

One Hundred Twenty-First Annual Report

of the

State Corporation Commission

of

Virginia

For the Year Ending December 31, 2023

GENERAL REPORT

Letter of Transmittal

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

RICHMOND, VIRGINIA, *December 31, 2023*

To the Honorable Glenn A. Youngkin

Governor of Virginia

Sir:

In accordance with § 12.1-4 of the Code of Virginia, I have the honor to transmit herewith the one hundred twenty-first Annual Report of the State Corporation Commission as of December 31 of the preceding year, 2023.

Respectfully submitted,

Jehmal T. Hudson, Chairman

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State Corporation Commission

COMMISSIONERS

Jehmal T. Hudson

Chairman

Bernard J. Logan

Clerk of the Commission

Commissioners

The three initial Commissioners took office March 1, 1903. From 1903 to 1919 the Commissioners were appointed by the Governor subject to confirmation by the General Assembly. Between 1919 and 1926 they were elected by popular vote. Between 1926 and 1928 they were appointed by the Governor subject to confirmation by the General Assembly. Since 1928 they have been elected by the General Assembly.

The names and terms of office of the Commissioners:

		Years
Beverley T. Crump	March 1, 1903 to June 1, 1907	4
Henry C. Stuart	March 1, 1903 to February 28, 1908	5
Henry Fairfax	March 1, 1903 to October 1, 1905	3
Jos. E. Willard	October 1, 1905 to February 18, 1910	4
Robert R. Prentis	June 1, 1907 to November 17, 1916	9
Wm. F. Rhea	February 28, 1908 to November 15, 1925	18
J. R. Wingfield	February 18, 1910 to January 31, 1918	8
C. B. Garnett	November 17, 1916 to October 28, 1918	2
Alexander Forward	February 1, 1918 to December 5, 1923	5
Robert E. Williams	November 12, 1918 to July 1, 1919	1
(Temporary Appointment during absence of Forward on military service)		
S. L. Lupton	October 28, 1918 to June 1, 1919	1
Berkley D. Adams	June 12, 1919 to January 31, 1928	9
Oscar L. Shewmake	December 16, 1923 to November 24, 1924	1
H. Lester Hooker	November 25, 1924 to January 31, 1972	47
Louis S. Epes	November 16, 1925 to November 16, 1929	4
Wm. Meade Fletcher	February 1, 1928 to December 19, 1943	16
George C. Peery	November 29, 1929 to April 17, 1933	3
Thos. W. Ozlin	April 17, 1933 to July 14, 1944	11
Harvey B. Apperson	January 31, 1944 to October 5, 1947	4
Robert O. Norris	August 30, 1944 to November 20, 1944	
L. McCarthy Downs	December 16, 1944 to April 18, 1949	5
W. Marshall King	October 7, 1947 to June 24, 1957	10
Ralph T. Catterall	April 28, 1949 to January 31, 1973	24
Jesse W. Dillon	July 16, 1957 to January 28, 1972	14
Preston C. Shannon	March 10, 1972 to January 31, 1996	25
Junie L. Bradshaw	March 10, 1972 to January 31, 1985	13
Thomas P. Harwood, Jr.	February 20, 1973 to February 20, 1992	19
Elizabeth B. Lacy	April 1, 1985 to December 31, 1988	4
Theodore V. Morrison, Jr.	February 15, 1989 to December 31, 2007	19
Hullihen Williams Moore	February 26, 1992 to January 31, 2004	13
Clinton Miller	February 15, 1996 to January 31, 2006	11
James C. Dimitri	September 3, 2008 to February 28, 2018	10
Patricia L. West	March 1, 2019 to January 31, 2020	1
Mark C. Christie	February 1, 2004 to January 4, 2021	17
Judith Williams Jagdmann	February 1, 2006 to December 31, 2022	16
Angela L. Navarro	February 5, 2021 to January 31, 2022	1
Jehmal T. Hudson	July 6, 2020 to	

From 1903 through 2022 the lines of succession were:

	Years		Years		Years
Crump	4	Stuart	5	Fairfax	3
Prentis	9	Rhea	18	Willard	4
Garnett	2	Epes	4	Wingfield	8
Lupton	1	Peery	3	Forward	5
Adams	9	Ozlin	11	Williams	1
Fletcher	16	Norris	0	Shewmake	1
Apperson	4	Downs	5	Hooker	47
King	10	Catterall	24	Bradshaw	13
Dillon	14	Harwood	19	Lacy	4
Shannon	25	Moore	13	Morrison	19
Miller	11	Christie	17	Dimitri	10
Jagdmann	16	West	1	Hudson	4
Navarro	1				

Preface

The State Corporation Commission is vested with regulatory authority over many businesses and economic interests in Virginia. These interests are as varied as the SCC's powers, which are derived from the Constitution of Virginia and state statutes. The SCC's authority ranges from setting rates charged by public utilities to serving as the central filing office in Virginia for corporate charters.

Established by the Virginia Constitution of 1902 to oversee the railroad and telephone and telegraph industries operating in the Commonwealth, the SCC's jurisdiction now includes supervision of many businesses that have a direct impact on Virginia consumers. The SCC is charged with administering the Virginia laws related to the regulation of public utilities, insurance, state-chartered financial institutions, investment securities, retail franchising, and utility and railroad safety. The SCC also is charged with establishing and administering the Virginia Health Benefit Exchange. In addition, the SCC is the state's central filing office for Uniform Commercial Code financing statements and for documents that create corporations, limited liability companies, business trusts, and limited partnerships.

The SCC's structure is unique. No other state has placed in a single agency such a broad array of regulatory responsibility. Created by the state constitution as a permanent department of government, the SCC possesses legislative, judicial, and administrative powers. The decisions of the SCC can be appealed only to the Supreme Court of Virginia.

**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

RULES OF PRACTICE AND PROCEDURE

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CHAPTER 20**STATE CORPORATION COMMISSION
RULES OF PRACTICE AND PROCEDURE****PART I.****GENERAL PROVISIONS.***5 VAC 5-20-10. Applicability.*

The State Corporation Commission Rules of Practice and Procedure are promulgated pursuant to the authority of § 12.1-25 of the Code of Virginia and are applicable to the regulatory and adjudicatory proceedings of the State Corporation Commission except where superseded by more specific rules for particular types of cases or proceedings. When necessary to serve the ends of justice in a particular case, the commission may grant, upon motion or its own initiative, a waiver or modification of any of the provisions of these rules, except 5 VAC 5-20-220, under terms and conditions and to the extent it deems appropriate. These rules do not apply to the internal administration or organization of the commission in matters such as the procurement of goods and services, personnel actions, and similar issues, nor to matters that are being handled administratively by a division or bureau of the commission.

5 VAC 5-20-20. Good faith pleading and practice.

Every pleading, written motion, or other document presented for filing by a party represented by an attorney shall be signed by at least one attorney of record in the attorney's individual name, and the attorney's mailing address and telephone number, and where available, telefax number and email address, shall be stated. An individual not represented by an attorney shall sign the individual's pleading, motion, or other document, and shall state the individual's mailing address and telephone number. A partnership not represented by an attorney shall have a partner sign the partnership's pleading, motion, or other document, and shall state the partnership's mailing address and telephone number. A nonlawyer may only represent the interests of another before the commission in the presentation of facts, figures, or factual conclusions, as distinguished from legal arguments or conclusions. In the case of an individual or entity not represented by counsel, each signature shall be that of the individual or a qualified officer or agent of the entity. Documents signed pursuant to this rule need not be under oath unless so required by statute.

The commission allows electronic filing. Before filing electronically, the filer shall complete an electronic document filing authorization form, establish a filer authentication password with the Clerk of the State Corporation Commission and otherwise comply with the electronic filing procedures adopted by the commission. Upon establishment of a filer authentication password, a filer may make electronic filings in any case. All documents submitted electronically must be capable of being printed as paper documents without loss of content or appearance.

The signature of an attorney or party constitutes a certification that (i) the attorney or party has read the pleading, motion, or other document; (ii) to the best of the attorney's or party's knowledge, information, and belief formed after reasonable inquiry, the pleading, motion or other document is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law; and (iii) the pleading, motion or other document is not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation. A pleading, written motion, or other document will not be accepted for filing by the Clerk of the Commission if it is not signed.

An oral motion made by an attorney or party in a commission proceeding constitutes a representation that the motion (i) is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law; and (ii) is not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

5 VAC 5-20-30. Counsel.

Except as otherwise provided in 5 VAC 5-20-20, no person other than a properly licensed attorney at law shall file pleadings or papers or appear at a hearing to represent the interests of another person or entity before the commission. An attorney admitted to practice in another jurisdiction, but not licensed in Virginia, may be permitted to appear in a particular proceeding pending before the commission in association with a member of the Virginia State Bar. The Virginia State Bar member will be counsel of record for every purpose related to the conduct and disposition of the proceeding.

In all appropriate proceedings before the Commission, the Division of Consumer Counsel, Office of the Attorney General, may appear and represent and be heard on behalf of consumers' interests, and investigate matters relating to such appearance, and otherwise may participate to the extent reasonably necessary to discharge its statutory duties.

5 VAC 5-20-40. Photographs and broadcasting of proceedings.

Electronic media and still photography coverage of commission hearings will be allowed at the discretion of the commission.

5 VAC 5-20-50. Consultation by parties with commissioners and hearing examiners.

No commissioner or hearing examiner shall consult with any party or any person acting on behalf of any party with respect to a pending formal proceeding without giving adequate notice and opportunity for all parties to participate.

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5 VAC 5-20-60. Commission staff.

The commissioners and hearing examiners shall be free at all times to confer with any member of the commission staff. However, no facts nor legal arguments likely to influence a pending formal proceeding and not of record in that proceeding shall be furnished ex parte to any commissioner or hearing examiner by any member of the commission staff.

5 VAC 5-20-70. Informal complaints.

All correspondence and informal complaints shall be referred to the appropriate division or bureau of the commission. The head of the division or bureau receiving this correspondence or complaint shall attempt to resolve the matter presented. Matters not resolved to the satisfaction of all participating parties by the informal process may be reviewed by the full commission upon the proper filing of a formal proceeding in accordance with the rules by any party to the informal process.

PART II.**COMMENCEMENT OF FORMAL PROCEEDINGS.***5 VAC 5-20-80. Regulatory proceedings.*

A. Application. Except where otherwise provided by statute, rule or commission order, a person or entity seeking to engage in an industry or business subject to the commission's regulatory authority, or to make changes in any previously authorized service, rate, facility, or other aspect of such industry or business that, by statute or rule, must be approved by the commission, shall file an application requesting authority to do so. The application shall contain (i) a specific statement of the action sought; (ii) a statement of the facts that the applicant is prepared to prove that would warrant the action sought; (iii) a statement of the legal basis for such action; and (iv) any other information required by law or regulation. Any person or entity filing an application shall be a party to that proceeding.

B. Participation as a respondent. A notice of participation as a respondent is the proper initial response to an application. A notice of participation shall be filed within the time prescribed by the commission and shall contain (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any person or entity filing a notice of participation as a respondent shall be a party to that proceeding.

C. Public witnesses. Any person or entity not participating in a matter pursuant to subsection A or B of this section may make known their position in any regulatory proceeding by filing written comments in advance of the hearing if provided for by commission order or by attending the hearing, noting an appearance in the manner prescribed by the commission, and giving oral testimony. Public witnesses may not otherwise participate in the proceeding, be included in the service list, or be considered a party to the proceeding.

D. Commission staff. The commission staff may appear and participate in any proceeding in order to see that pertinent issues on behalf of the general public interest are clearly presented to the commission. The staff may, inter alia, conduct investigations and discovery, evaluate the issues raised, testify and offer exhibits, file briefs and make argument, and be subject to cross-examination when testifying. Neither the commission staff collectively nor any individual member of the commission staff shall be considered a party to the case for any purpose by virtue of participation in a proceeding.

5 VAC 5-20-90. Adjudicatory proceedings.

A. Initiation of proceedings. Investigative, disciplinary, penal, and other adjudicatory proceedings may be initiated by motion of the commission staff or upon the commission's own motion. Further proceedings shall be controlled by the issuance of a rule to show cause, which shall give notice to the defendant, state the allegations against the defendant, provide for a response from the defendant and, where appropriate, set the matter for hearing. A rule to show cause shall be served in the manner provided by § 12.1-19.1 or § 12.1-29 of the Code of Virginia. The commission staff shall prove the case by clear and convincing evidence.

B. Answer. An answer or other responsive pleading shall be filed within 21 days of service of the rule to show cause, unless the commission shall order otherwise. The answer shall state, in narrative form, each defendant's responses to the allegations in the rule to show cause and any affirmative defenses asserted by the defendant. Failure to file a timely answer or other responsive pleading may result in the entry of judgment by default against the party failing to respond.

5 VAC 5-20-100. Other proceedings.

A. Promulgation of general orders, rules, or regulations. Before promulgating a general order, rule, or regulation, the commission shall, by order upon an application or upon its own motion, require reasonable notice of the contents of the proposed general order, rule, or regulation, including publication in the Virginia Register of Regulations, and afford interested persons an opportunity to comment, present evidence, and be heard. A copy of each general order, rule, and regulation adopted in final form by the commission shall be filed with the Registrar of Regulations for publication in the Virginia Register of Regulations.

B. Petitions in other matters. Persons having a cause before the commission, whether by statute, rule, regulation, or otherwise, against a defendant, including the commission, a commission bureau, or a commission division, shall proceed by filing a written petition containing (i) the identity of the parties; (ii) a statement of the action sought and the legal basis for the commission's jurisdiction to take the action sought; (iii) a statement of the facts, proof of which would warrant the action sought; (iv) a statement of the legal basis for the action; and (v) a certificate showing service upon the defendant.

Within 21 days of service of a petition under this rule, the defendant shall file an answer or other responsive pleading containing, in narrative form, (i) a response to each allegation of the petition and (ii) a statement of each affirmative defense asserted by the defendant. Failure to file a timely answer may result in entry of judgment by default against the defendant failing to respond. Upon order of the commission, the commission staff may participate in any proceeding under this rule in which it is not a defendant to the same extent as permitted by 5 VAC 5-20-80 D.

C. Declaratory judgments. Persons having no other adequate remedy may petition the commission for a declaratory judgment. The petition shall meet the requirements of subsection B of this section and, in addition, contain a statement of the basis for concluding that an actual controversy exists. In the proceeding, the commission shall by order provide for the necessary notice, responsive pleadings, and participation by interested parties and the commission staff.

PART III.

PROCEDURES IN FORMAL PROCEEDINGS.

5 VAC 5-20-110. Motions. Motions may be filed for the same purposes recognized by the courts of record in the Commonwealth. Unless otherwise ordered by the commission, any response to a motion must be filed within 14 days of the filing of the motion, and any reply by the moving party must be filed within ten days of the filing of the response.

5 VAC 5-20-120. Procedure before hearing examiners.

A. Assignment. The commission may, by order, assign a matter pending before it to a hearing examiner. Unless otherwise ordered, the hearing examiner shall conduct all further proceedings in the matter on behalf of the commission in accordance with these rules. In the discharge of his duties, the hearing examiner shall exercise all the adjudicatory powers possessed by the commission including, inter alia, the power to administer oaths; require the attendance of witnesses and parties; require the production of documents; schedule and conduct pre-hearing conferences; admit or exclude evidence; grant or deny continuances; and rule on motions, matters of law, and procedural questions. The hearing examiner shall, upon conclusion of all assigned duties, issue a written final report and recommendation to the commission at the conclusion of the proceedings.

B. Objections and certification of issues. An objection to a ruling by the hearing examiner during a hearing shall be stated with the reasons therefor at the time of the ruling. Any objection to a hearing examiner's ruling may be argued to the commission as part of a response to the hearing examiner's report. A ruling by the hearing examiner that denies further participation by a party in interest or the commission staff in a proceeding that has not been concluded may be immediately appealed to the commission by filing a written motion with the commission for review. Upon the motion of any party or the staff, or upon the hearing examiner's own initiative, the hearing examiner may certify any other material issue to the commission for its consideration and resolution. Pending resolution by the commission of a ruling appealed or certified, the hearing examiner shall retain procedural control of the proceeding.

C. Responses to hearing examiner reports. Unless otherwise ordered by the hearing examiner, responses supporting or objecting to the hearing examiner's final report must be filed within 21 days of the issuance of the report. A reply to a response to the hearing examiner's report may only be filed with leave of the commission. The commission may accept, modify, or reject the hearing examiner's recommendations in any manner consistent with law and the evidence, notwithstanding an absence of objections to the hearing examiner's report.

5 VAC 5-20-130. Amendment of pleadings.

No amendment shall be made to any pleading after it is filed except by leave of the commission, which leave shall be liberally granted in the furtherance of justice. The commission shall make such provision for notice and for opportunity to respond to the amended pleadings as it may deem necessary and proper.

5 VAC 5-20-140. Filing and service.

A pleading or other document shall be considered filed with the commission upon receipt of the original and required copies by the Clerk of the Commission no later than the time established for the closing of business of the clerk's office on the day the item is due. The original and copies shall be stamped by the Clerk to show the time and date of receipt.

Electronic filings may be submitted at any time and will be deemed filed on the date and at the time the electronic document is received by the commission's database; provided, that if a document is received when the clerk's office is not open for public business, the document shall be deemed filed on the next regular business day. A filer will receive an electronic notification identifying the date and time the document was received by the commission's database. An electronic document may be rejected if it is not submitted in compliance with these rules.

When a filing would otherwise be due on a day when the clerk's office is not open for public business during all or part of a business day, the filing will be timely if made on the next regular business day that the office is open to the public. Except as otherwise ordered by the commission, when a period of 15 days or fewer is permitted to make a filing or take other action pursuant to commission rule or order, intervening weekends or holidays shall not be counted in determining the due date.

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Service of a pleading, brief, or other document filed with the commission required to be served on the parties to a proceeding or upon the commission staff, shall be effected by delivery of a true copy to the party or staff, or by deposit of a true copy into the United States mail or overnight express mail delivery service properly addressed and postage prepaid, or via hand-delivery, on or before the date of filing. Service on a party may be made by service on the party's counsel. Alternatively, electronic service shall be permitted on parties or staff in cases where all parties and staff have agreed to such service, or where the commission has provided for such service by order. At the foot of a formal pleading, brief, or other document required to be served, the party making service shall append a certificate of counsel of record that copies were mailed or delivered as required. Notices, findings of fact, opinions, decisions, orders, or other documents to be served by the commission may be served by United States mail. However, all writs, processes, and orders of the commission, when acting in conformity with § 12.1-27 of the Code of Virginia, shall be attested by the Clerk of the Commission and served in compliance with § 12.1-19.1 or 12.1-29 of the Code of Virginia.

5 VAC 5-20-150. Copies and format.

Applications, petitions, motions, responsive pleadings, briefs, and other documents filed by parties must be filed in an original and 15 copies unless otherwise directed by the commission. Except as otherwise stated in these rules, submissions filed electronically are exempt from the copy requirement. One copy of each responsive pleading or brief must be served on each party and the commission staff counsel assigned to the matter, or, if no counsel has been assigned, on the general counsel.

Each document must be filed on standard size white opaque paper, 8-1/2 by 11 inches in dimension, must be capable of being reproduced in copies of archival quality, and only one side of the paper may be used. Submissions filed electronically shall be made in portable document format (PDF).

Each document shall be bound or attached on the left side and contain adequate margins. Each page following the first page shall be numbered. If necessary, a document may be filed in consecutively numbered volumes, each of which may not exceed three inches in thickness. Submissions filed electronically may not exceed 100 pages of printed text of 8-1/2 by 11 inches.

Each document containing more than one exhibit should have dividers separating each exhibit and should contain an index. Exhibits such as maps, plats, and photographs not easily reduced to standard size may be filed in a different size, as necessary. Submissions filed electronically that otherwise would incorporate large exhibits impractical for conversion to electronic format shall be identified in the filing and include a statement that the exhibit was filed in hardcopy and is available for viewing at the commission or that a copy may be obtained from the filing party. Such exhibit shall be filed in an original and 15 copies.

All filed documents shall be fully collated and assembled into complete and proper sets ready for distribution and use, without the need for further assembly, sorting, or rearrangement.

The Clerk of the Commission may reject the filing of any document not conforming to the requirements of this rule.

5 VAC 5-20-160. Memorandum of completeness.

With respect to the filing of a rate application or an application seeking actions, that by statute or rule must be completed within a certain number of days, a memorandum shall be filed by an appropriate member of the commission staff within ten days of the filing of the application stating whether all necessary requirements imposed by statute or rule for filing the application have been met and all required information has been filed. If the requirements have not been met, the memorandum shall state with specificity the remaining items to be filed. The Clerk of the Commission immediately shall serve a copy of the memorandum on the filing party. The first day of the period within which action on the application must be concluded shall be set forth in the memorandum and shall be the initial date of filing of applications that are found to be complete upon filing. Applications found to require supplementation shall be complete upon the date of filing of the last item identified in the staff memorandum. Applications shall be deemed complete upon filing if the memorandum of completeness is not timely filed.

5 VAC 5-20-170. Confidential information.

A person who proposes in good faith in a formal proceeding that information to be filed with or delivered to the commission be withheld from public disclosure on the ground that it contains trade secrets, privileged, or confidential commercial or financial information shall file this information under seal with the Clerk of the Commission, or otherwise deliver the information under seal to the commission staff, or both, as may be required. Items filed or delivered under seal shall be securely sealed in an opaque container that is clearly labeled "UNDER SEAL," and, if filed, shall meet the other requirements for filing contained in these rules. An original and 15 copies of all such information shall be filed with the clerk. One additional copy of all such information shall also be delivered under seal to the commission staff counsel assigned to the matter, or, where no counsel has been assigned, to the general counsel who, until ordered otherwise by the commission, shall disclose the information only to the members of the commission staff directly assigned to the matter as necessary in the discharge of their duties. Staff counsel and all members of the commission staff, until otherwise ordered by the commission, shall maintain the information in strict confidence and shall not disclose its contents to members of the public, or to other staff members not assigned to the matter. The commission staff or any party may object to the proposed withholding of the information.

When an application (including supporting documents and prefiled testimony) contains information that the applicant claims to be confidential, the filing shall be made under seal and accompanied by a motion for protective order or other confidential treatment. The provision to a party of information claimed to be trade secrets, privileged, or confidential commercial or financial information shall be governed by a protective order or other individual arrangements for confidential treatment.

On every document filed or delivered under seal, the producing party shall mark each individual page of the document that contains confidential information, and on each such page shall clearly indicate the specific information requested to be treated as confidential by use of highlighting, underscoring, bracketing or other appropriate marking. All remaining materials on each page of the document shall be treated as nonconfidential and available for public use and review. If an entire document is confidential, or if all information provided in electronic format under Part IV of these rules is confidential, a marking prominently displayed on the first page of such document or at the beginning of any information provided in electronic format, indicating that the entire document is confidential shall suffice.

Upon challenge, the information shall be treated as confidential pursuant to these rules only where the party requesting confidential treatment can demonstrate to the satisfaction of the commission that the risk of harm of publicly disclosing the information outweighs the presumption in favor of public disclosure. If the commission determines that the information should be withheld from public disclosure, it may nevertheless require the information to be disclosed to parties to a proceeding under appropriate protective order.

Whenever a document is filed with the clerk under seal, an original and one copy of an expurgated or redacted version of the document deemed by the filing party or determined by the commission to be confidential shall be filed with the clerk for use and review by the public. A document containing confidential information shall not be submitted electronically. An expurgated or redacted version of the document may be filed electronically. Documents containing confidential information must be filed in hardcopy and in accordance with all requirements of these rules. Upon a determination by the commission or a hearing examiner that all or portions of any materials filed under seal are not entitled to confidential treatment, the filing party shall file one original and one copy of the expurgated or redacted version of the document reflecting the ruling.

When the information at issue is not required to be filed or made a part of the record, a party who wishes to withhold confidential information from filing or production may move the commission for a protective order without filing the materials. In considering such a motion, the commission may require production of the confidential materials for inspection in camera, if necessary.

A party may request additional protection for extraordinarily sensitive information by motion filed pursuant to 5 VAC 5-20-110, and filing the information with the Clerk of the Commission under seal and delivering a copy of the information to commission staff counsel under seal as directed above. Whenever such treatment has been requested under Part IV of these rules, the commission may make such orders as necessary to permit parties to challenge the requested additional protection.

The commission, hearing examiners, any party and the commission staff may make use of confidential material in orders, filing pleadings, testimony, or other documents, as directed by order of the commission. When a party or commission staff uses confidential material in a filed pleading, testimony, or other document, the party or commission staff must file both confidential and nonconfidential versions of the pleading, testimony, or other document. Confidential versions of filed pleadings, testimony, or other documents shall clearly indicate the confidential material contained within by highlighting, underscoring, bracketing or other appropriate marking. When filing confidential pleadings, testimony, or other documents, parties must submit the confidential version to the Clerk of the Commission securely sealed in an opaque container that is clearly labeled "UNDER SEAL." Nonconfidential versions of filed pleadings, testimony, or other documents shall expurgate, redact, or otherwise omit all references to confidential material.

The commission may issue such order as it deems necessary to prevent the use of confidentiality claims for the purpose of delay or obstruction of the proceeding.

A person who proposes in good faith that information to be delivered to the commission staff outside of a formal proceeding be withheld from public disclosure on the ground that it contains trade secrets, privileged, or confidential commercial or financial information may deliver the information under seal to the commission staff, subject to the same protections afforded confidential information in formal proceedings.

5 VAC 5-20-180. Official transcript of hearing.

The official transcript of a hearing before the commission or a hearing examiner shall be that prepared by the court reporters retained by the commission and certified by the court reporter as a true and correct transcript of the proceeding. Transcripts of proceedings shall not be prepared except in cases assigned to a hearing examiner, when directed by the commission, or when requested by a party desiring to purchase a copy. Parties desiring to purchase copies of the transcript shall make arrangement for purchase with the court reporter. When a transcript is prepared, a copy thereof shall be made available for public inspection in the clerk's office. If the transcript includes confidential information, an expurgated or redacted version of the transcript shall be made available for public inspection in the clerk's office. Only the parties who have executed an agreement to adhere to a protective order or other arrangement for access to confidential treatment in such proceeding and the commission staff shall be entitled to access to an unexpurgated or unredacted version of the transcript. By agreement of the parties, or as the commission may by order provide, corrections may be made to the transcript.

5 VAC 5-20-190. Rules of evidence.

In proceedings under 5 VAC 5-20-90, and all other proceedings in which the commission shall be called upon to decide or render judgment only in its capacity as a court of record, the common law and statutory rules of evidence shall be as observed and administered by the courts of record of the Commonwealth. In other proceedings, evidentiary rules shall not be unreasonably used to prevent the receipt of evidence having substantial probative effect.

5 VAC 5-20-200. Briefs.

Written briefs may be authorized at the discretion of the commission, except in proceedings under 5 VAC 5-20-100 A, where briefs may be filed by right. The time for filing briefs and reply briefs, if authorized, shall be set at the time they are authorized. The commission may limit the length of a brief. The commission may by order provide for the electronic filing or service of briefs.

5 VAC 5-20-210. Oral argument.

The commission may authorize oral argument, limited as the commission may direct, on any pertinent matter at any time during the course of the proceeding.

5 VAC 5-20-220. Petition for rehearing or reconsideration.

Final judgments, orders, and decrees of the commission, except judgments prescribed by § 12.1-36 of the Code of Virginia, and except as provided in §§ 13.1-614 and 13.1-813 of the Code of Virginia, shall remain under the control of the commission and subject to modification or vacation for 21 days after the date of entry. Except for good cause shown, a petition for rehearing or reconsideration must be filed not later than 20 days after the date of entry of the judgment, order, or decree. The filing of a petition will not suspend the execution of the judgment, order, or decree, nor extend the time for taking an

appeal, unless the commission, within the 21-day period following entry of the final judgment, order or decree, shall provide for a suspension in an order or decree granting the petition. A petition for rehearing or reconsideration must be served on all parties and delivered to commission staff counsel on or before the day on which it is filed. The commission will not entertain responses to, or requests for oral argument on, a petition. An order granting a rehearing or reconsideration will be served on all parties and commission staff counsel by the Clerk of the Commission.

5 VAC 5-20-230. Extension of time.

The commission may, at its discretion, grant a continuance, postponement, or extension of time for the filing of a document or the taking of an action required or permitted by these rules, except for petitions for rehearing or reconsideration filed pursuant to 5 VAC 5-20-220. Except for good cause shown, motions for extensions shall be made in writing, served on all parties and commission staff counsel, and filed with the commission at least three days prior to the date the action sought to be extended is due.

PART IV.

DISCOVERY AND HEARING PREPARATION PROCEDURES.

5 VAC 5-20-240. Prepared testimony and exhibits.

Following the filing of an application dependent upon complicated or technical proof, the commission may direct the applicant to prepare and file the testimony and exhibits by which the applicant expects to establish its case. In all proceedings in which an applicant is required to file testimony, respondents shall be permitted and may be directed by the commission or hearing examiner to file, on or before a date certain, testimony and exhibits by which they expect to establish their case. Any respondent that chooses not to file testimony and exhibits by that date may not thereafter present testimony or exhibits except by leave of the commission, but may otherwise fully participate in the proceeding and engage in cross-examination of the testimony and exhibits of commission staff and other parties. The commission staff also shall file testimony and exhibits when directed to do so by the commission. Failure to comply with the directions of the commission, without good cause shown, may result in rejection of the testimony and exhibits by the commission. With leave of the commission and unless a timely objection is made, the commission staff or a party may correct or supplement any prepared testimony and exhibits before or during the hearing. In all proceedings, all evidence must be verified by the witness before introduction into the record, and the admissibility of the evidence shall be subject to the same standards as if the testimony were offered orally at hearing, unless, with the consent of the commission, the staff and all parties stipulate the introduction of testimony without need for verification. An original and 15 copies of prepared testimony and exhibits shall be filed unless otherwise specified in the commission's scheduling order and public notice, or unless the testimony and exhibits are filed electronically and otherwise comply with these rules. Documents of unusual bulk or weight and physical exhibits other than documents need not be filed in advance, but shall be described and made available for pretrial examination.

5 VAC 5-20-250. Process, witnesses, and production of documents and things.

A. Subpoenas. Commission staff and any party to a proceeding shall be entitled to process, to convene parties, to compel the attendance of witnesses, and to compel the production of books, papers, documents, or things provided in this rule.

B. Commission issuance and enforcement of other regulatory agency subpoenas. Upon motion by commission staff counsel, the commission may issue and enforce subpoenas at the request of a regulatory agency of another jurisdiction if the activity for which the information is sought by the other agency, if occurring in the Commonwealth, would be a violation of the laws of the Commonwealth that are administered by the commission.

A motion requesting the issuance of a commission subpoena shall include:

1. A copy of the original subpoena issued by the regulatory agency to the named defendant;
2. An affidavit of the requesting agency administrator stating the basis for the issuance of the subpoena under that state's laws; and
3. A memorandum from the commission's corresponding division director providing the basis for the issuance of the commission subpoena.

C. Document subpoenas. In a pending proceeding, at the request of commission staff or any party, the Clerk of the Commission shall issue a subpoena. When a matter is under investigation by commission staff, before a formal proceeding has been established, whenever it appears to the commission by affidavit filed with the Clerk of the Commission by the commission staff or an individual, that a book, writing, document, or thing sufficiently described in the affidavit, is in the possession, or under the control, of an identified person and is material and proper to be produced, the commission may order the Clerk of the Commission to issue a subpoena and to have the subpoena duly served, together with an attested copy of the commission's order compelling production at a reasonable place and time as described in the commission's order.

D. Witness subpoenas. In a pending proceeding, at the request of commission staff or any party, the Clerk of the Commission shall issue a subpoena.

5 VAC 5-20-260. Interrogatories or requests for production of documents and things.

The commission staff and any party in a formal proceeding before the commission, other than a proceeding under 5VAC5-20-100 A, may serve written interrogatories or requests for production of documents upon a party, to be answered by the party served, or if the party served is an entity, by an officer or agent of the entity, who shall furnish to the staff or requesting party information as is known. Interrogatories or requests for production of documents, including workpapers pursuant to 5VAC5-20-270, that cannot be timely answered before the scheduled hearing date may be served only with leave of the commission for good cause shown and upon such conditions as the commission may prescribe. Such otherwise untimely interrogatories or requests for production of documents, including workpapers pursuant to 5VAC5-20-270, may not be served until such leave is granted. Interrogatories or requests for production of documents may be served upon a member of the commission staff, or an expert or consultant filing testimony on behalf of the commission staff,

in a proceeding under 5 VAC 5-20-80 to discover: (i) factual information that supports the workpapers submitted by the staff pursuant to 5VAC5-20-270, including electronic spreadsheets that include underlying formulas and assumptions; (ii) any other documents relied upon as a basis for recommendations or assertions in prefiled testimony, staff reports or exhibits filed by staff, or by an expert or consultant filing testimony on behalf of the staff; or (iii) the identity of other formal proceedings in which an expert or consultant filing testimony on behalf of the staff testified regarding the same or a substantially similar subject matter. The disclosure of communications within the commission shall not be required and, except for good cause shown, no interrogatories or requests for production of documents may be served upon a member of the commission staff, or an expert or consultant filing testimony on behalf of the staff, prior to the filing of staff's testimony. All interrogatories and requests for production of documents shall be filed with the Clerk of the Commission. Responses to interrogatories and requests for production of documents shall not be filed with the Clerk of the Commission.

The response to each interrogatory or document request shall identify by name the person making the response. Any objection to an interrogatory or document request shall identify the interrogatory or document request to which the objection is raised, and shall state with specificity the basis and supporting legal theory for the objection. Objections shall be served with the list of responses or in such manner as the commission may designate by order. Responses and objections to interrogatories or requests for production of documents shall be served within 10 days of receipt, unless otherwise ordered by the commission. Upon motion promptly made and accompanied by a copy of the interrogatory or document request and the response or objection that is subject to the motion, the commission will rule upon the validity of the objection; the objection otherwise will be considered sustained.

Interrogatories or requests for production of documents may relate to any matter not privileged, which is relevant to the subject matter involved, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things, and the identity and location of persons having knowledge of evidentiary value. It is not grounds for objection that the information sought will be inadmissible at the hearing if the information appears reasonably calculated to lead to the discovery of admissible evidence.

Where the response to an interrogatory or document request may only be derived or ascertained from the business records of the party questioned, from an examination, audit, or inspection of business records, or from a compilation, abstract, or summary of business records, and the burden of deriving or ascertaining the response is substantially the same for one entity as for the other, a response is sufficient if it (i) identifies by name and location all records from which the response may be derived or ascertained; and (ii) tenders to the inquiring party reasonable opportunity to examine, audit, or inspect the records subject to objection as to their proprietary or confidential nature. The inquiring party bears the expense of making copies, compilations, abstracts, or summaries.

5 VAC 5-20-270. Hearing preparation.

In a formal proceeding, a party or the commission staff may serve on a party a request to examine the workpapers supporting the testimony or exhibits of a witness whose prepared testimony has been filed in accordance with 5 VAC 5-20-240. The movant may request abstracts or summaries of the workpapers, and may request copies of the workpapers upon payment of the reasonable cost of duplication or reproduction. Copies requested by the commission staff shall be furnished without payment of copying costs. In actions pursuant to 5 VAC 5-20-80 A, the commission staff shall, upon the filing of its testimony, exhibits, or report, provide (in either paper or electronic format) a copy of any workpapers that support the recommendations made in its testimony or report to any party upon request and may additionally file a copy of such workpapers with the Clerk of the Commission. The Clerk of the Commission shall make any filed workpapers available for public inspection and copying during regular business hours.

5 VAC 5-20-280. Discovery applicable only to 5 VAC 5-20-90 proceedings.

This rule applies only to a proceeding in which a defendant is subject to a monetary penalty or injunction, or revocation, cancellation, or curtailment of a license, certificate of authority, registration, or similar authority previously issued by the commission to the defendant:

1. Discovery of material in possession of the commission staff. Upon written motion of the defendant, the commission shall permit the defendant to inspect and, at the defendant's expense, copy or photograph (exclusive of investigative notes): (i) any relevant written or recorded statements, the existence of which is known, after reasonable inquiry, by the commission staff counsel assigned to the matter to be within the custody, possession, or control of commission staff, made by (a) the defendant, or representatives or agents of the defendant if the defendant is other than an individual, or (b) any witness whom the commission staff intends, or does not intend, to call to testify at the hearing, to a commission staff member or law enforcement officer; (ii) designated books, tangible objects, papers, documents, or copies or portions thereof, that are within the custody, possession, or control of commission staff and that commission staff intends to introduce into evidence at the hearing or that the commission staff obtained for the purpose of the instant proceeding; and (iii) the list of the witnesses that commission staff intends to call to testify at the hearing. Upon good cause shown to protect the identity of persons not named as a defendant, the commission or hearing examiner may direct the commission staff to withhold disclosure of material requested under this rule. The term "statement" as used in relation to any witness (other than a defendant) described in clause (i) of this subdivision includes a written statement made by said witness and signed or otherwise adopted or approved by him, and verbatim transcriptions or recordings of a witness' statement that are made contemporaneously with the statement by the witness.

A motion by the defendant or staff under this rule shall be filed and served at least 30 days before the hearing date. The motion shall include all relief sought. A subsequent motion may be made only upon a showing of cause as to why the motion would be in the interest of justice. An order or ruling granting relief under this rule shall specify the time, place, and manner of making discovery and inspection permitted, and may prescribe such terms and conditions as the commission may determine.

