12 Dominion Virginia Power's service territory where a  
 13 transmission line has been sited next to a highway and  
 14 outside of a VDOT sound wall?  
 15 A. No.  
 16 Q. Mr. McCoy, earlier --  
 17 A. Fortunately, that's not this case.  
 18 Q. We'll explore that with the Company's  
 19 witnesses, Mr. McCoy.  
 20 Earlier we were looking at the statute --  
 21 this is 56-46.1 -- which requires the Commission to  
 22 determine a line is needed and the route will  
 23 reasonably minimize adverse impact.  
 24 Do you agree -- will you agree that the  
 25 I-66 hybrid reasonably minimizes adverse impact?

1 That's your conclusion?  
 2 A. Yes.  
 3 Q. Will you agree the I-66 overhead route  
 4 reasonably minimizes adverse impact?  
 5 A. I would say it has more -- it's more  
 6 impactful, but it is a more direct -- the I-66 versus  
 7 the other alternatives is a more direct route.  
 8 Q. That's your conclusion, it's a more  
 9 direct route?  
 10 A. Yes.  
 11 Q. And that's versus the other alternatives  
 12 in play?  
 13 A. Yes.  
 14 MS. CRABTREE: Thank you, Mr. McCoy.  
 15 THE HEARING EXAMINER: Would you like  
 16 this exhibit admitted into the record?  
 17 MS. CRABTREE: Your Honor, I was going to  
 18 move its admission with one of the Company witnesses  
 19 so they can verify the information.  
 20 THE HEARING EXAMINER: Thank you.  
 21 MS. CRABTREE: Thank you.  
 22 THE HEARING EXAMINER: Anything further?  
 23 MS. CRABTREE: Not from me, Your Honor.  
 24 THE HEARING EXAMINER: All right.  
 25 Thanks.

1 Ms. Macgill, any redirect?  
 2 MS. MACGILL: Just brief redirect, Your  
 3 Honor.  
 4 REDIRECT EXAMINATION  
 5 BY MS. MACGILL:  
 6 Q. Mr. McCoy, I believe counsel for  
 7 Southview asked you a couple of questions about the  
 8 switching station or transmission station, the hybrid  
 9 route --  
 10 A. Uh-huh.  
 11 Q. -- and mentioned that part of that  
 12 station would rise 75 feet up in the air?  
 13 Do you know what that piece would be?  
 14 A. I do not. Just based on testimony.  
 15 Q. And in the Skiffes Creek case, the  
 16 counsel for Dominion asked you a few questions about  
 17 with regard to your prefiled testimony, in that case  
 18 the line was needed for reliability reasons; isn't  
 19 that correct?  
 20 A. Yes.  
 21 Q. And it was not for service to an  
 22 individual customer?  
 23 A. No. It was to support the Peninsula  
 24 area.  
 25 Q. And then you were also asked about other

1 PJM entities that you had encountered in the course of  
 2 offering testimony on behalf of Staff, and you  
 3 mentioned that you thought DVP was the only PJM entity  
 4 that you had encountered?  
 5 A. Yeah. I probably misspoke. I think AEP  
 6 was the original one on the Wyoming-Cloverdale.  
 7 Q. Okay. And PATH and TrAIL?  
 8 A. I'm sorry?  
 9 Q. The PATH and TrAIL transmission owners,  
 10 were they involved in the case?  
 11 A. That was -- APCo -- candidly, I don't  
 12 remember.  
 13 Q. That's fine.  
 14 MS. MACGILL: Those are all the questions  
 15 I have.  
 16 THE HEARING EXAMINER: Any more questions  
 17 of the witness?  
 18 Mr. McCoy, thank you very much. You may  
 19 stand down.  
 20 Exhibit 17 is admitted into the record.  
 21 MR. CHAMBLISS: While Mr. McCoy is  
 22 standing down, the Staff will call Neil Joshipura.  
 23 NEIL JOSHIPURA, called as a witness,  
 24 having been first duly sworn, was examined and  
 25 testified as follows:



<p style="text-align: right;">Page 221</p> <p>1                   DIRECT EXAMINATION</p> <p>2   BY MR. CHAMBLISS:</p> <p>3       Q.   Ready?</p> <p>4       A.   Yep.</p> <p>5       Q.   Would you state your name and the</p> <p>6   position you hold at the State Corporation Commission.</p> <p>7       A.   Neil Joshipura. And I'm a utilities</p> <p>8   engineer.</p> <p>9       Q.   Mr. Joshipura, did you prepare and cause</p> <p>10   to be filed in this case testimony consisting of a</p> <p>11   one-page summary, a one-page set of questions and</p> <p>12   answers, and a 23-page report, with a number of</p> <p>13   attachments all on June 2nd of this year?</p> <p>14       A.   Yes.</p> <p>15       Q.   Do you have any corrections --</p> <p>16       A.   Yes, I do, I have a couple of</p> <p>17   corrections.</p> <p>18       Q.   All right.</p> <p>19       A.   Beginning on page eight, line 22 --</p> <p>20       Q.   This is of the report?</p> <p>21       A.   This is of my report, yes.</p> <p>22       Q.   All right.</p> <p>23       A.   It should read, "an average height of</p> <p>24   approximately 112 feet" and not "100 feet."</p> <p>25               And continuing on to page 19, line four,</p>	<p style="text-align: right;">Page 223</p> <p>1           Q.   Mr. Joshipura, do you have any</p> <p>2   rebuttal -- surrebuttal testimony to give?</p> <p>3       A.   No, I don't.</p> <p>4       Q.   All right. Are you ready for</p> <p>5   cross-examination?</p> <p>6       A.   Yes.</p> <p>7       MR. CHAMBLISS: He's available, Your</p> <p>8   Honor.</p> <p>9       THE HEARING EXAMINER: All right.</p> <p>10   Mr. Coughlin?</p> <p>11       MR. COUGHLIN: No, Your Honor.</p> <p>12       THE HEARING EXAMINER: Ms. Alexander?</p> <p>13       MS. ALEXANDER: Briefly.</p> <p>14               CROSS-EXAMINATION</p> <p>15   BY MS. ALEXANDER:</p> <p>16       Q.   I believe it was on page 23,</p> <p>17   Mr. Joshipura, that you mention that --</p> <p>18       MR. CHAMBLISS: Your Honor, could I ask</p> <p>19   counsel to sit down so I can hear her? She's above</p> <p>20   her microphone there.</p> <p>21       THE HEARING EXAMINER: All right.</p> <p>22       MR. CHAMBLISS: She doesn't need to</p> <p>23   stand.</p> <p>24       MS. ALEXANDER: I'm fine sitting.</p> <p>25   Normally I'm always loud, so surprised you can't hear</p>
<p style="text-align: right;">Page 222</p> <p>1   "nine cents per kilowatt-hour," or kWh, should be</p> <p>2   changed to "nine cents per month."</p> <p>3       Similarly, on page 19, line five,</p> <p>4   "37 cents per kilowatt-hour" should be changed to</p> <p>5   "37 cents per month."</p> <p>6       Q.   And what page is that second correction</p> <p>7   on again?</p> <p>8       A.   On page 19 as well --</p> <p>9       Q.   Okay.</p> <p>10       A.   -- line five.</p> <p>11       And then one final correction, which is,</p> <p>12   again, on page 19, line 18, the date should be changed</p> <p>13   to November 20th, 2015.</p> <p>14       Q.   Now, having made those corrections,</p> <p>15   Mr. Joshipura, do you adopt your testimony and report</p> <p>16   as your testimony here today?</p> <p>17       A.   Yes, I do.</p> <p>18       MR. CHAMBLISS: Your Honor, can we have</p> <p>19   this marked?</p> <p>20       THE HEARING EXAMINER: Yes.</p> <p>21   Mr. Joshipura's testimony and report will be marked as</p> <p>22   Exhibit 19.</p> <p>23       (Exhibit No. 19 was marked for</p> <p>24   identification.)</p> <p>25   BY MR. CHAMBLISS:</p>	<p style="text-align: right;">Page 224</p> <p>1   me.</p> <p>2   BY MS. ALEXANDER:</p> <p>3       Q.   I was going to refer you to page 23 of</p> <p>4   your report. And the conclusion that you had come to</p> <p>5   in this report was that if the Commission</p> <p>6   determines -- this is starting on line 12 and</p> <p>7   continuing -- if the Commission determines that the</p> <p>8   impacts associated with the overhead routes are too</p> <p>9   great, then the Staff recommends the I-66 hybrid</p> <p>10   alternative route. If, however, the significantly</p> <p>11   higher cost associated with the I-66 alternative route</p> <p>12   is unacceptable, then the Staff recommends the</p> <p>13   Commission approve the Company's proposed project.</p> <p>14       With respect to the supported routes that</p> <p>15   you're stating, do you also support the Wal-Mart</p> <p>16   variation for either the overhead route or the I-66</p> <p>17   hybrid alternative?</p> <p>18       A.   Yes, the Staff does.</p> <p>19       Q.   Okay. Have you personally seen that site</p> <p>20   and know it to be feasible to construct?</p> <p>21       A.   Well, yes, I did go on the tour. And</p> <p>22   from discussions with the Company, it was determined.</p> <p>23       Q.   And have you also looked at or analyzed</p> <p>24   the FST route variation which was proposed by FST in a</p> <p>25   motion that was filed with this proceeding?</p>

56 (Pages 221 to 224)

TAYLOE COURT REPORTING LLC

1 A. Yes, I'm aware of it.  
 2 Q. Okay. You did not take a position in  
 3 your report?  
 4 A. No, I did not, but I believe the Staff  
 5 would be okay with it.  
 6 Q. I'll ask a similar question with respect  
 7 to an FST optimization route that Dominion had filed.  
 8 Did you look at that as well?  
 9 A. Again, same position, I believe the Staff  
 10 would be okay with it.  
 11 MS. ALEXANDER: No further questions.  
 12 THE HEARING EXAMINER: Ms. Harden?  
 13 MS. HARDEN: I have no questions. Your  
 14 Honor.  
 15 THE HEARING EXAMINER: Mr. Reisinger?  
 16 MR. REISINGER: Yes, Your Honor, very  
 17 briefly.  
 18 CROSS-EXAMINATION  
 19 BY MR. REISINGER:  
 20 Q. Mr. Joshipura, I'm looking at your  
 21 testimony on lines -- excuse me -- on pages 19 through  
 22 21 where you're discussing the -- discussing whether  
 23 Section XXII of the Company's terms and conditions  
 24 should apply to this project; is that right?  
 25 A. Yes, I see that.

