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#### **PUBLIC VERSION**

SCC-CLERK'S OFFICE CENTE 2015 JUL - 1 P 3 18

#### VIA HAND DELIVERY

July 1, 2015

Mr. Joel H. Peck, Clerk c/o Document Control Center State Corporation Commission 1300 East Main Street Tyler Building – First Floor Richmond, Virginia 23219

Application of Virginia Electric and Power Company
For Approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

Case No. PUE-2015-00075

Dear Mr. Peck:

Enclosed for filing are an unbound original and five bound copies of the **Public** (**Redacted**) **Version** of Virginia Electric and Power Company's Application in the above-referenced matter (consisting of Public Volumes 1-2). An extraordinarily sensitive and confidential version of this filing is being filed under seal, under separate cover.

In addition, the Company's Motion for Entry of a Protective Order and Additional Protective Treatment in the above-referenced matter is being filed with the Commission under separate cover.

As indicated in Section II.A.9.b of the Transmission Appendix contained in the enclosed filing, three copies of the Attachment II.A.9.b maps showing the proposed route of the electric transmission interconnection facilities described in the Application were hand-delivered to the Commission's Division of Energy Regulation today. The Company also delivered to the Division of Energy Regulation today a CD-ROM containing the digital geographic information system (GIS) map required by § 56-46.1 of the Code of Virginia, which is Attachment II.A.2 to the Transmission Appendix contained in the enclosed filing.

Joel H. Peck, Clerk July 1, 2015 Page 2 of 2

If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

Charlotte P. McAfee Senior Counsel

**Enclosures** 

cc: William H. Chambliss, Esq. (w/o enc.)

C. Meade Browder, Jr., Esq. (w/enc.)

All parties listed in Transmission Appendix Sections V.B-C (w/ enclosures)



Application, Direct Testimony, Exhibits and Schedules of Virginia Electric and Power Company

Before the State Corporation Commission of Virginia

For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under 56-585.1 A 6 of the Code of Virginia

Case No. PUE-2015-00075

Filed: July 1, 2015

PUBLIC VERSION Volume 1 of 2

For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

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Company Exhibit No, RBM, Schedule 2 - Rendering of Project		
Company Exhibit No, RBM, Public Redacted Schedule 3 – Capacity and Heat Rate Chart		
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For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

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Filing Schedule 46B Sponsored by Company Witness Robert B. McKinley

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Statement 1 Fuel Supply Studies Demonstrating the Availability and Adequacy of Natural

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Statement 2 Feasibility Studies Supporting the Site Selection

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For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

#### **PUBLIC VOLUME 2 of 2**

#### **Transmission Appendix**

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Attachment I.B.1 - February 2014 Feasibility Study Report for PJM Queue Request Z1-086

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Attachment I.B.3 - June 2015 Feasibility Study Report for PJM Queue Request Z1-086

Attachment I.E.1 - Map of Existing Transmission System in the Project Area

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Attachment II.A.2 - Map of Proposed and Alternate Routes for the Proposed Interconnection Facilities

Attachment II.A.3.a - Diagram of Proposed Transmission Structures

Attachment II.A.9.b.1 – Service Territory Map of Greensville County Showing the Location of the Proposed Transmission Interconnection Facilities

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Attachment III.B.1 – Letters to Brunswick County Administrator and Greensville County Administrator Pursuant to Va. Code §15.2-2202 D

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**Direct Testimony of Peter Nedwick** 

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Direct Testimony of William C. Bland

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#### **DEQ Supplement**

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Transmission Attachment 2.F.1 - Protected Species Summary for Greensville Electric Transmission Project

Transmission Attachment 2.F.2 - Correspondence from the Virginia Department of Conservation and Recreation

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Transmission Attachment 2.M.1 – Correspondence from the Virginia Department of Mines, Minerals and Energy

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For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

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Company Exhibit No	, RBM, Extraordinarily Sensitive Schedule 3 – Capacity and Heat Rate Chart	
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**CONTINUED - Documentation Supporting Projected Costs** 

(Extraordinarily Sensitive and Confidential)

Statement 3

For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

#### EXTRAORDINARILY SENSITIVE AND CONFIDENTIAL VOLUME 4 of 10

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Sponsored by Company Witness Robert B. McKinley

Statement 3

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(Extraordinarily Sensitive and Confidential)

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Sponsored by Company Witness Robert B. McKinley

Statement 3

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(Extraordinarily Sensitive and Confidential)

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Filing Schedule 46B

Sponsored by Company Witness Robert B. McKinley

Statement 3

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(Extraordinarily Sensitive and Confidential)

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Sponsored by Company Witness Robert B. McKinley

Statement 3

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For approval and certification of the proposed Greensville County Power Station electric generation and related transmission facilities under §§ 56-580 D, 56-265.2 and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated Rider GV, under § 56-585.1 A 6 of the Code of Virginia

#### EXTRAORDINARILY SENSITIVE AND CONFIDENTIAL VOLUME 9 of 10

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#### EXTRAORDINARILY SENSITIVE AND CONFIDENTIAL VOLUME 10 of 10

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Filing Schedule 46C Sponsored by Company Witness Dale E. Hinson

Statement 1 Fuel Supply Studies Demonstrating the Availability and Adequacy of Natural

Gas for the Project (Contains Confidential Information)

Statement 2 Feasibility Studies Supporting the Site Selection

(Contains ES Information)

Filing Schedule 46D Sponsored by Company Witness Rick L. Propst

Statement 3 Documentation Supporting Filing Schedule 46E, Statement 2

(Contains Confidential Information)

#### COMMONWEALTH OF VIRGINIA

#### STATE CORPORATION COMMISSION

APPLICATION OF	)
VIRGINIA ELECTRIC AND POWER COMPANY	) Case No. PUE-2015-00075
For approval and certification of the proposed	)
<b>Greensville County Power Station electric generation</b>	)
and related transmission facilities under §§ 56-580 D,	)
56-265.2 and 56-46.1 of the Code of Virginia and for	)
approval of a rate adjustment clause, designated	)
Rider GV, under § 56-585.1 A 6 of the Code of	)
Virginia	