Upon written motion of the commission staff, staff may also obtain the list of witnesses that the defendant intends to call to testify at the hearing, and inspect, copy, and photograph, at commission staff's expense, the evidence that the defendant intends to introduce into evidence at the hearing.

The commission staff and the defendant shall be required to produce the information described above as directed by the commission or hearing examiner, but not later than 10 days prior to the scheduled hearing; and the admission of any additional evidence not provided in accordance herewith shall not be denied solely on the basis that it was not produced timely, provided the additional evidence was produced to commission staff or the defendant as soon as practicable prior to the hearing, or prior to the introduction of such evidence at the hearing. The requirement to produce the information described in this section shall be in addition to any requirement by commission staff or the defendant to timely respond to an interrogatory or document request made pursuant to 5VAC5-20-260.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Nothing in this rule shall require the disclosure of any information, the disclosure of which is prohibited by statute or other legal privilege. The disclosure of the results of a commission staff investigation or work product of commission staff counsel shall not be required.

2. Depositions. After commencement of a proceeding to which this rule applies, the commission staff or a party may take the testimony of (i) a party, or (ii) a person not a party for good cause shown to the commission or hearing examiner, other than a member of the commission staff, by deposition on oral examination or by written questions. Depositions may be used for any purpose for which they may be used in the courts of record of the Commonwealth. Except where the commission or hearing examiner finds that an emergency exists, no deposition may be taken later than 10 days in advance of the formal hearing. The attendance of witnesses at depositions may be compelled by subpoena. Examination and cross-examination of the witness shall be as at hearing. Depositions may be taken in the City of Richmond or in the town, city, or county in which the deposed person resides, is employed, or does business. The parties and the commission staff, by agreement, may designate another place for the taking of the deposition. Reasonable notice of the intent to take a deposition must be given in writing to the commission staff counsel and to each party to the action, stating the time and place where the deposition is to be taken. A deposition may be taken before any person (the "officer") authorized to administer oaths by the laws of the jurisdiction in which the deposition is to be taken. The officer shall certify his authorization in writing, administer the oath to the deponent, record or cause to be recorded the testimony given, and note any objections raised. In lieu of participating in the oral examination, a party or the commission staff may deliver sealed written questions to the officer, who shall propound the questions to the witness. The officer may terminate the deposition if convinced that the examination is being conducted in bad faith or in an unreasonable manner. Costs of the deposition shall be borne by the party noticing the deposition, unless otherwise ordered by the commission.

3. Requests for admissions. The commission staff or a party to a proceeding may serve upon a party written requests for admission. Each matter on which an admission is requested shall be stated separately. A matter shall be deemed admitted unless within 21 days of the service of the request, or some other period the commission may designate, the party to whom the request is directed serves upon the requesting party a written answer addressing or objecting to the request. The response shall set forth in specific terms a denial of the matter set forth or an explanation as to the reasons the responding party cannot truthfully admit or deny the matter set forth. Requests for admission shall be filed with the Clerk of the Commission and simultaneously served on commission staff counsel and on all parties to the proceeding.

Adopted: September 1, 1974

Revised: May 1, 1985 by Case No. CLK850262

Revised: August 1, 1986 by Case No. CLK860572 and Repealed June 1, 2001 by Case No. CLK000311

Adopted: June 1, 2001 by Case No. CLK000311

Revised: January 15, 2008 by Case No. CLK-2007-00005

Revised: February 24, 2009 by Case No. CLK-2008-00002

Revised: August 9, 2011 by Case No. CLK-2011-00001

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LEADING MATTERS DISPOSED OF BY FORMAL ORDERS

BUREAU OF FINANCIAL INSTITUTIONS

**NMLS ID NO. 1646325
JULY 31, 2023**

APPLICATION OF
HIGHER EDUCATION SERVICING CORPORATION

For a license to engage in business as a qualified education loan servicer

ORDER GRANTING A LICENSE

Higher Education Servicing Corporation, a Texas corporation, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-2603 of the Code of Virginia ("Code"), for a license to engage in business as a qualified education loan servicer from 4381 W Green Oaks Boulevard, Suite 200, Arlington, Texas 76016. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 26 of Title 6.2 of the Code ("Chapter 26") for the issuance of a qualified education loan servicer license; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 26 and should be approved.

Accordingly, IT IS ORDERED THAT the Application is APPROVED, effective this date.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BAN20230020
MARCH 3, 2023**

APPLICATION OF
FIRST COMMUNITY BANK

To merge with Surrey Bank & Trust and for authority to operate the offices of the merging banks

ORDER OF APPROVAL

First Community Bank, a Virginia state-chartered bank with trust powers, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-850 of the Code of Virginia ("Code"), to merge with Surrey Bank & Trust, Mount Airy, North Carolina, a North Carolina state-chartered bank. First Community Bank proposes to be the surviving bank in the merger and seeks authority to operate, in addition to its current offices and facilities, the authorized and opened offices of Surrey Bank & Trust. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 8 of Title 6.2 of the Code ("Chapter 8") for merger; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 8 for merger and should be approved.

Accordingly, IT IS ORDERED THAT the proposed merger of Surrey Bank & Trust into First Community Bank is APPROVED, effective upon the issuance by the Clerk of the Commission of a certificate of merger in the proposed transactions. The resulting bank is authorized to operate a main office from 29 College Drive, Bluefield, Tazwell County, Virginia, and is authorized to maintain and operate, in addition to its current offices and facilities, the authorized and opened offices of Surrey Bank & Trust listed in Attachment A. The Commission shall retain jurisdiction over this matter pending consummation of the transaction. The authority granted herein shall expire one (1) year from the date of this Order unless extended by Commission order prior to the expiration date.

Commissioner Patricia L. West participated in this matter.

ATTACHMENT A AUTHORIZED AND OPENED OFFICES OF SURREY BANK & TRUST

1096 Main Street, North Wilkesboro, North Carolina	2050 Rockford Street, Mount Airy, North Carolina
1280 W Pine Street, Mount Airy, North Carolina	393 Cc Camp Road, Elkin, North Carolina
145 N Renfro Street, Mount Airy, North Carolina	653 South Key Street, Pilot Mountain, North Carolina
2050 Rockford Street, Mount Airy, North Carolina	940 Woodland Drive, Stuart, Patrick County, Virginia

**CASE NO. BAN20230021
MARCH 3, 2023**

NOTICE OF
FIRST COMMUNITY BANKSHARES, INC.

To acquire control of Surrey Bank & Trust

ORDER OF APPROVAL

First Community Bankshares, Inc., an out-of-state bank holding company that controls a Virginia bank, has filed with the State Corporation Commission ("Commission") the notice ("Notice") required by § 6.2-715 of the Code of Virginia of its proposed acquisition of Surrey Bank & Trust, a North Carolina state-chartered bank. The Bureau of Financial Institutions ("Bureau") investigated the proposed acquisition. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Notice meets the criteria in Chapter 7 of Title 6.2 of the Code ("Chapter 7") for approval to acquire an out-of-state bank; and (iii) recommended that the Commission enter an order approving the Notice.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Notice meets the criteria in Chapter 7 for approval to acquire an out-of-state bank and should be approved.

Accordingly, IT IS ORDERED THAT the proposed acquisition of Surrey Bank & Trust by First Community Bankshares, Inc., is APPROVED, provided that:

- (i) the authority granted herein shall expire one (1) year from the date of this Order unless extended by order of the Commission prior to the expiration date; and
- (ii) First Community Bankshares, Inc., notifies the Bureau of the effective date of the transaction within ten (10) days thereof. The Commission shall retain jurisdiction over this matter pending consummation of the transaction.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BAN20230094
AUGUST 7, 2023**

APPLICATION OF
LINKBANCORP, INC.

To acquire control of Virginia Partners Bank

ORDER OF APPROVAL

LINKBANCORP, Inc., a Pennsylvania bank holding company, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-704 C of the Code of Virginia ("Code"), to acquire control of Virginia Partners Bank, a Virginia state-chartered bank. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application pursuant to § 6.2-705 of the Code. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 7 of Title 6.2 of the Code ("Chapter 7") for the acquisition of a Virginia state-chartered bank; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 7 and should be approved.

Accordingly, IT IS ORDERED THAT the proposed acquisition of Virginia Partners Bank by LINKBANCORP, Inc. is APPROVED, provided that: (i) the authority granted herein shall expire one (1) year from the date of this Order unless extended by Commission order prior to the expiration date; and (ii) LINKBANCORP, Inc. notifies the Bureau of the effective date of the transaction within ten (10) days thereof. The Commission shall retain jurisdiction over this matter pending consummation of the transaction.

**CASE NO. BAN20230103
DECEMBER 11, 2023**

APPLICATION OF
VIRGINIA CREDIT UNION, INC.

To merge with Virginia Trailways Federal Credit Union

ORDER OF APPROVAL

Virginia Credit Union, Inc. ("Applicant"), a Virginia state-chartered credit union, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-1344 of the Code of Virginia ("Code"), to merge with Virginia Trailways Federal Credit Union, a federally chartered credit union. The Applicant proposes to be the surviving credit union in the merger. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 13 of Title 6.2 of the Code ("Chapter 13") to merge with a federally chartered credit union; and (iii) recommended that the Commission enter an order approving the Application.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 13 for merger and should be approved.

Accordingly, IT IS ORDERED THAT, provided the Applicant and Virginia Trailways Federal Credit Union comply with the applicable provisions of the Virginia Nonstock Corporation Act, § 13.1-801 *et seq.* of the Code of Virginia, the proposed merger of Virginia Trailways Federal Credit Union into the Applicant is APPROVED, effective upon the issuance by the Clerk of the Commission of a certificate of merger. The Commission shall retain jurisdiction over this matter pending consummation of the transaction. The authority granted herein shall expire one (1) year from the date of this Order unless extended by order of the Commission prior to the expiration date.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BAN20230117
JULY 6, 2023**

APPLICATION OF
POPULUS FINANCIAL GROUP, INC., D/B/A ACE CASH EXPRESS

For authority to relocate an office

ORDER APPROVING RELOCATION OF AN OFFICE

Populus Financial Group, Inc., d/b/a ACE Cash Express ("Applicant"), a licensed short-term lender under Chapter 18 of Title 6.2 of the Code of Virginia ("Code"), has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-1807 of the Code, for authority to relocate an office from 3925 Melrose Avenue NW, Roanoke, Virginia 24017 to 4750 Valley View Boulevard, Suite 50, Roanoke, Virginia 24012. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in § 6.2-1807 of the Code for the approval of the relocation of an office; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in § 6.2-1807 of the Code and should be approved.

Accordingly, IT IS ORDERED THAT the Application is APPROVED provided that the Applicant relocates the office within one (1) year from the date of this Order and the Applicant gives written notice to the Bureau stating the date business was begun at the new office location within ten (10) days thereafter.

**CASE NO. BAN20230203
DECEMBER 20, 2023**

APPLICATION OF
ATLANTIC UNION BANK

For a certificate of authority to conduct a banking and trust business following a merger with American National Bank and Trust Company and for authority to operate the offices of the merging banks

ORDER GRANTING AUTHORITY

Atlantic Union Bank, a Virginia state-chartered bank with trust powers, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-822 of the Code of Virginia ("Code"), for a certificate of authority to conduct a banking and trust business following a merger with American National Bank and Trust Company, Danville, Virginia, a national bank headquartered in Danville, Virginia. Atlantic Union Bank proposes to be the surviving bank in the merger and seeks authority to operate, in addition to its current offices and facilities, the authorized and opened offices of American National Bank and Trust Company. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 8 of Title 6.2 of the Code ("Chapter 8") for a certificate of authority; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 8 for merger and should be approved.

Accordingly, IT IS ORDERED THAT the proposed merger of American National Bank and Trust Company into Atlantic Union Bank is APPROVED and a certificate of authority to conduct a banking and trust business is GRANTED to Atlantic Union Bank, effective upon the issuance by the Clerk of the Commission of a certificate of merger in the proposed transaction. The resulting bank is authorized to operate a main office from 1051 East Cary Street, Suite 103, City of Richmond, Virginia, and is authorized to maintain and operate, in addition to its current offices and facilities, the authorized and opened offices of American National Bank and Trust Company listed in Attachment A. The Commission shall retain jurisdiction over this matter pending consummation of the transaction. The authority granted herein shall expire one (1) year from the date of this Order unless extended by Commission order prior to the expiration date.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BAN20230204
DECEMBER 20, 2023**

APPLICATION OF
ATLANTIC UNION BANKSHARES CORPORATION

To acquire control of American National Bankshares Inc.

ORDER OF APPROVAL

Atlantic Union Bankshares Corporation, a Virginia financial institution holding company, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-704 A of the Code of Virginia ("Code"), to acquire control of American National Bankshares Inc., a Virginia financial institution holding company. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application pursuant to § 6.2-705 of the Code. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 7 of Title 6.2 of the Code ("Chapter 7") for approval to acquire a Virginia financial institution holding company; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 7 for approval to acquire a Virginia financial institution holding company and should be approved.

Accordingly, IT IS ORDERED THAT the proposed acquisition of American National Bankshares Inc. by Atlantic Union Bankshares Corporation is APPROVED, provided that: (i) the authority granted herein shall expire one (1) year from the date of this Order unless extended by order of the Commission prior to the expiration date; and (ii) Atlantic Union Bankshares Corporation notifies the Bureau of the effective date of the transaction within ten (10) days thereafter. The Commission shall retain jurisdiction over this matter pending consummation of the transaction.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BAN20230214
DECEMBER 1, 2023**

APPLICATION OF
BURKE & HERBERT BANK & TRUST COMPANY

To merge with Summit Community Bank, Inc. and for authority to operate the offices of the merging banks

ORDER OF APPROVAL

Burke & Herbert Bank & Trust Company, a Virginia state-chartered bank with trust powers, has filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 6.2-850 of the Code of Virginia ("Code"), to merge with Summit Community Bank, Inc., Moorefield, West Virginia, a West Virginia state-chartered bank. Burke & Herbert Bank & Trust Company proposes to be the surviving bank in the merger and seeks authority to operate, in addition to its current offices and facilities, the authorized and opened offices of Summit Community Bank, Inc. The Commission's Bureau of Financial Institutions ("Bureau") investigated the Application. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Application meets the criteria in Chapter 8 of Title 6.2 of the Code ("Chapter 8") for merger; and (iii) recommended that the Commission enter an order approving the Application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Application meets the criteria in Chapter 8 for merger and should be approved.

Accordingly, IT IS ORDERED THAT the proposed merger of Summit Community Bank, Inc. into Burke & Herbert Bank & Trust Company is APPROVED, effective upon the issuance by the Clerk of the Commission of a certificate of merger in the proposed transactions. The resulting bank is authorized to operate a main office from 110 S. Fairfax Street, City of Alexandria, Virginia, and is authorized to maintain and operate, in addition to its current offices and facilities, the authorized and opened offices of Summit Community Bank, Inc. listed in Attachment A. The Commission shall retain jurisdiction over this matter pending consummation of the transaction. The authority granted herein shall expire one (1) year from the date of this Order unless extended by Commission order prior to the expiration date.

Commissioner James C. Dimitri participated in this matter.

ATTACHMENT A
AUTHORIZED AND OPENED OFFICES OF SUMMIT COMMUNITY BANK, INC.

310 N Main Street, Moorefield WVA; 910 Clay Street, Rupert, WVA	114 James River and Kanawha Turnpike, Rainelle, West Virginia
2402 Mountaineer Boulevard, Charleston, West Virginia	90 S Grove Street, Petersburg, West Virginia
59 Upper Cove Road, Mathias, West Virginia	564 N Main Street, Franklin, West Virginia
100 W Jubal Early Drive, City of Winchester, Virginia	204 Catoctin Circle SE, Leesburg, Loudoun County, Virginia
1925 Stone Spring Road, Suite 200, Rockingham County, Virginia	224 S Main Street, City of Harrisonburg, Virginia
251 W Lee Highway, Suite 730, Warrenton, Fauquier County, Virginia	300 N Main Street, Moorefield, West Virginia
195 West Main Street, Monterey, Highland County, Virginia	9406 Sam Snead Highway, Hot Springs, Bath County, Virginia
23 Scenic Highway, Churchville, Augusta County, Virginia	2020 College Avenue, Bluefield, West Virginia
1223 Stafford Drive, Princeton, West Virginia	1049 Cook Parkway, Oceana, West Virginia
515 Appalachian Highway, Pineville, West Virginia	525 Federal Street, Bluefield, West Virginia

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

108 Spruce Street, Bluefield, Tazewell County, Virginia	200 Peppers Ferry Road, Wytheville, Wythe County, Virginia
148 Ivanhoe Road, Max Meadows, Wythe County, Virginia	321 Temple Street, Hinton, West Virginia
145 Springhaven Drive, Princeton, West Virginia	1826 Harper Road, Beckley, West Virginia
200 1st Street, Mullens, West Virginia	123 Bethel Road, MacArthur, West Virginia
251 Main Street, West Union, West Virginia	150 E Main Street, Salem, West Virginia
4377 Lamberton Road, Pennsboro, West Virginia	176 Courtyard Street, Morgantown, West Virginia
100 Akers Farm Road, Christiansburg, Montgomery County, Virginia	12030 Sunrise Valley Drive, Suite 170, Reston, Fairfax County, Virginia
88 Somerset Boulevard, Charles Town, West Virginia	5091 Gerrardstown Road, Inwood, West Virginia
651 Foxcroft Avenue, Martinsburg, West Virginia	231 Aikens Center, Martinsburg, West Virginia
1705 Bypass Road, Winchester, Kentucky	660 Central Avenue, Barboursville, West Virginia
6441 Farmdale Road, Barboursville, West Virginia	400 Washington Street E, Charleston, West Virginia
999 4th Avenue, Huntington, West Virginia	940 5th Avenue, Huntington, West Virginia
3754 Teays Valley Road, Hurricane, West Virginia	141 Main Street, Secretary, Maryland
209 Franklin Street, Denton, Maryland	325 Bloomingdale Avenue, Federalsburg, Maryland
301 Crusader Road, Cambridge, Maryland	1 W Belle Street, Ridgely, Maryland
8133 Elliott Road, Easton, Maryland	142 N Harrison Street, Easton, Maryland
913 Mount Hermon Road, Salisbury, Maryland	18467 Coastal Highway, Lewes, Delaware
312 Main Street, Preston, Maryland	

**CASE NO. BAN20230214
DECEMBER 18, 2023**

APPLICATION OF BURKE & HERBERT
BANK & TRUST COMPANY

To merge with Summit Community Bank, Inc. and for authority to operate the offices of the merging banks

CORRECTING ORDER

On December 1, 2023, the State Corporation Commission ("Commission") entered an Order in this case approving the proposed merger of Summit Community Bank, Inc. into Burke & Herbert Bank & Trust Company ("Burke & Herbert") pursuant to § 6.2-850 of the Code of Virginia. Thereafter, the Bureau of Financial Institutions reported to the Commission that the main office address set forth in the Order is incorrect as a result of information supplied by Burke & Herbert in its application.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the main office address in the Order should be corrected.

Accordingly, IT IS ORDERED THAT:

(1) The main office address in the Order of Approval entered on December 1, 2023, is hereby corrected to read "100 S. Fairfax Street, City of Alexandria, Virginia" rather than "110 S. Fairfax Street, City of Alexandria, Virginia."

(2) All other provisions of the Order of Approval entered on December 1, 2023, shall remain in full force and effect.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BAN20230214
OCTOBER 31, 2023**

APPLICATION OF
BURKE & HERBERT BANK & TRUST COMPANY
and BURKE & HERBERT FINANCIAL SERVICES
CORP.

CASE NUMBER: BAN20230214
BAN20230216

ORDER REDUCING FEES

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that: (i) Burke & Herbert Bank & Trust Company, a Virginia state-chartered bank, has filed an application with the Bureau of Financial Institutions ("Bureau") pursuant to § 6.2-850 of the Code of Virginia ("Code") to merge into it Summit Community Bank, Inc., and the fee incident to such application is Seven Thousand Five Hundred Dollars (\$7,500); and (ii) Burke & Herbert Financial Services Corp., a Virginia financial institution holding company, has filed a notice of intent with the Bureau pursuant to § 6.2-715 of the Code to acquire control of Summit Community Bank, Inc., and the fee incident to such application is Seven Thousand Dollars (\$7,000).

The Commissioner has also reported to the Commission that the total fees incident to the applications as prescribed by §§ 6.2-850 and 6.2-715 of the Code and the Commission's October 25, 1990 Administrative Order¹ and April 5, 2016 Clarifying Order² would be Fourteen Thousand Five Hundred Dollars (\$14,500); and that Burke & Herbert Bank & Trust Company and Burke & Herbert Financial Services Corp. have requested that the Commission reduce the total fees by Seven Thousand Dollars (\$7,000). The Commissioner has further reported to the Commission that the requested reduction in fees is reasonable because the proposed merger and acquisition essentially constitute a single transaction. Moreover, the reduction in fees for these applications would not be detrimental to the Bureau's effectiveness. Accordingly, the Commissioner has recommended that the Commission grant the requested reduction in fees.

GOOD CAUSE having been shown, the total fees to be paid by Burke & Herbert Bank & Trust Company and Burke & Herbert Financial Services Corp. in connection with the above-referenced applications are hereby reduced to Seven Thousand Five Hundred Dollars (\$7,500). Notwithstanding this reduction, the Commission's October 25, 1990 Administrative Order and April 5, 2016 Clarifying Order shall remain in full force and effect.

Commissioner James C. Dimitri participated in this matter.

¹ *Relating to fees to be charged in connection with certain applications.* Case No. BFI-1990-00386, Administrative Order (October 25, 1990).

² *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In re: fees to be charged in connection with certain applications.* Case No. BFI-2016-00013, Clarifying Order (April 5, 2016).

**CASE NO. BAN20230216
DECEMBER 1, 2023**

NOTICE OF
BURKE & HERBERT FINANCIAL SERVICES CORP.

To acquire control of Summit Community Bank, Inc.

ORDER OF APPROVAL

Burke & Herbert Financial Services Corp., a Virginia bank holding company, has filed with the State Corporation Commission ("Commission") the notice ("Notice") required by § 6.2-715 of the Code of Virginia ("Code") of its proposed acquisition of Summit Community Bank, Inc., a West Virginia state-chartered bank. The Bureau of Financial Institutions ("Bureau") investigated the proposed acquisition. The Commissioner of Financial Institutions: (i) provided the results of the Bureau's investigation to the Commission; (ii) opined that the Notice meets the criteria in Chapter 7 of Title 6.2 of the Code ("Chapter 7") for approval to acquire an out-of-state bank; and (iii) recommended that the Commission enter an order approving the Notice.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Notice meets the criteria in Chapter 7 for approval to acquire an out-of-state bank and should be approved.

Accordingly, IT IS ORDERED THAT the proposed acquisition of Summit Community Bank, Inc. by Burke & Herbert Financial Services Corp. is APPROVED, provided that: (i) the authority granted herein shall expire one (1) year from the date of this Order unless extended by order of the Commission prior to the expiration date; and (ii) Burke & Herbert Financial Services Corp. notifies the Bureau of the effective date of the transaction within ten (10) days thereafter. The Commission shall retain jurisdiction over this matter pending consummation of the transaction.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BAN20230216
OCTOBER 31, 2023**

APPLICATION OF
BURKE & HERBERT BANK & TRUST COMPANY
and BURKE & HERBERT FINANCIAL SERVICES
CORP.

CASE NUMBERS: BAN20230214
BAN20230216

ORDER REDUCING FEES

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that: (i) Burke & Herbert Bank & Trust Company, a Virginia state-chartered bank, has filed an application with the Bureau of Financial Institutions ("Bureau") pursuant to § 6.2-850 of the Code of Virginia ("Code") to merge into it Summit Community Bank, Inc., and the fee incident to such application is Seven Thousand Five Hundred Dollars (\$7,500); and (ii) Burke & Herbert Financial Services Corp., a Virginia financial institution holding company, has filed a notice of intent with the Bureau pursuant to § 6.2-715 of the Code to acquire control of Summit Community Bank, Inc., and the fee incident to such application is Seven Thousand Dollars (\$7,000).

The Commissioner has also reported to the Commission that the total fees incident to the applications as prescribed by §§ 6.2-850 and 6.2-715 of the Code and the Commission's October 25, 1990 Administrative Order¹ and April 5, 2016 Clarifying Order² would be Fourteen Thousand Five Hundred Dollars (\$14,500); and that Burke & Herbert Bank & Trust Company and Burke & Herbert Financial Services Corp. have requested that the Commission reduce the total fees by Seven Thousand Dollars (\$7,000). The Commissioner has further reported to the Commission that the requested reduction in fees is reasonable because the proposed merger and acquisition essentially constitute a single transaction. Moreover, the reduction in fees for these applications would not be detrimental to the Bureau's effectiveness. Accordingly, the Commissioner has recommended that the Commission grant the requested reduction in fees.

GOOD CAUSE having been shown, the total fees to be paid by Burke & Herbert Bank & Trust Company and Burke & Herbert Financial Services Corp. in connection with the above-referenced applications are hereby reduced to Seven Thousand Five Hundred Dollars (\$7,500). Notwithstanding this reduction, the Commission's October 25, 1990 Administrative Order and April 5, 2016 Clarifying Order shall remain in full force and effect.

Commissioner James C. Dimitri participated in this matter.

¹ *Relating to fees to be charged in connection with certain applications.* Case No. BFI-1990-00386, Administrative Order (October 25, 1990).

² *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In re: fees to be charged in connection with certain applications.* Case No. BFI-2016-00013, Clarifying Order (April 5, 2016).

**CASE NO. BFI-2021-00036
AUGUST 4, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
HASHI MONEY WIRING LLC,
Defendant

JUDGMENT ORDER

On October 18, 2022, the State Corporation Commission ("Commission") entered a Rule to Show Cause ("Rule") wherein the Bureau of Financial Institutions ("Bureau") alleged that Hashi Money Wiring LLC ("Hashi") committed multiple violations of Chapter 19 of Title 6.2 of the Code of Virginia ("Code"), and the regulations promulgated thereunder, governing money order sellers and money transmitters.

In the Rule, the Commission, among other things, directed Hashi to file a responsive pleading with the Clerk of the Commission on or before December 5, 2022; assigned the matter to a Hearing Examiner; and scheduled a hearing ("Hearing") for February 1, 2023. On November 7, 2022, Hashi filed a Response to Rule to Show Cause and Request for Hearing. Pursuant to a Motion to Continue Hearing filed by Hashi on December 9, 2022, the Hearing scheduled for February 1, 2023, was rescheduled to March 28, 2023.

Hearing Examiner D. Mathias Roussy, Jr., convened the Hearing in the Commission's courtroom on March 28, 2023. Jeffrey A. Vogelman, Esquire, appeared on behalf of and represented Hashi at the Hearing. The Bureau appeared and was represented at the Hearing by its counsel, Robert Alan Fox, Esquire.

During the Hearing, the Bureau presented the testimony of two Bureau staff members: (1) Karen Heede, Manager of Examinations; and (2) Patrick Hunt, Principal Financial Analyst. The Bureau also presented the testimony of Abdulhakim Hashi ("Mr. Hashi"), Hashi's Chief Executive Officer, President, and owner. Hashi presented the testimony of: (1) Mr. Hashi; (2) Jade Do, an accountant; and (3) Roble Musse, a business consultant. In lieu of closing arguments, the Hearing Examiner permitted the Bureau and Hashi to file post-hearing briefs summarizing their respective positions by May 12, 2023. On May 12, 2023, both the Bureau and Hashi filed a post-hearing brief.

After considering the applicable law and record in this proceeding, the Hearing Examiner issued a report on June 6, 2023 ("Report"). The Report contained the Hearing Examiner's comprehensive summary and analysis of the record as well as the Hearing Examiner's findings and recommendations for the Commission. The Hearing Examiner found clear and convincing evidence that:

- (1) Hashi committed one violation of 10 VAC 5-120-40 D, by failing to file its 2019 audited financial statements within 105 days of the end of Hashi's fiscal year;
- (2) Hashi committed one violation of Code § 6.2-1917 C and 10 VAC 5-120-40 B, by failing to file a written report of the September 3, 2020 Texas Consent Order within one business day of the order's entry or Hashi's agreement thereto;
- (3) Hashi committed one violation of Code § 6.2-1917 C and 10 VAC 5-120-40 B, by failing to file a written report of the September 17, 2020 Massachusetts Consent Order within one business day of the order's entry or Hashi's agreement thereto;
- (4) Hashi committed eleven violations of Code § 6.2-1916 B 2, by failing to retain - during the eleven months of March 2020 through September 2020 and January 2021 through April 2021 - a general ledger posted at least monthly containing all asset, liability, capital, income and expense accounts;
- (5) Hashi committed seven violations of Code § 6.2-1916 A, by failing to maintain during the seven months of March 2020 through September 2020-the books, accounts, and records reasonably required to determine whether Hashi is complying with Chapter 19 of Title 6.2 of the Code and other laws applicable to the conduct of Hashi's licensed business; and
- (6) Hashi committed nine violations of 10 VAC 5-120-60 B, by providing the Bureau with false, misleading, or deceptive information for Q1 2020 (two violations), Q2 2020 (two violations), Q3 2020 (three violations), and Q4 2020 (two violations).¹

For the reasons stated in the Report, the Hearing Examiner recommended that the Commission enter an order that:

- (1) **ADOPTS** the findings in the Report;
- (2) **ORDERS** Hashi, pursuant to Code § 6.2-1920, to pay civil penalties totaling \$72,500 for the 30 violations of Virginia law found in the Report, summarized as follows:

Violation	Number	Penalty per Violation	Total Penalty
10 VAC 5-120-40 D	1	\$2,500	\$2,500
Code § 6.2-1917 C and 10 VAC 5-120-40 B (Texas)	1	\$1,250	\$1,250
Code § 6.2-1917 C and 10 VAC 5-120-40 B (Massachusetts)	1	\$1,250	\$1,250
Code § 6.2-1916 B 2	11	\$2,500	\$27,500
Code § 6.2-1916 A	7	\$2,500	\$17,500
10 VAC 5-120-60 B	9	\$2,500	\$22,500

- (3) **DIRECTS** Hashi, pursuant to Code § 6.2-1909, to cease and desist from violating any provision of Chapter 19 of Title 6.2 of the Code or the Commission's money transmitter regulations, 10 VAC 5-120-10 *et seq.*;

¹ Report at 37 (Doc. Con. Cen. No. 230610128).

(4) **REQUIRES** Hashi to maintain a surety bond in the amount of \$500,000 through at least the completion of the Bureau's 2024 examination of Hashi, unless the Bureau finds a higher amount is warranted pursuant to 10 VAC 5-120-20 A; and

(5) **CONTINUES** this case.²

The Hearing Examiner directed Hashi and the Bureau to submit any comments to the Report on or before June 27, 2023.³ Hashi filed comments, reattaching its post-hearing brief,⁴ highlighting certain arguments and requesting that the Commission reduce the amount of the civil penalty recommended by the Hearing Examiner and grant "such other relief as is warranted under the circumstances."⁵ The Bureau filed comments supporting the Hearing Examiner's findings and recommendations.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Report should be adopted. Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's Report;
- (2) Hashi shall pay a civil penalty in the amount of Seventy-two Thousand Five Hundred Dollars (\$72,500) for the thirty (30) violations of Chapter 19 of Title 6.2 of the Code and the regulations promulgated thereunder cited in the Report;
- (3) Payment of the civil penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Judgment Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Susan Hancock, Deputy Commissioner, Bureau of Financial Institutions, State Corporation Commission, Post Office Box 640, Richmond, Virginia 23218-0640. Case No. BFI-2021-00036 shall be referenced in any document transmitting payment of the civil penalty imposed herein;
- (4) Hashi shall cease and desist from violating any provision of Chapter 19 of Title 6.2 of the Code and the Commission's money transmitter regulations, 10 VAC 5-120-10 *et seq.*;
- (5) Hashi shall maintain a surety bond in the amount of \$500,000 through at least the completion of the Bureau's 2024 examination of Hashi, unless the Commissioner of Financial Institutions requires Hashi to maintain a higher bond amount pursuant to 10 VAC 5-120-20 A; and
- (6) This case is CONTINUED.

Commissioner Patricia L. West participated in this matter

² *Id.* at 37-38.

³ *Id.* at 38.

⁴ Response/Comments of Defendant Hashi Money Wiring, LLC to Hearing Examiner's Report ("Hashi's Comments") (Doc. Con. Cen. No. 230660108); Attachment A to Hashi's Comments (Doc. Con. Cen. No. 230660109).

⁵ Hashi's Comments at 6.