1 A. Could you repeat the question?  
 2 Q. Yeah. This is your opinion, that if the  
 3 Commission determined that Section XXII of the  
 4 Company's terms and conditions applies, it's your  
 5 opinion that it could jeopardize the project?  
 6 A. In respect to the underground. If the  
 7 Commission approved an underground construction -- or  
 8 underground the hybrid and the Company's line  
 9 extension policy applied, then it is possible that the  
 10 customer may be required to have a large payment.  
 11 Q. And you're not suggesting, are you, that  
 12 the Commission should consider factors of economic  
 13 development when deciding whether the line extension  
 14 policy applies here, are you?  
 15 A. No.  
 16 Q. Okay. So you would admit that whether or  
 17 not the application of the line extension policy in  
 18 this situation, whether or not that would jeopardize a  
 19 project, that's not a factor for the Commission to  
 20 consider here, is it?  
 21 A. With respect to the -- again, economic  
 22 development is an important factor. With respect to  
 23 the line extension policy, it is related to how the  
 24 costs associated with the proposed project is  
 25 allocated, not necessarily the economic impact of the

1 Q. And I'm specifically looking at page 21,  
 2 lines five through seven where you say it should be  
 3 noted that under this scenario, the entire project,  
 4 including the development of the Haymarket Campus, may  
 5 be in jeopardy because of the substantially large  
 6 payment required from the customer.  
 7 Do you see that language?  
 8 A. Yes, I do.  
 9 Q. And when you say "development of the  
 10 Haymarket Campus," do you mean that development of the  
 11 Haymarket Campus in this particular location?  
 12 A. Yes.  
 13 Q. So the data center campus could be  
 14 located in a different area presumably, correct?  
 15 A. Presumably.  
 16 Q. And the customer in this situation chose  
 17 this particular location presumably knowing that it  
 18 lacked access to electric facilities?  
 19 A. I wouldn't be able to fully answer that.  
 20 Q. Still staying on the statement, when  
 21 you're noting this, this is your opinion that the  
 22 Commission if it found that Section XXII applied in  
 23 this situation, that could jeopardize the development  
 24 of the customer's facility in this location; is that  
 25 right?

1 Haymarket Campus.  
 2 MR. REISINGER: That's all the questions  
 3 I have. Thank you.  
 4 THE HEARING EXAMINER: Ms. Link?  
 5 MS. LINK: Thank you, Your Honor.  
 6 CROSS-EXAMINATION  
 7 BY MS. LINK:  
 8 Q. Good afternoon, Mr. Joshipura.  
 9 A. Good afternoon.  
 10 Q. Let's start with the need for the  
 11 project.  
 12 A. Sure.  
 13 Q. So I'm on page six of your testimony.  
 14 And we've heard some -- at least from the opening  
 15 statements of several counsel here that some parties  
 16 to this proceeding are saying that there is not  
 17 necessarily a need for a transmission solution, but  
 18 here on page six, lines 12 through 14 you state, the  
 19 Staff agrees with the Company that a distribution  
 20 solution is not feasible due to the large amount of  
 21 projected load to be supplied to the customer.  
 22 Accordingly, the Staff agrees that transmission  
 23 facilities are required and thus the project is  
 24 needed, correct?  
 25 A. Correct.

<p style="text-align: right;">Page 229</p> <p>1 Q. And so in terms of the statute, Section 2 56-46.1, you would say from the Staff's perspective 3 that the Company has shown need for a transmission 4 solution? 5 A. Correct. 6 Q. All right. And when we talk about the 7 transmission solution -- I'm on the introduction to 8 your testimony -- the transmission solution is to 9 construct a new 230-34.5 kV Haymarket Substation in 10 Prince William; to convert the existing 115 kV 11 Gainesville to Loudoun, Line 124 to 230 kV operation; 12 and to construct a 5.1 mile overhead 230 kV double 13 circuit transmission line from the tap point on 14 Line 124 to the Haymarket Substation, correct? 15 A. Correct. 16 Q. And that's the transmission solution that 17 you think is needed in this matter, correct? 18 A. Yeah. 19 Q. Okay. Let's now turn to a section of 20 your report that you talk about as ancillary benefits 21 of the project. 22 So on page seven, ancillary benefits, you 23 talk about the ability to serve the Haymarket load 24 area, correct? 25 A. Yes.</p>	<p style="text-align: right;">Page 231</p> <p>1 project at this time. 2 Q. Understood. But once the project is 3 there on day one, these benefits would be there, 4 correct? 5 A. Certainly. 6 Q. Okay. Once built, this project will 7 enhance system reliability, correct? 8 A. What do you mean by "system reliability"? 9 Q. I'll ask you, how do you interpret the 10 term "system reliability"? 11 A. Sure. 12 MR. CHAMBLISS: I object to that. She's 13 asked a question and he asked her to define it and now 14 she's asking him to define her term, so -- 15 MS. LINK: Your Honor, I believe the 16 witness is an engineer and can probably answer what 17 system reliability means. 18 THE HEARING EXAMINER: I'll overrule the 19 objection. I'll allow him to give his opinion of what 20 reliability means. 21 MR. CHAMBLISS: Okay. 22 THE WITNESS: Sure. System reliability 23 could mean in the sense of from a transmission system 24 or the distribution system. And certainly these 25 ancillary benefits benefit the distribution system</p>
<p style="text-align: right;">Page 230</p> <p>1 Q. Okay. And you also talk about how the 2 arrangement, meaning the project, the transmission 3 solution would enhance reliabilities for customers in 4 the area, correct? 5 A. Correct. 6 Q. Okay. And once there, the additional 7 capacity will give a greater opportunity to switch 8 load to other distribution circuits in the event of an 9 outage on any given circuit, and that could result in 10 faster restoration times, correct? 11 A. Yes. 12 Q. Okay. Furthermore, by constructing the 13 new distribution circuits, the length of the circuits 14 serving the customers within the Haymarket load area 15 would be reduced, significantly reduced, correct? 16 A. Correct. These -- all the ancillary 17 benefits. 18 Q. Okay. And I'm curious about why you call 19 it ancillary benefits and not just benefits. 20 Aren't these benefits that actually do 21 benefit the Haymarket load area and the existing 22 customers? 23 A. Sure. But these benefits aren't driving 24 the need for the project. As such, it's the bulk load 25 from the customer that's driving the need for the</p>	<p style="text-align: right;">Page 232</p> <p>1 within the area. 2 BY MS. LINK: 3 Q. Okay. Would this transmission solution 4 be used by others other than the customer? 5 A. Based on these ancillary benefits, yes, 6 the Haymarket Substation will be used by other 7 customers. 8 Q. Will the double circuit 230 kV line that 9 emanates from north of the Gainesville Substation and 10 taps the 124 line, and loops back through the 11 Haymarket Substation -- would that be a networked 12 line? 13 A. Yes, that would be a network line. 14 Q. All right. Once built, would this 15 project be integrated into the transmission system? 16 A. Yes, it would be integrated into the 17 transmission system. 18 Q. Okay. And is this substation or the 19 transmission line dedicated to the customer in any 20 way? 21 A. Again, the Staff agrees that this line is 22 not a dedicated line; however, the need is driven 23 by -- 24 Q. Understood. But it's not a dedicated 25 facility in any way, correct?</p>

1 A. Correct.  
 2 Q. System facility, correct, administered by  
 3 PJM?  
 4 A. I believe so.  
 5 Q. Providing service to Dominion LSE?  
 6 A. Yes.  
 7 Q. Through the OATT?  
 8 A. Sure.  
 9 Q. Okay. Have you read Company Witness  
 10 Potter's rebuttal testimony?  
 11 A. Yes.  
 12 Q. Okay. And I'll just paraphrase. Did you  
 13 see where he discussed about the benefit to the local  
 14 customers, about almost 500 customers, or about 5.5  
 15 MVA of load being moved on day one to the Haymarket  
 16 Substation?  
 17 A. If you could reference that.  
 18 Q. Sure. I'm on page five of Mr. Potter's  
 19 rebuttal.  
 20 A. Could you repeat the question?  
 21 Q. Sure. Mr. Potter's rebuttal states that  
 22 the new distribution circuit will feed 456 customers,  
 23 including Haymarket Village Center and the Novant  
 24 Health Haymarket Medical Center, for a total of  
 25 approximately 5.5 MVA, as is reflected above.