### VIRGINIA ELECTRIC AND POWER COMPANY'S APPLICATION, PETITIONS AND REQUEST FOR WAIVER

Virginia Electric and Power Company ("Dominion Virginia Power" or the "Company") hereby files with the State Corporation Commission of Virginia (the "Commission") the Company's:

- (1) Petition for a certificate of public convenience and necessity ("CPCN") and for approval, pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia ("Va. Code") and the Commission's Rules Governing Applications to Construct and Operate Electric Generating Facilities (20 VAC 5-302-10, et seq.) ("Generation Rules"), to construct and operate the Greensville County Power Station, an approximately 1,588 megawatt ("MW") (nominal) natural gas-fired combined-cycle ("CC") electric generating facility in Greensville County, Virginia (together with its associated transmission interconnection facilities, the "Project");
- (2) Application for a certificate of public convenience and necessity and for approval, pursuant to Va. Code §§ 56-265.2 and 56-46.1, to construct a new 500 kV transmission line, a new switching station and associated facilities in Greensville and Brunswick Counties, Virginia (collectively, the "Transmission Interconnection Facilities"); and

(3) Petition for approval of a rate adjustment clause ("RAC"), designated Rider GV, pursuant to Va. Code § 56-585.1 A 6 ("Subsection A 6") and the Commission's Rules Governing Utility Rate Case Applications and Annual Informational Filings (20 VAC 5-201-10, et seq.) ("Rate Case Rules") for timely and current recovery of the costs of the Project.

The Company further requests a partial waiver of the requirements of Rules 60 and 90 of the Rate Case Rules with respect to Filing Schedule 45 (Return on Equity Peer Group), and 20 VAC 5-302-20(4) (Financial Information).

In support of its Application, Petitions and request for partial waiver (collectively, the "Application"), the Company respectfully shows as follows:

#### I. GENERAL INFORMATION

- 1. Dominion Virginia Power is a public service corporation organized under the laws of the Commonwealth of Virginia furnishing electric service to the public within its certificated service territory. The Company also supplies electric service to non-jurisdictional customers in Virginia and to the public in portions of North Carolina. The Company is engaged in the business of generating, transmitting, distributing, and selling electric power and energy to the public for compensation. The Company is also a public utility under the Federal Power Act, and certain of its operations are subject to the jurisdiction of the Federal Energy Regulatory Commission. The Company is an operating subsidiary of Dominion Resources, Inc. Exhibit 1 to this Application includes the Company's principal corporate officers and directors, and a website address for the Company's most recent Form 10-K.
  - 2. Dominion Virginia Power's post office address is:

Virginia Electric and Power Company 120 Tredegar Street Richmond, Virginia 23219 3. The addresses and telephone numbers of the attorneys for the Company are:

Lisa S. Booth Charlotte P. McAfee Dominion Resources Services, Inc. 120 Tredegar Street Richmond, Virginia 23219 (804) 819-2288 (phone) (804) 819-2277 (phone)

Joseph K. Reid, III Kristian M. Dahl Elaine S. Ryan McGuireWoods LLP One James Center 901 East Cary Street Richmond, Virginia 23219 (804) 775-1198 (phone) (804) 775-4730 (phone) (804) 775-1090 (phone)

## II. CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND FOR APPROVAL FOR CONSTRUCTION AND OPERATION OF THE GREENSVILLE COUNTY POWER STATION

4. The Greensville County Power Station is the clear economic and operational choice for the Company's customers as the next required resource in order to meet long-term capacity and energy needs. It will support a continued balance of demand and supply resources, in addition to wholesale market purchases, and will serve as a prudent addition to the Company's generating fleet. The Project presents an opportunity to take advantage of favorable construction and equipment markets, access to abundant new and conventional gas supplies, and one of the most advanced high-efficiency generating technologies for the benefit of the Company's customers. In addition, the Company thoroughly and objectively considered and weighed alternative options, including third-party market alternatives, in its selection process to conclude that the Project is the most favorable baseload/intermediate supply-side option for its customers.

- 5. While construction of other new generating units, unit conversions, and demand-side management programs will meet key portions of the Company's load growth, the need for additional capacity and energy resources in 2019 and beyond still exists. The Company's projections demonstrate peak load growth of approximately 4,580 MW in the Dominion Zone ("Dom Zone") over the next fifteen years with an average annual growth rate of 1.5%. Likewise, energy requirements are projected to increase by approximately 20,560 gigawatt hours (1.8% average annual growth rate) over this same period. PJM Interconnection, L.L.C.'s ("PJM") 2015 Load Forecast Report confirms these growth rates and identifies the Dom Zone as the fastest growing zone of the twenty control zones in the PJM Regional Transmission Organization ("RTO") region. Between 2019 and 2030, the Project is expected to meet an average of 10% of customers' total energy requirements annually and will reduce system-wide fuel expenses.
- 6. Virginia, and Dominion Virginia Power's service territory in particular, are strong growth areas, and the Company must remain committed to providing reliable and cost-effective electric service to its 2.4 million customers, as well as to its future customers. No single resource will meet this need. Rather, the Company's integrated resource planning ("IRP") process looks across the spectrum of supply-side resources and technologies, wholesale market opportunities, and demand reduction alternatives in order to determine the preferred mix of resource options to meet the forecasted demand. As part of this process, the Company uses the Strategist model ("Strategist") to assist in evaluating the economics of various integrated resource alternatives. Strategist determines the value of adding various supply- and demand-side resources to the Company's system to meet future customer capacity and energy needs by simulating real-world operation of a utility system in a power market. Each of the Company's Integrated Resource

Plans starting in 2011 ("2011 Plan"), including the 2015 Plan filed in coordination with the Application, has identified a 3x1 CC facility in the 2019 timeframe as part of the optimal resource mix to meet future customer capacity and energy needs. The Project remains the best choice for customers and is necessary to meet projected needs as of 2019.

