COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION
AT RICHMOND, OCTOBER 2, 2024

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COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. PUR-2024-00144

Ex Parte: Electric Utilities and Load Growth

SCHEDULING ORDER AND NOTICE OF TECHNICAL CONFERENCE

The State Corporation Commission ("Commission") is cognizant of the projected load growth resulting from the increased deployment of hyperscale retail electric customers in the Commonwealth. These customers are typified by high load, uninterrupted demand, and the ability to locate in urban, suburban, exurban, and rural environments. As recently illustrated, the addition of these types of large-use customers (which include data centers) could represent an unprecedented amount of new load for electric utilities. Indeed, this new load could surpass a provider's current peak load requirements for its entire system, creating issues and risks for electric utilities and their customers that have not heretofore been encountered.

NOW THE COMMISSION, upon consideration thereof, is of the opinion and finds that it is timely to explore these issues in a comprehensive manner. Accordingly, the Commission establishes the instant proceeding and hereby provides notice that the Commission will convene in this proceeding a Commissioner-led technical conference – on Monday, December 16, 2024 – regarding the fast-emerging issues related to servicing this new retail electric load.

The instant proceeding and technical conference will explore the current and projected future challenges presented by serving various types of large-use, hyperscale customers from the

¹ See, e.g., Petition of Rappahannock Electric Cooperative, et al., For a declaratory judgment and, if necessary, a partial waiver of the requirements of 20 VAC 5-312-20 E, Case No. PUR-2024-00015.

perspective of utility consumer services cooperatives ("electric cooperatives"), investor-owned electric utilities ("IOUs"), existing customers, and potential new load.

This proceeding is also aimed at exploring the identification of one or more potential frameworks that could be utilized by electric cooperatives and IOUs to serve potential new large-use customer load. In particular, the Commission is interested in potential frameworks that would facilitate service in a manner that, among other things, reasonably addresses the risks and issues attendant to this new load type, is just and reasonable to both current and future customers, and is permissible under current Virginia statutory law. In addition, this proceeding may examine, to the extent relevant, issues related to the co-location of generation resources at new large-use customer load sites. Specific topics for discussion may include:

- 1. Whether the Commission should establish, on a going-forward basis, a tariff framework applicable to these large-use customers and the specific terms of service that it should include, such as:
 - a. Appropriate minimum bill amounts;
 - b. A line extension policy;
 - c. Security and collateral provisions to protect against customer bankruptcy or other failure to meet financial commitments;
 - d. Service contract term lengths;
 - e. Exit fees; and
 - f. Service terms during emergencies.
- 2. Whether certain transmission costs should be directly assigned to a new large-use customer class; and
- 3. Whether certain generation costs should be directly assigned to a new large-use customer class.

Additional details, including an agenda for the technical conference, a list of participating panelists, and other conference logistics will be issued in this proceeding at a later date via a supplemental notice.

The Commission invites persons interested in participating as a panelist in the technical conference (including but not limited to electric cooperatives, IOUs, current and potential customers, and wholesale electric suppliers) to submit a panelist self-nomination via email on or before October 22, 2024. Each nomination should state the proposed panelist's name, contact information, organizational affiliation, and what topics the proposed panelist would speak on. Panelists will be asked to provide pre-conference background materials and a written open statement to facilitate the discussion during the technical conference, and those materials will be available as part of the public record in this proceeding.

The technical conference will be open to the public and available for viewing via webcast. A transcript of the technical conference will also be included in the public record. Following the technical conference, it is the Commission's intent to invite all interested persons to submit post-technical conference comments addressing some or all of the issues raised during the technical conference.²

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2024-00144.
- (2) The Director of the Commission's Division of Information Resources shall promptly post a copy of this Order on the Commission's website.

² This exploratory proceeding shall not result in Commission approval of any specific electric service rates or tariffs. Review and approval of any proposed rates, tariffs, or other arrangements – whether emanating from this proceeding or otherwise – must occur in accordance with existing statutory and regulatory requirements.

- (3) Within five (5) business days of this Order, the Commission's Division of Public Utility Regulation shall send a copy of this Order to all persons likely to be interested in this matter, including but not limited to all electric cooperatives and IOUs currently certificated by the Commission and shall promptly file with the Clerk of the Commission a certificate of transmission and include a list of names and addresses of the persons and entities to whom this Order was transmitted.
- (4) On or before October 22, 2024, persons interested in participating as a panelist in the technical conference shall submit a panelist self-nomination via email, as further set forth above, to <u>tech-conf-PUR-2024-00144@scc.virginia.gov</u>. All submissions shall refer to Case No. PUR-2024-00144.
 - (5) This matter is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.