1 Do you see that?  
 2 A. Yes. And if you would allow me just to  
 3 put some context on that 5.5?  
 4 Q. Yes.  
 5 A. Yes, it's roughly 5.5 MVA. But just  
 6 trying to put that in perspective, the Haymarket  
 7 Substation from, I believe, day one or at least in  
 8 2018 including the existing data center located  
 9 adjacent to the Haymarket Campus accounts for roughly  
 10 160 of that 165.5 MVA, so it's roughly 97 percent of  
 11 that projected load in 2018, so I just kind of want to  
 12 put that 5.5 MVA just in a bit of context.  
 13 Q. Thank you. I appreciate that.  
 14 And then also on day one -- I'm pointing  
 15 you to Mr. Potter's rebuttal where he states that the  
 16 new DC, distribution circuit, will regularly serve all  
 17 customers west of Route 15 upon operation of the  
 18 substation. The Company will install two automated  
 19 loop schemes or restoration schemes that will restore  
 20 commercial and residential load for over 2,800  
 21 customers currently being served by DC 379 and DC 695  
 22 in under two minutes during certain outage scenarios.  
 23 Do you see that?  
 24 A. Yes, I see that.  
 25 Q. Okay. So between the almost 500

1 customers being transferred over to the Haymarket  
 2 Substation and the over 2,800 customers who will have  
 3 improved reliability with the Haymarket Substation,  
 4 are these part of the benefits that you would say are  
 5 enuring to the Haymarket load area on day one?  
 6 A. Certainly.  
 7 Q. All right. And did you also have a  
 8 chance to read Mr. Gill's rebuttal?  
 9 A. Yes.  
 10 Q. Okay. Did you see where he stated that  
 11 there is room for a third transformer at the Haymarket  
 12 Substation?  
 13 A. I believe so, but if you can just direct  
 14 me to it.  
 15 Q. I apologize; I'm not able to find that  
 16 cite handy, but let's move to another point in  
 17 Mr. Gill's rebuttal, and that is on page 17.  
 18 A. Can you give me one moment to get there?  
 19 Q. Yeah. And there Mr. Gill on line 20  
 20 notes that NOVEC had initially expressed an interest  
 21 in collocating a delivery point within the Company's  
 22 proposed Haymarket Substation to accommodate their  
 23 load growth and resolve operational concerns between  
 24 their Broad Run Substation to the west and their  
 25 Evergreen Substation to the north.

1 Do you see that?  
 2 A. I see that, but, again, this is the first  
 3 time I'm seeing that -- the first time it's being seen  
 4 is in Mr. Gill's rebuttal testimony.  
 5 Q. All right. Do you have a reason to doubt  
 6 that is the case, that it's true?  
 7 A. No.  
 8 Q. All right. So would that qualify as one  
 9 of the benefits of the project if NOVEC is able to  
 10 alleviate some of their loading issues as a result of  
 11 the siting of the Haymarket Substation?  
 12 A. Sure. Again, we should make a  
 13 distinction between benefits and the need for the  
 14 project. Certainly this would add -- this would be  
 15 beneficial; however, is it driving the need for the  
 16 project? Not necessarily so.  
 17 Q. Understood.  
 18 Is the area in Haymarket growing?  
 19 A. Based on, I believe, a chart in the  
 20 Company's appendix, if you can allow me to find it  
 21 real quick?  
 22 Q. Sure.  
 23 A. While it doesn't explicitly say, I  
 24 believe the chart on page 11 of that appendix,  
 25 attachment 1.B.1, shows historical and projected load

<p style="text-align: right;">Page 237</p> <p>1 growths out of the Gainesville Station, and I believe</p> <p>2 circuit 379, 378, and 695, head towards the Haymarket</p> <p>3 area. You can see the historic and projected loads.</p> <p>4 Q. Are these historic and projected loads on</p> <p>5 page 11 of the appendix -- are those inclusive of data</p> <p>6 center growth or exclusive as far as you know?</p> <p>7 A. These are exclusive of the data center</p> <p>8 proposed in this.</p> <p>9 Q. Okay. And is there any reason why we</p> <p>10 would want to look at data center load differently</p> <p>11 than any other load on a system?</p> <p>12 A. Could you restate that question?</p> <p>13 Q. Sure. When we're talking about growth in</p> <p>14 an area and a utility that has an obligation to serve</p> <p>15 customers generally that site in their area, is there</p> <p>16 any reason why we would treat the load from a data</p> <p>17 center any differently than any other load?</p> <p>18 A. Certainly not.</p> <p>19 Q. And it's consistent with prior Commission</p> <p>20 cases, correct, that we look at overall load growth?</p> <p>21 A. Correct.</p> <p>22 Q. Cases that you were a witness in?</p> <p>23 A. Correct.</p> <p>24 Q. Okay. And this isn't the first time the</p> <p>25 Commission has had a transmission line and substation</p>	<p style="text-align: right;">Page 239</p> <p>1 your report. So I'm looking at your report, page 16,</p> <p>2 lines nine through 12.</p> <p>3 Are you there, sir?</p> <p>4 A. Yes.</p> <p>5 Q. Okay. In there you state, because the</p> <p>6 need for the project is driven by a single, large</p> <p>7 customer requesting new service, as opposed to being</p> <p>8 driven by system network needs, the Staff gives</p> <p>9 considerable weight to the concerns of the respondents</p> <p>10 and impacted property owners, in addition to just</p> <p>11 looking at costs alone.</p> <p>12 Do you see that?</p> <p>13 A. Yes, I see that.</p> <p>14 Q. Okay. Where in 56-46.1 or in Commission</p> <p>15 rulings or even in the Staff's guidelines do you</p> <p>16 derive the source for this standard?</p> <p>17 MR. CHAMBLISS: I object to the question.</p> <p>18 She's characterized this as a standard. This is just</p> <p>19 Mr. Joshipura telling how Staff approached the case.</p> <p>20 This is not the establishment of a standard.</p> <p>21 THE HEARING EXAMINER: Well, I'd like to</p> <p>22 know whether or not there's any difference based on</p> <p>23 how they are treated. I mean, we should be treating</p> <p>24 these types of applications consistently. And I don't</p> <p>25 think looking at different ways to decide whether or</p>
<p style="text-align: right;">Page 238</p> <p>1 being built driven by a data center, correct?</p> <p>2 A. Driven by bulk load of a data center,</p> <p>3 correct.</p> <p>4 Q. The Commission has also had cases driven</p> <p>5 by large bulk load from military facilities, correct?</p> <p>6 A. I believe so. I'm not -- I didn't work</p> <p>7 on those particular cases, but, yes, I believe so.</p> <p>8 Q. But not the first time that bulk load</p> <p>9 drove the need for a transmission line, correct?</p> <p>10 A. Sure, correct.</p> <p>11 Q. Is there any reason why in this</p> <p>12 particular case the bulk load driven by this customer</p> <p>13 should be any different than those prior cases?</p> <p>14 A. In terms of what? I don't understand</p> <p>15 what you mean.</p> <p>16 Q. In terms of treatment, in terms of how</p> <p>17 you view the load growth, in terms of how you view the</p> <p>18 routing?</p> <p>19 A. Sure -- no, not in terms of load growth</p> <p>20 and routing.</p> <p>21 Q. They should be the same?</p> <p>22 A. Yes.</p> <p>23 Q. Treat all the customers the same?</p> <p>24 A. Sure.</p> <p>25 Q. Okay. I'd like to move to page 16 of</p>	<p style="text-align: right;">Page 240</p> <p>1 not the application should be approved or not -- I</p> <p>2 think it's a legitimate question, so I'm going to</p> <p>3 overrule the objection.</p> <p>4 THE WITNESS: Certainly. The basis for</p> <p>5 this statement was really to mainly state that we</p> <p>6 wouldn't just look at cost; we'd look at the various</p> <p>7 other factors, respondents impacted, property owners,</p> <p>8 along with -- while it's not stated here, along with</p> <p>9 environmental impact. This was just a segue into</p> <p>10 myself stating that the report by Mr. McCoy discusses</p> <p>11 the environmental factors.</p> <p>12 THE HEARING EXAMINER: But you look at</p> <p>13 these factors in every case for the transmission line?</p> <p>14 You look at the impacts on the customers, so I guess</p> <p>15 the question is, is the analysis different based on</p> <p>16 whether or not the need is driven by block load or</p> <p>17 whether or not you have just network need with the new</p> <p>18 transmission line?</p> <p>19 THE WITNESS: Sure. I guess the only</p> <p>20 distinction here is the need for the line is driven by</p> <p>21 solely one customer and one parcel rather than any</p> <p>22 sort of really system-wide network reliability issue.</p> <p>23 So if it's driven by just a single</p> <p>24 customer, the surrounding area may not necessarily</p> <p>25 benefit as opposed to a system reliability issue.</p>

1 THE HEARING EXAMINER: But you apply  
2 those factors consistently from one case to the next?

3 THE WITNESS: Absolutely.

4 THE HEARING EXAMINER: Because your  
5 testimony does kind of give the impression that you're  
6 looking at the impacts through a different light  
7 because this need is being driven by a block load as  
8 opposed to just a network need? But you look at those  
9 factors consistently?

10 THE WITNESS: Sure, we look at all those  
11 factors regardless of whether it's block load or  
12 system reliability.

13 THE HEARING EXAMINER: Okay. Thank you.  
14 BY MS. LINK:

15 Q. So in your view, you didn't treat -- you  
16 didn't treat this case differently than other data  
17 center cases the Commission has heard before, correct?

18 A. Correct.

19 Q. Is this the first time the Staff has  
20 stated this -- I won't call it a standard; I'll call  
21 it a sentence -- in a Staff report?

22 A. I believe so. I would have to go back  
23 and look through all the reports, but I believe this  
24 may be the first time we made a statement similar to  
25 this.

1 Q. Okay. To be fair, there is two other  
2 pending cases, Poland Road and Yardley Ridge we find a  
3 similar sentence. It's all around the same time  
4 though?

5 A. Correct.

6 Q. So is it possible that this sentence is  
7 noting a bit of a shift in the Staff's thinking when  
8 it comes to large block load?

9 A. I could see how that is being construed.  
10 Again, we do look at all those factors regardless of  
11 whether it's block load or a system reliability issue.