- 7. The Company issued an RFP in November of 2014 for baseload/intermediate generating resources in the 2019/20 timeframe. Eight bidders participated, including the Company with its self-build proposal for the Greensville Project. The Company's Greensville Project proposal was submitted, reviewed and evaluated under the same RFP process that was applied to all RFP bids. The Company assembled an in-house team separate from the team leading the development of the self-build proposal to objectively conduct the RFP and the bid evaluations. Qualifying bids were fairly evaluated based on the same set of price and non-price metrics. Non-price factors included economic impact, fuel strategy, facility reliability, bidder financial strength and environmental risks. Evaluation of these metrics was conducted by inhouse subject matter experts. For the price evaluation, the Company evaluated the net present value ("NPV") of customer value relative to market purchases on a per kW basis, taking into consideration the differing terms and sizes of the facilities. After a thorough and objective evaluation of those proposals, the Company's self-build option in Greensville County was selected as the option most beneficial to customers.
- 8. The additional analysis conducted by the Company for this proceeding reaffirms the 2011-2015 Plans' identification of the need for a new 3x1 CC by 2019. Supporting this conclusion and in addition to the RFP, the Company calculated the customer value of the Project as compared to market under several different scenarios. In each scenario, the Project had a

significant net benefit to customers. Over its life, the Project provides customer savings of approximately \$2.1 billion NPV when compared to market purchases.

- 9. The Company also conducted sensitivity analyses to consider the effects of the Project under different conditions. These sensitivities included higher and lower than expected construction costs; higher and lower than expected fuel costs; and no future carbon legislation or regulation. These sensitivities demonstrate the significant customer benefits of the Project, producing a range of projected savings between approximately \$1.500 billion NPV and \$2.304 billion NPV.
- 10. The Project is well-timed to avoid over-dependence on volatile market purchases of energy and capacity, particularly during this period of uncertainty regarding environmental regulation and associated market conditions. The availability of market purchases has been beneficial for Dominion Virginia Power customers since the Company joined the PJM RTO. At times, the market can provide the opportunity to procure lower cost energy and capacity than that associated with self-generation or other resources. While market purchases have been, and will continue to be, an important aspect of meeting customer needs, it is the dependence on these market resources that is cause for concern. It is important for additional economical resources that are owned and controlled by the Company to be added to its portfolio as customers' needs grow so that the Company does not increase its dependence on market purchases. An overdependence on the wholesale energy market leaves customers purchasing a significant portion of their power from the highest priced unit that clears the market. This becomes even more important as a large number of generation facilities in the PJM market are expected to retire by 2020. The Company will still utilize the PJM energy and capacity markets when it is costeffective to do so, but having additional economical generating resources increases dispatch

flexibility and ultimately reduces the cost to serve customers. In addition, as noted previously, the Project will support a continued balance of demand and supply resources, in addition to wholesale market purchases, and will serve as a prudent addition to the Company's generating fleet.

- 11. The Project's economic benefits flow from its highly-efficient 3x1 combined-cycle technology and low installed cost per unit produced. The plant will include three Mitsubishi Hitachi Power Systems Americas, Inc. ("MHPSA" or "Mitsubishi") "J" class ("M501J") combustion turbine generators, three heat recovery steam generators with supplemental firing capability, one turbine steam generator, and auxiliary equipment necessary to operate the facility. It is expected to achieve, without supplemental firing, an output of 1,417 MW and, with supplemental firing, a nominal net capacity of 1,558 MW. This performance will be achieved at a low installed cost of approximately \$837/kW at the 1,588 MW (nominal) rating based on a total estimated construction cost of approximately \$1.33 billion, excluding financing costs. The Greensville County Power Station will use the most efficient generating facility equipment with operating experience available in the market. This superior efficiency lowers the cost of construction per unit produced, which in turn, lowers the cost to customers.
- of natural gas with reliable firm transportation provided by Transcontinental Gas Pipe Line Company, LLC ("Transco") at a cost-effective rate. This arrangement will provide the Greensville County Power Station with access to abundant natural gas supplies from the Gulf to the Marcellus/Utica Shale regions. Transco will be responsible for all acquisition, design, construction, installation, land rights, and permitting activities necessary to place in-service the facilities to supply its firm transportation and pressure obligations to the Greensville County

Power Station, which is detailed in Transco's Delivery Interconnect, Reimbursement and Operating Agreement with the Company. Transco's ongoing construction of the gas facilities to serve nearby Brunswick County Power Station ("Brunswick") provides a strong foundation and limits construction risk for the lateral pipeline to serve the Project. In addition, Seneca Resources Corporation has entered into an Asset Management Agreement for 90,000 Dth of firm transportation pipeline capacity and natural gas commodity for the Project. The Greensville County Power Station site will also have access to another interstate pipeline, the Atlantic Coast Pipeline ("ACP"), which is scheduled to commence service in 2018 in advance of the anticipated the Project's commercial operation date.

13. The high level performance of the Greensville County Power Station will not be achieved at the expense of the environment. No significant impact to ambient air quality is expected based on air quality modeling conducted per the Virginia Department of Environmental Quality ("DEQ")-approved modeling protocol that has been conducted as part of the Company's Prevention of Significant Deterioration Permit ("PSD Permit") submitted to DEQ on November 24, 2014, the modeling analysis sections of which are expected to be submitted to DEQ in July 2015. The new turbines to be installed at the Greensville County Power Station will be equipped with Best Available Control Technology ("BACT"), in accordance with the PSD Permit requirements and pursuant to 9 VAC 5-50-260, to limit emissions of nitrogen oxides (NO<sub>x</sub>), carbon monoxide, sulfur dioxide (SO<sub>2</sub>), volatile organic compounds, particulate matter, and greenhouses gases ("GHGs"). The facility will also comply with all applicable Clean Air Act requirements. The Project will utilize air-cooled condenser technology to minimize its cooling requirements, such that the facility will use an approximate average of 323,000 gallons of water per day to operate, a reduction of water consumption of more than 90% when compared to a wet

cooling tower design. In order to facilitate review and analysis of the proposed Project by the Commission, the DEQ and other relevant agencies, the Company has developed a supplement to this Application ("DEQ Supplement") containing the information and analysis required by Generation Rule 20 VAC 5-302-20 (12)(a)–(n). The DEQ Supplement demonstrates that the proposed Project will reasonably minimize impacts on the environment in accordance with Va. Code § 56-46.1, and also provides information regarding the proposed Transmission Interconnection Facilities.