**CASE NO. BFI-2022-00070
MARCH 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
BANCO INTER S.A.,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Banco Inter S.A. ("Defendant") acquired 25% or more of the ownership of Pronto Money Transfer Inc., d/b/a Pontual Money Transfer, and Usend, a licensed money order seller and money transmitter under Chapter 19 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1914 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2022-00088
FEBRUARY 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CONSUMER EDUCATION SERVICES, INC., D/B/A CESI DEBT SOLUTIONS,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Consumer Education Services, Inc., d/b/a Cesi Debt Solutions ("Defendant") is licensed under Chapter 20 of Title 6.2 of the Code of Virginia ("Chapter 20"); that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2012 of the Code of Virginia; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 5, 2022, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 3, 2022. As of the date of this Order, the Defendant has not requested a hearing in this matter. Therefore, the Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business under Chapter 20.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2012 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business under Chapter 20 is hereby revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00116
JANUARY 26, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BETTER LENDING LLC,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Better Lending LLC ("Defendant") is licensed to engage in business as a mortgage lender and mortgage broker under Chapter 16 of Title 6.2 (§ 6.2-1600 *et seq.*) of the Code of Virginia ("Code"); that the Commission's Bureau of Financial Institutions ("Bureau") alleged that the Defendant submitted four filings through the Nationwide Mortgage Licensing System and Registry that contained false information about the Defendant's ownership, in violation of 10 VAC 5-160-50 C of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); that the Defendant provided false, misleading, and deceptive information to the Bureau in connection with an application filed by Mr. Varun Soni to acquire control of the Defendant, in violation of 10 VAC 5-160-50 C of the Commission's Rules; and that the Defendant failed to maintain current information about its principal owners in the Nationwide Mortgage Licensing System and Registry, in violation of 10 VAC 5-160-90 D of the Commission's Rules. The Commissioner has also reported to the Commission that upon receiving notice of his intent to recommend the imposition of a civil penalty, the Defendant offered to settle this case by paying a civil penalty in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2022-00118
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ABC CASH EXCHANGE LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that ABC Cash Exchange LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00120
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

IMPRESS TRADE, INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Impress Trade, Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00125
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
ANGELITA EXPRESS SERVICES, INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Angelita Express Services, Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00127
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
FLORA ENTERPRISE LLC, D/B/A PARK N SHOP #11,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Flora Enterprise LLC, d/b/a Park N Shop #11, ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00135
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

MID-ATLANTIC DEVELOPMENT GROUP, LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Mid-Atlantic Development Group, LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00136
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BOWLING GREEN C STORE INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Bowling Green C Store Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00138
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

EMPORIA TOBACCO AND GIFT SHOP INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Emporia Tobacco and Gift Shop Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00142
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CASA HISPANA LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Casa Hispana LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00143
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

EVERGREEN ATM LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Evergreen ATM LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00145
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

NATASHA'S MONEY SVCS LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Natasha's Money Svcs LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00146
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
TIENDA LA CONFIANZA LLC,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Tienda La Confianza LLC ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00149
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
G & J GROCERY, INC., D/B/A LA UNION GROCERY,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that G & J Grocery, Inc., d/b/a La Union Grocery, ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00150
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
AVNEET, INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Avneet, Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00151
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
PRINCESS AVNEET, INC.,
Defendant

ORDER REVOKING REGISTRATION

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Princess Avneet, Inc. ("Defendant") is registered to engage in business as a check casher under Chapter 21 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2022 annual registration fee, as required by § 6.2-2103 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant on February 13, 2023 of: (1) the Commissioner's intention to recommend revocation of the Defendant's registration for failure to pay its annual registration fee; and (2) the requirement to file any written request for a hearing on or before March 13, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's registration to engage in business as a check casher. As of the date of this Order, the Defendant has not requested a hearing.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant failed to pay its 2022 annual fee, which was due on or before July 1, 2022, in violation of § 6.2-2103 of the Code of Virginia.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's registration to engage in business as a check casher is revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2022-00155
JANUARY 23, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
RYAN MCKENZIE LEGACY TRUST,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that the Ryan McKenzie Legacy Trust ("Defendant") acquired 25% or more of the ownership of GSC Enterprises, Inc., d/b/a Fidelity Express, a licensed money order seller and money transmitter under Chapter 19 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1914 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2022-00156
JANUARY 23, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
GLOBE PREMIA HOLDINGS LLC,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Globe Premia Holdings LLC ("Defendant") acquired 25% or more of the ownership of Premia Mortgage, LLC, d/b/a Premia Relocation Mortgage, a licensed mortgage lender under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1608 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2023-00006
MAY 5, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

IB GLOBAL INVESTMENTS LLC,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that IB Global Investments LLC ("Defendant") acquired 25% or more of the ownership of Zero Hash LLC, a licensed money order seller and money transmitter under Chapter 19 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1914 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2023-00010
MAY 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ANTONIO DOHA,
Defendant

CEASE AND DESIST ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that a Virginia consumer filed a complaint with the Bureau of Financial Institutions regarding a matter involving Antonio Doha ("Defendant"); that the Defendant is engaging in business as a mortgage loan originator without a license in violation of § 6.2-1701 of the Code of Virginia ("Code"); and that the Commissioner, pursuant to § 6.2-1721 of the Code, gave written notice to the Defendant by certified mail dated March 27, 2023, of: (1) the Commissioner's intention to recommend that an order be entered requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code, and (2) the requirement to submit a written request for a hearing, if desired, on or before May 1, 2023. The Commissioner has recommended that the Commission enter an order requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant is engaging in business as a mortgage loan originator in connection with Virginia residential mortgage loans without a license in violation of § 6.2-1701 of the Code.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant shall immediately (i) cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without the license required by § 6.2-1701 of the Code, and (ii) comply with Chapter 17 of Title 6.2 of the Code.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00018
JUNE 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
GENERATION LENDING INC.,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Generation Lending Inc. ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to maintain a bond in continuous effect, in violation of § 6.2-1604 of the Code; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on March 28, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before April 27, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to maintain a bond in continuous effect, in violation of § 6.2-1604 of the Code.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00020
OCTOBER 4, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
ESTALEA II, LLC, f/k/a TERRA MATRIX MEDIA, LLC,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Estalea II, LLC, f/k/a Terra Matrix Media, LLC ("Defendant"), acquired 25% or more of the ownership of LeadPoint, Inc., d/b/a Secure Rights, a licensed mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1608 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00026
AUGUST 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BEYOND LENDING, LLC, f/k/a EXPERT LENDING, LLC,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Beyond Lending, LLC, f/k/a Expert Lending, LLC ("Defendant"), is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to maintain a bond in continuous effect, in violation of § 6.2-1604 of the Code; that the Defendant failed to pay its 2023 annual fee, which was due on or before May 25, 2023, in violation of § 6.2-1612 B of the Code; that the Defendant failed to remain authorized to transact business in the Commonwealth under Title 13.1 of the Code, in violation of 10 VAC 5-160-20 (10) of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on June 2, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before June 30, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to maintain a bond in continuous effect, in violation of § 6.2-1604 of the Code; failed to pay its 2023 annual fee, in violation of § 6.2-1612 B of the Code; and failed to remain authorized to transact business in the Commonwealth under Title 13.1 of the Code, in violation of 10 VAC 5-160-20 (10) of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00029
OCTOBER 4, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

FLAT BRANCH MORTGAGE, INC. RETIREMENT SAVINGS PLAN TRUST,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Flat Branch Mortgage, Inc. Retirement Savings Plan Trust ("Defendant") acquired 25% or more of the ownership of Flat Branch Mortgage, Inc., d/b/a Fast Forward Home Loans, d/b/a Flat Branch Home Loans, a licensed mortgage lender and mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"), without prior Commission approval in violation of § 6.2-1608 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a fine, the Defendant offered to settle this case by paying a fine in the sum of Five Thousand Dollars (\$5,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2023-00031
SEPTEMBER 8, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
JAMES A. HILL,
Defendant

CEASE AND DESIST ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that a Virginia consumer informed the Bureau of Financial Institutions regarding a matter involving James A. Hill ("Defendant"); that the Defendant has engaged in business as a mortgage loan originator without a license in violation of § 6.2-1701 of the Code of Virginia ("Code"); and that the Commissioner, pursuant to § 6.2-1721 of the Code, gave written notice to the Defendant by certified mail dated July 14, 2023, of: (1) the Commissioner's intention to recommend that an order be entered requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code, and (2) the requirement to submit a written request for a hearing, if desired, on or before August 14, 2023. The Commissioner has recommended that the Commission enter an order requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has engaged in business as a mortgage loan originator in connection with one or more Virginia residential mortgage loans without a license in violation of § 6.2-1701 of the Code.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant shall (i) cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without the license required by § 6.2-1701 of the Code, and (ii) comply with Chapter 17 of Title 6.2 of the Code.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00032
SEPTEMBER 8, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

SHARON D. HILL,
Defendant

CEASE AND DESIST ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that a Virginia consumer informed the Bureau of Financial Institutions regarding a matter involving Sharon D. Hill ("Defendant"); that the Defendant has engaged in business as a mortgage loan originator without a license in violation of § 6.2-1701 of the Code of Virginia ("Code"); and that the Commissioner, pursuant to § 6.2-1721 of the Code, gave written notice to the Defendant by certified mail dated July 14, 2023, of: (1) the Commissioner's intention to recommend that an order be entered requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code, and (2) the requirement to submit a written request for a hearing, if desired, on or before August 14, 2023. The Commissioner has recommended that the Commission enter an order requiring the Defendant to cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without a license and to comply with the provisions of Chapter 17 of Title 6.2 of the Code. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has engaged in business as a mortgage loan originator in connection with Virginia residential mortgage loans without a license in violation of § 6.2-1701 of the Code.

Accordingly, IT IS ORDERED THAT:

(1) The Defendant shall (i) cease and desist from engaging in the business of a mortgage loan originator in connection with Virginia residential mortgage loans without the license required by § 6.2-1701 of the Code, and (ii) comply with Chapter 17 of Title 6.2 of the Code.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00033
SEPTEMBER 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

PRIMEPAY VIRGINIA, LLC (USED IN VA BY: PRIMEPAY, LLC),
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that PrimePay Virginia, LLC (Used in VA by: PrimePay, LLC) ("Defendant") engaged in the business of money transmission without obtaining a license, in violation of § 6.2-1901 of the Code of Virginia ("Code"); and that upon receiving notice of the Commissioner's intent to recommend the imposition of a civil penalty, the Defendant offered to settle this case by paying a civil penalty in the sum of Twenty-five Thousand Dollars (\$25,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The Defendant's offer is accepted.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. BFI-2023-00043
NOVEMBER 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

A1 MORTGAGE GROUP LLC,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that A1 Mortgage Group LLC ("Defendant") is licensed to engage in business as a mortgage lender under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2023 annual fee, which was due on or before May 25, 2023, in violation of § 6.2-1612 B of the Code; that the Defendant failed to file its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage lender. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to pay its 2023 annual fee, in violation of § 6.2-1612 B of the Code; and failed to file its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage lender is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00051
NOVEMBER 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

FRANKLIN MORTGAGE LLC,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Franklin Mortgage LLC ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2023 annual fee, which was due on or before May 25, 2023, in violation of § 6.2-1612 B of the Code; that the Defendant failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); that the Defendant failed to file its fourth quarter 2022 mortgage call report by February 14, 2023 and its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to pay its 2023 annual fee, in violation of § 6.2-1612 B of the Code; failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B; and failed to file its fourth quarter 2022 mortgage call report by February 14, 2023 and its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00070
NOVEMBER 28, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

L.A. MORTGAGE ONE LLC,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that L.A. Mortgage One LLC ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to pay its 2023 annual fee, which was due on or before May 25, 2023, in violation of § 6.2-1612 B of the Code; that the Defendant failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); that the Defendant failed to file its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules; and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to pay its 2023 annual fee, in violation of § 6.2-1612 B of the Code; failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules; and failed to file its first quarter 2023 mortgage call report by May 15, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00078
NOVEMBER 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

E-APPROVE MORTGAGE CORP.,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that E-Approve Mortgage Corp. ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00097
NOVEMBER 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
PALYX MORTGAGE LLC,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Palyx Mortgage LLC ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00105
NOVEMBER 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
MORTGAGE FIRST DIRECT INC.,
Defendant

ORDER REVOKING A LICENSE

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Mortgage First Direct Inc. ("Defendant") is licensed to engage in business as a mortgage broker under Chapter 16 of Title 6.2 of the Code of Virginia ("Code"); that the Defendant failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules Governing Mortgage Lenders and Brokers, 10 VAC 5-160-10 *et seq.* ("Rules"); and that the Commissioner, pursuant to delegated authority, gave written notice to the Defendant by certified mail on September 6, 2023, of: (1) the Commissioner's intention to recommend revocation of the Defendant's license, and (2) the requirement to submit a written request for a hearing, if desired, on or before October 6, 2023. The Commissioner has recommended that the Commission enter an order revoking the Defendant's license to engage in business as a mortgage broker. As of the date of this Order, the Defendant has not requested a hearing in this matter.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has failed to file its 2022 Financial Condition component of its mortgage call report by April 1, 2023, in violation of § 6.2-1610 of the Code and 10 VAC 5-160-90 B of the Commission's Rules.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's license to engage in business as a mortgage broker is hereby revoked.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00118
DECEMBER 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

NAVIENT SOLUTIONS, LLC,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Navient Solutions, LLC ("Defendant") engaged in business as a qualified education loan servicer, after the automatic expiration of its qualified education loan servicer license pursuant to § 6.2-2602 D of the Code of Virginia ("Code"), without obtaining a license, in violation of § 6.2-2601 of the Code; and that upon receiving notice of the Commissioner's intent to recommend the imposition of a civil penalty, the Defendant offered to settle this case by paying a civil penalty in the sum of Forty-three Thousand Six Hundred Dollars (\$43,600), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00125
NOVEMBER 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

GUSTO VIRGINIA, INC. (USED IN VA BY: GUSTO, INC.), D/B/A GUSTO,
Defendant

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Gusto Virginia, Inc. (Used in VA by: Gusto, Inc.), d/b/a Gusto ("Defendant") engaged in the business of money transmission without obtaining a license, in violation of § 6.2-1901 of the Code of Virginia ("Code"); and that upon receiving notice of the Commissioner's intent to recommend the imposition of a civil penalty, the Defendant offered to settle this case by paying a civil penalty in the sum of Twenty-five Thousand Dollars (\$25,000), tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendant's offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's offer is accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. BFI-2023-00126
OCTOBER 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In re: ACI Payments, Inc. and ACI Worldwide Corp.

ORDER APPROVING SETTLEMENT AGREEMENT

The Commissioner of Financial Institutions ("Commissioner") has requested that the State Corporation Commission ("Commission") approve and accept a multistate Settlement Agreement and Consent Order ("Agreement"), a copy of which is attached hereto and made a part hereof, by and between regulatory agencies of various states and ACI Payments, Inc., a licensed money transmitter under Chapter 19 of Title 6.2 of the Code of Virginia, and its parent company, ACI Worldwide Corp. The Commissioner has recommended that the Commission: (i) approve and accept the Agreement, and (ii) authorize the Commissioner to execute any documents attendant to the Agreement necessary to evidence the Commission's approval and acceptance.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Agreement should be approved, accepted, and its terms incorporated herein. The Commission further finds that the Commissioner should be authorized to execute any documents attendant to the Agreement necessary to evidence the Commission's approval and acceptance.

Accordingly, IT IS ORDERED THAT:

- (1) The Agreement is approved and accepted, and the terms of the Agreement are incorporated herein.
- (2) ACI Payments, Inc. and ACI Worldwide Corp. shall abide by the terms of the Agreement as incorporated herein.
- (3) The Commissioner is authorized to execute any documents attendant to the Agreement necessary to evidence the Commission's approval and acceptance.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. BFI-2023-00131
DECEMBER 5, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
STAUNTON TRACTOR, INC. and LEE S. BAKER,
Defendants

SETTLEMENT ORDER

The Commissioner of Financial Institutions ("Commissioner") has reported to the State Corporation Commission ("Commission") that Staunton Tractor, Inc. ("Staunton Tractor") engaged in business as a mortgage lender without obtaining a license, in violation of § 6.2-1601 of the Code of Virginia ("Code"); that Lee S. Baker, Chief Executive Officer of Staunton Tractor, engaged in business as a mortgage loan originator without obtaining a license, in violation of § 6.2-1701 of the Code; and that upon being informed that the Commissioner intended to recommend the imposition of a civil penalty, Staunton Tractor and Lee S. Baker (collectively, "Defendants") offered to settle this case by paying a civil penalty in the sum of Twenty Thousand Dollars (\$20,000) and abiding by the provisions of this Order, tendered said sum to the Commonwealth of Virginia, and waived any right to a hearing in this case. The Commissioner has recommended that the Commission accept the Defendants' offer of settlement pursuant to the authority granted under § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendants' settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendants' offer is accepted.
- (2) Staunton Tractor shall comply with the licensing requirement and other provisions in Chapter 16 of Title 6.2 of the Code.
- (3) Staunton Tractor shall not permit any individual to take an application for or offer or negotiate the terms of a residential mortgage loan on its behalf unless the individual is licensed as a mortgage loan originator pursuant to Chapter 17 of Title 6.2 of the Code or exempt from licensure.
- (4) Lee S. Baker shall comply with the licensing requirement and other provisions in Chapter 17 of Title 6.2 of the Code.
- (5) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

HEALTH BENEFIT EXCHANGE**CASE NO. HBE-2023-00001
JUNE 20, 2023**COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of an assessment on health carriers offering qualified individual health or dental plans through the Virginia Health Benefit Exchange for plan years 2024, 2025 and beyond

ASSESSMENT ORDER

Pursuant to Chapter 65 of Title 38.2 (§ 38.2-6500 *et seq.*) of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to develop and operate the Virginia Health Benefit Exchange ("Exchange"). The Exchange, which is administered by the Health Benefit Exchange Division, will begin operation as a full State-based Exchange for plan year 2024, and will continue to operate as a State-based Exchange for all future plan years.

Section 38.2-6510 of the Code authorizes the Health Benefit Exchange Division to fund the operations of the Exchange, in part, through special fund revenues generated by assessment fees on health and dental carriers offering plans through the Exchange. Section 38.2-6510 of the Code further provides that funding for the Exchange shall be in an amount sufficient to support its ongoing operations, and that assessments on health carriers shall be reasonable and necessary to support the development, operations, and prudent cash management of the Exchange. The assessment shall be approved by the Commission prior to implementation.

Section 38.2-6510 of the Code also states, among other things, that the assessment shall be based on the premium charged by a carrier for health benefits plans issued on the Exchange and each qualified dental plan offered on the Exchange during any period in which qualified health plans and qualified dental plans are effective on the Exchange. For plan year 2024, the Health Benefit Exchange Division proposes the assessment of a user fee in the amount of 2.75% of a carrier's total monthly premium from effectuated enrollment in qualified health plans and qualified dental plans sold in the individual market through the Exchange. The Exchange has considered its anticipated operating expenses and expected enrollment, and has determined this amount sufficient to support ongoing operations and fiscal stability.

Based on anticipated increases in enrollment and other factors, for plan year 2025 and succeeding plan years, until otherwise ordered by the Commission, the Health Benefit Exchange Division proposes the assessment of a user fee in the amount of 2.5% of a carrier's total monthly premium from effectuated enrollment in qualified health plans and qualified dental plans sold in the individual market through the Exchange.

UPON CONSIDERATION thereof, and upon the finding of the Commission that it is reasonable, necessary, and proper to do so under applicable laws,

IT IS ORDERED that:

1. For plan year 2024, which begins January 1, 2024, there is hereby ASSESSED upon all health and dental carriers operating on the Exchange, a 2.75% fee on each carrier's total monthly premium from effectuated enrollment in qualified health benefit plans and qualified dental plans sold in the Commonwealth of Virginia's individual market through the Health Benefit Exchange (the "Assessment Fee").
2. For plan year 2025, which begins on January 1, 2025, and continuing thereafter until otherwise ordered by the Commission, the Assessment Fee shall be 2.5%.
3. The assessment fees set forth in paragraphs 1 and 2 ("Assessment Fees") shall be paid monthly. The Health Benefit Exchange Division is instructed to provide further guidance to carriers regarding the calculation and payment of the Assessment Fees.
4. The Assessment Fees shall not be assessed on qualified health benefit plans or qualified dental plans sold in the small employer market or on plans sold off the Exchange.

Commissioner Patricia L. West participated in this matter.

BUREAU OF INSURANCE

CASE NO. INS-2021-00112
JULY 14, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
 STATE CORPORATION COMMISSION
 v.
 TRANSPORT INSURANCE COMPANY,
 Defendant

ORDER TO TAKE NOTICE

Section 38.2-1036 of the Code of Virginia provides that if the State Corporation Commission ("Commission") finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment exists. If the insurer fails to comply with the Commission's order within a period of 90 days, the Commission may suspend or revoke the license of the insurance company to transact the business of insurance in Virginia.

Transport Insurance Company ("Transport" or "Defendant") was initially licensed to transact the business of insurance in Virginia on December 22, 1976. Transport is a foreign insurance company domiciled in the state of Ohio.

By Impairment Order entered on September 17, 2021, the Commission ordered Transport to eliminate the impairment in its surplus, restore the same to at least \$3 million, and advise the Commission of the accomplishment by affidavit of Transport's president or other authorized officer within 90 days of the date of the entry of the Impairment Order.¹ As of the date of this Order, Transport has failed to eliminate the impairment in its surplus.

Accordingly, IT IS ORDERED that the Defendant, TAKE NOTICE that the Commission shall enter an order subsequent to August 1, 2023, suspending the license of the Defendant to transact new insurance business in the Commonwealth unless on or before August 1, 2023, the Defendant files a request for a hearing before the Commission with respect to the proposed suspension of the Defendant's license.

Commissioner Patricia L. West participated in this matter.

¹ *Commonwealth of Virginia ex rel. State Corp. Comm'n v. Transport Ins. Co.*, Case No. INS-2021-00112, 2021 S.C.C. Ann. Rept. 142, Impairment Order (Sept. 17, 2021).

CASE NO. INS-2021-00119
DECEMBER 21, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
 STATE CORPORATION COMMISSION
 v.
 ATLANTA LIFE INSURANCE COMPANY,
 Defendant

FINAL ORDER

Atlanta Life Insurance Company ("ALIC" or "Defendant"), a Georgia domiciled insurance company, is licensed to transact the business of insurance in the Commonwealth of Virginia ("Virginia").

By Impairment Order entered in this case on September 30, 2021, the State Corporation Commission ("Commission") ordered ALIC to eliminate the impairment in its surplus, restore the same to at least \$3 million, and advise the Commission of the accomplishment thereof by affidavit of ALIC's president or other authorized officer within 90 days of the date of the Impairment Order.¹ The Commission also ordered ALIC not to issue any new contracts or policies of insurance in Virginia while the impairment of ALIC's surplus exists and until further order of the Commission.²

By affidavit dated November 15, 2023, the Defendant advised the Commission of the elimination of its impairment in surplus.

In light of the foregoing, the Commission's Bureau of Insurance has recommended that the Impairment Order entered by the Commission be vacated and this case be closed.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Impairment Order entered by the Commission in this case should be vacated.

¹ *Commonwealth of Virginia ex rel. State Corp. Comm'n v. Atlanta Life Ins. Co.*, Case No. INS-2021-00119, 2021 S.C.C. Ann. Rept. 143, Impairment Order (Sept. 30, 2021).

² *Id.*

Accordingly, IT IS ORDERED THAT:

- (1) The Impairment Order entered by the Commission in this case is hereby VACATED.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2022-00132
JULY 10, 2023**

ANTHEM BLUE CROSS AND BLUE SHIELD
AND HEALTHKEEPERS, INC.,

Petitioners

v.

SCHUMACHER CLINICAL PARTNERS, WILDWOOD EMERGENCY GROUP, LLC, DR. LAURA HARVEY, and MAXIMUS, INC.,
Respondents

ORDER

On September 16, 2022, Anthem Blue Cross and Blue Shield and HealthKeepers, Inc. (collectively, "Petitioner"), filed with the State Corporation Commission ("Commission") a Petition for Appeal ("Petition") pursuant to 5 VAC 5-20-100 B of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et. seq.*; § 38.2-3445.02 of the Code of Virginia ("Code"); and 14 VAC 5-405-40 H of the Commission's Rules Governing Balance Billing for Out-of-Network Health Care Services, 14 VAC 5-405-10 *et seq.* ("Balance Billing Rules"). The Petition appealed a balance billing arbitration ("Arbitration") decision in favor of Schumacher Clinical Partners, Wildwood Emergency Group, LLC and Dr. Laura Harvey (collectively the "Provider Respondents") following a dispute regarding the appropriate reimbursement amount owed by the Petitioner for the provision of medical services by the Provider Respondents.

Specifically, the Petitioner alleged that Maximus, Inc. ("Maximus"), an arbitrator authorized pursuant to § 38.2-3445.02 C of the Code, conducted the Arbitration contrary to the provisions of § 38.2-3445.02 of the Code and the Balance Billing Rules, and in such a way as to materially prejudice the Petitioner's rights.¹

On October 7, 2022, the Commission issued a Scheduling Order, in which, among other things, the Commission assigned this matter to a Hearing Examiner and established deadlines for certain pre-hearing filings.²

On November 18, 2022, the Provider Respondents filed their Response to Petition for Appeal and Statement of Additional Responses.³

On December 2, 2022, the Petitioner filed a Reply Brief.⁴

After a December 9, 2022 status conference, the Chief Hearing Examiner, Alexander F. Skirpan, Jr., issued a ruling on December 21, 2022, adopting an agreed-upon schedule for the parties and the Bureau of Insurance ("Bureau") to file anticipated exhibits and testimony in advance of the scheduled hearing on March 24, 2023 ("Hearing"). The parties and the Bureau submitted their respective filings in accordance with this schedule.

On December 15, 2022, Fair Health, Inc. ("Fair Health") filed comments in this matter.⁵ The Petitioner objected to the submission by Fair Health, asserting that Fair Health was not a party and the Commission's Scheduling Order did not provide for public comments.

The Chief Hearing Examiner convened the Hearing in the Commission's courtroom. Sarah E. Siu, Esquire, of Troutman Pepper Hamilton Sanders LLP, appeared on behalf of the Petitioner. Sara E. Bugbee, Esquire, of Hancock Daniel & Johnson, P.C., and Phillip Rakhunov, Esquire, of Pollack Solomon Duffy LLP, appeared on behalf of the Provider Respondents.

After considering the evidence and arguments presented on the record both before and during the Hearing and reviewing the applicable laws, the Chief Hearing Examiner issued a Report on April 20, 2023 ("Report").⁶ The Report contained the Chief Hearing Examiner's comprehensive analysis of the record as well as the Chief Hearing Examiner's findings and recommendations for the Commission.

¹ See Petition, Doc. Con. Cen. No. 220920051.

² Doc. Con. Cen. No. 221020002.

³ Doc. Con. Cen. No. 221130008.

⁴ Doc. Con. Cen. No. 221210104.

⁵ Doc. Con. Cen. No. 221220176.

⁶ Doc. Con. Cen. No. 230430163. As part of the Report, the Chief Hearing Examiner gave no consideration to the comments previously filed by Fair Health.

Specifically, for the reasons stated therein, the Chief Hearing Examiner recommended that the Commission deny the Petition and affirm Maximus' Arbitration decision. The Chief Hearing Examiner allowed the parties and the Bureau to submit any comments to his Report on or before May 11, 2023. The Petitioner filed comments to the Report, disagreeing with its findings and recommendations, and asking the Commission to issue a final order reversing Maximus' decision in the Arbitration.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. This case and its companion case, Case No. INS-2022-00134, are cases of first impression for the Commission under new applicable law. While we agree with the analysis and recommendations of the Chief Hearing Examiner, we decline to adopt a standard of review based on precedent established under the Virginia Uniform Arbitration Act.⁸ The statute, Code § 38.2-3445.02, speaks for itself. Pursuant to Code § 38.2-3445.02 J:

The Commission shall establish an appeals process for a party to appeal to the Commission an arbitrator's decision on the grounds that (i) the decision was substantially influenced by corruption, fraud, or other undue means; (ii) there was evident partiality, corruption, or misconduct prejudicing the rights of any party; (iii) the arbitrator exceeded his powers; or (iv) the arbitrator conducted the proceeding contrary to the provisions of this section and Commission regulations, in such a way as to materially prejudice the rights of the party.

Pursuant to the following subsection, Code § 38.2-3445.02 K:

The provisions of the Uniform Arbitration Act, Article 2 (§ 8.01-581.01 et seq.) of Chapter 21 of Title 8.01, shall not apply to arbitration proceedings initiated pursuant to this section.

In this case, the Petitioner alleges a reversal is appropriate under subsection (iv). Given the appellate nature of this proceeding, we find that it is reasonable and appropriate to review these cases under a strict standard of review, applying the plain terms of Code § 38.2-3445.02 J. However, we decline to base this standard of review on precedent established under the Uniform Arbitration Act, given the express statement in Code § 38.2-3445.02 K that the Uniform Arbitration Act shall not apply to these cases.

While we distinguish the basis of our standard of review from that in the Chief Hearing Examiner's Report, we adopt the Chief Hearing Examiner's Report in all other respects. We find that his remaining findings should be adopted, the Petition should be denied, and this case should be dismissed.

Accordingly, IT IS ORDERED THAT:

- (1) The findings in the Chief Hearing Examiner's Report are **ADOPTED** as noted herein.
- (2) The Petition is **DENIED**, and Maximus' Arbitration decision is affirmed.
- (3) This case is **DISMISSED** from the Commission's docket of active cases.

Commissioner Patricia L. West participated in this matter.

⁷ Doc. Con. Cen. No. 230530179.

⁸ See Report at 25.

**CASE NO. INS-2022-00134
JULY 10, 2023**

ANTHEM BLUE CROSS AND BLUE SHIELD
AND HEALTHKEEPERS, INC.,
Petitioners

v.

SCHUMACHER CLINICAL PARTNERS, INGLESIDE EMERGENCY GROUP, LLC, DR . KHALED SAID, and MAXIMUS, INC.,
Respondents

ORDER

On September 20, 2022, Anthem Blue Cross and Blue Shield and HealthKeepers, Inc. (collectively, "Petitioner"), filed with the State Corporation Commission ("Commission") a Petition for Appeal ("Petition") pursuant to 5 VAC 5-20-100 B of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et. seq.*; § 38.2-3445.02 of the Code of Virginia ("Code"); and 14 VAC 5-405-40 H of the Commission's Rules Governing Balance Billing for Out-of-Network Health Care Services, 14 VAC 5-405-10 *et. seq.* ("Balance Billing Rules"). The Petition appealed a balance billing arbitration ("Arbitration") decision in favor of Schumacher Clinical Partners, Ingleside Emergency Group, LLC and Dr. Khaled Said (collectively the "Provider Respondents") following a dispute regarding the appropriate reimbursement amount owed by the Petitioner for the provision of medical services by the Provider Respondents.

Specifically, the Petitioner alleged that Maximus, Inc. ("Maximus"), an arbitrator authorized pursuant to § 38.2-3445.02 C of the Code, conducted the Arbitration contrary to the provisions of § 38.2-3445.02 of the Code and the Balance Billing Rules, and in such a way as to materially prejudice the Petitioner's rights.¹

On October 7, 2022, the Commission issued a Scheduling Order, in which, among other things, the Commission assigned this matter to a Hearing Examiner and established deadlines for certain pre-hearing filings.²

On November 18, 2022, the Provider Respondents filed their Response to Petition for Appeal and Statement of Additional Responses.³

On December 2, 2022, the Petitioner filed a Reply Brief.⁴

After a December 9, 2022 status conference, the Chief Hearing Examiner, Alexander F. Skirpan, Jr., issued a ruling on December 21, 2022, adopting an agreed-upon schedule for the parties and the Bureau of Insurance ("Bureau") to file anticipated exhibits and testimony in advance of the scheduled hearing on March 24, 2023 ("Hearing"). The parties and the Bureau submitted their respective filings in accordance with this schedule.

On December 15, 2022, Fair Health, Inc. ("Fair Health") filed comments in this matter.⁵ The Petitioner objected to the submission by Fair Health, asserting that Fair Health was not a party and the Commission's Scheduling Order did not provide for public comments.

The Chief Hearing Examiner convened the Hearing, in the Commission's courtroom. Sarah E. Siu, Esquire, of Troutman Pepper Hamilton Sanders LLP, appeared on behalf of the Petitioner. Sara E. Bugbee, Esquire, of Hancock Daniel & Johnson, P.C., and Phillip Rakhunov, Esquire, of Pollack Solomon Duffy LLP, appeared on behalf of the Provider Respondents.

After considering the evidence and arguments presented on the record both before and during the Hearing and reviewing the applicable laws, the Chief Hearing Examiner issued a Report on April 20, 2023 ("Report").⁶ The Report contained the Chief Hearing Examiner's comprehensive analysis of the record as well as the Chief Hearing Examiner's findings and recommendations for the Commission. Specifically, for the reasons stated therein, the Chief Hearing Examiner recommended that the Commission deny the Petition and affirm Maximus' Arbitration decision. The Chief Hearing Examiner allowed the parties and the Bureau to submit any comments to his Report on or before May 11, 2023. The Petitioner filed comments to the Report, disagreeing with its findings and recommendations, and asking the Commission to issue a final order reversing Maximus' decision in the Arbitration.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. This case and its companion case, Case No. INS-2022-00132, are cases of first impression for the Commission under new applicable law. While we agree with the analysis and recommendations of the Chief Hearing Examiner, we decline to adopt a standard of review based on precedent established under the Virginia Uniform Arbitration Act.⁸ The statute, Code § 38.2-3445.02, speaks for itself. Pursuant to Code § 38.2-3445.02 J:

The Commission shall establish an appeals process for a party to appeal to the Commission an arbitrator's decision on the grounds that (i) the decision was substantially influenced by corruption, fraud, or other undue means; (ii) there was evident partiality, corruption, or misconduct prejudicing the rights of any party; (iii) the arbitrator exceeded his powers; or (iv) the arbitrator conducted the proceeding contrary to the provisions of this section and Commission regulations, in such a way as to materially prejudice the rights of the party.

Pursuant to the following subsection, Code § 38.2-3445.02 K:

The provisions of the Uniform Arbitration Act, Article 2 (§ 8.01-581.01 et seq.) of Chapter 21 of Title 8.01, shall not apply to arbitration proceedings initiated pursuant to this section.

In this case, the Petitioner alleges a reversal is appropriate under subsection (iv). Given the appellate nature of this proceeding, we find that it is reasonable and appropriate to review these cases under a strict standard of review, applying the plain terms of Code § 38.2-3445.02 J. However, we decline to base this standard of review on precedent established under the Uniform Arbitration Act, given the express statement in Code 38.2-3445.02 K that the Uniform Arbitration Act shall not apply to these cases.

¹ See Petition, Doc. Con. Cen. No. 220920125.

² Doc. Con. Cen. No. 221020020.

³ Doc. Con. Cen. No. 221130007.

⁴ Doc. Con. Cen. No. 221210105.

⁵ Doc. Con. Cen. No. 221220177.

⁶ Doc. Con. Cen. No. 230430164. As part of the Report, the Chief Hearing Examiner gave no consideration to the comments previously filed by Fair Health.

⁷ Doc. Con. Cen. No. 230530180.

⁸ See, e.g., Report at 25.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

While we distinguish the basis of our standard of review from that in the Chief Hearing Examiner's Report, we adopt the Chief Hearing Examiner's Report in all other respects. We find that his remaining findings should be adopted, the Petition should be denied, and this case should be dismissed.

Accordingly, IT IS ORDERED THAT:

- (1) The findings in the Chief Hearing Examiner's Report are **ADOPTED** as noted herein.
- (2) The Petition is **DENIED**, and Maximus' Arbitration decision is affirmed.
- (3) This case is **DISMISSED** from the Commission's docket of active cases.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00135
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
PATRICIA JOHNSON GOINS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Patricia Johnson Goins ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making or causing or allowing to be made false or fraudulent statements or representations on or relative to a document relating to the business of insurance for the purpose of obtaining a benefit from an insurer; and § 38.2-1813 A of the Code by failing in the ordinary course of business to pay funds to the insurer entitled to the payment.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated August 15, 2022, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's August 15, 2022, letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-512 A of the Code by making or causing or allowing to be made false or fraudulent statements or representations on or relative to a document relating to the business of insurance for the purpose of obtaining a benefit from an insurer; and § 38.2-1813 A of the Code by failing in the ordinary course of business to pay funds to the insurer entitled to the payment.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby **REVOKED**.
- (2) All appointments issued under said license are hereby **VOID**.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00137
JANUARY 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

PGP TITLE OF FLORIDA, INC.,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that PGP Title of Florida, Inc. ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), in certain instances violated § 55.1-903 of the Code of Virginia ("Code") by failing to disburse settlement proceeds within two business days of settlement; and § 55.1-1008 B 2 of the Code by failing to disburse settlement funds pursuant to a written agreement when the Defendant disbursed funds to a party not listed on the settlement statement.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 55.1-1015 of the Code to impose certain monetary penalties, issue cease and desist orders, and revoke or suspend a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has tendered to Virginia the sum of Seven Thousand Five Hundred Dollars (\$7,500), and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00144
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

KEANNA ADAMS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Keanna Adams ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Louisiana on July 20, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated November 7, 2022 that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's November 7, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00149
JANUARY 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
DAVID WAYNE SCHNEIDER,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that David Wayne Schneider ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making false representations on or relative to documents relating to the business of insurance for the purpose of obtaining a benefit from an insurer, agent, or individual; and § 12.1-33 of the Code by failing or refusing to obey an order of the Commission when the Defendant failed to comply with, and violated the terms of a Commission Order in case number, INS-2002-00135.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of his right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has tendered to Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500); has agreed to be permanently enjoined from engaging in the business of insurance in Virginia; and has waived his right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) The Defendant is permanently enjoined from engaging in the business of insurance in the Commonwealth of Virginia.
- (3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00180
FEBRUARY 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

NATIONAL TRUST INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that National Trust Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in a certain instance violated § 38.2-317 C of the Code of Virginia ("Code") by delivering, issuing for delivery, or using a policy form or endorsement in the Commonwealth that was not approved in writing by the Commission as conforming to the requirements of Title 38.2 of the Code and not inconsistent with law.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in company correspondence dated July 20, 2022, and August 1, 2022; has tendered to the Treasurer of Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00183
JANUARY 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CIGNA DENTAL HEALTH OF VIRGINIA, INC.,
Defendant

SETTLEMENT ORDER

Based on a target market analysis inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Cigna Dental Health of Virginia, Inc. ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated §§ 38.2-316 A, 38.2-316 B and 38.2-316 C 1 of the Code of Virginia ("Code") by failing to use insurance policies or forms on file and approved by the Commission.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter. The Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant confirms that it has complied with the corrective action plan outlined in the Bureau's letter dated July 20, 2021; has tendered to the Treasurer of Virginia the sum of Forty-eight Thousand Dollars (\$48,000); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00184
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

HONEY BROWN INSURANCE, LLC, *et al.*
Defendants

ORDER REVOKING LICENSE

Based on a review of the records of the Bureau of Insurance ("Bureau"), it is alleged that the Defendants, whose names are set forth in Attachment A, which is attached hereto and made a part hereof, each of which is duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance as an insurance agency in the Commonwealth of Virginia ("Virginia"), have violated § 38.2-1820 B 2 of the Code of Virginia ("Code") by failing to designate an employee, officer, director, manager, member, or partner to serve as the licensed producer responsible for compliance with the insurance laws, rules, and regulations of Virginia; and § 38.2-1826 E of the Code by failing to report within thirty (30) calendar days to the Commission the removal, for any reason, of the designated licensed producer responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia, along with the name of the new designated licensed producer.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendants have been notified of the right to a hearing before the Commission in this matter by letter dated November 7, 2022, that was mailed and e-mailed to the Defendants' addresses shown in the records of the Bureau.

The Defendants, having been advised in the above manner of the right to a hearing in this matter, have each failed to request a hearing, and have not otherwise communicated with the Bureau.

The Bureau, upon the Defendants' failure to request a hearing, has recommended that the Commission enter an order revoking the Defendants' licenses to transact business as insurance agencies in Virginia.

NOW THE COMMISSION is of the opinion and finds that the Defendants each have violated § 38.2-1820 B 2 of the Code by failing to designate an employee, officer, director, manager, member, or partner to serve as the licensed producer responsible for compliance with the insurance laws, rules, and regulations of Virginia; and § 38.2-1826 E of the Code by failing to report within thirty (30) calendar days to the Commission the removal, for any reason, of the designated licensed producer responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia, along with the name of the new designated licensed producer.

The Commission also finds that each Defendant should be allowed the opportunity to reapply and obtain its license immediately, provided the Defendant includes the name of the designated licensed producer on the application. Furthermore, the Commission shall vacate the Order Revoking License as to any Defendant who reapplies and provides the required information within 20 days of the date of entry of this Order.