12 Q. Okay. And so in this case where you say  
13 the Staff gives considerable weight to the concerns  
14 because the need is driven by single, large customer,  
15 would the opposite be true, that if the need is driven  
16 by a system network need, you give less weight to the  
17 concerns of respondents?

18 A. Not necessarily. But, you know, short  
19 answer no, we wouldn't give any sort of less weight to  
20 the concerns of respondents if it was system  
21 reliability driven.

22 Q. So if you wouldn't give less weight if  
23 it's a system network need, what does it mean that you  
24 give considerable weight when it's not a system  
25 network need?

1 A. Again, that statement is kind of driven  
2 from whether the need is driven just at one location  
3 versus an overall area need.

4 Q. Right. And I understand that's been a  
5 concern of the Staff's and a lot of parties in this  
6 case, and I'm just trying to understand that further.

7 A. Sure.

8 Q. And maybe looking at some of the other  
9 data center cases might help.

10 So I'm going to put in front of you a  
11 Staff report in the Cannon Branch to Cloverhill 230 kV  
12 transmission line, and that's Case Number  
13 PUE-2011-00011, July 8, 2011.

14 And it's prepared by you, is it not, sir?

15 A. Yes.

16 Q. Do you remember that case?

17 A. It was a while ago, but, yes, I believe  
18 so.

19 MS. LINK: Your Honor, this is public  
20 record so I did not make copies of this. It's really  
21 more to just further explore the Staff's statement of  
22 position.

23 BY MS. LINK:

24 Q. Mr. Joshipura, I have put up page two on  
25 the screen, project description, if you'd like to take

1 a moment just to refresh your recollection.

2 A. Okay.

3 Q. So I see that the need from the project  
4 was at the request by Unicorn Interests?

5 A. Yes.

6 Q. Okay. For a new data center campus?

7 A. Correct.

8 Q. All right. Initial load to be 20 MVA and  
9 five data center buildings, with a projected combined  
10 line of a total of 169.2 MVA by 2022, correct?

11 A. Correct.

12 Q. In order to facilitate the customer's  
13 request, the Company propose to expand Cannon Branch  
14 Substation and construct a new can Cloverhill  
15 Substation, correct?

16 A. Correct.

17 Q. And build a new 2.3 mile radial single  
18 circuit 230 kV transmission line between the Cannon  
19 Branch and Cloverhill Substations, correct?

20 A. Correct.

21 Q. Okay. \$42 million project?

22 A. Yes.

23 Q. Overhead project?

24 A. Yes, it was.

25 Q. Okay. So somewhat similar to what we

<p style="text-align: right;">Page 245</p> <p>1 have here, block load, correct?</p> <p>2 A. Somewhat similar, correct.</p> <p>3 Q. One customer?</p> <p>4 A. Correct.</p> <p>5 Q. Okay. And a substation and a new line.</p> <p>6 This is single circuit. We're building double</p> <p>7 circuit, correct?</p> <p>8 A. Correct. But this shows the project</p> <p>9 description -- I'm not sure if there were any</p> <p>10 respondents -- I can't remember if there were any</p> <p>11 respondents in this case.</p> <p>12 Q. So whether respondents show up in a case</p> <p>13 would determine --</p> <p>14 A. Not necessarily. But, again, it was a</p> <p>15 concern of the respondents, and I can't remember this</p> <p>16 case having any respondents.</p> <p>17 Q. That's fine. There in that case, you did</p> <p>18 note that while the Code only requires the use of</p> <p>19 existing public utility rights-of-way, it's common</p> <p>20 practice to also consider routes on new easements</p> <p>21 parallel with, adjacent to existing linear utilitarian</p> <p>22 facilities such as electric transmission lines,</p> <p>23 natural gas transmission lines, pipelines, highways,</p> <p>24 and railroads, correct?</p> <p>25 A. Correct.</p>	<p style="text-align: right;">Page 247</p> <p>1 Q. Sure.</p> <p>2 A. I'm not sure exactly how this statement</p> <p>3 or sentence kind of refers to the other portions of</p> <p>4 the report, but, again, there is a distinction with</p> <p>5 the bulk load being 169.2 MVA versus being combined</p> <p>6 into kind of the entire load growth figure of the</p> <p>7 area.</p> <p>8 Q. Is it your understanding from the</p> <p>9 sentence that the figures included the new data center</p> <p>10 campus of 169.2 MVA?</p> <p>11 A. Certainly.</p> <p>12 Q. Okay. So the overall growth of the area</p> <p>13 was characterized as inclusive of the data center</p> <p>14 campus?</p> <p>15 A. In that case, it was.</p> <p>16 Q. And in that case, it was appropriate?</p> <p>17 A. I believe so.</p> <p>18 Q. Is it appropriate here?</p> <p>19 A. Certainly could be. I guess. Again,</p> <p>20 just looking at this sentence exclusively, I'm not</p> <p>21 sure exactly how it relates to other portions of the</p> <p>22 report, so I'm not sure if this sentence was a basis</p> <p>23 for the overall need for the project or how it kind of</p> <p>24 related to the other portions.</p> <p>25 Q. Okay. But certainly a way to look at</p>
<p style="text-align: right;">Page 246</p> <p>1 Q. So as Ms. Crabtree went through with</p> <p>2 Mr. McCoy, fairly commonplace to site along existing</p> <p>3 corridors such as other utilities and highways and</p> <p>4 railroads, correct?</p> <p>5 A. Correct.</p> <p>6 Q. So just noting this new line had been</p> <p>7 built on new right-of-way, would need new electric</p> <p>8 transmission easements for the whole route, correct?</p> <p>9 A. Correct.</p> <p>10 Q. So here in that case, it talked about the</p> <p>11 demand for power in Prince William that had been</p> <p>12 growing at a rate of 3.99 percent over the period of</p> <p>13 2006 to 2010; projected to grow 4.54 percent from 2010</p> <p>14 to 2020; and at which rate the load would increase</p> <p>15 from 612 MVA to 954.5 MVA; and the figures include the</p> <p>16 additional load of the customer's new data center.</p> <p>17 Do you see that?</p> <p>18 A. Yes, I see that.</p> <p>19 Q. Okay. So part of the need for the</p> <p>20 project, you could look at load and just include the</p> <p>21 data center load just like any other customer,</p> <p>22 correct?</p> <p>23 A. I believe that statement is referring to</p> <p>24 the next statement, which is where -- actually if you</p> <p>25 can give me just one second to read it over.</p>	<p style="text-align: right;">Page 248</p> <p>1 load growth could be to include the growth from the</p> <p>2 data center, correct? There's no reason to exclude it</p> <p>3 and treat them as different from any other customer,</p> <p>4 is there?</p> <p>5 A. Sure.</p> <p>6 Q. Okay. So there in that case you also had</p> <p>7 a section about economic development benefits, did you</p> <p>8 not?</p> <p>9 A. Yes.</p> <p>10 Q. Okay. And there you said, the</p> <p>11 substantial economic benefit of the project is to</p> <p>12 serve the electric power needs of the proposed Unicorn</p> <p>13 Interests, LLC data center campus, which would house</p> <p>14 wholesale data centers.</p> <p>15 Isn't that also a substantial economic</p> <p>16 benefit of this project, is to serve the electric</p> <p>17 power needs of the proposed customer in this case?</p> <p>18 A. Certainly that's a benefit.</p> <p>19 Q. Okay. You say that these data centers</p> <p>20 will add jobs to the locality, add to the local real</p> <p>21 estate tax base and support the critical business</p> <p>22 processes of the national and international technology</p> <p>23 companies that are its tenants.</p> <p>24 Could the same be held true for this data</p> <p>25 center?</p>

1 A. Generally could.  
 2 Q. It adds jobs to the locality?  
 3 A. Sure.  
 4 Q. Adds to the local real estate tax base?  
 5 A. Yes.  
 6 Q. Supports the critical business processes  
 7 of the national and international technology companies  
 8 that are its tenants?  
 9 A. Yes.  
 10 Q. Okay. You note, like you do in this  
 11 report, that there are minimal manpower associated  
 12 with operating and maintaining the project facilities,  
 13 so there would be negligible impact in that respect on  
 14 permanent local jobs.  
 15 And as you do in this report, the project  
 16 facilities would be subject to local taxation,  
 17 generating tax revenues for Prince William County,  
 18 correct?  
 19 A. Correct.  
 20 Q. I know I've just been showing you pieces  
 21 of the report I wanted you to see, but do you recall  
 22 saying in that report what you say in this report,  
 23 because the need for the project is driven by a  
 24 single, large customer requesting new service as  
 25 opposed to being driven by system network needs, the

1 Staff gives considerable weight to the concerns of the  
 2 respondents and impacted property owners?  
 3 A. No, I don't. But just to add a little  
 4 bit more perspective or context to that, I believe  
 5 that Cannon Branch to Cloverhill facility was located  
 6 in more of an industrial zone versus a residential and  
 7 commercial zone corridor. But, again, I would have to  
 8 read through the report to make certain of that.  
 9 Q. Okay. But do you recall actually saying  
 10 that standard in Cannon Branch to Cloverhill?  
 11 A. I did not state that statement.  
 12 Q. Okay. And I can walk you through the  
 13 Waxpool 230 kV double circuit transmission line case,  
 14 which is Case Number PUE-2011-00129, but we can  
 15 probably shorten this for the record.  
 16 First, do you recall that proceeding?  
 17 A. Yes, I do.  
 18 Q. Were you the witness in that one?  
 19 A. Yes, I was.  
 20 Q. Okay. Let's see if we can do this  
 21 quickly.  
 22 A. Sure.  
 23 Q. Was the need for that project a request  
 24 from the customer to provide a proposed data center  
 25 campus, provide service to the proposed data center

1 campus?  
 2 A. Yes, it was.  
 3 Q. Okay. And that one is three buildings  
 4 for a projected total load of 65.8 MVA by 2018,  
 5 correct?  
 6 A. Correct.  
 7 Q. Okay. And, again, similar language that  
 8 we saw before on the growth, citing a 7.28 percent  
 9 growth over the period 2007-2011; 13.92 percent from  
 10 2011 to '21; and the figures to include the additional  
 11 load of the customer's new data center.  
 12 Do you see that?  
 13 A. Sure. Just so -- it's kind of jogging  
 14 back to memory. I believe these numbers were provided  
 15 by the Company, and I'm mainly just restating those  
 16 numbers.  
 17 Q. Sure. But, again, my point is when you  
 18 look at load growth, it's appropriate to look at load  
 19 growth from all the customers, correct?  
 20 A. Sure.  
 21 Q. Okay. There again, you talk about joint  
 22 use of existing rights-of-ways by different kinds of  
 23 utility service should be considered, consistent with  
 24 the prior report, correct?  
 25 A. Correct.