- 14. The Project will be located on an approximately 1,143-acre site located in Greensville County, Virginia. The Greensville County site was chosen based on a site selection process applied by the Company.
- available that has proven successful field experience. In selecting the Mitsubishi M501J gas turbines for the Project, the Company obtained gas turbine proposals from multiple bidders and selected Mitsubishi's 501J advanced gas turbines and a resulting Turbine Supply Agreement, along with a Long Term Service Agreement for maintenance service and technical support on the installation. All other major plant equipment will be provided by Fluor Corporation ("Fluor") who was selected as the Engineering, Procurement, and Construction ("EPC") contractor for the Project as a result of a competitive bidding process. The EPC contractor will competitively procure all of the other major plant equipment, except for some facilities related to the transmission line interface, which the Company will furnish. As with the recent Virginia City Hybrid Energy Center ("VCHEC"), Bear Garden Generating Station ("Bear Garden"), Warren County Power Stations ("Warren") and Brunswick projects undertaken by the Company and approved by the Commission, and as a result of the Company's aggressive management of this

procurement process, a large portion (83%) of the total costs to construct the Project were fixed with the execution of the contracts with MHPSA and Fluor.

- 16. Dominion Virginia Power is well qualified to achieve successful completion of the Project. The Company has a long, excellent record of designing, developing, constructing and operating large generation projects in a safe and reliable manner, and at a reasonable cost. Most recently, the Company has completed Bear Garden, VCHEC and Warren, and has commenced construction of Brunswick. VCHEC, Bear Garden and Warren finished ahead of schedule and under budget, and Brunswick is on-schedule and on-budget. In addition, Dominion Virginia Power has an excellent safety record. Through December 2014, projects managed within the Company's Generation Construction group over the last five years worked nearly 36 million hours, and achieved an Occupational Safety and Health Administration recordable incident rate of approximately 1.1, which compares very favorably to an industry average recordable incident rate of 3.8 for similar heavy and civil engineering construction projects. Likewise, safety will continue to be a focus for the Company with respect to construction and operation related to the Project. The Company will be actively involved in the day-to-day activities during the course of constructing the Project, and its staff on-site during the Project's execution is estimated to reach a peak of approximately 20 full time employees during the commissioning phase.
- 17. This Application and the above-referenced DEQ Supplement, testimonies and exhibits demonstrate that the Company has the technical and financial fitness to construct, operate and maintain the proposed combined-cycle facility and that the Project fully satisfies the requirements of Va. Code §§ 56-580 D and 56-46.1. The Project will have no material adverse impact upon the reliability of electric service, is required by the public convenience and

necessity and is not contrary to the public interest. In fact, the Project will help assure continued system reliability in a cost-effective manner. The Project will contribute to serving the generation and energy needs in the Dominion Virginia Power service territory and help the Company meet its projected native load requirements, including reserve margin. The Project will help maintain fuel diversity and assist the Company in avoiding an over-reliance on wholesale power markets and managing the risk of market volatility for the benefit of customers, particularly as environmental requirements continue to evolve, which will assist in keeping electricity costs affordable and stable for Dominion Virginia Power's customers. The environmental impacts of the Project will be minimal and limited. In addition, the Project strongly supports the public interest because it will increase the tax base and contribute to the economy in Virginia and the local area. During the development and construction phase, the Project will provide direct and indirect economic benefits to the Commonwealth of approximately \$474 million, which supports on average approximately 460 jobs annually in the Commonwealth. Post-construction economic benefits are projected to amount to approximately \$36 million annually, and approximately 166 jobs will be supported, with approximately half of these effects occurring in Greensville County. In addition, both local and state tax revenues will increase over the construction and operational phases of the Project. Moreover, the Project will support and foster economic development in Virginia by providing reliable and cost-effective electricity supply to meet the growing demand for electric service in the Commonwealth.

18. Dominion Virginia Power is committed to meeting its public service obligations by providing reliable, cost-effective and environmentally responsible electric utility service to our customers. The Project is the optimal economic and operational choice as the next required resource to fulfill those commitments. The Project will utilize state-of-the-art technology and

economies of scale and will provide an efficient, reliable, reasonable cost facility with an outstanding heat rate and low emissions. The terms of the fixed-price contracts to construct the Project were also obtained under advantageous market conditions. Finally, the Project has very favorable projected long-term customer savings and substantial anticipated economic benefits. All of this adds up to an outstanding proposal for the Company's customers, and for the Commonwealth.

### III. CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND APPROVAL FOR CONSTRUCTION OF ELECTRIC TRANSMISSION INTERCONNECTION FACILITIES

The Company requests a certificate of public convenience and necessity and 19. approval to construct the new 500 kV Transmission Interconnection Facilities in Greensville and Brunswick Counties, Virginia to connect Greensville to the transmission system. Specifically, the Company proposes to construct: (a) a new 500 kV six breaker Rogers Road Switching Station ("Rogers Road Station"), to be located on the Greensville County Power Station site; (b) a new single circuit 500 kV transmission line to be designated Greensville-Rogers Road Line #596, approximately 0.2 mile long and located entirely on the Greensville County Power Station site, connecting the generating plant with the Rogers Road Station; and (c) a tap of the 500 kV Line #585 Carson-Heritage at a point in Greensville County approximately 5.0 miles east of Heritage Switching Station and two new parallel 500 kV single circuit transmission lines, approximately 0.9 mile long, to run south from Line #585 Junction in new right-of-way; to loop in and out of the proposed Rogers Road Station. This loop will create two new 500 kV circuits --Carson-Rogers Road Line #585 and Rogers Road-Heritage Line #503. Also included in the Transmission Interconnection Facilities is the uprate of existing 500 kV Carson-Rawlings Line #511. The Transmission Appendix attached to the Application contains detailed information regarding the Transmission Interconnection Facilities as required by the Commission's Guidelines of Minimum Requirements for Transmission Line Applications Filed Under Virginia Code § 56-46.1 and the Utility Facilities Act.