Accordingly, IT IS ORDERED THAT:

- (1) The licenses of the Defendants to transact business as insurance agencies in Virginia are hereby REVOKED.
- (2) All appointments issued under said licenses are hereby VOID.
- (3) The Defendants shall transact no further business in Virginia as insurance agencies.
- (4) The Commission shall vacate this Order as to any Defendant that elects to reapply and provides the required information on the application within 20 days of the date of entry of this Order.
- (5) The Bureau shall provide each Defendant with a copy of this Order and notify every insurance company for which the Defendants hold appointments to act as insurance agencies.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

ATTACHMENT A

FEIN	NAME	ADDRESS	ADDRESS	E-MAIL ADDRESS
86-1586362	HONEY BROWN INSURANCE, LLC	3613 FAIRFAX DR.	HAMPTON, VA 23661	BROWN.HRAGENCY@GMAIL.COM
46-1243746	PORTER, BENNETT & FRIEDL INS. GROUP, INC.	101 E. PASADENA RD	PASADENA, MD 21122	CINDABENNETT1@ALLSTATE.COM
54-0933263	SHENANDOAH TOURS, INC.	2225 N. AUGUSTA ST.	STAUNTON, VA 24401-2520	SHENANDOAHTOURS@COMCAST.NET
83-0726259	THOMPSON RISK, LLC	2590 NORTHBROOKE PLAZA DR., SUITE 205	NAPLES, FL 34119	ALISON@INSCOMPLY.COM

**CASE NO. INS-2022-00190
MARCH 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of amending Rules Governing Multiple Employer Welfare Arrangements and Adopting Rules Governing Self-Funded Multiple Employer Welfare Arrangements

ORDER AMENDING AND ADOPTING REGULATIONS

On December 28, 2022, the State Corporation Commission ("Commission") entered an Order to Take Notice of the Bureau of Insurance ("Bureau")'s proposal to: (1) amend rules set forth in Chapter 410 of the Virginia Administrative Code, 14 VAC 5-410-10 *et seq.*, entitled "Rules Governing Multiple Employer Welfare Arrangements" ("Chapter 410"); and (2) adopt new Chapter 415 of the Virginia Administrative Code, 14 VAC 5-415-10 *et seq.*, entitled "Rules Governing Self-Funded Multiple Employer Welfare Arrangements" ("Chapter 415") (together, "Rules").

The Bureau has recommended the amendment of Chapter 410 and the adoption of Chapter 415 to effectuate amendments to Chapter 34 of Title 38.2 of the Code of Virginia ("Code") providing for the licensure of self-funded Multiple Employer Welfare Arrangements ("MEWAs") by the Commission.¹ The proposed amendments to Chapter 410 limit that chapter to apply only to fully insured MEWAs.² Newly proposed Chapter 415 establishes the requirements for licensure as a self-funded MEWA, and "address[es] the self-funded MEWA's financial condition, solvency requirements, and insolvency plan and its exclusion, pursuant to § 59.1-592, from the Virginia Life, Accident and Sickness Insurance Guaranty Association established under Chapter 17 (§ 38.2-1700 *et seq.*)".³

The Order to Take Notice, proposed amendments to Chapter 410 and proposed new Chapter 415 were posted on the Commission's website; sent to all carriers licensed in Virginia to write accident and sickness insurance and to all interested persons on January 9, 2023; sent to the Office of the Virginia Attorney General's Division of Consumer Counsel ("Consumer Counsel"); and published in the *Virginia Register of Regulations* on January 30, 2023. Licensees, Consumer Counsel, and other interested parties were afforded the opportunity to file written comments and/or request a hearing on or before March 1, 2023.

The Bureau received one set of comments to the proposed amendments to Chapter 410 and adoption of Chapter 415, which was filed by the Virginia Bankers Association Benefits Corporation ("VBA Benefits Corporation"). Specifically, the VBA Benefits Corporation requested that Chapter 410 and Chapter 415 include an exemption applicable to trusts that comply with and are established pursuant to § 6.2-952 of the Code. In support of its request, the VBA Benefits Corporation asserts that Code §§ 6.2-953 A and B specifically exempt trusts established under Code § 6.2-952, and their sponsoring association and subsidiaries, from the provisions of Title 38.2 of the Code and regulations adopted thereunder.

The Bureau considered the VBA Benefits Corporation's filed comments and responded to such comments in its Response to Comments ("Response"), filed with the Clerk of the Commission on March 10, 2023. In its Response, the Bureau recommended including the VBA Benefits Corporation's proposed clarification in Chapter 410 and Chapter 415. The Bureau also proposed an additional clarification to align 14 VAC 5-410-20 C with 14 VAC 5-415-10 B.

As part of its comments, the VBA Benefits Corporation requested a hearing should the Commission not accept its proposed clarification. The Bureau has taken the position that acceptance of the proposed clarification to Chapter 410 and Chapter 415 resolves any issue raised by the comments and no hearing should be needed.

¹ See 2022 Va. Acts Chs. 404 and 405.

² As part of its proposed amendments to Chapter 410 and to reflect this limitation, the Bureau suggests changing the title of that chapter to "Rules Governing Fully Insured Multiple Employer Welfare Arrangements." (Emphasis added).

³ See § 38.2-3420 B 4 of the Code.

NOW THE COMMISSION, having considered the Bureau's proposal to amend and adopt Rules, the comments filed by VBA Benefits Corporation, and the Bureau's Response, concludes that: (1) a hearing to consider the proposal to amend Chapter 410 and adopt Chapter 415 is not necessary; and (2) Chapter 410 should be amended and Chapter 415 should be adopted by the Commission, as modified and attached hereto, effective May 1, 2023.

Accordingly, IT IS ORDERED THAT:

(1) The amendments to "Rules Governing Multiple Employer Welfare Arrangements," 14 VAC 5-410-10 *et seq.* of the Virginia Administrative Code, which are attached hereto and made a part hereof, are hereby ADOPTED effective May 1, 2023.

(2) The "Rules Governing Self-Funded Multiple Employer Welfare Arrangements," 14 VAC 5-415-10 *et seq.* of the Virginia Administrative Code, which are attached hereto and made a part hereof, are hereby ADOPTED effective May 1, 2023.

(3) The Bureau shall provide notice of the amendments to Chapter 410 and the adoption of Chapter 415 to all carriers licensed in Virginia to write accident and sickness insurance and to all persons known to the Bureau to have an interest in accident and sickness insurance.

(4) The Commission's Office of General Counsel shall cause a copy of this Order and the attached Rules to be forwarded to the Virginia Registrar of Regulations for appropriate publication in the *Virginia Register of Regulations*.

(5) The Commission's Division of Information Resources shall make available this Order and the attached Rules on the Commission's website: scc.virginia.gov/pages/Case-Information.

(6) The Bureau shall file with the Clerk of the Commission a certificate of compliance with the notice requirements of Ordering Paragraph (3) above on or before May 1, 2023.

(7) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the attachment entitled " Rules Governing Multiple Employer Welfare Arrangements " is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. INS-2022-00192
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

TIERRIAN LEMON,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Tierrian Lemon ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Kansas April 1, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on March 17, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 17, 2022 that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's October 17, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00194
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

MICHAEL C. SAMPSON,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Michael C. Sampson ("Sampson" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in Florida on November 15, 2021 and in North Carolina on July 15, 2022; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on September 16, 2021; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

Sampson is a New Jersey resident licensed with the following line of authority: Health.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective December 2, 2022; and has agreed not to make any application to transact the business of insurance in Virginia for a period of one (1) year from December 2, 2022.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00195
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
NATHANAEL R. GARDNER,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Nathanael R. Gardner ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in Illinois on August 24, 2022 and in Oklahoma on August 10, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 8, 2022, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 8, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00196
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
BRIAN GABO LALUSIN,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Brian Gabo Lalusin ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in North Carolina on January 27, 2022 and in Illinois on May 25, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 8, 2022, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 8, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
 - (2) All appointments issued under said license are hereby VOID.
 - (3) The Defendant shall transact no further business in Virginia as an insurance agent.
 - (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
 - (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
 - (6) This case is dismissed.
- Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2022-00197
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
RUBEN A. MENDOZA BRIZUELA,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Ruben A. Mendoza Brizuela ("Mendoza Brizuela" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making fraudulent statements on insurance applications for the purpose of obtaining a commission when the Defendant submitted numerous applications to insurers that contained fraudulent information; and § 38.2-1831 (10) of the Code by using dishonest practices in the conduct of business in this Commonwealth.

Mendoza Brizuela is a Virginia resident licensed with the following lines of authority: Life & Annuities and Health.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective December 8, 2022; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from December 8, 2022.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00002
MARCH 1, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

MID-CENTURY INSURANCE COMPANY, and TRUCK INSURANCE EXCHANGE,
Defendants

SETTLEMENT ORDER

Based on a market conduct inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Mid-Century Insurance Company and Truck Insurance Exchange (collectively, the "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated 14 VAC 5-400-70 D of the Commission's Rules Governing Unfair Claim Settlement Practices, 14 VAC 5-400-10 *et seq.* of the Virginia Administrative Code by failing to offer to a first party claimant an amount that is fair and reasonable as shown by the investigation of the claim.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting or denying any violation of Virginia law, have made an offer of settlement to the Commission. Through their settlement offer, the Defendants have agreed to comply with the corrective action plan outlined in company correspondence dated October 27, 2021, November 29, 2021, and February 3, 2022; have confirmed restitution was made to 133 consumers in the amount of Thirty-Six Thousand Four Hundred Ninety-Seven Dollars and Sixty Cents (\$36,497.60); and have waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendants' settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendants' settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

1. The Defendants' settlement offer is hereby accepted.
2. This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00003
APRIL 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

GLEN MICHAEL BRIDGES,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Glen Michael Bridges ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Florida on January 5, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on July 2, 2021.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 5, 2022, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00005
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
VERONICA L. CALLOWAY,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Veronica L. Calloway ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Louisiana on June 29, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on April 19, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 8, 2022, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 8, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed. Commissioner Patricia L. West participated in this matter.

CASE NO. INS-2023-00006
APRIL 24, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
WILLIAM HAJDU,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that William Hajdu ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Indiana on May 17, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on March 2, 2019.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 5, 2022 that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed. Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00007
APRIL 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

SARA HEMPEL,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Sara Hempel ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Florida on February 2, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on January 18, 2019.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 5, 2022, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00008
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

TRISH HONAKER,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Trish Honaker ("Honaker" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making fraudulent representations relative to a document or communication relating to the business of insurance for the purpose of obtaining a benefit from an insurer; and § 38.2-1813 A of the Code by failing, in the in the ordinary course of business, to pay premium funds to the insurer entitled to the payment.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Honaker is a Virginia resident licensed with the following lines of authority: Life & Annuities, Health, and Property & Casualty.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective January 24, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from January 24, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00009
JULY 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
JORDAN LOBO,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Jordan Lobo ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in California on January 5, 2022; and § 38.2 1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on October 6, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 5, 2022, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022, letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.

- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00010
APRIL 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
MALLORIE SANCHEZ,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Mallorie Sanchez ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (10) of the Code of Virginia ("Code") by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth or elsewhere.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letters dated December 5, 2022 and December 27, 2022 that were mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022 and December 27, 2022 letters.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (10) of the Code by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth or elsewhere.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00011
APRIL 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
L. VICTOR TAYLOR,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that L. Victor Taylor ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in New York on May 12, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, or untrue information in the license application filed with the Commission on September 10, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated December 5, 2022, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's December 5, 2022 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00013
AUGUST 22, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
PIEDMONT COMMUNITY HEALTHCARE HMO, INC., and PIEDMONT COMMUNITY HEALTHCARE, INC.,
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Piedmont Community Healthcare HMO, Inc. and Piedmont Community Healthcare, Inc. (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia and having established Managed Care Health Insurance Plans, in one instance each violated § 38.2-5802 D of the Code of Virginia ("Code") by failing to receive approval of a material change from the Bureau prior to the effective date of the material change.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040, and 38.2-4316 of the Code to impose certain monetary penalties and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting or denying any violation of Virginia law, have made an offer of settlement to the Commission. Through their settlement offer, the Defendants have tendered to the Treasurer of Virginia the total collective sum of Five Thousand Dollars (\$5,000) and have each waived the right to a hearing. The Defendants have also since filed the requisite Material Change filings.

The Bureau has recommended that the Commission accept the Defendants' settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendants' settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendants' settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00014
APRIL 28, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
ROOT INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct examination conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Root Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated: § 38.2-305 A of the Code of Virginia ("Code") by failing to specify the required information in the insurance policy; § 38.2-502 (1) of the Code by misrepresenting the benefits, advantages, conditions, or terms of an insurance policy; § 38.2-510 A 1 of the Code by misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue; § 38.2-510 A 10 of the Code by making claims payments to insureds or beneficiaries that were not accompanied by a statement setting forth the coverage under which payments were being made, with such frequency as to indicate a general business practice; §§ 38.2-604 B and 38.2-604.1 B of the Code by failing to include all the required information in the notices; § 38.2-610 A of the Code by failing to provide the applicant, policyholder, or individual proposed for coverage with the required written notice; § 38.2-1318 C of the Code by failing to provide convenient access to files, documents, and records to Commission personnel during an examination; § 38.2-1905 A of the Code by failing to provide the required notice; § 38.2-1906 A of the Code by failing to file with the Commission all rates and supplementary rate information for use in Virginia on or before the date they become effective; § 38.2-1906 D of the Code by making or issuing insurance contracts or policies that were not in accordance with the rate and supplementary rate information filings that are in effect for the insurer; § 38.2-2206 A of the Code by failing to issue insurance policies with uninsured motorist limits equal to the limits of liability insurance provided by the policy, unless any one named insured rejected the additional uninsured motorist insurance coverage; § 38.2-2208 A of the Code by failing to obtain and retain valid proof of mailing the cancellation or nonrenewal notice; § 38.2-2210 A of the Code by failing to provide the requisite warning concerning cancellation statement on or attached to the application; § 38.2-2212 E of the Code by failing to cancel insurance policies properly; § 38.2-2220 of the Code by failing to use the precise language of standard automobile forms filed and adopted by the Commission; § 38.2-2230 of the Code by failing to offer in writing to the named insured the option of purchasing rental reimbursement coverage; § 38.2-2234 A 1 of the Code by failing to include all required information in the disclosure; § 38.2-2234 A 2 of the Code by failing to provide the required notice; as well as 14 VAC 5-400-40 A of the Commission's Rules Governing Unfair Claim Settlement Practices, 14 VAC 5-400-10 *et seq.* of the Virginia Administrative Code by failing to fully disclose to a first party claimant all pertinent coverages of an insurance policy under which a claim is presented, with such frequency as to indicate a general business practice; and 14 VAC 5-400-70 D by failing to offer to a first party claimant a fair and reasonable amount as shown by the investigation of the claim, with such frequency as to indicate a general business practice.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in company correspondence dated March 18, 2022, June 17, 2022, September 20, 2022, November 23, 2022, December 7, 2022, January 13, 2023, and January 27, 2023; has confirmed that restitution was made to 56 consumers in the total amount of Ten Thousand Seven Hundred Ninety Eight Dollars and Eleven Cents (\$10,798.11); has tendered to the Treasurer of Virginia the amount of Seventy Nine Thousand Two Hundred Dollars (\$79,200); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00018
JULY 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ACUITY, A MUTUAL INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Acuity, A Mutual Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-1906 D of the Code of Virginia ("Code") by making or issuing insurance contracts or policies that were not in accordance with the rate and supplementary rate information filings that are in effect for the insurer.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in company correspondence dated June 19, 2023; has tendered to the Treasurer of Virginia the amount of Five Thousand Dollars (\$5,000); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00020
MAY 5, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ANNA KLINE,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Anna Kline, also known as Jordana Weber, ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (1) of the Code of Virginia ("Code") by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on February 16, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated February 6, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's February 6, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00024
MAY 15, 2023**

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION
v.
GOHEALTH, LLC,
Defendant

ORDER GRANTING RECONSIDERATION

On April 28, 2023, the Virginia State Corporation Commission ("Commission") issued an Order Revoking License in this matter. On May 3, 2023, GoHealth, LLC ("Go Health") filed a Petition to Reconsider ("Petition for Reconsideration").

NOW THE COMMISSION, upon consideration of this matter, and pursuant to 5 VAC 5-20-220 of the Commission's Rules of Practice and Procedure, 5 VAC-5-20-10 *et seq.*, grants reconsideration at this time solely for the purpose of continuing jurisdiction over this matter and to consider the Petition for Reconsideration. The Order Revoking License is hereby suspended pending the Commission's reconsideration.

Accordingly, IT IS ORDERED THAT:

- (1) Reconsideration is granted at this time solely for the purpose of continuing jurisdiction over this matter and to consider the Petition for Reconsideration.
- (2) Pending the Commission's consideration of the Petition for Reconsideration, the Order Revoking License is suspended.
- (3) This matter is continued generally.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00024
APRIL 28, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
GOHEALTH, LLC,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that GoHealth, LLC ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making false or fraudulent statements or representations on or relative to an application or any document or communication relating to the business of insurance for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, premium finance company, or individual.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated January 23, 2023, that was mailed and electronically mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's January 23, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-512 A of the Code by making false or fraudulent statements or representations on or relative to an application or any document or communication relating to the business of insurance for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, premium finance company, or individual.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00025
APRIL 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
JOSEPH REYNOSO,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Joseph Reynoso ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Florida on March 14, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on July 13, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated January 23, 2023, that was mailed and electronically mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's January 23, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction, and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00026
APRIL 24, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ELLYSIA WILLIAMS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Ellysia Williams ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Kansas on June 24, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on April 19, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated January 23, 2023, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's January 23, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction, and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
 - (2) All appointments issued under said license are hereby VOID.
 - (3) The Defendant shall transact no further business in Virginia as an insurance agent.
 - (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
 - (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
 - (6) This case is dismissed.
- Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00028
APRIL 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
CRYSTAL ALLEN,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Crystal Allen ("Allen" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 B of the Code of Virginia ("Code") by affixing or causing or allowing to be affixed the signature of any other person to a document pertaining to the business of insurance without the written authorization of the person whose signature appears on such document; and § 38.2-1831 (10) of the Code by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth or elsewhere, or demonstrating financial irresponsibility in the handling of applicant, policyholder, agency, or insurance company funds.

Allen is a Virginia resident licensed with the following line of authority: Health.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective March 14, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from March 14, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00029
APRIL 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

TSIGE PAULO,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Tsigé Paulo ("Paulo" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making fraudulent representations on or relative to a communication relating to the business of insurance for the purpose of obtaining a benefit from an insurer.

Paulo is a Virginia resident licensed with the following lines of authority: Life & Annuities, Health, Property & Casualty, and Variable Contracts.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective March 16, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from March 16, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00030
JULY 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

IRMA ESTELA RODRIGUEZ,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Irma Estela Rodriguez ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (1) of the Code of Virginia ("Code") by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on October 26, 2020.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated February 6, 2023, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's February 6, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application or any other document filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00031
APRIL 7, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ANNUITY FINANCIAL & INSURANCE SERVICES, INC., *et al.*
Defendants

ORDER REVOKING LICENSE

Based on a review of the records of the Bureau of Insurance ("Bureau"), it is alleged that the Defendants, whose names are set forth in Attachment A, which is attached hereto and made a part hereof, each of which is duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance as an insurance agency in the Commonwealth of Virginia ("Virginia"), have violated § 38.2-1820 B 2 of the Code of Virginia ("Code") by failing to designate an employee, officer, director, manager, member, or partner to serve as the licensed producer responsible for compliance with the insurance laws, rules, and regulations of Virginia; and § 38.2-1826 E of the Code by failing to report within thirty (30) calendar days to the Commission the removal, for any reason, of the designated licensed producer responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia, along with the name of the new designated licensed producer.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendants have been notified of the right to a hearing before the Commission in this matter by letter dated January 19, 2023, that was mailed and e-mailed to the Defendants' addresses shown in the records of the Bureau.

The Defendants, having been advised in the above manner of the right to a hearing in this matter, have each failed to request a hearing, and have not otherwise communicated with the Bureau.

The Bureau, upon the Defendants' failure to request a hearing, has recommended that the Commission enter an order revoking the Defendants' licenses to transact business as insurance agencies in Virginia.

NOW THE COMMISSION is of the opinion and finds that the Defendants each have violated § 38.2-1820 B 2 of the Code by failing to designate an employee, officer, director, manager, member, or partner to serve as the licensed producer responsible for compliance with the insurance laws, rules, and regulations of Virginia; and § 38.2-1826 E of the Code by failing to report within thirty (30) calendar days to the Commission the removal, for any reason, of the designated licensed producer responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia, along with the name of the new designated licensed producer.

The Commission also finds that each Defendant should be allowed the opportunity to reapply and obtain its license immediately, provided the Defendant includes the name of the designated licensed producer on the application. Furthermore, the Commission shall vacate the Order Revoking License as to any Defendant who reapplies and provides the required information within 20 days of the date of entry of this Order.

Accordingly, IT IS ORDERED THAT:

- (1) The licenses of the Defendants to transact business as insurance agencies in Virginia are hereby REVOKED.
- (2) All appointments issued under said licenses are hereby VOID.
- (3) The Defendants shall transact no further business in Virginia as insurance agencies.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

(4) The Commission shall vacate this Order as to any Defendant that elects to reapply and provides the required information on the application within 20 days of the date of entry of this Order.

(5) The Bureau shall provide each Defendant with a copy of this Order and notify every insurance company for which the Defendants hold appointments to act as insurance agencies.

(6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

ATTACHMENT A
INS-2023-00031

FEIN #	NAME	EMAIL ADDRESS	ADDRESS1	ADDRESS3
95-4848668	ANNUITY FINANCIAL & INSURANCE SERVICES INC	tfoster@annuityadvisors.com	5805 SEPULVEDA BLVD STE 550	SHERMAN OAKS CA 91411
46-5032190	ASKINS FINANCIAL LLC	cody.askins@secureig.com	1245 E MONTCLAIR ST	SPRINGFIELD MO 65804-4255
54-1200485	AUTO WORLD OF BIG STONE GAP INC	autoworldoffice@aol.com	721 EAST FIFTH STREET N	BIG STONE GAP VA 24219
86-2315500	BLACK PEARL ALLIANCE	info@blackpearlalliance.com	2808 GEORGE WASHINGTON MEMORIAL HWY STE 103	YORKTOWN VA 23693
23-3091746	CORNERSTONE FAMILY INSURANCE SERVICES INC	SHERM@STONEMOR.COM	3600 HORIZON BLVD SUITE 100	TREVOSE PA 19053-4965
86-1589610	DCM FINANCIAL LLC	cole@finalexpenseservices.com	4806 WILD HORSE CV	SPICEWOOD TX 78669
20-4936872	DUZAN AGENCY INC	duzanagy@mtco.com	PO BOX 203	LEXINGTON IL 61753
85-1424160	EEC & ASSOCIATES CORP	eecandassociates@gmail.com	6283 FRANCONIA RD	ALEXANDRIA VA 22310
54-1872880	FINANCIAL CONSULTING GROUP INC	cliftoncoger@gmail.com	601 TURNER RD	NORTH CHESTERFIELD VA 232256423
37-1457331	GENERALI WARRANTY SERVICES LLC DBA GENERALI INSURANCE SERVICES	FRANK_TRIGO@GENERALIUSA.COM	601 BRICKELL KEY DR STE 700	MIAMI FL 33131
84-3398158	HURST FAMILY GROUP LLC	ThePerkkGroup@gmail.com	1385 FORDHAM DRIVE SUITE 105-191, PMB 191	VIRGINIA BEACH VA 23464
31-1784942	INSURANCE ADVISORS INC	ryan@ialtc.com kathy@ialtc.com	1610 SOUTH 31ST STREET STE 102 145	TEMPLE TX 76504
58-2355741	KNIGHTSBRIDGE CORP	alexandra@alkartravel.com	11535 NUCKOLS RD STE B	GLEN ALLEN VA 23059
86-2190431	MAAC HEALTH AGENCY	maachealthagency@gmail.com	5601 N POWERLINE RD STE 205	FT LAUDERDALE FL 33309
20-5774627	MELNICK INSURANCE LLC	gary@melnickrosenbaum.com	4 NORTH PARK DR STE 400	HUNT VALLEY MD 21030
54-0674819	MYERS FORD COMPANY INC	JOHN.J.MYERS@MYERSFORD.COM	ROUTE 33 BOX 86	ELKTON VA 228270000
46-3978263	NEXUS FINANCIAL LLC	DWOOD@NEXUSFN.COM	1545 CROSSWAYS BLVD STE 250	CHESAPEAKE VA 233200218
26-3701237	NRV FINANCIAL GROUP INC	markmuscar@gmail.com	980 CORNSTALK RD	RINER VA 241492940
46-2984782	PERFORMYARD INC	bhastings@performyard.com	4201 WILSON BLVD #110420	ARLINGTON VA 22203
87-3612040	PODER OHSHEHR LLC	poderohshehr@gmail.com	212 S MAIN AVENUE STE 145	SIOUX FALLS SD 57104
45-3177705	ROBERTSON INSURANCE ASSOCIATES INC	rickrobertson@allstate.com	14535 JOHN MARSHALL HWY STE 104	GAINESVILLE VA 201554024

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

FEIN #	NAME	EMAIL ADDRESS	ADDRESS1	ADDRESS3
86-1359780	SILVERGATE REAL ESTATE SOLUTIONS LLC	ASOLOMON@SYSTEM2THINKING.ORG	1650 MARKET ST STE 3600	PHILADELPHIA PA 19103
85-3525543	SOUTH BEACH TITLE GROUP	jseal@southbeachttitle.com	249 CENTRAL PARK AVE STE 300 137	VIRGINIA BEACH VA 23462
45-4328184	SURETY INSURANCE BROKERAGE LLC	marcandtessie@gmail.com	5541 MERNER LN	VIRGINIA BEACH VA 234556631
84-3792754	THE ALLAN AGENCY LLC	brad.allan@fflemeraldcity.com	15508 W BELL RD STE 101-461	SURPRISE AZ 85374
81-2895983	THE BOYD CORPORATION II SOUTH HILL VIRGINIA	gtanner@boydcarsofvirginia.com	200 W DANVILLE ST	SOUTH HILL VA 239702524
20-5268514	THE BOYD CORPORATION SO HILL VA	gtanner@boydcarsofvirginia.com	200 WEST DANVILLE STREET	SOUTH HILL VA 23970
84-4457406	TOWN AND COUNTRY INSURANCE GROUP	tcinsgroup@gmail.com	211 W MAIN ST	PURCELLVILLE VA 201323015
54-1429533	TRAVELSHARE INC	travekshareinc@netscape.net	3022 JAVIER RD STE 210	FAIRFAX VA 22031
82-5506855	WALTON WEALTH MANAGEMENT INC	waltonwealth@gmail.com	8529 MEADOWBRIDGE RD STE 700	MECHANICSVILLE VA 23116

**CASE NO. INS-2023-00032
APRIL 7, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

UNITED PROPERTY & CASUALTY INSURANCE COMPANY,
Defendant

ORDER SUSPENDING LICENSE

Section 38.2-1040 A 3 of the Code of Virginia ("Code") provides that the State Corporation Commission ("Commission") may suspend the license of any domestic, foreign, or alien insurer to transact the business of insurance in the Commonwealth of Virginia whenever it finds that a licensee is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and the public in this Commonwealth. Section 38.2-1041 of the Code provides that the Commission may suspend the license of any insurer on the grounds set out in Code § 38.2-1040 after giving the insurer ten days' notice of the reasons for the proposed suspension and an opportunity to introduce evidence and be heard. Section 38.2-1041 of the Code provides that the required notice may be waived by the Commission and the insurer.

On February 27, 2023, the Circuit Court of the Second Judicial Circuit, in and for Leon County, Florida, entered a Consent Order (the "Consent Order") whereby the Court appointed the Florida Department of Financial Services (the "Department") as Receiver of United Property & Casualty Insurance Company ("UPC" or "Defendant").¹ The Consent Order found UPC to be insolvent.² The Consent Order also vested in the Department "full power to direct and manage the affairs of [UPC] . . . and to deal with the property and business of [UPC]."³

UPC was initially licensed to transact the business of insurance in Virginia on October 7, 2014. On March 3, 2023, the Commission's Bureau of Insurance ("Bureau") received an email from the Department stating that it has no objection to the suspension of UPC's license in Virginia. On March 23, 2023, the Bureau received an email from the Department stating that it waives the required notice and opportunity to be heard as provided in § 38.2-1041 of the Code.

¹ *State of Florida, ex rel., the Department of Financial Services of the State of Florida v. United Property & Casualty Ins. Co.*, Case No. 2023-CA-000320, *Consent Order Appointing the Florida Department of Financial Services as Receiver of United Property & Casualty Insurance Company for Purposes of Liquidation, Injunction, and Notice of Automatic Stay* at ¶ 13 (Florida Cir Ct. Feb. 27, 2023).

² *Id.* at ¶ 11 (a).

³ *Id.* at ¶ 15.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Bureau, given the foregoing, has recommended that the Commission enter an order suspending the Defendant's license to transact the business of insurance in Virginia.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's license to transact the business of insurance in Virginia should be suspended.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to § 38.2-1040 A 3 of the Code, the Defendant's license to transact the business of insurance in Virginia is hereby SUSPENDED.
- (2) The Defendant shall issue no new contracts or policies of insurance in Virginia until further order of the Commission.
- (3) The appointments of the Defendant's agents to act on behalf of the Defendant in Virginia are hereby SUSPENDED.
- (4) The Defendant's agents shall transact no new insurance business on behalf of the Defendant in Virginia until further order of the Commission.
- (5) The Bureau of Insurance shall cause notice of the suspension of the Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00037
JULY 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ALAN HOLGUIN,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Alan Holguin ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in New York on September 13, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on June 3, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated March 6, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's March 6, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction, and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00038
JULY 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

KEARIA S. LILLY,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Kearia S. Lilly ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Florida on May 13, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on September 9, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated March 6, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's March 6, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction, and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00039
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

NIKOLAOS L. PARAS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Nikolaos L. Paras ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in North Carolina on February 17, 2023, and in Kansas on December 29, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 15, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 15, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00041
JULY 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

MICHAEL LUSTHAUS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Michael Lusthaus ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1819 A of the Code of Virginia ("Code") by failing to, at the time of applying for a license, pay a nonrefundable application processing fee in an amount and in a manner prescribed by the Commission.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated April 10, 2023 that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's April 10, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1819 A of the Code by failing to, at the time of applying for a license, pay a nonrefundable application processing fee in an amount and in a manner prescribed by the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00042
JULY 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
WILLIAM J. JONES,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that William J. Jones ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in North Carolina on November 3, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated April 6, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's April 6, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.

- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00043
JULY 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ANTHEM HEALTH PLANS OF VIRGINIA, INC. and HEALTHKEEPERS, INC.,
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Anthem Health Plans of Virginia, Inc. and HealthKeepers, Inc. (collectively, the "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-3407.15 B 1 of the Code of Virginia ("Code") by failing to pay clean claims within 40 days of receipt of the claims.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting or denying any violation of Virginia law, have made an offer of settlement to the Commission. Through their settlement offer, the Defendants have agreed to comply with the corrective action plan outlined in the Bureau's letter dated June 15, 2023; have tendered to the Treasurer of Virginia the sum of Three Hundred Thousand Dollars (\$300,000); and have waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendants' settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendants' settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendants' settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00044
DECEMBER 19, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ERIKKAH CALAMIA,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Erikkah Calamia ("Calamia" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making false or fraudulent statements on or relative to an application relating to the business of insurance for the purpose of obtaining a commission from an insurer; and § 38.2-1831 (10) of the Code by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth or elsewhere, or demonstrating financial irresponsibility in the handling of applicant, policyholder, agency, or insurance company funds.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Calamia is a Virginia resident licensed with the following lines of authority: Life & Annuities.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective May 6, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from May 6, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00045
JULY 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BRIGHT HEALTH INSURANCE COMPANY, INC.,
Defendant

ORDER SUSPENDING LICENSE

Section 38.2-1040 A 3 of the Code of Virginia ("Code") provides that the State Corporation Commission ("Commission") may suspend the license of any domestic, foreign, or alien insurer to transact the business of insurance in the Commonwealth of Virginia whenever it finds that the licensee is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and the public in this Commonwealth. Section 38.2-1041 of the Code provides that the Commission may suspend the license of any insurer on the grounds set out in Code § 38.2-1040 after giving the insurer ten days' notice of the reasons for the proposed suspension and an opportunity to introduce evidence and be heard. Section 38.2-1041 of the Code provides that the required notice may be waived by the Commission and the insurer.

The Commission's Bureau of Insurance ("Bureau") asserts that Bright Health Insurance Company, Inc. ("BHIC" or "the Defendant") was initially licensed to transact the business of insurance in Virginia on August 17, 2021. The Bureau presents that in BHIC's Quarterly Statement as of March 31, 2023, BHIC stated that it had total net admitted assets of \$182,272,563, total liabilities of \$222,259,523, and total capital and surplus of (\$39,986,960). The Bureau asserts that BHIC is insolvent because its liabilities exceed its assets.¹ The Bureau states that, on May 16, 2023, it received an email from BHIC stating that it consents to the suspension of its license in Virginia and that it waives the required notice and opportunity to be heard as provided in § 38.2-1041 of the Code.

The Bureau, given the foregoing, has recommended that the Commission enter an order suspending the Defendant's license to transact the business of insurance in Virginia.

¹ See § 38.2-1501 of the Code (defining "insolvent" as "(i) the condition of an insurer that has liabilities in excess of assets or (ii) the inability of an insurer to pay its obligations as they become due in the usual course of business").

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's license to transact the business of insurance in Virginia should be suspended.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to § 38.2-1040 A 3 of the Code, the Defendant's license to transact the business of insurance in Virginia is hereby SUSPENDED.
- (2) The Defendant shall issue no new contracts or policies of insurance in Virginia until further order of the Commission.
- (3) The appointments of the Defendant's agents to act on behalf of the Defendant in Virginia are hereby SUSPENDED.
- (4) The Defendant's agents shall transact no new insurance business on behalf of the Defendant in Virginia until further order of the Commission.
- (5) The Bureau shall cause notice of the suspension of the Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00047
NOVEMBER 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

WILLIAM JOSEPH PENDER, JR.,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that William Joseph Pender, Jr. ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making false representations on or relative to an application relating to the business of insurance for the purpose of obtaining a benefit from an insurer; § 38.2-1826 A of the Code by failing to report within 30 calendar days to the Commission any change in his residence address; and § 38.2-1831 (10) of the Code by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth or elsewhere, or demonstrating financial irresponsibility in the handling of applicant, policyholder, agency, or insurance company funds.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has tendered to Virginia the sum of Five Thousand Dollars (\$5,000); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00048
JULY 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
AETNA LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a target market conduct examination conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Aetna Life Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-510 A 15 of the Code of Virginia ("Code") by failing to comply with § 38.2-3407.15 of the Code, or to perform any provider contract provision required by that section; §§ 38.2-3407.15 B 1 - 12 of the Code by failing to include specific provisions in provider contracts related to minimum fair business standards; and, §§ 38.2-3407.15:2 B 1 - 12 of the Code by failing to include specific provisions in provider contracts related to prior authorization.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan set forth in the Bureau's letter dated January 23, 2023; has confirmed that restitution was made to three (3) providers in the amount of One Thousand Three Hundred Sixty-Four Dollars and Eighty-Three Cents (\$1,364.83); has tendered to the Treasurer of Virginia the sum of Fifty-Six Thousand One Hundred Dollars (\$56,100); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00049
DECEMBER 20, 2023**

APPLICATION OF
NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

For revisions of advisory loss costs and assigned risk workers' compensation insurance rates

FINAL ORDER

On July 14, 2023, the National Council on Compensation Insurance, Inc. ("NCCI") , filed an application with the State Corporation Commission ("Commission") for approval of certain changes applicable to voluntary market advisory loss costs and assigned risk rates and rating values for new and renewal workers' compensation insurance policies becoming effective on or after April 1, 2024 ("Application").¹ The Application consists of two separate components: an advisory loss cost filing and an assigned risk rate filing. Both the advisory loss cost filing and the assigned risk rate filing address the same two categories of workers' compensation classifications: (i) industrial classifications, including coal mine classifications; and (ii) federal ("F") classifications.

With respect to advisory loss costs, NCCI proposed an overall decrease of 0.5% for industrial classifications; an overall decrease of 8.7% for the surface coal mine classification; an overall decrease of 8.7% for the underground coal mine classification; and an overall decrease of 14.6% for the F classifications.²

¹ Exhibit ("Ex.") 2 (Application). The Commission's Order Docketing Case, Doc. Con. Cen. No. 230720092 (July 7, 2023), assigned this matter to a hearing examiner to oversee the proceedings and established the procedural schedule for the filing of the Application and other responsive documents. The Order Docketing Case was entered after NCCI submitted a proposed schedule for these proceedings as instructed by the Commission in ordering paragraph (4) of its Final Order in Case No. INS-2022-00069 (2022 S.C.C. Ann. Rep. 128, 130, Dec. 19, 2022).

² See Ex. 2 (Application) and Ex. 3 (Glish Direct) at 3 and 20.

With respect to the assigned risk rates, NCCI proposed an overall decrease of 2.5% for industrial classifications; an overall decrease of 9.6% for the surface coal mine classification; an overall decrease of 9.6% for the underground coal mine classification; and an overall decrease of 16.3% for F classifications.³

Along with its Application, NCCI filed the direct testimony and exhibits of Amanda Glish ("Ms. Glish"), NCCI's actuary, and Dr. Leonard F. Herk ("Dr. Herk"), NCCI's economist. Through these testimonies, NCCI stated that the Application generally used the methodologies approved by the Commission or mutually agreed to by the Virginia Working Group ("Working Group"),⁴ to calculate the advisory loss costs, assigned risk rates, and rating values, with certain identified exceptions,⁵ and developed a proposed profit and contingency factor ("P&C Factor") of 0.5% for use in its methodology calculations.⁶

On September 15, 2023, the Bureau of Insurance ("Bureau") filed the direct testimony and exhibits of its actuary Scott J. Lefkowitz ("Mr. Lefkowitz"), and its economist, Dr. Raymond E. Spudeck ("Dr. Spudeck"). Through these testimonies, the Bureau accepted NCCI's proposed 0.5% P&C Factor as appropriate for this proceeding, without stipulating to the methodology used by NCCI to calculate this value.⁷ The Bureau otherwise found the advisory loss costs and assigned risk rates proposed by NCCI in the Application to be acceptable.⁸

Though the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"), the Iron Workers Employers Association, and the Washington Construction Employers Association (the "Associations") previously filed Notices of Participation, none of these entities filed direct testimony in response to the Application.