1 Q. Okay. And there you stated, economic  
 2 development benefits by assuring continued reliable  
 3 bulk electric power delivery, the proposed project  
 4 benefits economic development in Loudoun County,  
 5 including that associated with the customer's new data  
 6 center campus.  
 7 Do you see that?  
 8 A. Yes.  
 9 Q. Okay. So same kind of statement, is that  
 10 the data center itself actually is economic  
 11 development for the county, correct?  
 12 A. Absolutely.  
 13 Q. Okay. So, again, just with your  
 14 testimony in the Waxpool proceeding in 2011, the  
 15 statement of the Staff's position, did it appear  
 16 there?  
 17 A. No, it did not.  
 18 Q. Okay. Did that statement of the Staff's  
 19 position cause you to give Mr. McCoy any different  
 20 direction or additional direction in assessing routes  
 21 in this case?  
 22 A. I don't believe so.  
 23 Q. So what I'm asking specifically is, did  
 24 you instruct Mr. McCoy to give considerable weight to  
 25 the concerns of respondents and impacted property



<p style="text-align: right;">Page 253</p> <p>1 owners in addressing his routing study?</p> <p>2 A. No. That was just my opinion. I didn't</p> <p>3 necessarily provide Mr. McCoy any direction on how</p> <p>4 much weight to give one thing or the other.</p> <p>5 Q. Okay. Let's talk about this part of the</p> <p>6 statement about driven by a single, large customer</p> <p>7 requesting new service.</p> <p>8 And I showed you two other cases where</p> <p>9 the load was driven bill a data center, and you were</p> <p>10 familiar with those other two cases?</p> <p>11 A. Uh-huh.</p> <p>12 Q. What about if the load is driven by a</p> <p>13 large military customer, which we've had some of those</p> <p>14 at the Commission, correct?</p> <p>15 A. Sure.</p> <p>16 Q. Would -- if the load is driven by a large</p> <p>17 military customer, would the Staff also believe it</p> <p>18 necessary to have a standard where you gave</p> <p>19 considerable weight to the concerns of respondents and</p> <p>20 impacted property owners? Is it different when it's a</p> <p>21 government entity?</p> <p>22 A. Certainly not. We'd still give weight to</p> <p>23 the concerns with respect to routing. We'd give</p> <p>24 weight to the concerns of the respondents and property</p> <p>25 owners.</p>	<p style="text-align: right;">Page 255</p> <p>1 Q. Okay. I note that you talk about the tax</p> <p>2 revenue associated with the Haymarket Campus project,</p> <p>3 and it will have a significant -- will likely have a</p> <p>4 significant, positive impact on Prince William County?</p> <p>5 A. Yes.</p> <p>6 Q. Do you have any estimate of what that tax</p> <p>7 impact would be on an annual basis?</p> <p>8 A. I do not.</p> <p>9 Q. Do you expect it to be sizable?</p> <p>10 A. Again, I didn't investigate that, so I</p> <p>11 wouldn't know.</p> <p>12 Q. Okay. What I found curious is the</p> <p>13 sentence that is right above the header economic</p> <p>14 development benefits, where you say it should be noted</p> <p>15 that under this scenario, the entire project,</p> <p>16 including the development of the Haymarket Campus, may</p> <p>17 be in jeopardy because of the substantially large</p> <p>18 payment required from the customer.</p> <p>19 Do you see that?</p> <p>20 A. I see that.</p> <p>21 Q. So let me explore that with you a little</p> <p>22 bit.</p> <p>23 You're saying that if the customer is</p> <p>24 required to pay an additional \$115 million for this</p> <p>25 project, and you're saying that the whole Haymarket</p>
<p style="text-align: right;">Page 254</p> <p>1 Q. All right. But it wouldn't make a</p> <p>2 difference if the block load is from the military?</p> <p>3 A. Correct.</p> <p>4 Q. It would not make a difference or it</p> <p>5 would?</p> <p>6 A. I believe it wouldn't.</p> <p>7 Q. Okay. Let's move to another area. I'm</p> <p>8 now on page 21 of your testimony.</p> <p>9 Here on page 21 in the middle of the page</p> <p>10 you talk about the economic development benefits,</p> <p>11 correct?</p> <p>12 A. Correct.</p> <p>13 Q. Okay. And what I noticed what's not</p> <p>14 there is a similar statement that you had in the</p> <p>15 Cannon Branch case that actually recognized the</p> <p>16 substantial economic development of the project is to</p> <p>17 serve the electric power needs of the proposed data</p> <p>18 center which would house wholesale -- sorry -- the</p> <p>19 proposed data center campus that would house wholesale</p> <p>20 data centers.</p> <p>21 So I don't see in economic development</p> <p>22 where you actually state part of the economic</p> <p>23 development is serving the customer?</p> <p>24 A. Sure, I could agree with that statement</p> <p>25 in the previous case as well.</p>	<p style="text-align: right;">Page 256</p> <p>1 Campus could be in jeopardy?</p> <p>2 A. At this location.</p> <p>3 Q. So the location the customer could choose</p> <p>4 is to move? They could move their location?</p> <p>5 A. No. What I'm saying -- what I'm stating</p> <p>6 is that in this scope where the customer is located</p> <p>7 due to that large payment, the customer may decide not</p> <p>8 to build at that location.</p> <p>9 Q. Okay. So if the Company were to turn</p> <p>10 around and give the customer a bill for \$115 million,</p> <p>11 presuming it was lawful, you think that the customer</p> <p>12 could decide to stop building at this location?</p> <p>13 A. It would definitely be an important</p> <p>14 factor of consideration for the customer.</p> <p>15 Q. Okay. Would that be an economic</p> <p>16 disincentive or -- to this project or an economic</p> <p>17 detriment to this project if it doesn't ever get</p> <p>18 built?</p> <p>19 A. Economic detriment to the project or to</p> <p>20 the county?</p> <p>21 Q. Let's say to the county, to the</p> <p>22 Commonwealth of Virginia.</p> <p>23 A. Sure. If this project -- if the campus</p> <p>24 isn't fully built out, then certainly the tax revenue</p> <p>25 from that unbuilt portion wouldn't be realized.</p>

1 Q. And it wouldn't be realized by Prince  
2 William County, correct?

3 A. Correct.

4 Q. Okay. And then if it doesn't get built  
5 at the Haymarket campus, are you assuming that it  
6 would get built somewhere else in Prince William?

7 A. I'm not necessarily assuming that.

8 Q. Okay. It's possible that the customer  
9 could decide to build in another state, correct?

10 A. It's possible.

11 Q. I mean, there are other states that  
12 market to data centers, correct, like Ohio?

13 A. Sure.

14 Q. Do you think Virginia competes with other  
15 states for data center siting?

16 A. Absolutely. But, again, just to kind of  
17 put things into context, this case is a bit -- can be  
18 unique in nature where, one, the location of the load  
19 is five miles away from the transmission source,  
20 there's a reasonable underground option, the corridor  
21 that the transmission line is going through is  
22 surrounded by a large number of residential and  
23 commercial customers and the impacts to them.

24 In other areas of Virginia, similar to  
25 Cannon Branch and Waxpool, those facilities got built

1 and they are zoned in an industrial area, and they got  
2 built without much controversy or -- so I'm not  
3 stating that -- I'm basically stating that economic  
4 development -- I wouldn't be able to speculate on  
5 whether this project alone would kill economic  
6 development in the entire State of Virginia.

7 Q. What is your understanding of that site  
8 in terms of the customer's ability to site there?  
9 Have you heard the term "by-right zoning"?

10 A. I have.

11 Q. Okay. And is it your understanding that  
12 the site itself for the customer had by-right zoning  
13 through the county and it was able to site its campus  
14 there without additional zoning approval?

15 A. I'm not certain about that, but I guess I  
16 could agree with you on that.

17 Q. Okay. Do you think Prince William wants  
18 the customer to not build the facility?

19 A. No, certainly not.

20 Q. Okay. So my question is, is it important  
21 to the Staff that this project get built?

22 A. From an economic development, certainly,  
23 the Staff would agree that the Haymarket Campus would  
24 provide economic benefit.

25 Q. Is the Staff trying to get the project to

1 move to a different location by raising this issue of  
2 payment, additional payment?

3 A. Again, the Staff isn't advocating this  
4 method. The Staff's job was to present -- fully  
5 investigate the case, present all the options for the  
6 Commission's consideration.

7 Q. So you're not advocating that the  
8 customer be charged 115 million for an underground  
9 option?

10 A. Correct.

11 Q. Okay. Let's move to another area.

12 THE HEARING EXAMINER: Let me understand  
13 you, Mr. Joshipura.

14 You're not recommending that the customer  
15 or that Section XXII -- I guess the line -- you're not  
16 recommending that it be applied; you're just raising  
17 the issue of whether it should be applied and allowing  
18 the Commission to make that determination?