- 20. The estimated cost of the Transmission Interconnection Facilities, comprised of Attachment Facilities and Direct Network Upgrades, is approximately \$29.3 million (\$10.2 million for transmission line work and \$19.1 million for the station work). The estimated cost for the required Non-Direct Network Upgrades, which will be the Line #511 uprate, is \$4.1 million (\$3.5 million for transmission line work and \$0.6 million for station work), for a total cost of required interconnection facilities for the Greensville County Power Station of approximately \$33.4 million (2015 dollars). PJM has also allocated \$48.2 million of the interconnection facilities approved for the Brunswick County Power Station to the Project. The total \$81.6 million determined by PJM for the interconnection of the Project is included in the approximately \$1.33 billion estimated total cost.
- 21. The in-service date for the proposed Rogers Road Station and 500 kV lines between Greensville and Rogers Road Station is December 2017. In order to meet the December 2018 commercial operations date for Greensville, the new transmission facilities must be in service to begin backfeeding power for this commissioning process as ultimately scheduled. The uprate of Line #511 is not needed in advance of the December 2018 commercial operation date. The estimated construction time for the Transmission Interconnection Facilities is 12 months. A period of six months will be needed for engineering, material procurement, and construction permitting.
- 22. On October 31, 2013, the Company submitted a queue request to PJM for a feasibility and interconnection study for a 1,630 MW (summer capacity) 3x1 combined cycle

generating facility located at the Greensville site. On February 28, 2014, PJM completed its Feasibility Study for the proposed queue request, on October 24, 2014, PJM completed its System Impact Study, and in June 2015, PJM completed its Facilities Study Report. The Facilities Study Report confirms that the Transmission Interconnection Facilities are required to interconnect the Greensville County Power Station with the Company's transmission system, and to upgrade the network to resolve North American Electric Reliability Corporation reliability violations that would otherwise result from this interconnection. The need for the Transmission Interconnection Facilities is described in Section I of the Transmission Appendix.

- 23. As noted previously, the Transmission Interconnection Facilities also involve the construction of a new 500 kV switching station in Greensville County, to be called Rogers Road Switching Station. This station is needed to provide the necessary interconnection facilities to interconnect Greensville with the Company's 500 kV transmission system.
- 24. The approximate size of the structures and materials to be used in the transmission line, and the right-of-way clearing methods, corridor usage and maintenance procedures are described in Section II of the Transmission Appendix. The proposed Transmission Interconnection Facilities will meet or exceed the standards of the National Electrical Safety Code in effect at the time of construction.
- 25. A list of federal, state and local agencies and officials that reasonably may be expected to have an interest in the proposed construction, and to which a copy of the Application will be sent, is set forth in Section V of the Transmission Appendix.
- 26. As noted previously, the DEQ Supplement attached to this Application contains information designed to facilitate review and analysis of the Project, including the proposed Transmission Interconnection Facilities, by the DEQ and other relevant agencies.

27. Dominion Virginia Power's experience, the advice of consultants, and a review of published studies by experts in the field have disclosed no causal link to harmful health or safety effects from electric and magnetic fields calculated for the Company's proposed facilities. Further discussion on this topic is provided in Section IV of the Transmission Appendix.

#### IV. APPROVAL OF RIDER GV

28. Va. Code § 56-585.1 A 6 provides that:

To ensure the generation and delivery of a reliable and adequate supply of electricity, to meet the utility's projected native load obligations and to promote economic development, a utility may at any time, after the expiration or termination of capped rates, petition the Commission for approval of a rate adjustment clause for recovery on a timely and current basis from customers of the costs of ... (ii) one or more [] generation facilities....

- 29. In addition, Subsection A 6 states that any such utility:
  - ... shall have the right to recover the costs of the facility, as accrued against income, through its rates, including projected construction work in progress, and any associated allowance for funds used during construction, planning, development and construction costs, life-cycle costs, costs related to assessing the feasibility of potential sites for new underground facilities, and costs of infrastructure associated therewith....
- 30. Pursuant to Subsection A 6, the Company seeks approval for its accrual of allowance for funds used during construction ("AFUDC") of the Project commencing May 1, 2015, and to recover the costs of the Project through proposed Rider GV, including projected construction work in progress ("CWIP"), planning, development and construction costs, lifecycle costs and costs of infrastructure associated therewith.
- 31. In the instant Application, the Company seeks Commission approval of its proposed RAC, Rider GV, pursuant to Subsection A 6, to recover, on a timely and current basis, the costs of financing construction of the Project, including the Transmission Interconnection Facilities.

- 32. On November 26, 2013, the Commission issued a Final Order in the Company's 2013 biennial rate review mandated by Va. Code § 56-585.1 A 3 ("Subsection A 3"), docketed as Commission Case No. PUE-2013-00020 ("2013 Biennial Review"). In that Final Order, the Commission determined the Company's general rate of return on common equity ("ROE"), as defined by Va. Code § 56-585.1 A 2, is 10.0%. The Commission further directed that the ROE of 10.0% "shall also apply to the Company's RACs under Va. Code §§ 56-585.1 A 5 and 6 effective November 30, 2013." Accordingly, the Company has used a general ROE of 10.0% determined in the 2013 Biennial Review in this Application for purposes of the Rate Year projected revenue requirement. Any change in the general ROE and resulting Rider GV revenue requirement associated with the Company's pending 2015 biennial rate review, Case No. PUE-2015-00027, can be addressed in subsequent Rider GV proceedings.
- 33. The proposed rate year for this proceeding is from April 1, 2016 through March 31, 2017. The key components of the proposed Rider GV are the Projected Cost Recovery Factor, the AFUDC Cost Recovery Factor, and the Actual Cost True-Up Factor.
- 34. The Projected Cost Recovery Factor is designed to recover the projected financing costs on invested capital for the rate year plus income taxes on the equity component of the return. It multiplies the projected 13-month average rate base (for the month ending March 31, 2016 through the month ending March 31, 2017) by the cost of capital. This calculation produces the projected financing costs for the Project for the projected average investment in rate base during the rate year. The Projected Cost Recovery Factor calculation results in the operating income necessary for recovery of projected financing costs based on the

<sup>&</sup>lt;sup>1</sup> Application of Virginia Electric and Power Company For a 2013 biennial review of the rates, terms, and conditions for the provision of generation, distribution, and transmission services pursuant to § 56-585.1 A of the Code of Virginia, Case No. PUE-2013-00020, Final Order, 2013 S.C.C. Ann. Rept. 371 (Nov. 26, 2013) (hereinafter "2013 Biennial Review Final Order").