On October 25, 2023, the Hearing Examiner held a hearing to consider the Application. Charles H. Tenser, Esquire, appeared in person on behalf of NCCI; Patricia A.C. McCullagh, Esquire, appeared in person on behalf of the Bureau; C. Meade Browder, Jr., Esquire, and John Farmer, Esquire, appeared in person on behalf of Consumer Counsel; and Fred Coddling, Esquire, appeared in person on behalf of the Associations. Ms. Glish, Dr. Herk, Mr. Lefkowitz and Dr. Spudeck (collectively, the "Testifying Witnesses") appeared remotely, using the Commission's web-based video platform to interact with the courtroom participants.⁹ No public witnesses appeared to testify at the hearing.

During the hearing, Consumer Counsel, through its counsel, asserted that it believed the rates proposed by the Application were appropriate but, like the Bureau, did not stipulate to the methodologies used by NCCI to calculate the P&C Factor. The Associations expressed concern regarding how misclassification purportedly affects the premium being used by NCCI to set rates in Virginia. As such, the Associations requested that the Commission direct the Working Group to review this purported misclassification issue.¹⁰ The Hearing Examiner accepted the Testifying Witnesses' respective written direct testimonies into the record as evidence.

On November 15, 2023, the Hearing Examiner issued a report ("Report") recommending that the Commission issue an order that:

(1) **APPROVES** NCCI's Application for revision of advisory loss costs and assigned risk workers' compensation insurance rates, with the following changes approved for use effective April 1, 2024, on all new and renewal business policies in the Commonwealth:

Advisory Loss Costs

Industrial classifications:	0.5 % decrease
Coal classification 1005:	8.7% decrease
Coal classification 1016:	8.7 % decrease
Federal classifications:	14.6% decrease

Assigned Risk Rates

Industrial classifications:	2.5 % decrease
Coal classification 1005:	9.6 % decrease
Coal classification 1016:	9.6% decrease
Federal classifications:	16.3 % decrease

³ See Ex. 2 (Application) and Ex. 3 (Glish Direct) at 3 and 21.

⁴ The Working Group was established upon prior direction of the Commission. The Working Group is tasked with using the expertise of its members to discuss and resolve specific actuarial or economic issues. The Working Group then presents these outcomes to the Commission with the intent to enhance the efficiency of these proceedings.

⁵ See Ex. 3 (Glish Direct) at 15-20.

⁶ See Ex. 4 (Herk Direct) at 15.

⁷ See Ex. 6 (Spudeck Direct) at 5 and 14. As in prior years, the Commission is not adopting NCCI's proposed methodology for calculating the P&C Factor.

⁸ See generally Ex. 5 (Lefkowitz Direct).

⁹ See Motion to Allow Remote Testimony (Doc. Con. Cen. No. 231030050, Oct. 12, 2023) and Hearing Examiner's Ruling (Doc. Con. Cen. No. 231030190, Oct. 19, 2023).

¹⁰ Tr. at 15-16.

(2) **DIRECTS** the working group to continue meeting to attempt to reach consensus on the most appropriate method to calculate Virginia voluntary market advisory loss costs and assigned risk rates, but does not direct the working group to attempt to address the worker misclassification issue raised again by the Associations;

(3) **DIRECTS** NCCI, the Bureau, Consumer Counsel, and the Associations to jointly propose, on or before a date the Commission determines to be appropriate, a procedural schedule for any year 2025 rate revision proceeding; and

(4) **DISMISSES** this case. ¹¹

The Report directed that any comments to the Report be filed on or before November 30, 2023.

None of the participants filed comments to the Report.

NOW THE COMMISSION, upon consideration of this matter, concludes that the Hearing Examiner's findings and recommendations are reasonable, supported by law and the evidence, and should be adopted herein.¹² The Commission thus finds and **ORDERS THAT**:

(1) The findings and recommendations of the Hearing Examiner are adopted as set forth herein.

(2) NCCI's Application for revision of advisory loss costs and assigned risk workers' compensation insurance rates, with the following changes approved for use effective April 1, 2024, on all new and renewal business policies in the Commonwealth is hereby **APPROVED**:

Advisory Loss Costs

Industrial classifications:	0.5 % decrease
Coal classification 1005:	8.7% decrease
Coal classification 1016:	8.7 % decrease
Federal classifications:	14.6% decrease

Assigned Risk Rates

Industrial classifications:	2.5 % decrease
Coal classification 1005:	9.6 % decrease
Coal classification 1016:	9.6% decrease
Federal classifications:	16.3 % decrease

(3) Consistent with the Hearing Examiner's Report, the Working Group is **DIRECTED** to continue meeting to attempt to reach consensus on the most appropriate method to calculate Virginia voluntary market advisory loss costs and assigned risk rates. However, the Commission does not direct the Working Group to attempt to address the worker misclassification issue raised by the Associations.

(4) NCCI, the Bureau, Consumer Counsel, and the Associations are **DIRECTED** to jointly propose to the Commission on or before June 10, 2024, a procedural schedule for any year 2025 voluntary market advisory loss costs and/or assigned risk rate revision application anticipated to be filed with the Commission during the 2024 calendar year; and,

(5) This case is hereby **DISMISSED**.

Commissioner James C. Dimitri participated in this matter.

¹¹ Report at 13-14.

¹² See, e.g., Report.

CASE NO. INS-2023-00051
AUGUST 22, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ROLANDO MARCELO CAMPOS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Rolando Marcelo Campos ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in Delaware on February 14, 2023, in Indiana on January 19, 2023, and in Kansas on January 11, 2023.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 11, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 11, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00052
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ALEXIS DENISE FARRIS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Alexis Denise Farris ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in South Dakota on December 29, 2022, and in Louisiana on October 25, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 15, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 15, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00053
AUGUST 22, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
EDWARD A. LOGAN,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Edward A. Logan ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Kansas on December 20, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 8, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 8, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00054
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

NELSON JAVIER RAMOS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Nelson Javier Ramos ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in New York on January 19, 2023, and in Illinois on November 18, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 11, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 11, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00055
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

WERGINSON SONNY SALOMON,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Werginson Sonny Salomon ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in New York on November 17, 2022.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated May 11, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's May 11, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00056
NOVEMBER 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
THERESA ABWAO KONYA,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Theresa Abwao Konya ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 A of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; § 38.2-1809 A of the Code by failing or refusing to permit the Commission or any of its employees or agents, including employees of the Bureau, to make an examination and investigate the business affairs of the Defendant who was engaged in the business of insurance in this Commonwealth.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated June 13, 2023, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated June 13, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 A of the Code by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; and § 38.2-1809 A of the Code by failing or refusing to permit the Commission or any of its employees or agents, including employees of the Bureau, to make an examination and investigate the business affairs of the Defendant who was engaged in the business of insurance in this Commonwealth.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00060
DECEMBER 1, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BENJAMIN ROTH ROBERTSON,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Benjamin Roth Robertson ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Alaska on January 19, 2023.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated June 9, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated June 9, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00063
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
JESSICA DAWN RAY-PRUITT,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Jessica Dawn Ray-Pruitt ("Ray-Pruitt" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making fraudulent statements and representations on documents relating to the business of insurance for the purpose of obtaining money from any individual; § 38.2-1809 of the Code by failing to make insurance records available promptly upon request for examination by the Commission or its employees when Ray-Pruitt did not produce bank records and requested documentation to the Bureau; and § 38.2-1813 of the Code by failing to, in the ordinary course of business, pay premium funds to the insured or his assignee, insurer, insurance premium finance company or agent entitled to the payment when Ray-Pruitt collected premium funds but did not remit them to an insurance company.

Ray-Pruitt is a Virginia resident licensed with the following lines of authority: Property & Casualty.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective July 17, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from July 17, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00064
AUGUST 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
LEBANON INSURANCE AGENCY, INC.,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Lebanon Insurance Agency, Inc. ("LIA" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making, causing or allowing to be made fraudulent statements and representations on documents relating to the business of insurance for the purpose of obtaining money from any individual; § 38.2-1809 of the Code by failing to make insurance records available promptly upon request for examination by the Commission or its employees; and § 38.2-1813 of the Code by failing to, in the ordinary course of business, pay premium funds to the insured or his assignee, insurer, insurance premium finance company or agent entitled to the payment.

LIA is a Virginia resident agency licensed with the following lines of authority: Life & Annuities, Health, and Property & Casualty.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agency in Virginia effective August 25, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from August 25, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00065
SEPTEMBER 15, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CIGNA HEALTH AND LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Cigna Health and Life Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-515 C of the Code of Virginia ("Code") by failing to provide information in a timely manner to the Commission; § 38.2-3407.4 B of the Code by issuing explanations of benefits that failed to accurately and clearly set forth the benefits payable under the contract; § 38.2-3445.01 of the Code by failing to comply with Virginia's balance billing law; § 38.2-3445.04 G of the Code by failing to provide an enrollee with the required balance billing disclosures; and 14 VAC 5-405-70 B 3 of the Virginia Administrative Code by failing to provide an explanation of benefits that clearly indicates whether the enrollee may or may not be subject to balance billing if it contains claims from out-of-network providers.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in the Bureau's letter dated September 5, 2023; has tendered to the Treasurer of Virginia the amount of One Hundred Fifty Thousand Dollars (\$150,000); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. INS-2023-00066
DECEMBER 1, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
DAVID MORRIS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that David Morris ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report an administrative action taken against the Defendant in Florida on September 9, 2022; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on March 8, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated June 2, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated June 2, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00067
NOVEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
FALLON WINIECKE,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Fallon Winiecke ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (1) of the Code of Virginia ("Code") by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission on April 11, 2022.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated June 2, 2023, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated June 2, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00069
NOVEMBER 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BRIANA KITT,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Briana Kitt ("Defendant") duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, violated Section 38.2-1831 (3) of the Code of Virginia ("Code") by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 18, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 18, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (3) of the Code by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00071
NOVEMBER 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

PLENTURA DEVELOPMENT & CONSTRUCTION LLC,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Plentura Development & Construction LLC ("Defendant") duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, violated Section 38.2-1831 (3) of the Code of Virginia ("Code") by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 18, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 18, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agency.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (3) of the Code by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agency is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agency.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agency in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agency in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00074
DECEMBER 19, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

SPINNAKER INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct examination conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Spinnaker Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-305 A of the Code of Virginia ("Code") by failing to specify the required information in each insurance policy; §§ 38.2-305 B, 38.2-604 A, 38.2-2125, 38.2-2126 A 1, 38.2-2126 A 2, and 38.2-2129 of the Code by failing to provide the required notice or disclosure to insureds; § 38.2-502 1 of the Code by misrepresenting the benefits, advantages, conditions, or terms of any insurance policy; § 38.2-510 A 1 of the Code by misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue; § 38.2-510 A 3 of the Code by failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies; § 38.2-510 A 10 of the Code by making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which payments were made; §§ 38.2-604 B and 38.2-604.1 B of the Code by failing to include all the required information in the notices; § 38.2-610 A of the Code by failing to provide the applicant, policyholder or individual proposed for coverage with the required written notices; § 38.2-1318 C of the Code by failing to provide convenient access to records, files, and documents to Commission personnel during an examination; § 38.2-1812 E of the Code by paying commissions to a trade name which was not filed with the Bureau; § 38.2-1833 of the Code by failing to, within 30 calendar days of the date of execution of the first insurance application or policy submitted by a licensed but not yet appointed agent, either reject such application or policy or file with the Commission a notice of appointment in a form acceptable to the Commission; § 38.2-1906 A of the Code by failing to file with the Commission all rates and supplementary rate information for use in Virginia on or before the date they become effective; § 38.2-1906 D of the Code by making or issuing insurance contracts or policies that were not in accordance with the rate and supplementary rate information filings that are in effect for the insurer; § 38.2-2103 of the Code by failing to prominently print the information required by the statute on every policy; § 38.2-2113 A 1 of the Code by failing to obtain valid proof of mailing of the company's notice to the insured for the cancellation of a policy; § 38.2-2113 C of the Code by failing to retain valid proof of mailing the company's notice to the insured and the lienholder for the cancellation of a policy; § 38.2-2114 E of the Code by failing to require written notice from the named insured in accordance with the terms of the policy that the insured wishes to cancel the policy; § 38.2-2118 of the Code by failing to include the required statement on insurance policies; §§ 38.2-2120 and 38.2-2124 of the Code by failing to offer optional coverage as required by the statutes; as well as 14 VAC 5-400-30 C of the Commission's Rules Governing Unfair Claim Settlement Practices, 14 VAC 5-400-10 *et seq.* of the Virginia Administrative Code ("Rules") by failing to maintain detailed documentation for each claim file in order to permit reconstruction of the insurer's activities relating to each claim; Rule 14 VAC 5-400-40 A by failing to fully disclose to a first party claimant all pertinent coverages of an insurance policy under which a claim is presented; Rule 14 VAC 5-400-70 A by failing to give a claimant a claim denial in writing and by failing to maintain a copy of the denial in the claim file; and Rule 14 VAC 5-400-70 D by failing to offer to a first party claimant, in cases where there is no dispute as to coverage or liability, an amount that is fair and reasonable as shown by the investigation of the claim, within policy limits and in accordance with policy provisions.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in company correspondence dated February 3, 2023, May 26, 2023, and July 28, 2023; has confirmed that restitution was made to 39 consumers in the total amount of Four Thousand Eight Hundred Thirteen Dollars and Ten Cents (\$4,813.10); has tendered to the Treasurer of Virginia the amount of Seventy-five Thousand Nine Hundred Dollars (\$75,900); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00076
NOVEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
BRITTANY GAYLE MORRIS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Brittany Gayle Morris ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 B of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days the facts and circumstances regarding a criminal conviction; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on April 23, 2023; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 24, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 24, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 B of the Code by failing to report to the Commission within 30 calendar days the facts and circumstances regarding a criminal conviction; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00077
NOVEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
PEDRO PEREZ,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Pedro Perez ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (1) of the Code of Virginia ("Code") by providing materially incorrect, misleading, incomplete, or untrue information in the license application filed with the Commission on September 21, 2021.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 24, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 24, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00078
NOVEMBER 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

KEVIN PERKINS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Kevin Perkins ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 A of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license application filed with the Commission.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 24, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 24, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 A of the Code by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; and § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license application filed with the Commission.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00079
NOVEMBER 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
JENEVA D. WRIGHT,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Jeneva D. Wright ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 B of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days the facts and circumstances regarding a criminal conviction; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on April 23, 2023; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated July 24, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated July 24, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 B of the Code by failing to report to the Commission within 30 calendar days the facts and circumstances regarding a criminal conviction; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or providing untrue information in the license renewal application filed with the Commission; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00082
DECEMBER 1, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

DANIELLE DHAITI,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Danielle Dhaiti ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1831 (3) of the Code of Virginia ("Code") by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated August 28, 2023 that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated August 28, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1831 (3) of the Code by obtaining or attempting to obtain an insurance license through misrepresentation when the Defendant failed to make payment or to honor payment to the vendor selected by the Commission to collect an insurance license processing fee.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00087
NOVEMBER 29, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
COLONIAL PENN LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market analysis inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Colonial Penn Life Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated §§ 38.2-316 B and 38.2-316 C 1 of the Code of Virginia ("Code") by delivering or issuing for delivery in the Commonwealth insurance policies using application forms that had not been filed with and approved by the Commission; as well as 14 VAC 5-41-30 B of the Commission's Rules Governing Advertisement of Life Insurance and Annuities, 14 VAC 5-41-10 *et seq.* of the Virginia Administrative Code ("Rules"), by using an advertisement that was not sufficiently accurate, complete, and clear so as to avoid deception, and that had the capacity or tendency to mislead or deceive; Rule 14 VAC 5-41-30 C by using an advertisement that omitted material information or used words, phrases, statements, references, or illustrations, and such omission or use had the capacity, tendency, or effect of misleading or deceiving purchasers as to the extent of the policy benefit; Rule 14 VAC 5-41-40 A by using an advertisement that minimized the required disclosures so as to confuse or mislead; Rule 14 VAC 5-41-40 C by using an advertisement that contained statistical information without the identified sources; Rule 14 VAC 5-41-80 B by using the term "affordable" in an advertisement when the policy being advertised is guaranteed issue; Rule 14 VAC 5-41-110 B by using an advertisement that stated or implied a fixed time frame to respond to the advertisement due to special advantages available in the policy; and Rule 14VAC 5-41-150 C by failing to maintain a complete file containing a specimen copy of every printed, published, or prepared advertisement of its individual policies disseminated in this Commonwealth, with a notation indicating the manner and extent of distribution and the form number of any policy referred to in any advertisement.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has confirmed that it has complied with and will continue to comply with the corrective action plan outlined in the Bureau's letter dated May 15, 2023; has tendered to the Treasurer of Virginia the sum of Thirty Thousand Three Hundred Dollars (\$30,300); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00089
NOVEMBER 17, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
TINA ESCALERA,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Tina Escalera ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated June 9, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated June 9, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00092
DECEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

WILLIAM NASH MAYS, JR.,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that William Nash Mays, Jr. ("Mays" or "Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making false or fraudulent statements on or relative to an application relating to the business of insurance for the purpose of obtaining a commission from an insurer; § 38.2-1809 A of the Code by refusing to permit the Commission or any of its employees to make an examination and by failing or refusing to comply with the provisions of this section; § 38.2-1826 A of the Code by failing to report within 30 calendar days to the Commission and to every insurer for which he is appointed any change in his residence; and § 38.2-1831 (10) of the Code by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, or untrustworthiness in the conduct of business in this Commonwealth.

Mays is a Virginia resident licensed with the following lines of authority: Life & Annuities, Health, and Property & Casualty.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission. In settlement, the Defendant has waived the right to a hearing; has voluntarily surrendered the authority to act as an insurance agent in Virginia effective September 29, 2023; and has agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from September 29, 2023.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS 2023-00093
DECEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
SANIA RHAMAN,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Sania Rhaman ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken in Louisiana on March 13, 2023, in Kansas on April 21, 2023, and in Alaska on May 5, 2023.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated September 7, 2023, that was mailed to the Defendant's address shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated September 7, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS 2023-00094
DECEMBER 15, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
FRANK G. TRAUGHBER,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Frank G. Traughber ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-502 (1) of the Code of Virginia ("Code") by misrepresenting the benefits, advantages, conditions or terms of any insurance policy; § 38.2-502 (5) of the Code by using a class of insurance policies that misrepresented the true nature of the policy or policies; and § 38.2-1831 (10) of the Code by using dishonest practices in the conduct of business in this Commonwealth when the Defendant marketed limited benefit plans as major medical coverage to multiple consumers.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated September 14, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated September 14, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-502 (1) of the Code by misrepresenting the benefits, advantages, conditions or terms of any insurance policy; § 38.2-502 (5) of the Code by using a class of insurance policies that misrepresented the true nature of the policy or policies; and § 38.2-1831 (10) of the Code by using dishonest practices in the conduct of business in this Commonwealth.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00096
NOVEMBER 28, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of Amending Rules Governing Minimum Standards for Medicare Supplement Policies

ORDER TO TAKE NOTICE

Section 12.1-13 of the Code of Virginia ("Code") provides that "[i]n the administration and enforcement of all laws within its jurisdiction, the [State Corporation Commission ("Commission")] shall have the power to promulgate rules and regulations[.]" Section 38.2-223 of the Code provides that after notice and opportunity for all interested parties to be heard, the Commission may issue any rules and regulations necessary or appropriate for the administration and enforcement of Title 38.2 of the Code. Section 38.2-3608 of the Code specifically provides that the Commission may issue regulations to establish minimum standards for certain matters concerning Medicare supplement policies.

The rules and regulations issued by the Commission pursuant to §§ 38.2-223 and 38.2-3608 of the Code are set forth in Title 14 of the Virginia Administrative Code. A copy may be found at: law.lis.virginia.gov/admincode/title14/agency5/.

The Bureau of Insurance ("Bureau") has undertaken a review of Chapter 170 of Title 14 of the Virginia Administrative Code, entitled "Rules Governing Minimum Standards for Medicare Supplement Policies," 14 VAC 5-170-10 *et seq.* ("Rules"), to address legislation enacted by the General Assembly during its 2023 regular session amending § 38.2-3610 of the Code.¹ This section addresses the offer of Medicare supplement policies to individuals under age 65 who are eligible for Medicare by reason of disability. The amendments to the section expand the definition of a disability as a reason for eligibility for Medicare, establish a six-month period to enroll in a Medicare supplement policy for an individual who is under 65 years of age and is eligible for Medicare by reason of disability under 42 U.S.C. § 426-1, and place a limitation on premium rates that issuers may charge for plans for persons under this section.

As a result of its review, the Bureau has submitted to the Commission a proposal to amend the following sections of the Rules: 14 VAC 5-170-75, 14 VAC 5-170-85, 14 VAC 5-170-95, 14 VAC 5-170-100 and 14 VAC 5-170-130. The Bureau asserts that these amendments are necessary to align the Rules more closely with the above-referenced legislative changes to § 38.2-3610 of the Code.

¹ See 2023 Va. Acts Chs. 371 and 372.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Bureau asserts that the proposed amendments to the regulations identify the specific requirements for offering policies to individuals under age 65 who are eligible for Medicare by reason of disability, clarify enrollment periods, and establish requirements for premium rates that may be charged for policies issued to such individuals.

NOW THE COMMISSION, having considered the applicable law, is of the opinion and finds that reasonable notice of the proposal to amend the Rules as described herein should be given, interested parties should be afforded an opportunity to be heard in accordance with the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et seq.*, and the proposal to amend the Rules should be considered for adoption with a proposed effective date of April 1, 2024.

Accordingly, IT IS ORDERED THAT:

- (1) The proposed amendments to the Rules, as set out at 14 VAC 5-170-75, 14 VAC 5-170-85, 14 VAC 5-170-95, 14 VAC 5-170-100 and 14 VAC 5-170-130 of the Virginia Administrative Code, are attached hereto and made a part hereof.
- (2) All interested persons who desire to comment in support of or in opposition to, or request a hearing to consider, the proposed amendments to the Rules described herein, shall file such comments and/or hearing requests on or before January 19, 2024, with the Clerk of the Commission, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Requests for a hearing shall state why a hearing is necessary and why the issues cannot be adequately addressed in written comments. Interested persons desiring to submit comments electronically may do so by following the instructions at the Commission's website: scc.virginia.gov/pages/Case-Information. All comments shall refer to Case No. INS-2023-00096.
- (3) The Bureau shall file its response to any comments filed pursuant to Ordering Paragraph (2) on or before February 16, 2024.
- (4) If no written request for a hearing on the adoption of the proposed amendments to the Rules outlined in this Order is received on or before January 19, 2024, the Commission, upon consideration of any comments submitted in support of or in opposition to the proposal, may adopt the amendments to the Rules as submitted by the Bureau.
- (5) The Bureau shall provide notice electronically or via postcard of the proposal to all carriers licensed in Virginia to issue Medicare supplement policies or certificates and to all Life & Health interested persons.
- (6) The Commission's Office of General Counsel shall cause a copy of this Order, together with the proposal to amend the Rules, to be forwarded to the Virginia Registrar of Regulations for appropriate publication in the *Virginia Register of Regulations*.
- (7) The Commission's Division of Information Resources shall make available this Order and the attached proposal on the Commission's website: scc.virginia.gov/pages/Case-information.
- (8) The Bureau shall file with the Clerk of the Commission a certificate of compliance with the notice requirements of Ordering Paragraph (5) above.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the attachment entitled "Rules Governing Minimum Standards for Medicare Supplement Policies" is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. INS-2023-00097
DECEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
DANILO VASQUEZ,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Danilo Vasquez ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken against the Defendant in North Carolina on March 22, 2023 and in California on June 21, 2023.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 2, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated October 2, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00098
DECEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

JASMINE MICHELLE CARDWELL and JEWEL INSURANCE GROUP LLC,
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Jasmine Michelle Cardwell ("Cardwell") and Jewel Insurance Group LLC ("JIG") (collectively, "Defendants") duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-512 A of the Code of Virginia ("Code") by making fraudulent representations on applications for the purpose of obtaining a commission; § 38.2-512 B of the Code by affixing or causing to be affixed the signature of any other person to an insurance document without the written authorization of the person whose signature appears on such document; and § 38.2-1831 (10) of the Code by using dishonest practices in the conduct of business in this Commonwealth.

Cardwell is a Virginia resident licensed with the following lines of authority: Life & Annuities, and Health. JIG is a Virginia resident agency licensed with the following lines of authority: Life & Annuities, and Health.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting nor denying any violation of Virginia law, have made an offer of settlement to the Commission. In settlement, the Defendants have waived the right to a hearing; have voluntarily surrendered the authority to act as an insurance agent and insurance agency in Virginia effective October 10, 2023; and have agreed not to make any application to transact the business of insurance in Virginia for a period of five (5) years from October 10, 2023.

The Bureau has recommended that the Commission accept the Defendants' settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendants' settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendants' settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00100
DECEMBER 19, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
IONITA MARCELLA BARNES,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Ionita Marcella Barnes ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated September 5, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's September 5, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00102
DECEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
TRACY DIANE BRUIELLY,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Tracy Diane Bruielly ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated September 5, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's September 5, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete or untrue information in the license application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00103
DECEMBER 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

RICHARD BURNS,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Richard Burns ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction when the Defendant failed to report administrative actions taken in Florida on July 29, 2021 and in Indiana on April 26, 2023.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 10, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's October 10, 2023 letter.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00106
NOVEMBER 9, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
MUTUALAID EXCHANGE,
Defendant

ORDER SUSPENDING LICENSE

Section 38.2-1040 A 3 of the Code of Virginia ("Code") provides that the State Corporation Commission ("Commission") may suspend the license of any domestic, foreign, or alien insurer to transact the business of insurance in the Commonwealth of Virginia whenever it finds that the licensee is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and the public in this Commonwealth. Section 38.2-1041 of the Code provides that the Commission may suspend the license of any insurer on the grounds set out in Code § 38.2-1040 after giving the insurer ten days' notice of the reasons for the proposed suspension and an opportunity to introduce evidence and be heard. Section 38.2-1041 of the Code provides that the required notice may be waived by the Commission and the insurer.

On August 22, 2023, the District Court of Shawnee County, Kansas, Division 15, entered a Final Order and Judgment of Liquidation of MutualAid eXchange (the "Liquidation Order") whereby the Court appointed Vicki Schmidt, Commissioner of Insurance for the State of Kansas and her successors, as Liquidator of MutualAid eXchange ("MAX" or "Defendant").¹ The Liquidation Order found MAX to be insolvent.² The Liquidation Order also vested in the Liquidator "all powers of the officers, directors, trustees, managers, and employees, whose authority shall be suspended" and directed the Liquidator to "take possession of the assets of MAX and to administer such assets under the general supervision of this Court."³

The Commission's Bureau of Insurance ("Bureau") asserts that MAX was initially licensed to transact the business of insurance in Virginia on June 8, 2001. The Bureau states that, on October 26, 2023, it received an email from the Kansas Insurance Department stating that it consents to the suspension of MAX's license in Virginia and that it waives the required notice and opportunity to be heard as provided in § 38.2-1041 of the Code.

The Bureau, given the foregoing, has recommended that the Commission enter an order suspending the Defendant's license to transact the business of insurance in Virginia.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's license to transact the business of insurance in Virginia should be suspended.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to § 38.2-1040 A 3 of the Code, the Defendant's license to transact the business of insurance in Virginia is hereby SUSPENDED.
- (2) The Defendant shall issue no new contracts or policies of insurance in Virginia until further order of the Commission.
- (3) The appointments of the Defendant's agents to act on behalf of the Defendant in Virginia are hereby SUSPENDED.

¹ *Vicki Schmidt, Commissioner of Insurance v. MutualAid eXchange*, Case No. SN-2023-CV-000494, *Final Order and Judgment of Liquidation of MutualAid eXchange* at ¶ 5 (Kansas Dist. Ct. Aug. 22, 2023).

² *Id.* at ¶ 4. a.

³ *Id.* at ¶¶ 5, 6. d.

- (4) The Defendant's agents shall transact no new insurance business on behalf of the Defendant in Virginia until further order of the Commission.
- (5) The Bureau shall cause notice of the suspension of the Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00109
DECEMBER 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

KENTUCKY NATIONAL INSURANCE COMPANY,
Defendant

CONSENT ORDER

Section 38.2-1036 of the Code of Virginia ("Code") provides that if the State Corporation Commission ("Commission") finds an impairment of the required minimum surplus of any foreign insurer, the Commission may order the insurer to eliminate the impairment and restore the minimum surplus to the amount required by law and may prohibit the insurer from issuing any new policies in the Commonwealth of Virginia while the impairment exists. If the insurer fails to comply with the Commission's order within a period of not more than 90 days, the Commission may suspend or revoke the license of the insurance company to transact the business of insurance in Virginia in the manner set out in Article 6 (§ 38.2-1040 *et seq.*) of Chapter 10 of Title 38.2 of the Code. Section 38.2-1041 of the Code provides that the required notice may be waived by the Commission and the insurer.

The Commission's Bureau of Insurance ("Bureau") asserts that Kentucky National Insurance Company ("KNIC" or "Defendant") was initially licensed to transact the business of insurance in Virginia on December 4, 2017. KNIC is a foreign insurance company domiciled in the Commonwealth of Kentucky. The Bureau presents that in KNIC's Quarterly Statement as of June 30, 2023, KNIC stated that it had statutory surplus of \$1,846,827. Section 38.2-1028 of the Code requires stock insurers to have "surplus of at least three million dollars." The Bureau asserts that KNIC reported an impairment to its surplus of \$1,153,173.

On October 17, 2023, the Bureau received an email from KNIC stating that it waives the required notice and opportunity to be heard as provided in Section 38.2-1041 of the Code and consents to its license suspension to resolve the impairment.

The Bureau, given the foregoing, has recommended that the Commission enter an order suspending the Defendant's license to transact the business of insurance in Virginia.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's license to transact the business of insurance in Virginia should be suspended.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to § 38.2-1040 of the Code, the Defendant's license to transact the business of insurance in Virginia is hereby SUSPENDED.
- (2) The Defendant shall issue no new contracts or policies of insurance in Virginia until further order of the Commission.
- (3) The appointments of the Defendant's agents to act on behalf of the Defendant in Virginia are hereby SUSPENDED.
- (4) The Defendant's agents shall transact no new insurance business on behalf of the Defendant in Virginia until further order of the Commission.
- (5) The Bureau of Insurance shall cause notice of the suspension of the Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00110
DECEMBER 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.),
Defendant

SETTLEMENT ORDER

Based on a market analysis inquiry conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that John Hancock Life Insurance Company (U.S.A.) ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-502 (1) of the Code of Virginia ("Code") by misrepresenting the benefits, advantages, conditions, or terms of any insurance policy in the notice of an upcoming long-term care rate schedule increase; as well as 14 VAC 5-200-75 D of the Commission's Rules Governing Long-Term Care Insurance, 14 VAC 5-200-10 *et seq.* of the Virginia Administrative Code by failing to file a notice with the Commission of an upcoming long-term care premium rate increase prior to use.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in Bureau correspondence dated July 21, 2023; has tendered to the Treasurer of Virginia the amount of Eight Thousand Eight Hundred Dollars (\$8,800); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00112
DECEMBER 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

ARROWOOD INDEMNITY COMPANY,
Defendant

ORDER SUSPENDING LICENSE

Section 38.2-1040 A 3 of the Code of Virginia ("Code") provides that the State Corporation Commission ("Commission") may suspend the license of any domestic, foreign, or alien insurer to transact the business of insurance in the Commonwealth of Virginia whenever it finds that the licensee is insolvent, or is in a condition that any further transaction of business in this Commonwealth is hazardous to its policyholders, creditors and the public in this Commonwealth. Section 38.2-1041 of the Code provides that the Commission may suspend the license of any insurer on the grounds set out in Code § 38.2-1040 after giving the insurer ten days' notice of the reasons for the proposed suspension and an opportunity to introduce evidence and be heard. Section 38.2-1041 of the Code provides that the required notice may be waived by the Commission and the insurer.

On November 8, 2023, the Court of Chancery of the State of Delaware entered a Liquidation and Injunction Order with Bar Date (the "Liquidation Order") whereby the Court appointed Trinidad Navarro, Insurance Commissioner of the State of Delaware, and his successors in office, as Receiver of Arrowood Indemnity Company ("Arrowood" or "Defendant").¹ The Liquidation Order found Arrowood to be insolvent.²

¹ *State of Delaware ex rel. The Honorable Trinidad Navarro v. Arrowood Indemnity Company*, Case No. 2023-1126-LWW, *Liquidation and Injunction Order with Bar Date* at ¶ 6 (Del. Ct. Chan. Nov. 8, 2023).

² *Id.* at ¶ 5.

The Liquidation Order vested in the Receiver "all right, title, and interest in, of, and to the property of Arrowood . . ." and granted the Receiver the ability to "in his discretion, appoint one or more consultants or other persons to serve as Deputy Receiver to assist the Receiver in accomplishing the directives of this Order."³ The Liquidation Order also directed the Receiver to "take exclusive possession and control of the property of Arrowood, liquidate its business, and deal with Arrowood's property and business in the name of the Receiver or in the name of Arrowood."⁴

The Commission's Bureau of Insurance ("Bureau") asserts that Arrowood was initially licensed to transact the business of insurance in Virginia on July 17, 1980. The Bureau states that, on November 13, 2023, it received an email from the Deputy Receiver of Arrowood stating that it consents to the suspension of Arrowood's license in Virginia and that it waives the required notice and opportunity to be heard as provided in § 38.2-1041 of the Code.

The Bureau, given the foregoing, has recommended that the Commission enter an order suspending the Defendant's license to transact the business of insurance in Virginia.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's license to transact the business of insurance in Virginia should be suspended.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to § 38.2-1040 A 3 of the Code, the Defendant's license to transact the business of insurance in Virginia is hereby SUSPENDED.
- (2) The Defendant shall issue no new contracts or policies of insurance in Virginia until further order of the Commission.
- (3) The appointments of the Defendant's agents to act on behalf of the Defendant in Virginia are hereby SUSPENDED.
- (4) The Defendant's agents shall transact no new insurance business on behalf of the Defendant in Virginia until further order of the Commission.
- (5) The Bureau shall cause notice of the suspension of the Defendant's license to be published in the manner set forth in § 38.2-1043 of the Code.

Commissioner James C. Dimitri participated in this matter.

³ *Id.* at ¶¶ 7, 34.

⁴ *Id.* at ¶ 7.

**CASE NO. INS-2023-00113
DECEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

MISTIQUE CARGO,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Mistique Cargo ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on September 27, 2022; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 16, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated October 16, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission; and § 38.2-1831 (9) of the Code by having been convicted of a felony.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
 - (2) All appointments issued under said license are hereby VOID.
 - (3) The Defendant shall transact no further business in Virginia as an insurance agent.
 - (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
 - (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
 - (6) This case is dismissed.
- Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00114
DECEMBER 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
CHRISTINA HALE,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Christina Hale ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on April 12, 2023.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 17, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated October 17, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
 - (2) All appointments issued under said license are hereby VOID.
 - (3) The Defendant shall transact no further business in Virginia as an insurance agent.
 - (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
 - (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
 - (6) This case is dismissed.
- Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00115
DECEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

SEBASTIAN JOHON ISOM,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Sebastian Johon Isom ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 A of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on June 2, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 17, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated October 17, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 A of the Code by failing to report to the Commission within 30 calendar days any change in the Defendant's residence address, email address, or name; § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. INS-2023-00116
DECEMBER 19, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
WENDY MCFARLANE,
Defendant

ORDER REVOKING LICENSE

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau alleges that Wendy McFarlane ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated § 38.2-1826 C of the Code of Virginia ("Code") by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission on September 8, 2022.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1831 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing before the Commission in this matter by certified letter dated October 17, 2023, that was mailed and e-mailed to the Defendant's addresses shown in the records of the Bureau.

The Defendant, having been advised in the above manner of the right to a hearing in this matter, has failed to request a hearing in response to the Bureau's letter dated October 17, 2023.