19 THE WITNESS: Correct. The Staff  
20 essentially believes the Commission has with respect  
21 to cost allocation and cost recovery roughly three  
22 options, which is, one, the project is not deemed a  
23 line extension and cost assignments are assigned  
24 through NITS; or option two would be the Commission  
25 deems it as a line extension and subject to

1 Section XXII; and the third one would be the  
2 Commission deems it a line extension, but Section XXII  
3 is not applicable for a transmission facility. So  
4 it's roughly three options for the Commission to  
5 decide on.

6 BY MS. LINK:

7 Q. Has Staff made a decision on which option  
8 it would support?

9 A. Certainly not.

10 Q. You've not picked one of the three  
11 options as you would recommend to the Commission?

12 A. Correct.

13 Q. Do you think all three are viable or  
14 valid options for the Commission to pick?

15 A. I think it's up to the Commission's  
16 discretion and determination.

17 Q. All right. So let's move to the line  
18 extension policy. I'm on page 19 of your testimony.  
19 Going on to page 20 where you say, accordingly, at a  
20 minimum, the Staff considers Section XXII to be  
21 ambiguous with respect to its applicability to  
22 transmission facilities.

23 Do you see that, sir?

24 A. Could you repeat the page?

25 Q. Page 20.

<p style="text-align: right;">Page 261</p> <p>1 A. Page 20, sorry.</p> <p>2 Q. That's okay.</p> <p>3 A. Which sentence were you --</p> <p>4 Q. I'm on page -- line two, accordingly, at</p> <p>5 a minimum, the Staff considers Section XXII to be</p> <p>6 ambiguous with respect to its applicability to</p> <p>7 transmission facilities?</p> <p>8 A. Yes.</p> <p>9 Q. Okay. You do believe Section XXII is</p> <p>10 ambiguous with respect to its applicability to</p> <p>11 transmission facilities?</p> <p>12 A. Yes.</p> <p>13 Q. Okay. Which case was Section XXII</p> <p>14 approved by the Commission?</p> <p>15 A. I believe it was 2013 biennial.</p> <p>16 Q. Okay. Do you -- are you familiar with</p> <p>17 the 2009 going-in rate case?</p> <p>18 A. I'm aware of it.</p> <p>19 Q. Okay. You have included as an excerpt as</p> <p>20 one of the attachments in your testimony, testimony</p> <p>21 from Mr. Eisenrauch from the 2013 biennial, correct?</p> <p>22 A. Correct.</p> <p>23 Q. Okay. And I put on the screen and it's</p> <p>24 testimony from Mr. Griles in the 2009 going-in rate</p> <p>25 case.</p>	<p style="text-align: right;">Page 263</p> <p>1 A. Correct.</p> <p>2 Q. Okay. And so what I've put in front of</p> <p>3 you is testimony from Mr. Griles in the 2009 case; and</p> <p>4 it's the first page, and then I jump to page 11 --</p> <p>5 just to not burden the record, but lines 19 to 22, do</p> <p>6 you see that Q and A?</p> <p>7 A. Yes.</p> <p>8 Q. Okay. And that Q and A is almost</p> <p>9 identical, I think, to the one that's in the 2013</p> <p>10 case; the question being, do the proposed revisions to</p> <p>11 the line extension policy relate or apply in any way</p> <p>12 to the transmission lines?</p> <p>13 The answer is no. The facilities</p> <p>14 targeted for expanded underground are rated below</p> <p>15 50 kV.</p> <p>16 Do you see that?</p> <p>17 A. Yes.</p> <p>18 Q. Is that a transmission line?</p> <p>19 A. No. There would be distribution</p> <p>20 facilities.</p> <p>21 Q. Okay. So that's the 2009 going-in case,</p> <p>22 correct?</p> <p>23 A. Correct.</p> <p>24 MS. LINK: Your Honor, may we have this</p> <p>25 exhibit marked?</p>
<p style="text-align: right;">Page 262</p> <p>1 MS. LINK: And, Your Honor, I have these</p> <p>2 to pass out.</p> <p>3 THE HEARING EXAMINER: All right.</p> <p>4 BY MS. LINK:</p> <p>5 Q. Okay. And, Mr. Joshipura, you included</p> <p>6 as attachment 14 an excerpt from the direct testimony</p> <p>7 of Steven Eisenrauch, correct?</p> <p>8 A. Correct.</p> <p>9 Q. And you included sort of the last page of</p> <p>10 his testimony; and with the Q and A, the question</p> <p>11 being, do the proposed revisions to the line extension</p> <p>12 plan relate or apply in any way to transmission lines?</p> <p>13 The answer is, no. The facilities</p> <p>14 targeted for expanded underground installation are</p> <p>15 rated below 50 kV.</p> <p>16 That was in the 2013 case, correct?</p> <p>17 A. Correct. And I believe those revisions</p> <p>18 were for the underground revisions, I believe.</p> <p>19 Q. Right. So the facilities targeted for</p> <p>20 expanded underground installations are rated below</p> <p>21 50 kV?</p> <p>22 A. Yes.</p> <p>23 Q. And the Company told that to the</p> <p>24 commission in the 2013 case where the tariff,</p> <p>25 Section XXII got approved, correct?</p>	<p style="text-align: right;">Page 264</p> <p>1 THE HEARING EXAMINER: Exhibit 20.</p> <p>2 (Exhibit No. 20 was marked for</p> <p>3 identification.)</p> <p>4 MS. LINK: Thank you.</p> <p>5 BY MS. LINK:</p> <p>6 Q. Now, I'm going to show you some Staff</p> <p>7 testimony from that case.</p> <p>8 MS. LINK: Your Honor, I have this</p> <p>9 exhibit to hand out as well.</p> <p>10 THE HEARING EXAMINER: All right.</p> <p>11 MS. LINK: Your Honor, may we have the</p> <p>12 prefiled testimony of Timothy R. Faherty in</p> <p>13 PUE-2009-00019 marked for identification?</p> <p>14 THE HEARING EXAMINER: Yes. It will be</p> <p>15 marked as Exhibit 21.</p> <p>16 (Exhibit No. 21 was marked for</p> <p>17 identification.)</p> <p>18 MS. LINK: Thank you, Your Honor.</p> <p>19 BY MS. LINK:</p> <p>20 Q. So just to give some context,</p> <p>21 Mr. Joshipura, is it your understanding that the</p> <p>22 tariff revisions that were proposed in the 2009 case</p> <p>23 were not actually put into effect because that case</p> <p>24 had a settlement?</p> <p>25 A. Yes, I'm aware of that.</p>

1 Q. And then the Company brought those tariff  
2 revisions back in 2013, and eventually those got  
3 approved, correct?

4 A. Yes.

5 Q. That's Section XXII that we're talking  
6 about here in this proceeding, correct?

7 A. I believe so. I'm not sure if it was the  
8 entire Section XXII. I would have to remember exactly  
9 if it was the entire section or portions of the  
10 section.

11 Q. Okay. Fair enough. But we think the  
12 sections that we are talking about in this proceeding  
13 that would apply, the line extension tariff, were  
14 approved by the Commission in the 2013 case?

15 A. Yes.

16 Q. Okay. So I'm showing you prefiled  
17 testimony from Timothy R. Faherty.

18 And Mr. Faherty is a member of the  
19 Commission Staff as well?

20 A. Uh-huh.

21 Q. Okay. I've turned to page eight where  
22 he's been asked to summarize his understanding of the  
23 Company's proposed revisions to the line extension  
24 policy, which he then does. Page eight and nine and  
25 ten and 11.

1 He states, however, the Staff has  
2 concerns that the revised policy may be ambiguous in  
3 certain areas and recommends that such ambiguities be  
4 clarified to ensure that the policy is implemented in  
5 a consistent manner.

6 Do you see that?

7 A. I see that.

8 Q. Okay. So just going to walk through some  
9 of the ambiguities.

10 First, Mr. Faherty says, it is clear from  
11 the proposed policy the Company believes that the most  
12 economical way to extend new service is to install  
13 facilities overhead in locations adjacent to public  
14 rights-of-way and underground in locations not  
15 adjacent to public rights-of-way.

16 Do you see that? /

17 A. I see that.

18 Q. So he then recommends the Company include  
19 a definition of adjacent to public rights-of-way in  
20 the definitions subsection of Section XXII. And the  
21 policy states, the customer will only be charged the  
22 transitional cost for the segment of the extension  
23 that is adjacent to the public right-of-way.

24 Do you see that?

25 A. Yes.

1 So then I go to page 12, and the question  
2 is, do you have any comments concerning the Company's  
3 proposed revisions to its line extension policy?

4 And I'll let you take a moment to read  
5 that.

6 A. Thank you.

7 Okay.

8 Q. So I'm focussing on the highlighted  
9 language where it says, the Staff supports the  
10 installation of new facilities underground whenever it  
11 is feasible. And the proposed revisions appear to  
12 provide a greater number of customers the opportunity  
13 to install new facilities underground at either no  
14 cost to the customer or at a reduced cost as compared  
15 to the existing terms and conditions.

16 Do you see that?

17 A. I see that.

18 Q. Okay. Do you believe that language means  
19 that the Staff supports the installation of new  
20 transmission facilities underground whenever it is  
21 feasible?

22 A. No. I believe it's referring to  
23 distribution facilities.

24 Q. Okay. So now I want to focus on the  
25 concerns that Mr. Faherty raised.

1 Q. Does that first concern of ambiguity  
2 state that the line extension the policy may apply to  
3 underground transmission lines?

4 A. No, it does not.

5 Q. Okay. Second, Subsection C3a states that  
6 if a duct bank conduit system installation is required  
7 or requested, it will be installed in accordance with  
8 paragraph W below.