<sup>&</sup>lt;sup>2</sup> 2013 Biennial Review Final Order at 15, n. 42; 2013 S.C.C. Ann. Rept. 371, 376.

expected average investment during the year. The revenue requirement associated with the Projected Cost Recovery Factor is \$40,059,000.

- 35. The AFUDC Cost Recovery Factor consists of the recovery of AFUDC deferred on the books of the Company between May 1, 2015 and March 31, 2016, the date immediately preceding the day the Rider GV rates are proposed to go into effect. The Company recommends that the amortization period for the total amount of deferred AFUDC be the period beginning with the commencement of rates for the initial Rider GV implementation, April 1, 2016, through the projected end of the construction period, November 30, 2018, or 32 months. The revenue requirement associated with the AFUDC Cost Recovery Factor for the 12-month period beginning April 1, 2016 is \$1,584,000, includes 12-month recovery of approximately 38% of the projected accrued balance of AFUDC, at a revenue requirement level, which has been grossed up for taxes.
- 36. Although no true-up amount is included in this case, when initiated in 2017 as anticipated, the Actual Cost True Up Factor portion of the revenue requirement will either credit to, or recover from, jurisdictional customers the difference between revenues recovered through Rider GV for the calendar year 2016 and the actual cost of financing rate base for the same period plus the associated amortization of actual AFUDC.
- 37. The Company is therefore requesting a Projected Cost Recovery Factor revenue requirement of \$40,059,000, an AFUDC Cost Recovery Factor revenue requirement of \$1,584,000, and no Actual Cost True-Up Factor revenue requirement for proposed Rider GV. The total revenue requirement requested for Rider GV is \$41,643,000 proposed to go into effect on April 1, 2016 and be effective through March 31, 2017.

- 38. The Company has calculated the proposed Rider GV in accordance with the methodologies approved in Case Nos. PUE-2011-00073 (Rider B), PUE-2009-00017 (Rider S), PUE-2007-00066 (Rider S), PUE-2011-00042 (Rider W) and PUE-2012-00128 (Rider BW).
- 39. Rider GV identifies the rates, in either cents per kilowatt-hour or dollars per kilowatt, that will apply to each Company Rate Schedule or special contract approved by the Commission pursuant to Va. Code § 56-235.2. If approved as proposed, Rider GV would be applicable for usage on and after April 1, 2016.
- 40. The implementation of the proposed Rider GV on April 1, 2016 will increase the residential customer's monthly bill, based on 1,000 kWh usage per month, by \$0.75. Typical monthly bill increases for customers receiving service on Residential Schedule 1, General Service Schedules GS-1, GS-2, GS-3, and GS-4, and Church Schedule 5C, are provided to present proposed Rider GV at several representative levels of consumption or demand.

## V. SUPPORTING TESTIMONY, SCHEDULE 46 AND REQUEST FOR PARTIAL WAIVER OF RATE CASE AND GENERATION CPCN RULES FILING REOUIREMENTS

41. The Company's request for certification and approval of the Project, and for approval of Rider GV, in this Application is supported by the attached prepared direct testimonies of Company Witnesses Steven A. Rogers, Glenn A. Kelly, Michael S. Hupp, Jr., Robert B. McKinley, Dale E. Hinson, Scott Lawton, Rick L. Propst, Edward J. Anderson, Peter Nedwick, Robert J. Shevenock, II, William C. Bland and Courtney R. Fisher. In addition, see <a href="Exhibit 1">Exhibit 1</a> attached hereto for the information required by 20 VAC 5-302-10, Par. 1(ii), and 20 VAC 5-302-20 (1), (2), (3), (4) and (6), which is sponsored by Company Witness Rogers, as indicated by his prepared direct testimony.

- 42. Section 20 VAC 5-201-60 of the Rate Case Rules provides that an application filed pursuant to Subsection A 6 "shall include Schedules 45 and 46 as identified and described in 20 VAC 5-201-90, and which shall be submitted with the utility's direct testimony." The Company is filing with this Application Filing Schedule 46 as follows:
- A. Filing Schedule 46A, consisting of Statements 1-2, is sponsored by Company Witness Kelly. Filing Schedule 46A, Statement 1 (contains only Public information), provides load and generating capacity reserve forecast information that demonstrates the need for the plant in the in-service year proposed. Filing Schedule 46A, Statement 2 (contains only Public information), provides economic studies that compare the selected alternative with other options considered, including sensitivity analyses and production costing simulations of the applicant's overall generating resources which demonstrate that the selected option is the best alternative. The Strategist modeling supporting the Base Case and Sensitivities provided in Filing Schedule 46A, Statement 2 is considered Extraordinarily Sensitive; therefore, subject to the protections set forth in 5 VAC 5-20-170 and the Company's Motion for Protective Order and Additional Protective Treatment filed coincident with this Application, upon reasonable notice, the licensed Strategist model, Base Case and Sensitivities are available for inspection during regular business hours at the Company's offices.
- B. Company Witness McKinley sponsors Filing Schedule 46B, consisting of Statements 1-3. Filing Schedule 46B, Statement 1 (contains only Public information), provides feasibility and engineering design studies that support the specific plant type selected, and detailed support for planning assumptions regarding plant performance and operating costs, including historical information for similar units. Filing Schedule 46B, Statement 2 (contains Public and Extraordinarily Sensitive information), provides a schedule of all projected costs by

type of cost and year associated with Rider GV pursuant to Subsection A 6 for which the Company is seeking initial approval, which also satisfies subsection (f) of Filing Schedule 46. Filing Schedule 46B, Statement 3 (contains Confidential and Extraordinarily Sensitive information), provides documents, contracts, studies, investigations and correspondence that support costs proposed to be recovered through Rider GV.