The Bureau, upon the Defendant's failure to request a hearing, has recommended that the Commission enter an order revoking the Defendant's license to transact the business of insurance in Virginia as an insurance agent.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant has violated § 38.2-1826 C of the Code by failing to report to the Commission within 30 calendar days of the final disposition of the matter any administrative action taken against the Defendant in another jurisdiction; and § 38.2-1831 (1) of the Code by providing materially incorrect, misleading, incomplete, or untrue information in the license renewal application filed with the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The license of the Defendant to transact the business of insurance in Virginia as an insurance agent is hereby REVOKED.
- (2) All appointments issued under said license are hereby VOID.
- (3) The Defendant shall transact no further business in Virginia as an insurance agent.
- (4) The Defendant shall not apply to the Commission to be licensed as an insurance agent in Virginia prior to sixty (60) days from the date of this Order.
- (5) The Bureau shall notify every insurance company for which the Defendant holds an appointment to act as an insurance agent in Virginia.
- (6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

PUBLIC SERVICE TAXATION**MATTER NO. PST-2023-00004
MAY 12, 2023**

IN THE MATTER OF

The Assessment of the Special Regulatory Revenue Tax on Motor Vehicle Carriers and the Virginia Pilots' Association for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to Article 6 of Chapter 26 of Title 58.1 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to assess a special regulatory revenue tax on common carriers of passengers by motor vehicle carrier in the Commonwealth of Virginia and the Virginia Pilots' Association. On April 19, 2022, the Commission's Division of Public Service Taxation sent each certificated motor vehicle carrier and the Virginia Pilots' Association a notice that its special regulatory revenue tax payment for the Tax Year 2023 would be due June 1, 2023.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the gross receipts of each such motor vehicle carrier and the Virginia Pilots' Association from business done within the Commonwealth of Virginia for the year ending December 31, 2022, is determined to be the amounts as recorded in the Commission's Division of Public Service Taxation, and the special regulatory revenue tax of twenty-two hundredths of one percent of the gross receipts on said common carriers and the Virginia Pilots' Association for the Tax Year 2023 should be assessed.

Accordingly, IT IS ORDERED THAT:

1. The special regulatory revenue tax imposed by law on the gross receipts of each certificated motor vehicle carrier and the Virginia Pilots' Association shall be assessed as prescribed by Code §§ 58.1-2660, 58.1-2663, and 58.1-2664.
2. The special regulatory revenue tax on each certificated motor vehicle carrier and the Virginia Pilots' Association shall be paid by June 1, 2023, in accordance with Code § 58.1-2663.
3. The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

**MATTER NO. PST-2023-00005
MAY 12, 2023**

IN THE MATTER OF

The Assessment of the Special Regulatory Revenue Tax on Telecommunications Companies for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to Article 6 of Chapter 26 of Title 58.1 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to assess a special regulatory revenue tax on telephone companies covered by Code § 58.1-2660 A 3. On April 19, 2022, the Commission's Division of Public Service Taxation sent each such telephone company a notice that its special regulatory revenue tax payment for Tax Year 2023 would be due June 1, 2023.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the gross receipts of said telephone companies from business done within the Commonwealth of Virginia for the year ending December 31, 2022, is determined to be the amounts as recorded in the Commission's Division of Public Service Taxation, and a special regulatory revenue tax of twenty-two hundredths of one percent of the gross receipts on said companies for the Tax Year 2023 should be assessed.

Accordingly, IT IS ORDERED THAT:

1. The special regulatory revenue tax imposed by law on the gross receipts of each applicable telephone company shall be assessed as prescribed by Code §§ 58.1-2660, 58.1-2662.1, and 58.1-2664.
2. The special regulatory revenue tax on each telephone company shall be paid by June 1, 2023, in accordance with Code § 58.1-2663.
3. The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

MATTER NO. PST-2023-00006
MAY 12, 2023

IN THE MATTER OF

The Assessment of the Special Regulatory Revenue Tax and the State License Tax on Water Corporations for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to Article 6 of Chapter 26 of Title 58.1 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to assess a special regulatory revenue tax on each corporation engaged in the business of furnishing water in the Commonwealth of Virginia. On April 19, 2022, the Commission's Division of Public Service Taxation sent water corporations in the Commonwealth of Virginia a notice that its special regulatory revenue tax payment for Tax Year 2023 would be due June 1, 2023.

Pursuant to Article 2 of Chapter 26 of Title 58.1 of the Code, the Commission is required to assess a state license tax on each corporation engaged in the business of furnishing water in the Commonwealth of Virginia.

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that the gross receipts of said water corporations from business done within the Commonwealth of Virginia for the year ending December 31, 2022, is determined to be the amounts as recorded in the Commission's Division of Public Service Taxation; that a special regulatory revenue tax of twenty-two hundredths of one percent of the gross receipts on such water corporations for the Tax Year 2023 should be assessed; and that the state license tax of two percent of the gross receipts on such water corporations for the Tax Year 2023 should be assessed.

Accordingly, IT IS ORDERED THAT:

1. The special regulatory revenue tax imposed by law on the gross receipts of each water corporation shall be assessed as prescribed by Code § 58.1-2660 and § 58.1-2664.
2. The special regulatory revenue tax on each water corporation shall be paid by June 1, 2023, in accordance with Code § 58.1-2663.
3. The state license tax imposed by law on the gross receipts of each water corporation shall be assessed as prescribed by Code § 58.1-2626.
4. The state license tax on each water corporation shall be paid by June 1, 2023, in accordance with Code § 58.1-2635.
5. The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

MATTER NO. PST-2023-00007
MAY 12, 2023

IN THE MATTER OF

The Assessment of the Special Regulatory Revenue Tax on Railroad Companies for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to Article 6 of Chapter 26 of Title 58.1 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to assess a special regulatory revenue tax on each non-exempt railroad company doing business in the Commonwealth of Virginia. On April 11, 2023, the Commission's Division of Public Service Taxation sent each railroad company a notice that its special regulatory revenue tax payment for Tax Year 2023 would be due June 1, 2023.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the gross transportation receipts of each such railroad company from business done within the Commonwealth of Virginia for the year ending December 31, 2022, is determined to be the amount as recorded in the Commission's Division of Public Service Taxation, and the special regulatory revenue tax of eighteen hundredths of one percent of said gross transportation receipts on said company for the Tax Year 2023 should be assessed.

Accordingly, IT IS ORDERED THAT:

1. The special regulatory revenue tax on each non-exempt railroad company shall be assessed as prescribed by Code §§ 58.1-2660 through 58.1-2662 and § 58.1-2664.
2. The special regulatory revenue tax on each non-exempt railroad company shall be paid by June 1, 2023, in accordance with Code § 58.1-2663.
3. The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

MATTER NO. PST-2023-00008
MAY 12, 2023

IN THE MATTER OF

The Assessment of the Gross Receipts Subject to the Minimum Tax on Telecommunications Companies and Certain Electric Suppliers for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to Article 10 of Chapter 3 of Title 58.1 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to certify to the Virginia Department of Taxation for each tax year the name, address, and gross receipts for each telecommunications company that is either organized under Virginia law or a foreign corporation having income from Virginia sources. The Commission is also required to calculate and certify to the Virginia Department of Taxation for each tax year the name, address, and minimum tax for certain electric suppliers.

The Commission's Division of Public Service Taxation has gathered the information necessary for the Commission to comply with these statutory directives.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the gross receipts of each said company from business done within the Commonwealth of Virginia for the year ending December 31, 2022, is determined to be as recorded in the Commission's Division of Public Service Taxation; that the gross receipts subject to the minimum tax on said telecommunications companies for the Tax Year 2023 should be certified to the Virginia Department of Taxation as calculated by the Commission's Division of Public Service Taxation; and that the gross receipts and the minimum tax thereon for said electric suppliers for the Tax Year 2023 should be certified to the Virginia Department of Taxation as calculated by the Commission's Division of Public Service Taxation.

Accordingly, IT IS ORDERED THAT:

1. Pursuant to Code § 58.1-400.1, the name, address, and gross receipts for each telecommunications company, as covered herein, shall be certified to the Virginia Department of Taxation.
2. Pursuant to Code § 58.1-400.3, the name, address, and minimum tax as calculated from the gross receipts of each electric supplier, as covered herein, shall be certified to the Virginia Department of Taxation.
3. The certified information shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter

MATTER NO. PST-2023-00009
MAY 12, 2023

IN THE MATTER OF

The Assessment of the Rolling Stock Tax on Motor Vehicle Carriers for the Tax Year 2023

ASSESSMENT ORDER

Pursuant to § 58.1-2655 B of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to assess the average value of the rolling stock used by each certificated motor vehicle carrier in the Commonwealth of Virginia in accordance with Article 5 of Chapter 26 of Title 58.1 of the Code. The Commission's Division of Public Service Taxation has prepared an assessment of the rolling stock of the certified motor vehicle carriers in the Commonwealth of Virginia.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the assessments should be made and that the rolling stock tax assessed for each certificated motor vehicle carrier is due and payable by June 1, 2023.

Accordingly, IT IS ORDERED THAT:

1. The taxes imposed by law on such rolling stock shall be assessed as prescribed by Code § 58.1-2652.
2. The rolling stock tax assessed on each certificated motor vehicle carrier shall be paid by June 1, 2023, in accordance with Code § 58.1-2652 B.
3. The rolling stock taxes collected shall be apportioned to the various cities, counties, and incorporated towns of the Commonwealth of Virginia as prescribed by Code § 58.1-2658.
4. The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

**MATTER NO. PST-2023-00012
SEPTEMBER 13, 2023**

IN THE MATTER OF

The assessment of Water, Heat, Light, and Power Corporations; Electric Suppliers; Pipeline Distribution Companies; and Telecommunications Companies for the 2023 Tax Year

ASSESSMENT ORDER

Pursuant to Chapter 26 of Title 58.1 of the Code of Virginia ("Code"),¹ the State Corporation Commission ("Commission") is required to assess the value of reported property subject to local taxation of each telephone, water, heat, light, and power company, pipeline distribution company, and electric supplier doing business in the Commonwealth of Virginia. Pursuant to Code §§ 58.1-2627.1 and 58.1-2628, every telephone company, every corporation furnishing water, heat, light, and power, whether by electricity, gas, or steam, every pipeline distribution company, and every electric supplier, unless otherwise exempted by statute, is required to report to the Commission all of its real and tangible personal property of every description in the Commonwealth of Virginia by April 15 of each year.

Pursuant to Code § 58.1-2634, a certified copy of the assessment made pursuant to Code § 58.1-2633 shall be forwarded by the Clerk of the Commission to the comptroller, to the president, or other proper officer of each company, to the governing body of each county, city, and town wherein any property belonging to such company is situated, and to each commissioner of the revenue. The Commission's Division of Public Service Taxation has gathered the information necessary for the Commission to comply with these statutory directives.

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that in accordance with the applicable statutes, it should, and hereby does, ascertain and assess, as of the beginning of the first day of January 2023, the value of the real estate and all other tangible personal property of said companies subject to local taxation.

Accordingly, IT IS ORDERED THAT:

(1) A certified copy of the assessments shall be forwarded to the comptroller, to the president, or other proper officer of each company, to the governing body of each county, city, and town wherein any property belonging to such company is situated, and to each commissioner of the revenue so that local taxes may be imposed thereon.

(2) The certified assessments shall be located in the Commission's Division of Public Service Taxation.

Commissioner Patricia L. West participated in this matter.

¹ Code § 58.1-2600 *et seq.*

PUBLIC UTILITY REGULATION**CASE NO. PUE-2013-00035
AUGUST 28, 2023**APPLICATION OF
HESS ENERGY MARKETING, LLC

Application to reissue Competitive Service Provider Certificate for Natural Gas

ORDER REISSUING LICENSE

On April 22, 2013, Hess Energy Marketing, LLC ("Hess"), completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to provide natural gas supply services to eligible commercial and industrial customers in the service territories of Washington Gas Light Company ("WGL") and Columbia Gas of Virginia, Inc. ("CGV"). In its Application, Hess attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").¹

On June 6, 2013, the Commission issued an Order Granting License to Hess authorizing the Company, pursuant to License No. G-35, to conduct business as a competitive service provider for natural gas supply service to eligible commercial and industrial customers in the service territories of WGL and CGV.

On November 5, 2013, Hess filed a letter with the Commission to report the November 1, 2013, sale of Hess to Direct Energy Business. On October 29, 2014, Hess filed a letter requesting to change the entity name of License No. G-35 from Hess to Direct Energy Business Marketing, LLC ("Direct").

On November 18, 2014, the Commission issued an order to cancel License No. G-35 in the name of Hess and reissue License No. G-35A in the name of Direct.

On August 14, 2023, Direct filed a letter to notify the Commission that the legal name of Direct was changed to NRG Business Marketing LLC ("NRG") as of August 1, 2023, and to request License No. G-35A be amended and reissued in the name of NRG.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, finds that License No. G-35A should be cancelled and reissued as License No. G-35B to NRG.

Accordingly, IT IS ORDERED THAT:

(1) License No. G-35A, issued to Direct Energy Business Marketing, LLC, to conduct business as a competitive service provider for natural gas supply service to eligible commercial and industrial customers in the service territories of WGL and CGV, is hereby cancelled and reissued as License No. G-35B to NRG Business Marketing LLC to conduct business as a competitive service provider for natural gas supply service to eligible commercial and industrial customers in the service territories of WGL and CGV.

(2) NRG shall operate under the license pursuant to the same terms and conditions as set forth in the Order Granting License entered into this docket on November 18, 2014. This license to act as a competitive supplier of natural gas supply service remains subject to the provisions of the Commission's Retail Access Rules, this Order, and other applicable law.

(3) This license is not valid authority for the provision of any product or service not identified within the license itself.

(4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-312-10 *et seq.*

**CASE NO. PUE-2016-00064
APRIL 19, 2023**

APPLICATION OF
WARRENTON CHASE UTILITY COMPANY, INC.

For a certificate of public convenience and necessity to provide sewer service

FINAL ORDER

On May 24, 2016, Warrenton Chase Utility, LC, filed an application with the State Corporation Commission ("Commission") for a certificate of public convenience and necessity ("Certificate") to provide sewer service in Fauquier County, Virginia ("Application") pursuant to the Utility Facilities Act, Chapter 10.1 of Title 56 of the Code of Virginia ("Code").¹ On July 14, 2016, Warrenton Chase Utility, LC, filed an amendment to its Application to reflect its reorganization from a limited liability company to a corporation.² The newly formed corporate entity is Warrenton Chase Utility Company, Inc. ("WCU" or "Company").

On September 22, 2016, the Commission entered its Order Granting Certificate which, among other things, approved the rates for usage and proposed inspection fee on an interim basis pending further order of the Commission; ordered WCU to file certain financial data after one year of operation; and directed the Staff of the Commission ("Staff") to, upon the filing of WCU's post one-year of operation financial data, to review the reasonableness of the proposed rates to file a report on its findings.³

On February 7, 2023, the WCU filed its compliance filing containing the financial data required by the Order Granting Certificate. On March 10, 2023, Staff filed a Staff Report, which among other things, concluded that WCU's proposed rates do not produce an unreasonably high return, and recommended the Commission make WCU's proposed rates permanent for service on and after September 22, 2016.⁴

NOW THE COMMISSION, upon consideration of the foregoing and the applicable law, is of the opinion and finds that WCU's proposed rates for usage and proposed inspection fee are reasonable and should be made permanent for service provided on or after September 22, 2016.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to the Utility Facilities Act (Code § 56-265.1 *et seq.*), WCU's proposed rates for usage and proposed inspection fee are hereby made permanent for service on and after September 22, 2016.

(2) WCU shall maintain its books and records in accordance with the Uniform System of Accounts of Class C Wastewater Utilities.

(3) WCU shall depreciate jurisdictional plant, and amortize associated contributions in aid of construction, at a composite rate of three (3) percent.

(4) WCU shall maintain its financial records in such detail as to facilitate a split between jurisdictional and non-jurisdictional businesses.

(5) WCU shall file Annual Financial and Operating Reports with the Commission's Division of Utility Accounting and Finance by April 30 of each year based on the previous calendar year's operations.

(6) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Code § 56-265.1 *et seq.*

² References to Application hereinafter shall be to the filing as amended on July 14, 2016.

³ *Application of Warrenton Chase Utility Company, Inc., For a certificate of public convenience and necessity to provide sewer service*; Case No. PUE-2016-00064, 2016 S.C.C. Ann. Rept. 421, Order Granting Certificate (Sept. 22, 2016).

⁴ Staff Report at 6, 7.

**CASE NO. PUE-2016-00086
APRIL 6, 2023**

APPLICATION OF
EDF ENERGY SERVICES, LLC

For a license to conduct business as an electric competitive service provider

ORDER REISSUING LICENSE

On August 4, 2016, EDF Energy Services, LLC ("EDF" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to provide electricity supply service to eligible commercial, industrial, and governmental customers throughout the Commonwealth of Virginia. In its Application, EDF attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").¹

On October 19, 2016, the Commission issued an Order Granting License to EDF authorizing the Company, pursuant to License No. E-35, to provide electricity supply service to eligible commercial, industrial, and governmental customers throughout the Commonwealth of Virginia.

On December 1, 2022, the Secretary of State of Delaware approved the Company's name change to BP Energy Retail Company LLC ("BP").

On February 23, 2023, EDF filed with the Commission a request to reissue License No. E-35 in the name of BP.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, finds that License No. E-35 should be cancelled and reissued as License No. E-35A to BP.

Accordingly, IT IS ORDERED THAT:

(1) License No. E-35, issued to EDF to provide electricity supply service to eligible commercial, industrial, and governmental customers throughout the Commonwealth of Virginia, is hereby cancelled and reissued as License No. E-35A to BP to provide electricity supply service to eligible commercial, industrial, and governmental customers throughout the Commonwealth of Virginia.

(2) BP shall operate under the license pursuant to the same terms and conditions as set forth in the Order Granting License entered into this docket on October 19, 2016. This license to act as a competitive supplier of electricity supply service remains subject to the provisions of the Commission's Retail Access Rules, this Order, and other applicable law.

(3) This license is not valid authority for the provision of any product or service not identified within the license itself.

(4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-312-10 *et seq.*

**CASE NO. PUR-2017-00035
APRIL 10, 2023**

APPLICATION OF
POWER-MARK RESOURCES, LLC

For a license to conduct business as an electric and natural gas aggregator

ORDER OF REVOCATION

Pursuant to the Virginia Electric Restructuring Act, §§ 56-576 *et seq.* of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with licensing competitive service providers of electric and natural gas services. In fulfilling that responsibility, the Commission promulgated rules and regulations pursuant to § 56-577 D of the Code. Those rules are codified at 20 VAC 5-312-10 *et seq.*, Rules Governing Access to Competitive Energy Services ("Retail Access Rules").

Power-Mark Resources, LLC ("Power-Mark"), was granted a certificate of authority to transact business in Virginia by the Commission on September 9, 2016. On March 21, 2017, Power-Mark filed an application ("Application") with the Commission for a license to conduct business as an electric and natural gas aggregator to commercial, industrial and governmental customers throughout the Commonwealth of Virginia. The Application was filed pursuant to the Commission's Retail Access Rules and Power-Mark attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B. On May 10, 2017, the Commission granted License No. A-52 to Power-Mark to conduct business as an aggregator of electricity and natural gas to commercial, industrial, and governmental customers eligible for retail access throughout Virginia.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Rule 20 P of the Retail Access Rules states that "[a] competitive service provider shall file a report with the [Commission] by March 31 of each year to update all information required in the original application for licensure. A \$100 administrative fee payable to the [Commission] shall accompany this report."¹

On August 18, 2020, pursuant to Rule 40 F of the Retail Access Rules, Staff filed a Motion for Revocation of License No. A-52 ("Motion"). In its Motion, Staff details the multiple attempts made to contact Power-Mark and its registered agent.² Further, Staff notes in its Motion that Power-Mark's business registration status with the Clerk of the Commission ("Clerk") is inactive as of June 30, 2019, due to the resignation of its registered agent.

To date, Power-Mark has failed to comply with Rule 20 P of the Retail Access Rules for the years 2018 through 2022 or to respond to the Motion. Power-Mark's business registration with the Clerk remains inactive and a new registered agent has not been designated.

NOW THE COMMISSION, having considered the record in this matter, the applicable statutes and Retail Access Rules, and the actions of the Staff, is of the opinion and finds that Staff's Motion should be granted. We also find that Staff provided due notice to Power-Mark with service of process perfected and received no response to its Motion. We further find that License No. A-52 authorizing Power-Mark to conduct business as an aggregator of electricity and natural gas to commercial, industrial, and governmental customers eligible for retail access throughout Virginia should be revoked.

Accordingly, IT IS ORDERED THAT:

(1) License No. A-52 authorizing Power-Mark to conduct business as an aggregator of electricity and natural gas to commercial, industrial, and governmental customers eligible for retail access throughout Virginia is hereby revoked.

(2) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

¹ VAC 5-312-20 P.

² See Motion at 5,6, and 9.

**CASE NO. PUR-2017-00165
APRIL 24, 2023**

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE

For approval of a community solar tariff

ORDER APPROVING TARIFF

On May 8, 2018, the State Corporation Commission ("Commission") issued a Final Order in this matter approving the application ("Application") of Central Virginia Electric Cooperative ("CVEC" or "Cooperative") for approval of a companion rate schedule for a community solar pilot program ("Community Solar Tariff") pursuant to § 56-585.1:3 C of the Code of Virginia ("Code").¹

On August 4, 2022, CVEC filed a Motion to Reopen Record and Make Pilot Program Permanent ("Motion") pursuant to Code § 56-585.1:3 G. In its Motion, CVEC states that it seeks to have the Community Solar Tariff become permanent at the same rate and terms as proposed in its pilot program so that Subscribers may continue to have access to the benefits of solar power and continue to lock in the fixed rate for this solar power on their electricity bills.² According to the Cooperative, interest and participation in the Community Solar Tariff has grown from 216 participants in May 2018 to over 1,200 in April 2021.³

CVEC represents in the Motion that participation in the Community Solar Tariff will continue to be voluntary.⁴ Further, CVEC asserts that the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁵

¹ 2018 S.C.C. Ann. Rept. 324.

² Motion at 4.

³ *Id.* at 3-4.

⁴ *Id.* at 1-2, 4.

⁵ *Id.* at 4.

On August 23, 2022, the Commission issued an Order for Notice and Comment that reopened this docket for the limited purpose of considering the Motion; directed CVEC to provide public notice of its Motion; and invited interested persons to file comments or a notice of participation in this proceeding, or to request that a hearing be convened. The Commission also directed the Staff of the Commission ("Staff") to investigate the Motion and file a report containing Staff's findings and recommendations ("Report"). No notices of participation were filed. On November 29, 2022, a public comment was filed in support of making the Community Solar Tariff permanent.

On January 13, 2023, Staff filed its Report. Staff concluded that the Cooperative's request to make the Community Solar Tariff permanent is reasonable, as the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁶ Further, based on the Cooperative's assertions, Staff believes any future subsidization by non-participating customers will be avoided.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that CVEC's request to make the Community Solar Tariff permanent should be approved.

Accordingly, IT IS ORDERED THAT:

- (1) The Cooperative's Motion is approved as set forth herein.
- (2) The Community Solar Tariff shall become permanent on and after the date of this Order.

(3) Within thirty (30) days of the date of this Order, the Cooperative shall file applicable tariffs to implement the Program with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (4) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ Staff Report at 8.

⁷ *Id.* at 8-9.

**CASE NO. PUR-2017-00177
JANUARY 12, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For extension of Service Agreement

ORDER ON MOTION

On January 4, 2023, Washington Gas Light Company ("Washington Gas") filed a motion ("Motion") for a short-term extension of authority for an affiliate service agreement with AltaGas Services (U.S.) Inc. ("ASUS") ("ASUS Agreement"), which otherwise is due to expire on March 16, 2023.¹

The ASUS Agreement permits Washington Gas to receive certain indirect centralized corporate services from and engage in other indirect affiliated transactions with (collectively, "Pass-Through Services") its senior parent company, AltaGas, Ltd. ("Parent"), via the ASUS Agreement.² Pursuant to the ASUS Agreement, ASUS serves as the conduit to funnel the Pass-Through Service transactions from Parent through ASUS to Washington Gas.³ The Pass-Through Services include: (1) Board of Directors; (2) Executive Committee; (3) Finance; (4) Accounting and Tax; (5) Legal and Compliance; (6) Information Technology/Enterprise Resource Planning/Procurement; and (7) Office Services and Corporate Resources.⁴

The Motion requests the Commission to extend the end date for the ASUS Agreement by nine months, from March 16, 2023, to December 16, 2023 ("Extension"), which will coincide with the approval termination date for other Washington Gas affiliate agreements.⁵

¹ See *Application of Washington Gas Light Company, For approval of service agreement*, Case No. PUR-2017-00177, 2018 S.C.C. Ann. Rept. 331, Order Granting Approval (Mar. 15, 2018).

² *Id.* at 331.

³ *Id.*

⁴ *Id.*

⁵ See *Application of Washington Gas Light Company, For approval of Service Agreements*, Case No. PUR-2018-00130, 2018 S.C.C. Ann. Rept. 509, Order Granting Authority (Dec. 17, 2018).

Washington Gas represents that it is currently reviewing the ASUS Agreement to determine whether any refinements are necessary.⁶

Washington Gas represents that the proposed Motion presents no harm to the public interest because the Commission reserves "continuing supervisory control" pursuant to Code § 56-80 and that combining the Company's affiliate filings into one application will promote administrative efficiency.⁷ Washington Gas further represents that it is authorized to advise that the Commission Staff does not oppose the Motion.⁸

NOW THE COMMISSION, upon consideration of the foregoing, finds that granting the Extension is not detrimental to the public interest.

Accordingly, IT IS ORDERED THAT:

- (1) Case No. PUR-2017-00177 docket is reopened to receive the Motion.
- (2) The Motion to extend the ASUS Agreement's authority through December 16, 2023, is granted.
- (3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ Motion at 3.

⁷ *Id.* at 3.

⁸ *Id.* at 4.

CASE NO. PUR-2018-00019 JULY 31, 2023

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For approval of a community solar tariff

ORDER APPROVING TARIFF

On July 24, 2018, the State Corporation Commission ("Commission") issued a Final Order in this matter approving the application of Rappahannock Electric Cooperative ("REC" or "Cooperative") for approval of a companion rate schedule for a voluntary community solar pilot program ("Community Solar Tariff") pursuant to § 56-585.1:3 C of the Code of Virginia ("Code").

As approved under the Community Solar Tariff, REC members receiving electric service under a residential rate schedule could purchase energy in 50 kilowatt-hour blocks generated from solar generating resources ("Subscriber"), and each Subscriber would pay a flat and fixed monthly rate ("Fixed Block Charge") of \$5.33 per Solar Block per month.¹

On January 13, 2023, REC filed a Motion to Reopen Record, Make Pilot Program Permanent, and Revise Rate ("Motion") pursuant to Code § 56-585.1:3 G. In its Motion, REC states that it seeks to have the Community Solar Tariff become permanent with a revised Fixed Block Charge.² Specifically, REC proposes to increase the Fixed Block Charge to \$5.57 per Solar Block per month.³ The Cooperative requests that the revised Fixed Block Charge become effective for bills rendered on or after the date the Commission grants the Motion ("Effective Date").⁴ REC seeks to have the revised Fixed Block Charge remain fixed for a three-year period from its Effective Date, at which time the Cooperative would again evaluate whether a prospective change in the Fixed Block Charge is appropriate.⁵

¹ Final Order at 1-2.

² Motion at 1, 3-4.

³ *Id.* at 4.

⁴ *Id.* at 5.

⁵ *Id.*

REC represents in the Motion that participation in the Community Solar Tariff will continue to be voluntary.⁶ Further, REC asserts that the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁷ The Cooperative states that the Community Solar Tariff has been well received by its members, growing from 14 Subscribers in October 2018 to over 1,000 Subscribers in September 2021.⁸

On February 13, 2023, the Commission issued an Order for Notice and Comment that reopened this docket for the limited purpose of considering the Motion; directed REC to provide public notice of its Motion; invited interested persons to file comments or a notice of participation in this proceeding, or to request that a hearing be convened; directed the Staff of the Commission ("Staff") to investigate the Motion and file a report containing Staff's findings and recommendations ("Report"); and provided REC an opportunity to file comments on the Report and any filings made by interested persons. No notices of participation or requests for hearing were filed. Three written public comments were received.

On June 23, 2023, Staff filed its Report. Staff concluded that the Cooperative's request to make the Community Solar Tariff permanent is reasonable, as the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁹ Staff recommended that REC be directed to annually file in the case docket a report that: (i) provides the balance of any deferred costs so that the magnitude of such costs may be monitored, and (ii) updates information the Cooperative previously provided in a pilot program report ("Reporting Requirements").¹⁰

On July 14, 2023, REC filed comments stating that it did not object to any of Staff's findings in the Report, including the proposed Reporting Requirements.¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that REC's request to make the Community Solar Tariff permanent should be approved.

In making this determination, we find that the revised Fixed Block Charge is reasonable given the specific facts and circumstances in this case. According to REC, the increase to the Fixed Block Charge is needed "[i]n order for the Community Solar Tariff revenues to continue to recover the costs of providing service under the tariff so that non-participants can be protected from increased costs."¹² Staff reviewed the revised Fixed Block Charge and did not oppose the updated calculation.¹³ Moreover, participation in the Community Solar Tariff is voluntary, and a Subscriber may cancel a subscription at any time by giving at least thirty (30) days' notice to the Cooperative.¹⁴ For these reasons, we grant REC's Motion, including the revised Fixed Block Charge, as set forth herein.

We further direct REC to comply with the Reporting Requirements included in the Staff Report.

Accordingly, IT IS ORDERED THAT:

(1) The Cooperative's Motion is granted as set forth herein.

(2) The permanent Community Solar Tariff shall become effective for bills rendered on and after the date of this Order.

(3) Within thirty (30) days of the date of this Order, the Cooperative shall file a revised Community Solar Tariff with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) This case shall remain open for the purpose of receiving the Reporting Requirements required by this Order.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 1, Ex. B.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ Staff Report at 15. In its Report, Staff also found that REC's inclusion of a risk mitigation adder as part of the calculation of the Fixed Block Charge would help mitigate the risk to non-participating customers in the event of rising future costs. *Id.*

¹⁰ *Id.*

¹¹ REC Comments at 1.

¹² Motion at 4.

¹³ Staff Report at 6-7.

¹⁴ Motion at 5.

**CASE NO. PUR-2018-00020
JULY 31, 2023**

APPLICATION OF
A&N ELECTRIC COOPERATIVE

For approval of a community solar tariff

ORDER APPROVING TARIFF

On July 24, 2018, the State Corporation Commission ("Commission") issued a Final Order in this matter approving the application of A&N Electric Cooperative ("ANEC" or "Cooperative") for approval of a companion rate schedule for a voluntary community solar pilot program ("Community Solar Tariff") pursuant to § 56-585.1:3 C of the Code of Virginia ("Code").¹

As approved under the Community Solar Tariff, ANEC members receiving electric service under a residential rate schedule could purchase energy in 50 kilowatt-hour blocks generated from solar generating resources ("Residential Subscriber"), and each Residential Subscriber currently pays a flat and fixed rate ("Fixed Block Charge") of \$5.42 per Solar Block per month.¹

On January 13, 2023, ANEC filed a Motion to Reopen Record, Make Pilot Program Permanent, Expand Eligibility, and Revise Rate ("Motion") pursuant to Code § 56-585.1:3 G. In its Motion, ANEC states that it seeks to have the Community Solar Tariff become permanent with a revised Fixed Block Charge.² Specifically, ANEC proposes to reduce the Fixed Block Charge to \$5.28 per Solar Block per month.³ The Cooperative requests that the revised Fixed Block Charge become effective for bills rendered on or after the date the Commission grants the Motion ("Effective Date").⁴ ANEC seeks to have the revised Fixed Block Charge remain fixed for a three-year period from its Effective Date, at which time the Cooperative would again evaluate whether a prospective change in the Fixed Block Charge is appropriate.⁵ Further, the Cooperative states that based on potential interest from members that are not eligible to participate in the pilot program, it would like to extend the Community Solar Tariff to members served on Cooperative's Schedule B.⁶

ANEC represents in the Motion that participation in the Community Solar Tariff will continue to be voluntary.⁷ Further, ANEC asserts that the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁸ The Cooperative states that the Community Solar Tariff has been well received by its members and has provided benefits to those members who choose to subscribe to the tariff, without impacting non-participating customers.⁹

On February 13, 2023, the Commission issued an Order for Notice and Comment that reopened this docket for the limited purpose of considering the Motion; directed ANEC to provide public notice of its Motion; invited interested persons to file comments or a notice of participation in this proceeding, or to request that a hearing be convened; directed the Staff of the Commission ("Staff") to investigate the Motion and file a report containing Staff's findings and recommendations ("Report"); and provided ANEC an opportunity to file comments on the Report and any filings made by interested persons. No notices of participation, requests for hearing, or public comments were filed.

On June 9, 2023, Staff filed its Report. Staff concluded that the Cooperative's request to make the Community Solar Tariff permanent is reasonable, as the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.¹⁰ Further, Staff did not oppose expanding the tariff's eligibility to Schedule B customers.¹¹

¹ Final Order at 1-2.

² Motion at 1, 4.

³ *Id.* at 4.

⁴ *Id.* at 5.

⁵ *Id.*

⁶ *Id.* at 4.

⁷ *Id.* at 1, Ex. B.

⁸ *Id.* at 4.

⁹ *Id.*

¹⁰ Staff Report at 16. In its Report, Staff also found that ANEC's inclusion of a risk mitigation adder as part of the calculation of the Fixed Block Charge would help mitigate the risk to non-participating customers in the event of rising future costs. *Id.*

¹¹ *Id.*

Staff recommended that ANEC be directed to annually file in the case docket a report that: (i) provides the balance of any deferred costs so that the magnitude of such costs may be monitored, (ii) updates information the Cooperative previously provided in a pilot program report ("Reporting Requirements"); and (iii) provides both residential and non-residential participation and load over the next three years to determine if the Fixed Block Charge weighting is appropriate, or whether further adjustments may be warranted.¹²

On June 23, 2023, ANEC filed comments stating that it did not object to any of Staff's findings in the Report, including the proposed Reporting Requirements.¹³

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that ANEC's request to make the Community Solar Tariff permanent should be approved. We further direct ANEC to comply with the Reporting Requirements included in the Staff Report.

Accordingly, IT IS ORDERED THAT:

- (1) The Cooperative's Motion is approved as set forth herein.
- (2) The permanent Community Solar Tariff shall become effective for bills rendered on and after the date of this Order.

(3) Within thirty (30) days of the date of this Order, the Cooperative shall file a revised Community Solar Tariff with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (4) This case shall remain open for the purpose of receiving the Reporting Requirements required by this Order.

Commissioner Patricia L. West participated in this matter.

¹² *Id.*

¹³ ANEC Comments at 1.

**CASE NO. PUR-2018-00022
JUNE 26, 2023**

APPLICATION OF
NORTHERN NECK ELECTRIC COOPERATIVE

For approval of a community solar tariff

ORDER APPROVING TARIFF

On July 24, 2018, the State Corporation Commission ("Commission") issued a Final Order in this matter approving the application of Northern Neck Electric Cooperative ("NNEC" or "Cooperative") for approval of a companion rate schedule for a voluntary community solar pilot program ("Community Solar Tariff") pursuant to § 56-585.1:3 C of the Code of Virginia ("Code").

As approved, under the Community Solar Tariff, NNEC members receiving electric service under a residential rate schedule could purchase energy in 50 kilowatt-hour blocks generated from solar generating resources, and each Subscriber would pay a seasonal, fixed monthly rate ("Fixed Block Charge") of \$5.46 per Solar Block per month for non-summer months (October – May) and \$5.95 per Solar Block per month for summer months (June – September).¹

On January 13, 2023, NNEC filed a Motion to Reopen Record, Make Pilot Program Permanent, and Revise Rate ("Motion") pursuant to Code § 56-585.1:3 G. In its Motion, NNEC states that it seeks to have the Community Solar Tariff become permanent with a revised Fixed Block Charge.² Specifically, NNEC proposes to reduce the Fixed Block Charge to \$5.26 per Solar Block per month for non-summer months (October – May) and \$5.89 per Solar Block per month for summer months (June – September).³ The Cooperative requests that the revised Fixed Block Charges become effective for bills rendered on or after the date the Commission grants the Motion ("Effective Date").⁴ NNEC seeks to have the revised Fixed Block Charges remain fixed for a three-year period from its Effective Date, at which time the Cooperative would again evaluate whether a prospective change in the Fixed Block Charges is appropriate.⁵

¹ Final Order at 1-2.

² Motion at 1, 3-4.

³ *Id.* at 4.

⁴ *Id.* at 5.

⁵ *Id.*

NNEC represents in the Motion that participation in the Community Solar Tariff will continue to be voluntary.⁶ Further, NNEC asserts that the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁷ The Cooperative states that the Community Solar Tariff has been well received by its members and has provided benefits to those members who choose to subscribe to the tariff, without impacting non-participating customers.⁸

On February 13, 2023, the Commission issued an Order for Notice and Comment that reopened this docket for the limited purpose of considering the Motion; directed NNEC to provide public notice of its Motion; invited interested persons to file comments or a notice of participation in this proceeding, or to request that a hearing be convened; directed the Staff of the Commission ("Staff") to investigate the Motion and file a report containing Staff's findings and recommendations ("Report"); and provided NNEC an opportunity to file comments on the Report and any filings made by interested persons. No notices of participation, requests for hearing, or public comments were filed.

On May 26, 2023, Staff filed its Report. Staff concluded that the Cooperative's request to make the Community Solar Tariff permanent is reasonable, as the Community Solar Tariff revenues have fully recovered the cost of providing service under the tariff and no costs have been borne by non-participating customers.⁹ Staff recommended that NNEC be directed to annually file in the case docket a report that: (i) provides the balance of any deferred costs so that the magnitude of such costs may be monitored, and (ii) updates information the Cooperative previously provided in a pilot program report ("Reporting Requirements").¹⁰

On June 8, 2023, NNEC filed comments stating that it did not object to any of Staff's findings in the Report, including the proposed Reporting Requirements.¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that NNEC's request to make the Community Solar Tariff permanent should be approved. We further direct NNEC to comply with the Reporting Requirements included in the Staff Report.