9 Do you see that?

10 A. One moment. Yes, I see that.

11 Q. So he then recommends, the Company  
12 clarify who can require a duct bank conduit system and  
13 under what conditions.

14 Is that second area of ambiguity such  
15 that Section XXII applies to underground transmission  
16 lines?

17 A. No, it's not.

18 Q. Okay. Third section, third ambiguity,  
19 section D5, similarly refers to the installation of a  
20 bulk feeder when it is either requested or required.

21 Resolution: The Company should not  
22 charge a customer if it installs a bulk feeder to  
23 better its system, but the installation is not  
24 necessary to serve the load of the individual  
25 customer.

<p style="text-align: right;">Page 269</p> <p>1 Is that third ambiguity related to</p> <p>2 whether this tariff applies to underground</p> <p>3 transmission lines?</p> <p>4 A. Can I read the whole --</p> <p>5 Q. Sure. I hope you've been given a copy,</p> <p>6 too.</p> <p>7 A. I was, I'm sorry.</p> <p>8 Q. That's okay. I don't want to</p> <p>9 disadvantage you there.</p> <p>10 A. Okay.</p> <p>11 Q. So that third area of ambiguity, does it</p> <p>12 relate to whether the tariff applies to underground</p> <p>13 transmission lines?</p> <p>14 A. No.</p> <p>15 Q. Okay. Fourth area, he references</p> <p>16 respondent Frederick N. Howe, III who expressed</p> <p>17 concern that the revised policy related to new</p> <p>18 residential subdivisions and would pass considerable</p> <p>19 new costs on to customers and developers. And he</p> <p>20 says, to eliminate any ambiguity, the customer should</p> <p>21 revise subsection C3. And he says how it should be</p> <p>22 revised.</p> <p>23 Do you think that section of ambiguity --</p> <p>24 or that area of ambiguity states that the tariff</p> <p>25 applies to underground transmission lines?</p>	<p style="text-align: right;">Page 271</p> <p>1 So does that fifth area of ambiguity</p> <p>2 relate to whether the tariff applies to underground</p> <p>3 transmission lines?</p> <p>4 A. No, it does not.</p> <p>5 Q. Is there anywhere in the 2009 going-in</p> <p>6 rate case testimony that the Staff raised this</p> <p>7 ambiguity that they are raising here today?</p> <p>8 A. No.</p> <p>9 Q. Okay. And just on this point about the</p> <p>10 Staff's strong belief about an obligation to provide</p> <p>11 consumers with a reasonably detailed breakdown of the</p> <p>12 costs associated with the installation and relocation</p> <p>13 of facilities, do you believe that if the customer in</p> <p>14 this situation was required to pay \$115 million, that</p> <p>15 the Company should have provided them information</p> <p>16 about that prior to maybe this point in the process?</p> <p>17 A. It doesn't seem unreasonable if the</p> <p>18 Company did provide the customer a detailed breakdown.</p> <p>19 Q. But this situation, the Company hasn't</p> <p>20 provided the customer any kind of bill for</p> <p>21 \$115 million, correct?</p> <p>22 A. Sure. But, again, whether the line</p> <p>23 extension policy applies is still up for the</p> <p>24 Commission to decide upon.</p> <p>25 Q. Okay. But the point being if it applied,</p>
<p style="text-align: right;">Page 270</p> <p>1 A. Could you repeat that last segment of the</p> <p>2 question?</p> <p>3 Q. Sure. This fourth area of ambiguity</p> <p>4 raised in Mr. Faherty's testimony, does that relate to</p> <p>5 whether the tariff applies to underground transmission</p> <p>6 lines?</p> <p>7 A. It does not.</p> <p>8 Q. Okay. Final area, the Staff periodically</p> <p>9 receives consumer complaints relative to the cost</p> <p>10 associated with the installation and relocation of</p> <p>11 facilities.</p> <p>12 He says, frequently consumers question</p> <p>13 how the Company developed its estimated cost for the</p> <p>14 line extension. He says, the Company has historically</p> <p>15 been reluctant to provide consumers with sufficient</p> <p>16 information relative to estimates, and it has shown a</p> <p>17 preference to simply provide consumers with the total</p> <p>18 cost, with little to no supporting detail. He says,</p> <p>19 the Staff strongly believes that the Company has an</p> <p>20 obligation to provide consumers with a reasonably</p> <p>21 detailed breakdown of the cost associated with the</p> <p>22 installation or relocation of facilities?</p> <p>23 He also says, they recommend that</p> <p>24 subsection U be revised to state that the Company is</p> <p>25 required to provide such detailed cost estimates.</p>	<p style="text-align: right;">Page 272</p> <p>1 do you think the Company should have told the customer</p> <p>2 already given that they are breaking ground on the</p> <p>3 data center campus? Do you think that's an important</p> <p>4 thing for the consumer there to know that they owe</p> <p>5 \$115 million to the company?</p> <p>6 A. Sure. If the Commission decides that,</p> <p>7 then sure.</p> <p>8 Q. Okay.</p> <p>9 A. Again, I guess, you're talking about</p> <p>10 ambiguity; I just kind of want to state that the</p> <p>11 ambiguity stems from not necessarily the ambiguity</p> <p>12 statements that were provided in Mr. Faherty's 2009</p> <p>13 case; it stems from positions the Company had</p> <p>14 previously as well as even within some language in the</p> <p>15 terms and conditions. Just to expand on that,</p> <p>16 attached in my report as attachment 15, the Company</p> <p>17 provides a response to a Staff question on whether</p> <p>18 another proposed transmission line -- I believe it's</p> <p>19 the Poland Road case -- whether that transmission line</p> <p>20 for bulk load data center, whether the line extension</p> <p>21 policy was applicable. And the Company originally</p> <p>22 provided a response that stated that it was, and then</p> <p>23 corrected it --</p> <p>24 Q. Okay.</p> <p>25 A. -- to stating it wasn't. And then kind</p>

68 (Pages 269 to 272)

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1 of just to further --

2 Q. Fair to say the Company might have been  
3 confused for a little bit there?

4 A. Certainly.

5 Q. Okay.

6 A. And then just to kind of -- if you allow  
7 me to, if you go to attachment 11 of my report, which  
8 is the actual terms and conditions, nothing in the  
9 terms and conditions -- nothing in the line extension  
10 policy explicitly limits it to distribution facilities  
11 only.

12 And then on section paragraph D under, I  
13 guess, subsection six where it's branch feeder  
14 facilities will be installed in accordance with the  
15 following, it also provides some language for lines  
16 that are greater than 50 kV. So according to the  
17 testimony provided in, I believe, Mr. Griles'  
18 testimony where it's stated, do these revisions apply  
19 to transmission lines -- and these are revisions below  
20 50 kV -- there's certainly language in here that  
21 states that other lines above 50 kV are looked at.

22 Q. But that wasn't an area of ambiguity that  
23 the Staff raised --

24 A. Certainly --

25 Q. -- at any point in time?

1 A. Certainly not in that case.

2 Q. Okay. So does the Staff believe that --  
3 because I've been curious about this, and your  
4 testimony only talks about XXII D, but it doesn't  
5 state what provision of XXII D you would think  
6 actually would trigger a transitional cost.

7 So what provision of XXII D do you  
8 actually think would apply?

9 A. Would trigger a transitional cost for the  
10 undergrounding --

11 Q. Correct.

12 A. -- portion?

13 I believe it would be -- one moment.

14 Q. Sure.

15 A. Possibly section under paragraph D,  
16 number four.

17 Q. Approach lines?

18 A. Yes.

19 Q. Though is it Staff's position that the  
20 hybrid would be an underground approach line under the  
21 tariff?

22 A. According to the definition of approach  
23 line. Approach lines are facilities installed from an  
24 existing source to the property of the customer or  
25 developer requesting electric delivery service.

1 Q. Okay.

2 A. Certainly possible.

3 Q. Okay. Let's just talk a little bit then  
4 about the underground hybrid and whether or not it's  
5 an approach line.

6 A. Sure.

7 Q. So I put on the screen -- it's appendix  
8 2.A.2; it's just a map of the project.

9 You've seen this before, correct?

10 A. Yes.

11 Q. Okay. So if an approach line is  
12 facilities installed from an existing source to the  
13 property of the customer or developer requesting  
14 electric delivery service, the hybrid line is being  
15 installed from -- well, we can take it from the  
16 switching station and it terminates at the high  
17 side -- the transmission line terminates at the high  
18 side of the protection of the Haymarket Substation,  
19 correct?

20 A. It's the underground portion.

21 Q. Right. Who is going to own the Haymarket  
22 Substation property?

23 A. The actual property where the substation  
24 is located?

25 Q. Yes.

1 A. I don't know -- I don't know if I know  
2 that answer. I don't know if it was provided  
3 anywhere.

4 Q. Do you accept, subject to check, the  
5 Company will eventually own that property and build a  
6 Haymarket Substation on it?

7 A. Sure.

8 Q. So the hybrid line goes from the  
9 switching station and then terminates on the high side  
10 of the protection of the Haymarket Substation on  
11 property owned by the Company, correct?

12 A. Uh-huh.

13 Q. Okay. And you said an approach line are  
14 facilities installed from an existing source to the  
15 property of the customer or developer, correct?

16 A. Correct.

17 Q. Will the hybrid go from an existing  
18 source to the property of the customer or will it go  
19 from an existing source to the property of the  
20 Company?

21 A. The approach line -- give me one second.

22 I guess you are correct, but it's  
23 facilities installed from an existing source, so  
24 hypothetically, let's say, the existing source is that  
25 Line 124 --

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1 Q. Okay.

2 A. -- to the Company's property, the

3 Haymarket Substation. And then further the -- I

4 believe the distribution circuits, which we agree are

5 subject to the line extension policy -- I'm not sure

6 if I could state whether if the approach line -- if

7 the hybrid underground portion goes from transmission

8 station to Company's property whether or not that

9 deems it an approach line or not an approach line.