- C. Company Witness Hinson sponsors Filing Schedule 46C, Statements 1-2. Filing Schedule 46C, Statement 1 (contains only Confidential information), provides fuel supply studies that demonstrate the availability and adequacy of natural gas for the Project. Filing Schedule 46C, Statement 2 (contains Public and Extraordinarily Sensitive information), provides documentation that supports the fuel approach for the proposed Project.
- D. Filing Schedule 46D, consisting of Statements 1-4, is sponsored by Company Witness Propst. Filing Schedule 46D, Statement 1 (contains only Public information), provides the annual revenue requirement calculation for the rate year ending March 31, 2017. In addition, Filing Schedule 46D, Statement 2 (contains only Public information), provides the projected annual revenue requirement over the duration of the RAC, and Statement 3 (contains Public and Confidential information), provides documentation supporting Statement 2. Lastly, Filing Schedule 46D, Statement 4 (contains only Public information), provides a detailed description of all significant accounting procedures and internal controls that the Company will institute to identify all costs associated with the Subsection A 6 RAC.
- E. Filing Schedule 46E, consisting of Statements 1-2, is sponsored by Company Witness Anderson. Detailed information relative to the Company's methodology for allocating the revenue requirement among the rate classes and the design of the class rates is provided in Filing Schedule 46E, Statement 1 (contains only Public information). In addition,

Filing Schedule 46E, Statement 2 (contains only Public information), provides the annual revenue requirement by class over the duration of the RAC.

- F. Filing Schedules 46A, 46B, and 46C; the testimony and schedules, as applicable, of Company Witnesses Rogers, Kelly, Hupp, McKinley, Hinson, Lawton, Nedwick, Shevenock, Bland, and Fisher; and the DEQ Supplement, are also responsive to the Schedule 46 requirement to provide information relative to the need and prudence of the proposed Project.
- 43. The Company, for good cause shown and pursuant to 20 VAC 5-201-10 E, respectfully requests that the Commission waive, in part, the requirements of Rules 60 and 90 of the Rate Case Rules with respect to Filing Schedule 45 (Return on Equity Peer Group). The Commission by its 2013 Biennial Review Final Order directed that the ROE of 10.0% "shall also apply to the Company's RACs under Va. Code §§ 56-585.1 A 5 and 6 effective November 30, 2013." Consistent with this determination, the Company has utilized a general ROE of 10.0% for the Rate Year projected revenue requirement. For purposes of judicial economy and consistent with the Commission's 2015 Biennial Review Final Order and recent Commission orders granting similar limited waivers, the Company requests waiver of Filing Schedule 45

<sup>3</sup> 2013 Biennial Review Final Order at 15, n. 42, 2013 S.C.C. Ann. Rept. 371, 376.

<sup>&</sup>lt;sup>4</sup> Application of Virginia Electric and Power Company for approval of a rate adjustment clause: Rider U, new underground distribution facilities, for the rate year commencing September 1, 2015, Case No. PUE-2014-00089, Order for Notice and Hearing at 12 (Nov. 17, 2014); Application of Virginia Electric and Power Company for revision of rate adjustment clause: Rider BW, Brunswick County Power Station, for the rate year commencing September 1, 2015, Case No. PUE-2014-00103, Order for Notice and Hearing at 15 (Nov. 14, 2014); Petition of Virginia Electric and Power Company for approval to implement new demand-side management programs and for approval of two updated rate adjustment clauses pursuant to § 56-585.1 A 5 of the Code of Virginia, Case No. PUE-2014-00071, Order for Notice and Hearing at 15 (Oct. 2, 2014); Application of Virginia Electric and Power Company to revise a rate adjustment clause: Rider R, Bear Garden Generating Station, Case No. PUE-2014-00052, Order for Notice and Hearing at 4 (July 11, 2014); Application of Virginia Electric and Power Company for revision of rate adjustment clause: Rider B, Biomass Conversions of the Altavista, Hopewell, and Southampton power stations, for the rate year commencing April 1, 2015, Case No. PUE-2014-00050, Order for Notice and Hearing at 13 (July 2, 2014); Application of Virginia Electric and Power Company for revision of rate adjustment clause: Rider S, Virginia City Hybrid Energy Center, Case No. PUE-2014-00051, Order for Notice and Hearing at 12 (July 2, 2014); Application of Virginia Electric and Power Company for revision of rate adjustment clause: Rider W, Warren County Power Station, for the rate year commencing April 1, 2015, Case No. PUE-2014-00042, Order for Notice and Hearing at 4 (June 19, 2014).

filing requirements in this proceeding. For these reasons, the Company respectfully requests that the Commission waive, for good cause shown, the requirements of 20 VAC 5-201-60 and 20 VAC 5-201-90 with respect to the submission of Filing Schedule 45 with this Application.

44. Section 20 VAC 5-302-20(4) requires "Financial information for the applicant, or principal participant or participants in the project. ... If the applicant or principal participant or participants is a public company, financial information should include the entity's most recent stockholder report and most recent Securities and Exchange Commission Form 10-K." The Company's financial information is filed publicly with the Securities and Exchange Commission and is available on the Company's website. The Company is filing one copy of its 2014 10-K with the Clerk and providing website links to the publicly-available documents in Exhibit 1. For purposes of judicial economy, the Company requests waiver of filing additional copies of its publicly-available 2014 10-K in this proceeding. For these reasons, the Company respectfully requests that the Commission partially waive, for good cause shown, the requirements of 20 VAC 5-302-20(4) with this Application.

### VI. REQUEST FOR CONFIDENTIAL TREATMENT AND ADDITIONAL PROTECTIVE TREATMENT OF EXTRAORDINARILY SENSITIVE INFORMATION

45. The Company's Application contains, at points so designated, Confidential and Extraordinarily Sensitive information, and this Confidential and Extraordinarily Sensitive information is being filed under seal and subject to the Company's Motion for Protective Order and Additional Protective Treatment filed coincident hereto. Because portions of the Company's Application contain such Confidential and Extraordinarily Sensitive information, in compliance with Rule 10 F and Rule 170, 20 VAC 5-201-10 F and 5 VAC 5-20-170, this filing is

accompanied by a separate Motion for Protective Order and Additional Protective Treatment, including a form of Proposed Protective Order, filed contemporaneously with this Application.

#### VII. COMPLIANCE WITH RULE 20 OF THE GENERATION RULES

46. A copy of the Public Version of this Application has been served on all natural gas local distribution companies in whose certificated service territories the proposed Project or interconnected natural gas facilities will be constructed or operated as required by 20 VAC 5-302-20. The Greensville County Power Station and related interconnected gas facilities are located within the service territory of Columbia Gas of Virginia, Inc., which is aware of the Project.