Accordingly, IT IS ORDERED THAT:

- (1) The Cooperative's Motion is approved as set forth herein.
- (2) The permanent Community Solar Tariff shall become effective for bills rendered on and after the date of this Order.
- (3) Within thirty (30) days of the date of this Order, the Cooperative shall file a revised Community Solar Tariff with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (3) This case shall remain open for the purpose of receiving the Reporting Requirements required by this Order.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 1, Ex. B.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ Staff Report at 14-15. In its Report, Staff also found that NNEC's inclusion of a risk mitigation adder as part of the calculation of the Fixed Block Charges would help mitigate the risk to non-participating customers in the event of rising future costs. *Id.* at 15.

¹⁰ *Id.* at 15.

¹¹ NNEC Comments at 1.

**CASE NO. PUR-2019-00176
APRIL 24, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2021-00255

For a general increase in rates

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2019-00176

For an Annual Informational Filing

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2020-00249

For an Annual Informational Filing

FINAL ORDER

On November 15, 2021, Virginia-American Water Company ("VAWC" or "Company") filed an application with the State Corporation Commission ("Commission") for an increase in rates ("Application" or "Rate Case"). On December 6, 2021, and December 9, 2021, the Company supplemented its Application.

On December 21, 2021, the Commission issued an Order for Notice and Hearing in VAWC's Rate Case, which, among other things, docketed the Company's Application; directed VAWC to provide notice of its Application; provided interested persons the opportunity to comment or participate in the proceeding; directed the Commission's Staff to investigate the Application; scheduled an evidentiary hearing; and assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed in the Rate Case proceeding by the Hopewell Committee for Fair Water Rates ("Hopewell Committee"); the City of Alexandria, Virginia ("Alexandria"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").

On March 3, 2022, the Commission entered an Order in Case Nos. PUR-2019-00176 and PUR-2020-00249 ("AIF Proceedings") which, among other things, found that the AIF Proceedings required further process and should be addressed as part of VAWC's pending Rate Case (Case No. PUR-2021-00255).¹ The Commission directed the Hearing Examiner assigned to the pending Rate Case to make findings and recommendations pertaining to the AIF proceedings in addition to any other findings and recommendations to be made as part of the Rate Case.² On March 14, 2022, the Hearing Examiner ruled that the AIF Proceedings would proceed concurrently with the Rate Case.³

On July 19, 2022, the Hopewell Committee, Alexandria, and Consumer Counsel filed their respective Rate Case testimony. On August 16, 2022, Staff of the Commission ("Staff") filed testimony pertaining to the Rate Case and the AIF Proceedings, and Consumer Counsel filed supplemental Rate Case testimony. On September 6, 2022, VAWC filed rebuttal testimony pertaining to the Rate Case and the AIF Proceedings. Public comments were also received in the Rate Case proceeding.

On September 26, 2022, VAWC, Staff, and Alexandria (collectively, "Stipulating Participants") submitted a Joint Motion to Approve Stipulation together with a proposed Stipulation ("Stipulation") pertaining to the Rate Case and AIF Proceedings.⁴ The Hopewell Committee and Consumer Counsel were not signatories to the Stipulation. Consumer Counsel, however, recommended the Commission approve the Stipulation as a reasonable resolution of the issues.⁵

The Stipulating Participants agreed as follows:⁶

- (1) To a rate increase that would produce additional annual jurisdictional revenues of \$10.75 million;
- (2) For future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case, the Stipulating Participants agree to a 9.7% return on equity ("ROE") and the following actual capital structure and cost of capital:

¹ *Applications of Virginia American Water Company for Annual Informational Filings*, Case Nos. PUR-2019-00176 and PUR-2020-00249, Doc. Con. Cen. No. 220310081, Order at 4-5 (March 3, 2022) ("AIF Further Proceedings Order").

² AIF Further Proceedings Order at 5. In a footnote to Ordering Paragraph (1), the Commission stated: "We leave to the Hearing Examiner's discretion whether and how to combine and/or consolidate Case Nos. PUR-2019-00176, PUR-2020-00249, and PUR-2021-00255." *Id.* n.19.

³ Hearing Examiner Ruling at 2 (March 14, 2022).

⁴ Exhibit 2.

⁵ Tr. at 37.

⁶ Stipulation at 1-4.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

<u>Component</u>	<u>Ratemaking Capital</u>	<u>Weight</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Short-Term Debt	\$20,144,129	7.335%	1.838%	0.135%
Long-Term Debt	\$141,673,355	51.590%	4.222%	2.178%
Preferred Stock	\$0	0.000%	0.000%	0.000%
Common Equity	\$111,850,200	40.73%	9.70%	3.951%
Investment Tax Credits	\$946,123	0.345%	6.594%	0.023%
Total Capitalization	\$274,613,807	100.00%		6.286%

(3) To move forward with the second phase of consolidation for water service rates and the purchased water surcharge as proposed by the Company and consistent with the Partial Stipulation approved by the Commission in Case No. PUR-2018-00175;

(4) To a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, resulting in an annual jurisdictional amortization amount of \$272,812, as calculated in Staff's pre-filed adjustment. The Company will stop deferring COVID-19 related costs as of June 30, 2021, and will start amortization for book purposes as of May 1, 2022;

(5) The Company may record any amounts above or below the total Company amount of 2023 pension expense equal to \$255,101 and OPEB⁷ expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;

(6) The Alexandria Water and Wastewater Infrastructure Surcharge ("WWISC") Earnings Test issue in Case Nos. PUR-2019-00176 & PUR-2020-00249 will be litigated before the Commission based on the record and post-hearing briefs;

(7) To the level of write-offs for the Depreciation Reserve Deficiency, OPEB Deferral, and COVID-19 Deferral in the June 2020 Earnings Test (in Case No. PUR-2020-00249 as updated by Staff in this Rate Case (Case No. PUR-2021-00255)) as presented below:

- Depreciation Reserve Deficiency: \$362,630
- OPEB Deferral: \$42,827
- COVID-19 Deferral: \$123,286; and

(8) The rates set forth on Attachment A to the Stipulation should be approved by the Commission and implemented by the Company effective May 1, 2022.

The public witness hearing was convened on September 27, 2022. The public evidentiary hearing was also convened on September 27, 2022, immediately following the public witness hearing, and concluded on September 28, 2022. VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff participated in the hearing.

On November 2, 2022, VAWC, the Hopewell Committee, Alexandria, Consumer Counsel, and Staff filed post-hearing briefs.

On December 2, 2022, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued in the Rate Case and the AIF Proceedings. In the Report, the Chief Hearing Examiner recommended the Commission enter an Order which adopts the proposed Stipulation, subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric rate block changing by the same percentage. The Chief Hearing Examiner further recommended there be no refunds of WWISC revenues collected from Alexandria district customers. Specifically, the Report made the following findings:⁸

- (1) Based on the record and Stipulation, VAWC requires a rate increase that will produce additional annual jurisdictional revenues of \$10.75 million;
- (2) VAWC's ROE is 9.7%, and the actual capital structure and cost of capital is as provided in the Stipulation and shown above, to be used for future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case;
- (3) VAWC should move forward with the second phase of consolidation for water service rates and the [Purchase Water Surcharge] as proposed by the Company;
- (4) VAWC should use a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, stop deferring COVID-19 related costs as of June 30, 2021, and begin amortizing for book purposes as of May 1, 2022;

⁷ "OPEB" stands for "Other Post-Employment Benefits."

⁸ Report at 106-107.

(5) VAWC may record any amounts above or below the Company's amount of 2023 pension expense equal to \$255,101 and OPEB expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;

(6) VAWC should not be required to refund any WWISC revenues collected from Alexandria district customers during the Alexandria ET Period;

(7) As specified in the Stipulation, VAWC should be directed to write-off the Depreciation Reserve Deficiency of \$362,630, OPEB Deferral of \$42,837, and COVID-19 Deferral of \$123,286;

(8) Except for the rates for Hopewell industrial potable water customers, VAWC should implement the rates set forth on Attachment A of the Stipulation effective May 1, 2022. The rate design for the Hopewell industrial potable water customers should be designed based on the current six-block rate structure with each existing volumetric rate block changing by the same percentage; and

(9) VAWC should refund, with interest as prescribed by the Commission, amounts collected as interim rates based on its Application in excess of the rates approved herein.

VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁹

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹⁰

In accordance with the above findings, *I RECOMMEND* that the Commission enter an order that:

1. *ADOPTS* the findings in this Report and the Stipulation as amended; and
2. *DISMISSES* this case from the Commission's docket of active cases and passes the papers herein to the file for ended causes.

Upon consideration of this matter, the Commission concludes that the Chief Hearing Examiner's findings (1)-(5), (7),¹¹ and (8)-(9), above, are supported by law and the evidence, have a rational basis, and are adopted herein.¹² In so concluding, the Commission approves the proposed Stipulation subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric block changing by the same percentage, as recommended by the Hearing Examiner.¹³ In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

Proposed Refund of WWISC Revenues

The one exception to the Chief Hearing Examiner's findings and recommendations that the Commission does not adopt concerns Staff's recommended refund of certain WWISC revenues collected from the Alexandria district. The Chief Hearing Examiner explains:

I believe the Commission could find that based on the Alexandria [Earnings Test] Period results, Staff's proposed refund of \$419,803 of WWISC revenues collected from Alexandria customers is appropriate, based on the discussion above.

However, while I find that earnings tests, by their nature, are not designed for granular causation analysis, in my opinion this case presents a situation for which the Commission should make an exception.¹⁴

Staff, Consumer Counsel and Alexandria disagree with the Chief Hearing Examiner's recommendation not to require refunds.¹⁵

⁹ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹⁰ Report at 107 (emphases in original).

¹¹ With respect to finding (7), the Commission approves an OPEB deferral write-off amount of \$42,827 as reflected in the Stipulation. *See* Staff's Comments at 5, n15 (stating that finding (7) contained an incorrect reference to an OPEB deferral write-off of \$42,837, rather than the amount of \$42,827 contained in the Stipulation).

¹² *See* Report at 106-107.

¹³ In its Comments, VAWC indicated it would accept the Hearing Examiner's recommended modification to the Stipulation to continue the use of the existing six-block structure for Hopewell's industrial potable customers. VAWC Comments at 4. Staff similarly did not oppose this modification. Staff Comments at 5. The Hopewell Committee supported this modification. Hopewell Committee Comments at 3-4.

¹⁴ Report at 106.

¹⁵ City of Alexandria Comments at 2-3; Staff Comments at 6-11; Consumer Counsel Comments at 5-8.

After fully considering all the evidence and arguments both for and against the proposed refunds, the Commission finds that the record supports requiring refunds of the WWISC revenues as proposed by Staff and will so direct. The Commission's original approval of the WWISC was expressly dependent upon the use of Earnings Tests and refunds on a going-forward basis to assure that operation thereof does not result in annual earnings above the authorized ROE.¹⁶ In so ordering, the Commission, over the objection of VAWC, expressly directed "that the use of an Earnings Test should accompany the annual WWISC review and ... that refunds should be made to ratepayers, with interest, to the extent the WWISC collections result in annual earnings above the rate of return on common equity ... approved below."¹⁷ Indeed, the Supreme Court of Virginia – in affirming the Commission's approval of the WWISC – recognized this Earnings Test process as perhaps the most significant qualification placed by the Commission on the implementation of the WWISC.¹⁸

The Chief Hearing Examiner reasonably rejected the majority of VAWC's arguments against Staff's recommended refund.¹⁹ The Report, however, ultimately recommends the Commission make an exception and not require a refund based on the fact that "the additional rate consolidation revenues collected from customers of the Alexandria district exceeds the level of revenues that Staff recommended be refunded."²⁰

We are not persuaded to make an exception in this case. As recognized by the Chief Hearing Examiner, earnings tests are by their nature not designed for granular causation analysis, and we decline to conduct such an analysis here. The evidence in the record shows that in the Alexandria district, VAWC earned a 10.03% ROE for the 28-month WWISC period when both base rate and WWISC revenues are considered.²¹ After accounting for refunds of \$419,803, the Company's resulting earned return is 9.57%, which is above the weighted average benchmark of 9.55% determined by the authorized ROEs during the period.²² Requiring refunds in this matter is supported by the record and, moreover, conforms with the Commission's original approval of the WWISC and the Court's affirmance thereof.

Rate Consolidation

As set forth in the Report, the Commission adopted the first one-third step toward statewide STP in Case No. PUR-2018-00175, including allocation of one-third of the PWS to the Hopewell and Eastern districts.²³ We agree with the Chief Hearing Examiner that based on the record of this case, the Commission should continue with the second one-third step towards statewide STP, by moving all rates, including the PWS, one-third closer to STP.²⁴

Finally, the Commission notes that VAWC initially proposed a rate increase of \$14.3 million.²⁵ Under the approved Stipulation, the Commission approves a \$10.75 million rate increase,²⁶ which is supported by the record. In granting this approval, the Commission further notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

¹⁶ *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUE-2015-00097, 2017 S.C.C. Ann. Rep. 288, 290-291, Final Order (May 24, 2017) (hereinafter "2015 Final Order").

¹⁷ 2015 Final Order at 291.

¹⁸ *City of Alexandria v. State Corporation Commission*, 296 Va. 79, 818 S.E.2d 33 (2018) ("The SCC's review of the WWISC was not disconnected from its overall discretionary review of VAWC's request for an increase in its base rate. It was an analysis that looked at all of the facts presented in the aggregate and in light of the statutory factors. This is particularly evident in the extensive qualifications that the [Commission] placed upon the implementation of the WWISC. Perhaps the most significant is the Earnings Test, which takes into account all of the Alexandria district's revenues from base rates and from the WWISC to determine if VAWC earned more than its approved rate of return for that district.").

¹⁹ Report at 104-106.

²⁰ Report at 106. The Report explains that "beginning in May 2019, the legislatively mandated consolidation to [single tariff pricing ("STP")] and the Commission's 2018 Rate Order 'resulted in an approximately \$1,045,049 increase in annual revenue for the Company's Alexandria [d]istrict (which was balanced with decreases in other districts).'" Report at 106 (quoting Virginia-American Post-Hearing Brief at 24).

²¹ Ex. 25 (Long Direct) at 18. While not dispositive to our decision herein, we note further that VAWC could have, but did not, present an alternative consolidated earnings test. The approved Stipulation in Case No. PUR-2019-00185 provided in relevant part: "To the extent the Commission approves the consolidation of the cost of service study for the Company's Alexandria district with the Company's other service districts, the Company may propose substitution of a consolidated earnings test for purposes of the WWISC subsequent to the effective date of such approval." Staff Comments at 11 n.43.

²² Ex. 25 (Long Direct) at 18; Staff Comments at 9-10.

²³ Report at 101. *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUR-2018-00175, 2020 S.C.C. Ann. Rep. 236 (Nov. 6, 2020).

²⁴ Report at 100-102.

²⁵ Ex. 3 (Application) at 2.

²⁶ Report at 96; Ex. 2 (Stipulation).

(1) The Commission adopts the Chief Hearing Examiner's findings and recommendations, with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers, and makes findings as set forth herein.

(2) The Chief Hearing Examiner's recommendations are hereby ordered with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers.

(3) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis on May 1, 2022. VAWC shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: sec.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.

(4) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund effective May 1, 2022, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below, within ninety (90) days of the issuance of this Final Order.

(5) The Company shall refund, with interest, \$419,803 of WWISC revenues to the customers of the Alexandria district. Within ninety (90) days of the issuance of this Final Order, the Company shall complete refunds by check or through credits to customer bills.

(6) Refunds with interest for current customers may be made by a credit to the customers' accounts and shown on bills. If refunds with interest for current customers are made by a credit to the customers' accounts and shown on bills, the bills shall show the refund as a separate item or items.

(7) For former customers, refunds with interest that exceed \$1 shall be made by check mailed to the last known address of such customers.

(8) VAWC may retain refunds owed to former customers when such refund amount is less than \$1; however, if refunds owed to former customers in an amount less than \$1 are retained by the Company, the Company will prepare and maintain a list detailing each of the former accounts for which refunds are less than \$1, and in the event such former customers contact the Company and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Code § 55-210.6.2.

(9) VAWC may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its current customers or customers who are no longer on its system. To the extent the outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion.

(10) Interest upon the ordered refunds shall be computed from the date payments on monthly bills were due as shown on the bills to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly. The average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent, of the "Bank prime loan" values published in the Federal Reserve Bulletin of the Federal Reserve's Selected Interest Rates (Statistical Release H.15) for the three (3) months of the preceding calendar quarter.

(11) Within sixty (60) days of completing the refunds ordered herein, VAWC shall submit to the Divisions of Utility Accounting and Finance and Public Utility Regulation a report showing that all refunds have been made pursuant to this Final Order and itemizing the cost of the refund and accounts charged. The Company shall not recover the interest paid or the expenses incurred in making such refunds from water or wastewater rates and charges subject to the Commission's jurisdiction.

(12) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(13) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2019-00203
JULY 10, 2023**

APPLICATION OF
INSIGHT SOURCING GROUP LLC

For a license as an electricity and natural gas aggregator

ORDER REISSUING LICENSE

On April 21, 2020, Insight Sourcing Group LLC ("Insight Sourcing" or "Company"), completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to provide electricity and natural gas aggregation services to eligible commercial and industrial customers throughout the Commonwealth of Virginia. In its Application, Insight Sourcing attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").¹

On June 22, 2020, the Commission issued an Order Granting License to Insight Sourcing authorizing the Company, pursuant to License No. A-102, to provide electricity and natural gas aggregation services to eligible commercial and industrial customers throughout Virginia.

¹ 20 VAC 5-312-10 *et seq.*

On May 26, 2023, a Motion to Amend and Reissue Electric and Natural Gas Aggregator License ("Motion") was filed with the Commission to request License No. A-102 be amended and reissued in the name of Insight Energy, LLC ("Insight Energy").

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, finds that License No. A-102 should be cancelled and reissued as License No. A-102A to Insight Energy.

Accordingly, IT IS ORDERED THAT:

(1) License No. A-102, issued to Insight Sourcing to provide electric and natural gas aggregation service to eligible commercial and industrial customers throughout the Commonwealth of Virginia, is hereby cancelled and reissued as License No. A-102A to Insight Energy to provide electric and natural gas aggregation service to eligible commercial and industrial customers throughout the Commonwealth of Virginia

(2) Insight Energy shall operate under the license pursuant to the same terms and conditions as set forth in the Order Granting License entered into this docket on June 22, 2020. This license to act as an aggregator of electricity and natural gas remains subject to the provisions of the Commission's Retail Access Rules, this Order, and other applicable law.

(3) This license is not valid authority for the provision of any product or service not identified within the license itself.

(4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2019-00214
JUNE 21, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval to establish an experimental residential rate schedule, designated Time-Of-Use Rate Schedule 1G (Experimental)

ORDER

On December 12, 2019, Virginia Electric and Power Company ("Company") filed an application for approval to establish a new experimental and voluntary residential time-of-use ("TOU") rate schedule, designated Time-Of-Use Rate Schedule 1G (Experimental) ("TOU Schedule 1G"). Notices of Participation were filed by Appalachian Voices and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").

On May 20, 2020, the State Corporation Commission ("Commission") issued a Final Order Approving Experiment ("Final Order") in this docket which, in part, approved TOU Schedule 1G for implementation on an experimental basis on and after January 1, 2021, pursuant to the requirements of § 56-234 B of the Code of Virginia ("Code").¹ Specifically, the Final Order found, among other things, "that much more data and detail will be necessary to determine the type and structure of a TOU rate design that will serve the public interest on a significantly wider scale."² In addition, the Final Order found that, "as information regarding the actual implementation of this experiment becomes available, the Company shall file proposed modifications thereto designed to strengthen the robustness and efficacy of TOU Schedule 1G" and that the docket shall remain open for that purpose.³

On March 24, 2023, the Company filed an application ("Application") with the Commission for approval to modify TOU Schedule 1G pursuant to § 56-234 B of the Code.⁴ Specifically, the Application seeks to expand the participation cap of TOU Schedule 1G from 10,000 to 20,000 customers.⁵ The Application proposes no other changes to TOU Schedule 1G.⁶

In support of the Application, Dominion states that the maximum enrollment has been reached with the Company maintaining a list of hundreds of customers requesting to be notified if the enrollment cap is expanded.⁷ Dominion further asserts that increased participation will lead to more data to

¹ *Application of Virginia Electric and Power Company, For approval to establish an experimental residential rate schedule, designated Time-Of-Use Rate Schedule 1G (Experimental)*, Case No. PUR-2019-00214, 2020 S.C.C. Ann. Rept. 388, Final Order ("2020 Final Order") (May 20, 2020).

² *Id.* at 388.

³ *Id.*

⁴ Application at 1.

⁵ *Id.* The Application states that "the increase in the participation cap for TOU Schedule 1G is in the public interest because it will enable the Company to gather more information and detailed data from additional and more diverse populations to increase the robustness and efficacy of the rate and provide information necessary to analyze and design a viable system-wide TOU rate. Additionally, expanding the participation cap will allow additional customers to save money and reduce energy consumption." *Id.* at 6.

⁶ *Id.* at 6.

⁷ *Id.* at 4.

better develop and inform a system-wide rate to be proposed in a future biennial review and that participating customers are, on average, saving money and reducing energy consumption.⁸ Dominion also represents that it has engaged with stakeholders regarding the proposed modification and did not receive any substantive feedback.⁹

On April 24, 2023, the Commission issued an Order Inviting Responses and Reply that, among other things provided Respondents and Staff an opportunity to file a response to the Application and provided Dominion a chance to reply to responses filed by Respondents or Staff in this proceeding.

On May 10, 2023, Consumer Counsel filed a Response to the Application. Among other things, Consumer Counsel highlighted certain findings from the Company's two annual reports on TOU Schedule 1G. Consumer Counsel states its understanding that "the Company's most recent annual report to mean that the average high baseline customer (the type of customer that is not predestined to save money as a structural winner) sees increased electric bills in the TOU Rate Schedule 1 G experiment as compared to the standard tariff."¹⁰ Consumer Counsel recommended that the Commission direct the Company to further study this issue and offer potential rate design modifications to achieve better savings for average high baseline customers.¹¹

On May 24, 2023, Staff filed Comments on the Application. Staff did not oppose the Company's proposal to expand the participation cap to 20,000 participants. Specifically, Staff found that increasing the participation cap to 20,000 participants will increase the size, and diversity, of the data set which the Company can use to conduct evaluation, measurement and verification ("EM&V").¹² According to Staff, this increase in participation will help facilitate the collection of more data and detail necessary to determine the type and structure of a TOU rate design that will service the public interest on a significantly wider scale.¹³

On June 7, 2023, the Company filed its Reply to the comments of the Staff and Consumer Counsel. The Company stated that it "commits to studying the results of the average high-baseline customer seeing an increase in electric bills and expects to update the rate design accordingly before it is offered more broadly."¹⁴ Additionally, the Company stated it "will evaluate new communication strategies in addition to the monthly emails to educate customers on the behavioral usage changes high baseline customers, among other types of customers, need to make in order to save money on the Schedule 1G Rate."¹⁵

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the record herein supports granting Dominion's proposal to expand the participation cap to 20,000 participants.

Accordingly, IT IS ORDERED THAT:

(1) The participation cap in TOU Schedule 1G is expanded from 10,000 customers to 20,000 customers.

(2) The Company forthwith shall file a revised TOU Schedule 1G with the Clerk of the Commission and with the Commission's Division of Public Utility Regulation and Division of Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) Dominion shall further study why TOU Schedule 1G causes average high-baseline customers to see an increase in their electric bills. Dominion shall also evaluate new communication strategies, in addition to monthly emails, to educate high baseline customers, among other types of customers, on the behavioral usage changes such customers would need to make in order to save money by participating in TOU Schedule 1G. As the results of these studies become available, the results shall be included in Dominion's future annual reports.

(4) The Company shall continue to file an annual report in this docket on or before December 31 (during each year this experiment remains in effect) on the specific EM&V results of TOU Schedule 1G through July 31 of such year.

(5) Except as otherwise ordered herein, the terms of the 2020 Final Order shall remain in full force and effect.

(6) This matter is continued. Commissioner Patricia L. West participated in this matter.

⁸ *Id.* at 5-6.

⁹ *Id.* at 6.

¹⁰ Consumer Counsel Response at 3.

¹¹ *Id.* at 4.

¹² Staff Comments at 5.

¹³ *Id.* at 6-7.

¹⁴ Dominion Reply at 3.

¹⁵ *Id.*

**CASE NO. PUR-2019-00225
JULY 6, 2023**

APPLICATION OF
REFLECTIVE ENERGY SOLUTIONS LLC

For a license to do business as an aggregator of electricity

ORDER CANCELING LICENSE

On January 15, 2020, Reflective Energy Solutions LLC ("Reflective") completed an application with the State Corporation Commission ("Commission") for a license to act as an aggregator for electricity service pursuant to the Commission's Rules Governing Retail Access to Competitive

Energy Services.¹ On March 17, 2020, the Commission issued License No. A-89 to Reflective to provide competitive aggregation service of electricity to eligible customers throughout Virginia. On July 8, 2021, Reflective filed an application with the Commission seeking authority to provide natural gas aggregation services. On September 10, 2021, the Commission canceled License No. A-89 and reissued it as License No. A-89A, which authorized Reflective to provide competitive aggregation service of electricity and natural gas.

On March 8, 2023, Reflective filed a letter notifying the Commission that it wished to surrender its license to conduct business as an aggregator for electricity and natural gas services. Reflective has advised the Commission that it has not interacted with electric utilities or retail electric customers in Virginia.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that it should cancel License No. A-89A and that this proceeding should be dismissed.

Accordingly, IT IS ORDERED THAT:

- (1) License No. A-89A issued to Reflective to conduct business as an aggregator for electricity and natural gas services is hereby canceled.
- (2) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-312-10 *et seq.*

**CASE NO. PUR-2020-00001
MAY 19, 2023**

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For Approval of an Electric Vehicle Smart Charging Pilot Program

ORDER GRANTING MOTION

On May 4, 2023, Rappahannock Electric Cooperative ("REC" or "Cooperative") filed a Motion for Extension requesting the Commission to (i) extend the deadline for filing the annual report for the Cooperative's electric vehicle smart charging pilot program ("EV Pilot") from June 1, 2023 to September 1, 2023; and (ii) modify the deadline for REC to file any request for extension and/or any other modifications to the EV Pilot from June 29, 2023 to September 1, 2023 ("Motion").¹

In support of its Motion, REC states on December 17, 2021, the Commission issued a Final Order in this matter that, among other things, authorized REC to begin offering the EV Pilot and directed REC to (i) file an annual report on the EV Pilot "no later than June 1 of each year that follows a full year of EV Pilot implementation," and (ii) make any filing requesting extension and/or any other modifications to the EV Pilot no less than eight (8) months prior to the EV Pilot's February 29, 2024 cessation date."²

In accordance with the Final Order, REC states that it began offering the EV Pilot to member consumers on May 11, 2022. According to the Cooperative, the first year of the EV Pilot will not conclude until May 10, 2023. Therefore, the Cooperative requests that the Commission extend the deadline for filing the annual report for the EV Pilot from June 1, 2023, to September 1, 2023, to provide the Cooperative with enough time to include data for the entire first year of the EV Pilot in the annual report. The Cooperative further requests that the Commission modify the deadline for REC to request an extension of the EV Pilot and/or any other modifications to the EV Pilot from June 29, 2023 to September 1, 2023.³ REC states that this extension will (i) provide the Cooperative with enough time to analyze the results of the first full year of the EV Pilot before filing to extend the program or to make any modifications to the program; and (ii) provide the Commission with approximately six (6) months to make a determination on any such filing before February 29, 2024, the cessation date of the EV Pilot.

According to the Motion, REC has discussed this request with Staff and is authorized to state that Staff does not object to the Cooperative's Motion.⁴

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that REC's Motion is reasonable and should be granted as set forth herein.

Accordingly, IT IS ORDERED THAT:

- (1) REC's Motion is granted.

¹ Motion at 1.

² Motion at 2, *citing Application of Rappahannock Electric Cooperative, For Approval of an Electric Vehicle Smart Charging Pilot Program*, Case No. PUR-2020-00001, 2021 S.C.C. Ann. Rept. 176, Final Order (Dec. 17, 2021) ("Final Order").

³ Motion at 2: By the Cooperative's calculation, "eight (8) months prior to the EV Pilot's February 29, 2024 cessation date" is June 29, 2023.

⁴ Motion at 3.

(2) REC's deadline for filing its annual report for the Cooperative's EV Pilot is extended to September 1, 2023, and the Cooperative's deadline to file any request for extension and/or any other modifications to the EV Pilot is extended from June 29, 2023 to September 1, 2023.

(3) REC shall file its annual report for the Cooperative's EV Pilot on or before September 1, 2023 in this docket.

(4) Any requests for extension or any other modifications to REC's EV Pilot shall be filed on or before September 1, 2023, in this docket.

(5) This case is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2020-00001
OCTOBER 30, 2023**

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE

For Approval of an Electric Vehicle Smart Charging Pilot Program

ORDER GRANTING MOTION

On December 17, 2021, pursuant to the requirements directed therein, the State Corporation Commission ("Commission") entered a Final Order establishing Rappahannock Electric Cooperative's ("REC" or "Cooperative") electric vehicle smart charging pilot program ("EV Pilot").¹ On September 1, 2023, the Cooperative filed a Motion to Accept Modifications to the EV Pilot Program ("Motion"),² requesting that the Commission accept the following program modifications:³

- 1) Continue the EV Pilot for a third year ("Year 3"), beginning on May 11, 2024;
- 2) Continue to offer a bill credit of \$7.00 per month to participants in Year 3, provided the data in the second Annual Report continues to support a \$7 bill credit;
- 3) Keep the EV Pilot program participant cap at 400 for Year 3; and
- 4) Keep the same reporting requirements for Year 3 of the EV Pilot such that the Annual Report, "include[es], but [is] not be limited to, all reporting items agreed to by REC and [Commission] Staff ["Staff"]], as listed in the Amended Application, the Staff Report, REC's Comments and the Stipulation."⁴

Per the Cooperative, extension of the EV Pilot for one additional year provides an opportunity for REC to continue to monitor both the volume of energy consumed by electric vehicle chargers and the time it was consumed, and to integrate that consumption data into the design of future rate offerings. In addition, the Motion asserts that the extension of the EV Pilot will assist the Cooperative in: (i) developing and testing an innovative program that further utilizes the Cooperative's existing Customer Information System, Advanced Metering Infrastructure, and Meter Data Management systems; (ii) determining the effect of residential charging on REC's distribution system; and (iii) encouraging beneficial electrification.⁵

On September 14, 2023, Staff filed a response to the Motion. Staff asserted that the Cooperative did not identify in the first Annual Report any administrative costs in Year 1 and further stated that the Year 2 administrative costs will include both legal and consulting fees, which was required by the 2021 Final Order.⁶ Staff recommended that the Commission order REC to:⁷

- 1) File in writing, within 60 days of the Commission's Order on REC's Motion, all of the tracked credits and administrative costs directly related to the administration and execution of the EV Pilot (including internal labor) for Year 1, or provide a written affirmative statement within that same 60-day time period, that there were no such credits and/or costs along with an explanation as to why no such credits or costs were incurred.

¹ *Application of Rappahannock Electric Cooperative, For Approval of an Electric Vehicle Smart Charging Pilot Program*, Case No. PUR-2020-00001, 2021 S.C.C. Ann. Rept. 176, Final Order (Dec. 17, 2021) ("2021 Final Order").

² Attached to REC's Motion was the first Annual Report required by the Commission's 2021 Final Order. Motion at 1.

³ *Id.* at 2.

⁴ *Id.* at 2.

⁵ *Id.* at 2-3.

⁶ Staff's Comments at 1-2.

⁷ *Id.* at 2.

- 2) Track and file in REC's next (2024) Annual Report, all Year 2 credits and administrative costs directly related to the administration and execution of the EV Pilot (including internal labor). If no such costs are incurred during Year 2, REC shall provide a written affirmative statement in its next (2024) Annual Report, that there were no such credits and/or costs along with an explanation as to why no such credits or costs were incurred.
- 3) Consistent with the Commission mandated tracking requirements set for the initial EV Pilot, REC shall track and file in REC's following (2025) Annual Report, all Year 3 credits and administrative costs directly related to the administration and execution of the EV Pilot (including internal labor). If no such costs are incurred during Year 3, REC shall provide a written affirmative statement in its following (2025) Annual Report, that there were no such credits and/or costs along with an explanation as to why no such credits or costs were incurred.

Staff agreed with REC that collection of the actual charge times (whether as a demand or value or as an on/off indicator) and the capturing of participant's charger types at enrollment in the EV Pilot are worthwhile data that should be collected. Staff recommended that the Cooperative capture and report both of these metrics in all future EV Pilot Annual Reports.⁸

Staff offered the following comments and recommendations:⁹

- 1) Continue the EV Pilot for a third year, beginning on May 11, 2024. With the exceptions noted in its response, Staff does not oppose a third year based on the information provided in the first Annual Report. As such and in accordance with the 2021 Final Order, REC shall make any filing requesting extension to the EV Pilot no less than eight months prior to the revised cessation date of May 10, 2025.
- 2) Continue to offer a bill credit of \$7.00 per month to participants in Year 3, provided the data in the second Annual Report continues to support a \$7.00 bill credit. Staff notes that Year 3 would begin May 11, 2024, and REC would only be able to change the bill credit with prior petition and approval from the Commission.
- 3) Keep the EV Pilot participant cap at 400 for Year 3. Staff submits that it is reasonable to keep the EV Pilot capped at 400 participants for the third year.
- 4) Keep the same reporting requirements for Year 3 of the EV Pilot such that the Annual Report, "include[es], but [is] not be limited to, all reporting items agreed to by REC and Staff, as listed in the Amended Application, the Staff Report, REC's Comments and the Stipulation." Staff submits that it is reasonable to maintain the same reporting requirements for Year 3 that have been in place throughout the first two years of this EV Pilot.

On September 28, 2023, REC filed its Reply to Commission Staff's Response ("REC's Reply"). REC's Reply supported Staff's comments and recommendations but clarified the following:¹⁰

- 1) REC reiterated that in the Annual Report, the Cooperative stated that it "did not identify any administrative costs in Year 1," but agreed to provide "an explanation as to why no such...costs were incurred" for Year 1 of the EV Pilot and in future annual reports, as recommended by Staff. The Cooperative further stated that, in consideration of Staff's recommendation, REC is examining the current EV Pilot administrative process to ensure that administrative costs as well as all incremental labor associated with the implementation and administration of the EV Pilot program are appropriately reported.
- 2) The Cooperative confirmed that commencing in the Annual Report for Year 2, it would have the ability to capture the participant's typical charger type (Level 1 or Level 2). At this time, however, REC does not have the ability to capture the customer's specific charger type (e.g. Autel, Blink, or Chargepoint). The Cooperative will include the participant's typical charger type (Level 1 or Level 2) in future annual reports.
- 3) Regarding the collection and reporting of actual charge times, REC states that it is currently in the process of examining software and/or metering options that will facilitate the data capture of actual charge times. Implementation of this data capture, however, is not anticipated to be available for all EV Pilot participants for Year 2 of the EV Pilot, as the Cooperative must examine the most effective, efficient, and safe protocol to incorporate charging behavior data. REC will report collection of actual charge time data that is available in future Annual Reports.

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that subject to Staff's unopposed recommendations, REC's Motion is granted, and the Cooperative may proceed with its EV Pilot modifications. In so finding, the Commission understands the technical limitations noted by the Cooperative in its Reply and limits Staff's recommended reporting requirements as necessary to incorporate REC's technical capabilities to comply with those requirements as set forth in REC's Reply.

Accordingly, IT IS ORDERED THAT:

- (1) The Cooperative's Motion is granted as set forth herein.

⁸ *Id.* at 3.

⁹ *Id.*

¹⁰ REC's Reply at 2-3.

(2) The Cooperative may continue its EV Pilot for a third year, beginning on May 11, 2024 and concluding May 10, 2025. Any further extension shall require prior Commission approval.

(3) Within thirty (30) days of the date of this Order, REC shall file revised tariffs with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, that conform to this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: sec.virginia.gov/pages/Case-Information.

(4) Unless otherwise modified herein, all other aspects of the Commission's 2021 Final Order shall remain in full force and effect.

(5) This matter is continued.

Commissioner James C. Dimitri participated in this matter.