10 Q. Okay. But as far as your determination

11 or thought that the tariff may apply, is it only

12 because it could be an approach line or is it also

13 because it could be a branch feeder or a bulk feeder?

14 A. The --

15 Q. The hybrid.

16 A. The transmission facilities?

17 Q. Yes.

18 A. It could certainly be an approach line or

19 a branch feeder if any of it was on the property of

20 the customer.

21 Q. So it could be an approach line if it

22 goes to the property of the customer; and it could be

23 a branch feeder if it's on the property of the

24 customer, correct?

25 A. Correct.

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1 Q. And you would say those are pretty

2 important factual determinations that need to be made

3 in order to see whether the tariff applies?

4 A. Yes. But I'm not sure if those are the

5 only limiting factors.

6 Q. Are there others? And I only ask because

7 we are going to have to brief it, so it would be

8 important to know the position.

9 A. Sure, no. I just -- kind of just going

10 back to the Company's confusion, the response from the

11 Company, which is attachment 15.

12 Q. I understand. But the Company corrected

13 that response in the other case, correct? And you

14 didn't include the correction to that response,

15 correct?

16 A. Correct.

17 Q. Okay. So now is there any confusion on

18 the Company's part in your view?

19 A. No.

20 Q. Okay. I have one more exhibit.

21 THE HEARING EXAMINER: Ms. Link, how much

22 longer do we have? We're getting close to six o'clock

23 this evening.

24 MS. LINK: I promise to be done by

25 six o'clock.

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1 THE HEARING EXAMINER: If we're going to

2 go till nine, I'm going to break now.

3 MS. LINK: Not until nine, sir. I just

4 have this and one other small area. Six o'clock,

5 please.

6 THE HEARING EXAMINER: All right.

7 MS. LINK: Your Honor, may I have this

8 exhibit marked? It's the prefiled testimony of Neil

9 Joshipura, Case Number PEU-2013-00020.

10 THE HEARING EXAMINER: I'll mark that

11 Exhibit 22.

12 (Exhibit No. 22 was marked for

13 identification.)

14 BY MS. LINK:

15 Q. Mr. Joshipura, is this the case where --

16 the 2013 biennial review?

17 A. Yes.

18 Q. And this is your testimony?

19 A. Yes.

20 Q. Okay. And there, similarly to

21 Mr. Faherty's, you've asked to describe your

22 understanding of the line extension policy?

23 A. Uh-huh.

24 Q. And so you do that, you summarize that.

25 And you state there on page three, as

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1 discussed in Company Witness Eisenrauch's testimony,

2 the line extension plan the Company is proposing in

3 this proceeding is very similar to the Company's 2009

4 filing.

5 Do you see that?

6 A. Yes.

7 Q. Okay. There on page six you state, the

8 Staff does not oppose the Company's proposal to

9 eliminate plan "F" and incorporate its entire line

10 extension policy into a revised Section XXII?

11 A. Yes.

12 Q. And there again, there's similar

13 language, due to the longevity and reliability of new

14 underground cable utilized today, the Staff supports

15 the installation of new facilities underground

16 whenever it is operationally feasible.

17 So is that new distribution facilities

18 underground?

19 A. Yes.

20 Q. Okay. And there then at line seven you

21 note some concerns that the Company's revised policy

22 may be vague in certain situations, and as such

23 recommends further clarification to ensure the policy

24 is implemented in a consistent manner.

25 Do you see that?

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1 A. Yes, I see that.  
 2 Q. I don't have to belabor this because I  
 3 see that we have a deadline.  
 4 Any areas of vagueness related to whether  
 5 this tariff applies to underground transmission lines?  
 6 A. No.  
 7 Q. None raised in that proceeding either?  
 8 A. I don't believe so, no.  
 9 MS. LINK: Okay. Your Honor, we move the  
 10 admission of Exhibits 21 and 22.  
 11 THE HEARING EXAMINER: Any objection?  
 12 MS. LINK: Okay. I have another brief  
 13 area where we can wrap up and have some dinner.  
 14 THE HEARING EXAMINER: We will mark and  
 15 receive into the record Exhibits 21 and 22.  
 16 (Exhibit No. 21 was admitted into  
 17 evidence.)  
 18 (Exhibit No. 22 was admitted into  
 19 evidence.)  
 20 MS. LINK: Thank you, Your Honor.  
 21 BY MS. LINK:  
 22 Q. Mr. Joshipura, Ms. Crabtree was asking  
 23 Mr. McCoy some questions related to some factors when  
 24 evaluating transmission lines. Some of these factors  
 25 he did not evaluate, so I just want to ask whether you

1 your knowledge of the system, whether underground is  
 2 as reliable as overhead?  
 3 A. I don't have knowledge specifically. I'm  
 4 aware that it's stated in the Company's rebuttal, but  
 5 I'm not aware of the exact specifics related to  
 6 reliability of an underground cable.  
 7 Q. Okay. Fair enough. Have you looked on  
 8 whether both facilities meet the need date, meaning  
 9 the date when the customer has requested service?  
 10 A. The in-service date, yes, I looked at  
 11 whether the options would meet that date.  
 12 Q. And can the I-66 hybrid option meet the  
 13 in-service date requested by the customer -- or, I  
 14 guess, the extended in-service date requested by the  
 15 customer?  
 16 A. According to the application -- if you  
 17 can give me just one second to get to it?  
 18 Q. Uh-huh.  
 19 A. According to the appendix application, it  
 20 states that the underground hybrid would require a  
 21 construction period of approximately 12 months longer  
 22 than the proposed project.  
 23 Q. So is that beyond the in-service date as  
 24 far as you know?  
 25 A. Possibly. I would have to kind of do the

1 evaluated them.  
 2 A. Okay.  
 3 Q. Do costs of the project factor into your  
 4 analysis?  
 5 A. Yes, it does.  
 6 Q. Okay. As to cost, comparing the I-66  
 7 overhead to the I-66 hybrid, which is more favorable  
 8 from a cost perspective?  
 9 A. Strictly looking at cost, the hybrid is  
 10 three times more expensive than the proposed project,  
 11 or the I-66 overhead.  
 12 Q. So that means the I-66 hybrid is less  
 13 favorable?  
 14 A. Looking solely at a cost perspective,  
 15 yes.  
 16 Q. Okay. What about reliability? Do you  
 17 look at reliability of the solution?  
 18 A. Yes, we do.  
 19 Q. Okay. Did you look at the reliability of  
 20 the I-66 overhead versus the reliability of the I-66  
 21 hybrid?  
 22 A. I did not look into specifics of outage  
 23 rates or reliability issues in the two various  
 24 options.  
 25 Q. Do you have general observations based on

1 math on it, but it's quite possible.  
 2 Q. Okay. As to the Staff's recommendation,  
 3 I understand now that you are not advocating that the  
 4 customer be charged under Section XXII, but my  
 5 question is, if the customer is not charged under  
 6 Section XXII, for whatever reason, does the Staff  
 7 believe that the hybrid route should be chosen over  
 8 the overhead route? Meaning if ratepayers pay for the  
 9 full amount, which route is the Staff advocating?  
 10 A. The Staff kind of just provides the  
 11 options, and the Staff kind of basically states --  
 12 just like the conclusion states, if the Commission  
 13 determines that the impacts are too great and they  
 14 cannot be mitigated, then the Staff recommends the  
 15 I-66 hybrid.  
 16 However, if the cost associated with the  
 17 hybrid is unacceptable, then the Staff recommends the  
 18 I-66 overhead proposed route.  
 19 Q. So you don't give a final recommendation?  
 20 If this is a socialized project, you don't give a  
 21 recommendation as between the overhead and the  
 22 underground?  
 23 A. We do not.  
 24 MS. LINK: Okay. That's all I have, Your  
 25 Honor.



1 THE HEARING EXAMINER: Redirect,  
2 Mr. Chambliss?

3 MR. CHAMBLISS: Do you want me to do that  
4 tonight or in the morning?

5 THE HEARING EXAMINER: You can do it in  
6 the morning; I'll give that you option.

7 MR. CHAMBLISS: Let's do it in the  
8 morning, thank you.

9 THE HEARING EXAMINER: All right. We'll  
10 stand in recess until nine o'clock tomorrow morning.

11 I'd like to advise counsel that I do have  
12 a luncheon that I have to go to tomorrow, so I will be  
13 leaving and recessing at about 11:40 and coming back  
14 at 2:30. So we will start at nine, and hopefully we  
15 can finish by the time we have to break, but I've been  
16 here long enough to know that time limits are  
17 difficult for lawyers.

18 So we will stand in recess tonight and  
19 reconvene at nine o'clock tomorrow morning.

20 Thank you.

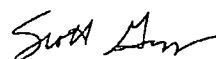
21 (The proceedings adjourned at 5:54 p.m.,  
22 to be reconvened at 9:00 a.m., on June 22, 2016.)  
23  
24  
25

1 COURT REPORTER'S CERTIFICATE  
2  
3

4 I, Scott D. Gregg, Registered Professional  
5 Reporter, certify that I recorded verbatim by  
6 stenotype the proceedings in the captioned cause  
7 before the Honorable Glenn P. Richardson, Hearing  
8 Examiner, of the State Corporation Commission,  
9 Richmond, Virginia, on the 21st day of June, 2016.

10 I further certify that to the best of my  
11 knowledge and belief, the foregoing transcript  
12 constitutes a true and correct transcript of the said  
13 proceedings.

14 Given under my hand this day of  
15 , 2016, at Norfolk, Virginia.  
16  
17

18  
19 



20 Scott D. Gregg, RPR  
21 Notary Public  
22 Notary Registration No. 215323  
23  
24  
25