#### VIII. COMPLIANCE WITH RULE 10 OF THE RATE CASE RULES

47. The Company's Application for approval of Rider GV complies with the requirements contained in Rule 10 of the Rate Case Rules. In accordance with Rule 10 A, the Company filed with the Commission on April 23, 2015, the Company's notice of intent to file this Application under Va. Code § 56-585.1 A 6. Copies of this Application, to the extent required by Rule 10 J, along with the additional information required by Rule 10 J, have been served upon the persons addressed in that Rule. A complete copy of this Application has been served upon the Office of the Attorney General's Division of Consumer Counsel, in conformity with Rule 10 J. Also included with and following this Application, pursuant to Rule 10, is a table of contents of this filing, including exhibits and schedules.

**WHEREFORE**, Dominion Virginia Power respectfully requests that the Commission expeditiously:

- (1) Direct that notice of the Application be given as required by Va. Code § 56-46.1;
- (2) Schedule this matter for hearing;

- (3) Grant a certificate of public convenience and necessity for, and approve, the construction and operation of the proposed Greensville County Power Station under Va. Code §§ 56-580 D and 56-46.1, as requested herein;
- (4) Grant a certificate of public convenience and necessity approving, pursuant to Va. Code §§ 56-265.2 and 56-46.1, the construction of the proposed Transmission Interconnection Facilities, as requested herein;
- (5) Approve, effective for usage as of April 1, 2016, proposed Rider GV for recovering the Project expenses described herein as reasonable and prudent, subject to future Rider GV proceedings and true-ups, under Va. Code § 56-585.1 A 6, as requested herein;
- (6) Establish a rate of return on common equity for the purposes of this proceeding at 10.0% pursuant to Va. Code § 56-585.1 A 6;
- (7) Grant the Company's requested partial waiver as to the filing requirements of Schedule 45 and 20 VAC 5-302-20(4); and

By: Clob Mr

(8) Grant such other and further relief as it deems just and proper.

Respectfully submitted,

VIRGINIA ELECTRIC AND POWER COMPANY

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Counsel for Virginia Electric and Power Company

July 1, 2015

# Legal and Trade Names and Description of Authorized Business Structure of Virginia Electric and Power Company 20 VAC 5-302-20(1) and (2)

Virginia Electric and Power Company ("Dominion Virginia Power" or the "Company") is a public service corporation, which was incorporated in Virginia in 1909. The Company's current legal name is Virginia Electric and Power Company, and it uses the following trade names in Virginia: Virginia Power, Dominion Virginia Power, Dominion Virginia Power (Greene County), Dominion Virginia, and Dominion Generation. Dominion Virginia Power does business in North Carolina under the trade name Dominion North Carolina Power.

#### Principal Corporate Officers/Directors of Virginia Electric and Power Company 20 VAC 5-302-20(3)

Thomas F. Farrell, II Chairman of the Board of Directors and Chief Executive Officer 120 Tredegar Street Richmond, VA 23219

Mark F. McGettrick Executive Vice President and Chief Financial Officer and Director 120 Tredegar Street Richmond, VA 23219

Paul D. Koonce President and Chief Operating Officer 120 Tredegar Street Richmond, VA 23219

David A. Christian President and Chief Operating Officer 120 Tredegar Street Richmond, VA 23219

David A. Heacock President and Chief Nuclear Officer 5000 Dominion Boulevard Glen Allen, VA 23060

Robert M. Blue Senior Vice President, Regulation, Law, Energy Solutions & Public Policy 120 Tredegar Street Richmond, VA 23219 Edward H. Baine

Senior Vice President - Transmission and Customer Service

120 Tredegar Street

Richmond, VA 23219

#### P. Rodney Blevins

Senior Vice President and Chief Information Officer

120 Tredegar Street

Richmond, VA 23219

Katheryn B. Curtis

Senior Vice President - Power Generation

5000 Dominion Boulevard

Glen Allen, VA 23060

#### G. Scott Hetzer

Senior Vice President - Tax and Tresurer

120 Tredegar Street

Richmond, VA 23219

Carter M. Reid

Senior Vice President, Chief Administrative & Compliance Officer and Corporate Secretary

120 Tredegar Street

Richmond, VA 23219

#### J. David Rives

Senior Vice President – Distribution

120 Tredegar Street

Richmond, VA 23219

Steven A. Rogers

Senior Vice President - Financial Management

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Paul E. Ruppert

Senior Vice President - Business Development & Generation Construction

5000 Dominion Boulevard

Glen Allen, VA 23060

Daniel G. Stoddard

Senior Vice President - Nuclear Operations

1022 Haley Drive

Mineral, VA 23117

Thomas P. Wohlfarth

Senior Vice President - Regulatory Affairs

120 Tredegar Street

Richmond, VA 23219

Fred G. Wood, III Senior Vice President – Financial Management 120 Tredegar Street Richmond, VA 23219

Michele L. Cardiff Vice President, Controller and Chief Accounting Officer 120 Tredegar Street Richmond, VA 23219

James R. Chapman
Vice President – Corporate Finance and Mergers & Acquisitions and Assistant Treasurer
120 Tredegar Street
Richmond, VA 23219

Pamela F. Faggert Chief Environmental Officer and Vice President – Corporate Compliance 5000 Dominion Boulevard Glen Allen, VA 23060

Mark O. Webb Vice President, General Counsel, Chief Risk Officer and Director 120 Tredegar Street Richmond, VA 23219

Virginia Electric and Power Company Financial Information and Qualifications to Construct/Operate the Proposed Facilities 20 VAC 5-302-20(4) and (6); 20 VAC 5-302-10, Par. 1(ii)

See the most recent Form 10-K for Virginia Electric and Power Company available at <a href="http://services.corporate-ir.net/SEC.Enhanced/SecCapsule.aspx?c=110481&fid=9956861">http://services.corporate-ir.net/SEC.Enhanced/SecCapsule.aspx?c=110481&fid=9956861</a> for the Company's financial information (20 VAC 5-302-20(4)). See page 26 of the Form 10-K for a list of other generation facilities developed or owned and operated by the Company (20 VAC 5-302-20(6)(a)). A description of the Company's organization structure is provided on pages 5-8 and Exhibit 21 of the Form 10-K (20 VAC 5-302-20(6)(b)). Virginia Electric and Power Company is an incumbent electric utility as defined in Va. Code § 56-576.