CASE NO. PUR-2020-00117 JULY 14, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: Establishing the rates, terms and conditions of a universal fee to be paid by the retail customers of Appalachian Power Company

ORDER

During its 2020 Session, the Virginia General Assembly enacted Chapters 1193 (HB 1526) and 1194 (SB 851) of the 2020 Virginia Acts of Assembly. These duplicate Acts of Assembly, known as the Virginia Clean Economy Act ("VCEA"), became effective on July 1, 2020.¹ As pertinent here, the VCEA required the State Corporation Commission ("Commission") to determine the universal service fees to be collected from customers of Appalachian Power Company ("APCo" or "Company") and Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion") to fund the Percentage of Income Payment Program, or PIPP, established by statute. PIPP funds would be allocated to retail customers of APCo and Dominion to reduce the energy burden of utility customers participating in certain public assistance programs. The VCEA further required that the universal service fees "shall not be collected from customers . . . until such time as the PIPP is established."²

On December 23, 2020, the Commission issued an Order ("December 2020 Order") in this docket determining a universal service fee for APCo of \$0.001803 per kilowatt-hour ("kWh") intended to recover approximately \$25 million annually. This universal service fee was approved "with no effective date at this time."³ The Commission also ordered that, "[u]pon enactment of legislation setting forth further details on the PIPP and subsequent direction by this Commission, APCo shall file for review and revision (if necessary) of the PIPP fee, prior to collection of the fee from customers."⁴

On March 24, 2021, the Governor of Virginia signed what has become Chapter 308 of the 2021 Virginia Acts of Assembly.⁵ This law established the PIPP Fund on the books of the Comptroller. Chapter 308 also modified the definition of "Percentage of Income Payment Program (PIPP) eligible utility customer";⁶ set caps on the annual cost of PIPP-related programs, including administrative costs, at \$25 million for APCo and \$100 million for Dominion;⁷ required the Commission to initiate proceedings to provide for an annual true-up of the universal service fee within 60 days of commencement of the PIPP;⁸ and permitted the Commission to promulgate "any rules necessary to ensure" funds collected from APCo's and Dominion's universal service fees are directed to the PIPP Fund and that the utilities receive adequate compensation from the PIPP Fund for all reasonable PIPP costs, including bill credits for PIPP-eligible customers.⁹ Finally, Chapter 308 directed the Commission to issue an order "as soon as practicable" following the July 1, 2021 effective date of Chapter 308, to begin the collection of the universal service fee from customers.¹⁰

¹ 2020 Va. Acts chs. 1193, 1194.

² *Id.* at Enactment Clause 12.

³ December 2020 Order at 12, Ordering Paragraph (1).

⁴ *Id.* at 12, Ordering Paragraph (2).

⁵ House Bill 2330.

⁶ Code § 56-576 (eff. July 1, 2021).

⁷ Code § 56-585.6 A (eff. July 1, 2021).

⁸ Code § 56-585.6 B (eff. July 1, 2021).

⁹ Code § 56-585.6 C (eff. July 1, 2021).

¹⁰ Chapter 308, Enactment Clause 2.

On April 21, 2021, the Commission issued an Order on Additional Proceedings, reopening and remanding this case to a Hearing Examiner for additional proceedings concerning the PIPP and the universal service fee associated therewith. The Order on Additional Proceedings posed specific questions ("Appendix") and directed APCo to make a supplemental filing addressing those questions and any other related matters the Company wished to address. The Order on Additional Proceedings also established a procedural schedule for APCo to make its supplemental filing; for interested persons to have an opportunity to file comments (i) responding to the Appendix and to APCo's supplemental filing, and (ii) addressing any related matters for the Commission's consideration, to request a hearing in this docket, or both; for the Commission's Staff ("Staff") to file a report ("Staff Report"); and for APCo to file a response to the Staff Report and any comments filed in this docket.

On July 29, 2021, the Commission issued an Order ("July 2021 Order") that, except as otherwise set out therein, adopted the findings and recommendations in the Report on Additional Proceedings of D. Mathias Roussy, Jr., Hearing Examiner ("Report").¹¹ These findings and recommendations included the following:

- (1) The Commission should not make effective the PIPP fee approved in the December 2020 Order since the PIPP has not started, and that fee was based largely on credits available to participating customers after the PIPP has started;¹²
- (2) The PIPP fee should be limited, at this time, to a level designed to fund only the Department of Social Services' ("DSS") estimated start-up costs needed to establish the PIPP;¹³
- (3) APCo's administrative costs may be deferred until they are better known;¹⁴
- (4) The \$0.6 million allocation to APCo for DSS' estimated start-up costs of \$3.0 million is a reasonable estimate¹⁵ and APCo should begin charging a rate designed to recover \$0.6 million, on an annual basis, on and after either August 1, 2021, or September 1, 2021, depending on the timing of the Commission's order;¹⁶
- (5) APCo should begin making payments to the state treasury, as soon and as frequently as possible, in compliance with the Code's requirement that APCo transfer all PIPP fee revenue from customers to the state treasury after collection of such revenues begin, to enable DSS to undertake the actions contemplated by the Code to establish the PIPP;¹⁷
- (6) There is no need for the Commission to initiate rulemakings at this time regarding (i) the flow of customer money from APCo to the state treasury; or (ii) the flow of money from the PIPP Fund to DSS; however, should a need arise, the Commission can initiate a rulemaking in the future;¹⁸
- (7) Should the Commission establish reporting requirements at this time, the following information is reasonable for such requirements: (i) the number of PIPP participants enrolled in the program (broken down by primary heating source); (ii) total bill credits applied; (iii) average bill credits applied; (iv) APCo's administrative costs, including a breakdown and description of major cost categories; (v) DSS's costs to administer the PIPP (as reported to the Company); (vi) the number of PIPP participants that took part in a utility-sponsored energy efficiency program; (vii) average energy savings for PIPP participants that participated in a utility-sponsored energy efficiency program (once evaluation, measurement and verification data is available); (viii) a list of federal, state, local or non-profit energy efficiency and weatherization programs available to PIPP participants (to the extent known to the Company); (ix) aggregate energy usage of PIPP participants before and after enrollment; and (x) PIPP participants' arrearage balances, on average and/or in the aggregate;¹⁹
- (8) All reported data should exclude customer identifying information;²⁰

¹¹ July 2021 Order at 6.

¹² July 2021 Order at 4; Report at 15.

¹³ July 2021 Order at 4; Report at 15.

¹⁴ July 2021 Order at 4; Report at 15. The Company requested that the Commission authorize deferral of APCo's own administrative and start-up costs associated with the PIPP for future recovery through the universal service fee after the program is implemented. See Supplemental Filing, Ex. WKC-1 at 6.

¹⁵ July 2021 Order at 4-5; Report at 15. As noted in the Report, no comments took issue with the estimated \$3.0 million in start-up costs for DSS that was identified earlier in these proceedings. Of the \$3 million, Dominion and APCo both agreed to the \$0.6 million allocation to APCo. July 2021 Order at 4; Report at 15.

¹⁶ July 2021 Order at 5; Report at 15, 17-18.

¹⁷ July 2021 Order at 5; Report at 15-16, 18. See also Code § 56-585.6 E.

¹⁸ July 2021 Order at 5; Report at 16.

¹⁹ July 2021 Order at 5; Report at 17-18.

²⁰ July 2021 Order at 5; Report at 17.

- (9) The Commission should keep this docket open and APCo and/or DSS should provide updates in this docket and, at the appropriate time, request the PIPP fee be adjusted to a level commensurate with the PIPP's expected operation;²¹ and
- (10) At the time the Commission addresses increasing the PIPP fee to correspond with commencement of the PIPP, the Commission should provide guidance on implementation of the statutory cap.²²

The Commission's July 2021 Order modified the findings and recommendations in the Report in several ways.²³ First, the Commission found that APCo should begin collecting the PIPP fee from the statutorily designated customers as soon as practicable at a level designed to fund the estimated start-up costs of DSS needed to establish the PIPP.²⁴ Accordingly, the Commission directed APCo to calculate a PIPP fee on a per kWh basis to recover \$0.6 million on an annual basis, and to file tariffs reflecting such fee with the Commission.²⁵ This PIPP fee was directed to be effective for service rendered on and after September 1, 2021, and to remain in place until further order of the Commission.²⁶

Second, the Commission established reporting requirements according to the timeline set forth below and adopted the Hearing Examiner's recommendations for required information.²⁷ To the extent the required reporting information exists (e.g., number of PIPP participant enrollments), the Commission directed APCo to provide such information beginning with the filing (discussed below) that will occur 60 days after the DSS rules or guidelines are promulgated. The Commission also directed APCo to comply with these reporting requirements in true-up filings going forward unless or until this requirement is amended by the Commission.

Given the Hearing Examiner's recommendations and the requirement in Code § 56-585.6 C that "[t]he PIPP shall commence no later than one year after [DSS] publishes such rules or guidelines" for "the adoption, implementation, and general administration of the PIPP and the Percentage of Income Payment Fund established in subsection E," the Commission kept this docket open to receive Company updates and adjust rates accordingly. Specifically, the Commission required APCo to make a filing in this docket, within 60 days after the DSS rules or guidelines are promulgated ("60-day Report"). The Commission further ordered that, in the filing, APCo should include at least the following information:

- (1) the amount the Company proposes to collect from customers (e.g., the full statutory cap of \$25 million, or a different amount due to expected changes in PIPP participation, utility costs or other factors);
- (2) when the Company proposes to start the increased collections (the proposed PIPP rate year);
- (3) as recommended by the Hearing Examiner, how the Company interprets its statutory cap (i.e., whether the Company interprets the cap as the amount recovered through the PIPP fee in a given rate year, or the amount spent or committed through implementation of the PIPP program in a given rate year). The Company should state how it is tracking this fee and whether the Company is coordinating with DSS in its tracking of PIPP enrollments and expenditures to ensure program costs stay within the statutory cap; and
- (4) whether any true-up is needed regarding start-up costs/costs collected to date, and any information needed for the Commission to assess the requested true-up.²⁸

NOW THE COMMISSION, having been advised that DSS published guidelines on its website on June 26, 2023, is of the opinion and finds that certain deadlines should be established.²⁹

Accordingly, IT IS ORDERED THAT:

- (1) The Company shall file its initial 60-day Report in accordance with the Commission's July 2021 Order on or before August 25, 2023.
- (2) The Company shall notify the Commission in that filing the date by which the Company expects to commence the PIPP.

²¹ July 2021 Order at 5-6; Report at 18.

²² See July 2021 Order at 6; Report at 16-17.

²³ See July 2021 Order at 6-8.

²⁴ *Id.* at 6 (citing Code § 56-585.6 A, which states in part that "[s]uch universal service fee shall be allocated to retail electric customers of a Phase I and Phase II Utility on the basis of the amount of kilowatt-hours used. . .").

²⁵ July 2021 Order at 8.

²⁶ *Id.* On September 9, 2021, the Commission issued an Order on Motion granting APCo's request to have the effective date for PIPP fee implementation delayed until September 7, 2021.

²⁷ See July 2021 Order at 7-9; Report at 18.

²⁸ July 2021 Order at 7-8.

²⁹ On July 11, 2023, Dominion filed a request to update its PIPP in Case No. PUR-2023-00105. The Commission will address Dominion's PIPP further, as needed, in the context of that case.

(3) The Company shall notify the Commission within five (5) business days of the actual commencement of the PIPP by filing a report of action in this docket.

(4) This case is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2020-00124
JULY 7, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of establishing regulations for a multi-family shared solar program pursuant to § 56-585.1:12 of the Code of Virginia

ORDER ESTABLISHING BILL CREDIT RATE

On December 23, 2020, the State Corporation Commission ("Commission") issued its Order Adopting Rules in this docket to govern multi-family shared solar programs to be offered by Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion") and Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU-ODP"). Among other things, the Order Adopting Rules provided that, pursuant to § 56-585.1:12 D of the Code of Virginia ("Code") the Commission would by separate order calculate and publish the applicable bill credit rate for multi-family shared solar customers.¹

On November 17, 2022, the Commission entered an order setting the bill credit rate for the multifamily shared solar program to 11.446 ¢/kWh for Dominion and 12.463 ¢/kWh for KU-ODP.

NOW THE COMMISSION, upon consideration of this matter, finds that the bill credit rate should be reset to 13.032 ¢/kWh for Dominion and 13.632 ¢/kWh for KU-ODP.²

Accordingly, IT IS ORDERED THAT:

(1) The bill credit rate for the multi-family shared solar program shall be reset, effective as of the date of this order, to 13.032 ¢/kWh for Dominion and 13.632 ¢/kWh for KU-ODP.

(2) On or before May 31, 2024, Dominion and KU-ODP shall each submit proposed bill credit rates and supporting documentation based on their respective most recent FERC Form 1 data to the Commission's Division of Public Utility Regulation.

(3) This case is continued.

Commissioner Patricia L. West participated in this matter.

¹ Order Adopting Rules at 9.

² Dominion's most recent FERC Form 1 for Virginia customers reports residential sales of 29,595,058,000 kWh and residential revenues of \$3,856,725,494. KU-ODP's FERC Form 1 for Virginia customers reports residential sales of 348,798,000 kWh and residential revenues of \$47,546,442.

**CASE NO. PUR-2020-00125
JULY 7, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of establishing regulations for a shared solar program pursuant to § 56-594.3 of the Code of Virginia

ORDER ESTABLISHING BILL CREDIT RATE

On December 23, 2020, the Commission issued its Order Adopting Rules in this docket, in which the Commission adopted the Rules Governing Shared Solar Program, 20 VAC 5-340-10 *et seq.* ("Rules"). The Order Adopting Rules noted that, pursuant to 20 VAC 5-340-80, the Commission would convene a proceeding to consider any monthly administrative charge and the components of the minimum bill to be applied by Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or the "Company") pursuant to the Rules.¹

On July 7, 2022, the Commission entered its Final Order in this proceeding that, among other things, set the initial bill credit rate for the shared solar program to 11.765 cents per kilowatt-hour ("¢/kWh") for residential customers, 7.120¢/kWh for commercial customers, and 5.901¢/kWh for industrial customers.²

¹ Order Adopting Rules at 3, n.2.

² Final Order at 4.

NOW THE COMMISSION, upon consideration of this matter, finds that the bill credit rate should be reset to 13.032 ¢/kWh for residential customers, 8.445¢/kWh for commercial customers, and 7.789¢/kWh for industrial customers.³

Accordingly, IT ORDERED THAT:

(1) The Company's bill credit rate for the shared solar program shall be reset, effective as of the date of this order, to 13.032 ¢/kWh for residential customers, 8.445¢/kWh for commercial customers, and 7.789¢/kWh for industrial customers.

(2) On or before May 31, 2024, the Company shall submit proposed bill credit rates and supporting documentation based on its most recent FERC Form 1 data to the Commission's Division of Public Utility Regulation.

(3) This case is continued.

Commissioner Patricia L. West participated in this matter.

³ Dominion's most recent FERC Form 1 for Virginia customers reports residential sales of 29,595,058,000 kWh and residential revenues of \$3,856,725,494. For Small (or Commercial) customers, the Form 1 reports sales of 38,781,051,000 kWh and revenues of \$3,275,020,059. For Large (or Industrial) customers, the Form 1 reports sales of 4,890,419,000 kWh and revenues of \$380,928,465.

CASE NO. PUR-2020-00125 SEPTEMBER 12, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of establishing regulations for a shared solar program pursuant to § 56-594.3 of the Code of Virginia

ORDER ON MOTION

On December 23, 2020, the Commission issued its Order Adopting Rules in this docket, in which the Commission adopted the Rules Governing Shared Solar Program, 20 VAC 5-340-10 *et seq.*

Section 56-594.3 of the Code of Virginia ("Code") provides that "[t]he Commission shall . . . require each utility to file any tariffs, agreements, or forms necessary for implementation of the [Shared Solar] program within 60 days of the utility's full implementation of a new customer information platform or by July 1, 2023, whichever occurs first." On July 3, 2023, Dominion filed various tariffs and agreements to implement the Shared Solar Program, including revisions to the Shared Solar Coordination Agreement, Schedule SS – Shared Solar ("Shared Solar Tariff") and Schedule SO-SS – Subscriber Organization – Shared Solar Program ("Schedule SO-SS").

On July 21, 2023, the Coalition for Community Solar Access ("CCSA") filed a Motion to Modify Proposed Shared Solar Coordination Agreement and Tariff for Net Crediting ("Motion"). On August 10, 2023, Dominion filed a response to the Motion and on August 24, 2023, CCSA filed a reply.

NOW THE COMMISSION, in consideration of this matter finds as follows.

CCSA requests the Commission direct Dominion to "(1) [r]evise its proposed Shared Solar Program Subscriber Organization Coordination Agreement ("Coordination Agreement") and proposed Schedule SO-SS tariff to implement net crediting in accordance with the requirements in . . . Code § 56-594.3 F 14 and 20 VAC 5-340-60 H ["Section H"] and (2) [r]evise its proposed Schedule SO-SS to include all available rate schedules, consistent with the broad Shared Solar Program availability directed in . . . Code § 56-594.3 F 2."¹

Net crediting

Code § 56-594.3 B provides in part that "[u]nder its shared solar program, a utility shall provide a bill credit for the proportional output of a shared solar facility attributable to that subscriber." Code § 56-594.3 A defines "bill credit" to mean "the monetary value of the electricity, in kilowatt-hours, generated by the shared solar facility allocated to a subscriber to offset that subscriber's electricity bill."

Code § 56-594.3 F provides in part that:

[A]ny rule or utility implementation filings approved the Commission shall:

14. Require net crediting functionality as part of any new customer information platform approved by the Commission. *Under net crediting, the utility shall include the shared solar subscription fee on the customer's utility bill and provide the customer with a net credit equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization. The net crediting fee shall not exceed one percent of the bill credit value. Net crediting shall be optional for subscriber organizations, and any shared solar subscription fees charged via the net crediting model shall be set to ensure that subscribers do not pay more in subscription fees than they receive in bill credits . . .*²

¹ Motion at 1.

² Emphases added.

Section H similarly provides:

H. Net crediting.

1. Net crediting functionality shall be part of any new customer information platform approved by the commission.
2. *Under net crediting, the utility shall include the shared solar subscription fee on the customer's utility bill and provide the customer with a net credit equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization.*
3. The net crediting fee shall not exceed 1.0% of the bill credit value.
4. Net crediting shall be optional for subscriber organizations, and any shared solar subscription fees charged via the net crediting model shall be set to ensure that subscribers do not pay more in subscription fees than they receive in bill credits.³

In support of its Motion, CCSA argues, among other things, that:

- "Dominion must deduct a shared solar subscriber's subscription fee from the shared solar bill credit before providing the net amount (a 'Net Credit') to the subscriber's bill to use towards their billed utility charges."⁴
- "Both the Shared Solar Statute and the Commission's regulations require a specific financial order of operations for net crediting: Bill credit minus subscription fee equals net bill credit."⁵
- "[S]ubscribers on net crediting must receive a net bill credit calculated as the difference between their bill credit and their Subscriber Organization's subscription fee."⁶
- "[I]n the second step of Dominion's consolidated bill calculation, Dominion provides the customer the full bill credit. Two steps later in the calculation, Dominion tacks the subscription fee onto the bill as a new charge. Net crediting requires the bill credit to be used to pay for the subscription fee as the first step in the calculation, but Dominion instead uses the bill credit to pay utility charges as a first step."⁷
- "The idea that under net crediting, subscribers are paying Dominion for subscription fees and Dominion is turning around and passing that payment to the Subscriber Organization is fundamentally wrong. . . . Dominion must pay the subscription fees when the subscription fees are deducted from the total bill credit. The net crediting mechanics occur before the utility bill is issued to the customer, so net crediting is separate from the customer's subsequent payment of the utility charges."⁸

As always, we are guided by the language of the statute. "When construing a statute, our primary objective is to ascertain and give effect to the legislative intent, which 'is initially found in the words of the statute itself.'"⁹ "When the language of a statute is unambiguous, we are bound by the plain meaning of that language."¹⁰ Further, "[t]o ascertain its plain meaning, this Court evaluates a statute in its entirety 'to place its terms in context' in order to 'interpret the several parts of a statute as a consistent and harmonious whole so as to effectuate the legislative goal.'"¹¹

Code § 56-594.3 F 14 requires "[u]nder net crediting, the utility shall include the shared solar subscription fee on the customer's utility bill and provide the customer with a net credit equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization." There appears to be no dispute that Dominion's Coordination Agreement would include the shared solar subscription fee on the customer bill. The dispute centers on whether Dominion's proposal "provides the customer with a net credit equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization" as set forth in Code § 56-594.3 F 14.

³ Emphasis added.

⁴ Motion at 1-2.

⁵ *Id.* at 4.

⁶ *Id.* at 5.

⁷ *Id.* at 6.

⁸ *Id.* at 8-9.

⁹ *Chaffins v. Atl. Coast Pipeline, LLC*, 293 Va. 564, 568 (2017) (quoting *Crown Cent. Petroleum Corp. v. Hill*, 254 Va. 88, 91 (1997)).

¹⁰ *May v. R.A. Yancey Lumber Corp.*, 297 Va. 1, 13 (2019) (quoting *Cuccinelli v. Rector & Visitors of the Univ. of Va.*, 283 Va. 420, 425 (2012)).

¹¹ *Id.* at 14 (quoting *Cuccinelli*, 283 Va. at 425).

Unlike "bill credit," "net credit" is not a defined term under the statute. When a term in a statute is not defined, the general rule of statutory construction is to infer legislative intent from the plain meaning of the language used.¹² In the absence of a statutory definition, words in statutes are to be given their ordinary meaning within the statutory context.¹³

Contrary to CCSA's contention, neither Code § 56-594.3 F 14 nor Section H require the bill credit to be used to pay the shared solar subscription fee *prior to* paying utility charges. Indeed, "bill credit" is a defined term under the statute that "means the monetary value of the electricity . . . generated by shared solar facility allocated to a subscriber *to offset that subscriber's electricity bill.*"¹⁴ Nor does the statute set forth a specific order of operations. Under the statute, the question is whether Dominion's proposal "provide[s] the customer with a net credit equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization" as required by Code § 56-594.3 F 14. Dominion's calculation contains the following steps:

- 13.2.1 Upon enrollment with the SO, Subscribers shall receive one consolidated bill from the Company that includes the following information, in order:
- [Step 1] 13.2.1.1 Subscriber's Principal Tariff's total bill;
 - [Step 2] 13.2.1.2 Minus the Applicable Bill Credit value for the amount of the kWh Shared Solar Subscription;
 - [Step 3] 13.2.1.3 Plus, if applicable, the Minimum Bill. Low-income Customers are exempt from paying the Minimum Bill;
 - [Step 4] 13.2.1.4 Plus the Subscriber Organization's Subscription Fee;
 - [Step 5] 13.2.1.5 Plus the Company's Net Crediting Fee.¹⁵

By applying the bill credit and including the subscriber fee on the bill, through a combination of Steps 2 and 4, a shared solar customer receives a net credit "equivalent to the total bill credit value for that generation period minus the shared solar subscription fee as set by the subscriber organization" as required by Code § 56-594.3 F 14. We therefore find that Dominion's proposal does not violate the net crediting requirements of Code § 56-594.3 F 14.

Moreover, the Commission disagrees that the statutory net crediting language, quoted above, requires that "Dominion must pay the subscription fees when the subscription fees are deducted from the total bill credit" as asserted by CCSA.¹⁶ Nothing in Code § 56-594.3, or the Commission's regulations, directs priority payment status to a Solar Subscriber Organization.

We find nothing in the statutory language that indicates net crediting was intended to provide "a significant benefit to the Shared Solar Program by reducing the credit and collections risk for Shared Solar Subscriber Organizations" as averred by CCSA.¹⁷ Had the General Assembly intended that "[s]ubscriber organizations do not incur the risk of non-payment or partial payment, and do not incur the collections risk associated with underpayment,"¹⁸ the General Assembly could have included such directive in the language of the statute.

Based on the foregoing, we deny CCSA's Motion for changes to Dominion's Coordination Agreement and Schedule SO-SS.¹⁹

Program Availability

In its Motion, CCSA also asserts that Dominion has excluded several of its available rate schedules from participation in the Shared Solar Program and this is inconsistent with the directive in Code § 56-594.3 that "[a]ny rule or utility implementation filings" for the Shared Solar Program shall "[a]llow all customer classes to participate in the program."²⁰ In response, Dominion states that the Shared Solar Tariff includes rate schedules applicable to residential, commercial and industrial customers' rate schedules, and states it is "willing to address any specifically identified potential omissions."²¹ In its

¹² See, e.g., *Petition of Elizabeth River Crossings OpCo, LLC v. City of Portsmouth, Virginia*, Case No. PUE-2013-00071, 2013 S.C.C. Ann. Rept. 425, 427, Order Dismissing Petition (Sept. 10, 2013) (citing *Hubbard v. Henrico Ltd. Partnership*, 255 Va. 335, 340, 497 S.E.2d 335, 338 (1998)); *City of Virginia Beach v. Flippen*, 251 Va. 358, 362, 467 S.E.2d 471, 473-474 (1996) (citing *Marsh v. City of Richmond*, 234 Va. 4, 11, 360 S.E.2d 163, 167 (1987)).

¹³ See, e.g., *Grant v. Commonwealth*, 223 Va. 680, 684, 292 S.E.2d 348, 350 (1982) (citing *Federal Sav. & Loan v. Herndon Lumber*, 218 Va. 803, 805, 241 S.E.2d 752, 753 (1978)).

¹⁴ Code § 56-594.3 A.

¹⁵ Dominion's Response at 2-3.

¹⁶ Motion at 9.

¹⁷ *Id.* at 6.

¹⁸ *Id.* at 6-7.

¹⁹ In applying the plain language herein, the Commission has not weighed the competing policy arguments of the participants. For example, in its Reply, CCSA includes policy arguments in favor of its view of net crediting. As we have said many times before, this Commission's duty is to follow the law as written by the General Assembly, without regard to whether we may agree or disagree with the statute from a policy standpoint.

²⁰ Motion at 9.

²¹ Dominion Response at 7.

reply, CCSA points out that several of Dominion's residential rate schedules, including its EV charging service, outdoor lighting, and solar purchases, are excluded from the proposed tariff, as well as certain commercial rate schedules.²² We direct Dominion to address these identified omissions through an amendment to the applicable Shared Solar Tariff to be made through a compliance filing within 30 days of this Order.

ACCORDINGLY, CCSA's Motion is DENIED in part and GRANTED in part and this matter is CONTINUED.

Commissioner Patricia L. West participated in this matter.

²² CCSA Reply at 9.

CASE NO. PUR-2020-00249
APRIL 24, 2023

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2021-00255

For a general increase in rates

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2019-00176

For an Annual Informational Filing

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2020-00249

For an Annual Informational Filing

FINAL ORDER

On November 15, 2021, Virginia-American Water Company ("VAWC" or "Company") filed an application with the State Corporation Commission ("Commission") for an increase in rates ("Application" or "Rate Case"). On December 6, 2021, and December 9, 2021, the Company supplemented its Application.

On December 21, 2021, the Commission issued an Order for Notice and Hearing in VAWC's Rate Case, which, among other things, docketed the Company's Application; directed VAWC to provide notice of its Application; provided interested persons the opportunity to comment or participate in the proceeding; directed the Commission's Staff to investigate the Application; scheduled an evidentiary hearing; and assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed in the Rate Case proceeding by the Hopewell Committee for Fair Water Rates ("Hopewell Committee"); the City of Alexandria, Virginia ("Alexandria"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").

On March 3, 2022, the Commission entered an Order in Case Nos. PUR-2019-00176 and PUR-2020-00249 ("AIF Proceedings") which, among other things, found that the AIF Proceedings required further process and should be addressed as part of VAWC's pending Rate Case (Case No. PUR-2021-00255).¹ The Commission directed the Hearing Examiner assigned to the pending Rate Case to make findings and recommendations pertaining to the AIF proceedings in addition to any other findings and recommendations to be made as part of the Rate Case.² On March 14, 2022, the Hearing Examiner ruled that the AIF Proceedings would proceed concurrently with the Rate Case.³

On July 19, 2022, the Hopewell Committee, Alexandria, and Consumer Counsel filed their respective Rate Case testimony. On August 16, 2022, Staff of the Commission ("Staff") filed testimony pertaining to the Rate Case and the AIF Proceedings, and Consumer Counsel filed supplemental Rate Case testimony. On September 6, 2022, VAWC filed rebuttal testimony pertaining to the Rate Case and the AIF Proceedings. Public comments were also received in the Rate Case proceeding.

On September 26, 2022, VAWC, Staff, and Alexandria (collectively, "Stipulating Participants") submitted a Joint Motion to Approve Stipulation together with a proposed Stipulation ("Stipulation") pertaining to the Rate Case and AIF Proceedings.⁴ The Hopewell Committee and Consumer Counsel

¹ *Applications of Virginia American Water Company for Annual Informational Filings*, Case Nos. PUR-2019-00176 and PUR-2020-00249, Doc. Con. Cen. No. 220310081, Order at 4-5 (March 3, 2022) ("AIF Further Proceedings Order").

² AIF Further Proceedings Order at 5. In a footnote to Ordering Paragraph (1), the Commission stated: "We leave to the Hearing Examiner's discretion whether and how to combine and/or consolidate Case Nos. PUR-2019-00176, PUR-2020-00249, and PUR-2021-00255." *Id.* n.19.

³ Hearing Examiner Ruling at 2 (March 14, 2022).

⁴ Exhibit 2.

were not signatories to the Stipulation. Consumer Counsel, however, recommended the Commission approve the Stipulation as a reasonable resolution of the issues.⁵

The Stipulating Participants agreed as follows:⁶

- (1) To a rate increase that would produce additional annual jurisdictional revenues of \$10.75 million;
- (2) For future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case, the Stipulating Participants agree to a 9.7% return on equity ("ROE") and the following actual capital structure and cost of capital:

<u>Component</u>	<u>Ratemaking Capital</u>	<u>Weight</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Short-Term Debt	\$20,144,129	7.335%	1.838%	0.135%
Long-Term Debt	\$141,673,355	51.590%	4.222%	2.178%
Preferred Stock	\$0	0.000%	0.000%	0.000%
Common Equity	\$111,850,200	40.73%	9.70%	3.951%
Investment Tax Credits	\$946,123	0.345%	6.594%	0.023%
Total Capitalization	\$274,613,807	100.00%		6.286%

- (3) To move forward with the second phase of consolidation for water service rates and the purchased water surcharge as proposed by the Company and consistent with the Partial Stipulation approved by the Commission in Case No. PUR-2018-00175;
- (4) To a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, resulting in an annual jurisdictional amortization amount of \$272,812, as calculated in Staff's pre-filed adjustment. The Company will stop deferring COVID-19 related costs as of June 30, 2021, and will start amortization for book purposes as of May 1, 2022;
- (5) The Company may record any amounts above or below the total Company amount of 2023 pension expense equal to \$255,101 and OPEB⁷ expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;
- (6) The Alexandria Water and Wastewater Infrastructure Surcharge ("WWISC") Earnings Test issue in Case Nos. PUR-2019-00176 & PUR-2020-00249 will be litigated before the Commission based on the record and post-hearing briefs;
- (7) To the level of write-offs for the Depreciation Reserve Deficiency, OPEB Deferral, and COVID-19 Deferral in the June 2020 Earnings Test (in Case No. PUR-2020-00249 as updated by Staff in this Rate Case (Case No. PUR-2021-00255)) as presented below:
 - Depreciation Reserve Deficiency: \$362,630
 - OPEB Deferral: \$42,827
 - COVID-19 Deferral: \$123,286; and
- (8) The rates set forth on Attachment A to the Stipulation should be approved by the Commission and implemented by the Company effective May 1, 2022.

The public witness hearing was convened on September 27, 2022. The public evidentiary hearing was also convened on September 27, 2022, immediately following the public witness hearing, and concluded on September 28, 2022. VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff participated in the hearing.

On November 2, 2022, VAWC, the Hopewell Committee, Alexandria, Consumer Counsel, and Staff filed post-hearing briefs.

On December 2, 2022, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued in the Rate Case and the AIF Proceedings. In the Report, the Chief Hearing Examiner recommended the Commission enter an Order which adopts the proposed Stipulation, subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric rate block changing by the same percentage. The Chief Hearing Examiner further recommended there be no refunds of WWISC revenues collected from Alexandria district customers. Specifically, the Report made the following findings:⁸

⁵ Tr. at 37.

⁶ Stipulation at 1-4.

⁷ "OPEB" stands for "Other Post-Employment Benefits."

⁸ Report at 106-107.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

- (1) Based on the record and Stipulation, VAWC requires a rate increase that will produce additional annual jurisdictional revenues of \$10.75 million;
- (2) VAWC's ROE is 9.7%, and the actual capital structure and cost of capital is as provided in the Stipulation and shown above, to be used for future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case;
- (3) VAWC should move forward with the second phase of consolidation for water service rates and the [Purchase Water Surcharge] as proposed by the Company;
- (4) VAWC should use a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, stop deferring COVID-19 related costs as of June 30, 2021, and begin amortizing for book purposes as of May 1, 2022;
- (5) VAWC may record any amounts above or below the Company's amount of 2023 pension expense equal to \$255,101 and OPEB expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;
- (6) VAWC should not be required to refund any WWISC revenues collected from Alexandria district customers during the Alexandria ET Period;
- (7) As specified in the Stipulation, VAWC should be directed to write-off the Depreciation Reserve Deficiency of \$362,630, OPEB Deferral of \$42,837, and COVID-19 Deferral of \$123,286;
- (8) Except for the rates for Hopewell industrial potable water customers, VAWC should implement the rates set forth on Attachment A of the Stipulation effective May 1, 2022. The rate design for the Hopewell industrial potable water customers should be designed based on the current six-block rate structure with each existing volumetric rate block changing by the same percentage; and
- (9) VAWC should refund, with interest as prescribed by the Commission, amounts collected as interim rates based on its Application in excess of the rates approved herein.

VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁹

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹⁰

In accordance with the above findings, *I RECOMMEND* that the Commission enter an order that:

1. *ADOPTS* the findings in this Report and the Stipulation as amended; and
2. *DISMISSES* this case from the Commission's docket of active cases and passes the papers herein to the file for ended causes.

Upon consideration of this matter, the Commission concludes that the Chief Hearing Examiner's findings (1)-(5), (7),¹¹ and (8)-(9), above, are supported by law and the evidence, have a rational basis, and are adopted herein.¹² In so concluding, the Commission approves the proposed Stipulation subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric block changing by the same percentage, as recommended by the Hearing Examiner.¹³ In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

Proposed Refund of WWISC Revenues

⁹ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹⁰ Report at 107 (emphases in original).

¹¹ With respect to finding (7), the Commission approves an OPEB deferral write-off amount of \$42,827 as reflected in the Stipulation. *See* Staff's Comments at 5, n15 (stating that finding (7) contained an incorrect reference to an OPEB deferral write-off of \$42,837, rather than the amount of \$42,827 contained in the Stipulation).

¹² *See* Report at 106-107.

¹³ In its Comments, VAWC indicated it would accept the Hearing Examiner's recommended modification to the Stipulation to continue the use of the existing six-block structure for Hopewell's industrial potable customers. VAWC Comments at 4. Staff similarly did not oppose this modification. Staff Comments at 5. The Hopewell Committee supported this modification. Hopewell Committee Comments at 3-4.

The one exception to the Chief Hearing Examiner's findings and recommendations that the Commission does not adopt concerns Staff's recommended refund of certain WWISC revenues collected from the Alexandria district. The Chief Hearing Examiner explains:

I believe the Commission could find that based on the Alexandria [Earnings Test] Period results, Staff's proposed refund of \$419,803 of WWISC revenues collected from Alexandria customers is appropriate, based on the discussion above. However, while I find that earnings tests, by their nature, are not designed for granular causation analysis, in my opinion this case presents a situation for which the Commission should make an exception.¹⁴

Staff, Consumer Counsel and Alexandria disagree with the Chief Hearing Examiner's recommendation not to require refunds.¹⁵

After fully considering all the evidence and arguments both for and against the proposed refunds, the Commission finds that the record supports requiring refunds of the WWISC revenues as proposed by Staff and will so direct. The Commission's original approval of the WWISC was expressly dependent upon the use of Earnings Tests and refunds on a going-forward basis to assure that operation thereof does not result in annual earnings above the authorized ROE.¹⁶ In so ordering, the Commission, over the objection of VAWC, expressly directed "that the use of an Earnings Test should accompany the annual WWISC review and ... that refunds should be made to ratepayers, with interest, to the extent the WWISC collections result in annual earnings above the rate of return on common equity...approved below."¹⁷ Indeed, the Supreme Court of Virginia – in affirming the Commission's approval of the WWISC – recognized this Earnings Test process as perhaps the most significant qualification placed by the Commission on the implementation of the WWISC.¹⁸

The Chief Hearing Examiner reasonably rejected the majority of VAWC's arguments against Staff's recommended refund.¹⁹ The Report, however, ultimately recommends the Commission make an exception and not require a refund based on the fact that "the additional rate consolidation revenues collected from customers of the Alexandria district exceeds the level of revenues that Staff recommended be refunded."²⁰

We are not persuaded to make an exception in this case. As recognized by the Chief Hearing Examiner, earnings tests are by their nature not designed for granular causation analysis, and we decline to conduct such an analysis here.

The evidence in the record shows that in the Alexandria district, VAWC earned a 10.03% ROE for the 28-month WWISC period when both base rate and WWISC revenues are considered.²¹ After accounting for refunds of \$419,803, the Company's resulting earned return is 9.57%, which is above the weighted average benchmark of 9.55% determined by the authorized ROEs during the period.²² Requiring refunds in this matter is supported by the record and, moreover, conforms with the Commission's original approval of the WWISC and the Court's affirmance thereof.

Rate Consolidation

As set forth in the Report, the Commission adopted the first one-third step toward statewide STP in Case No. PUR-2018-00175, including allocation of one-third of the PWS to the Hopewell and Eastern districts.²³ We agree with the Chief Hearing Examiner that based on the record of this case, the Commission should continue with the second one-third step towards statewide STP, by moving all rates, including the PWS, one-third closer to STP.²⁴

¹⁴ Report at 106.

¹⁵ City of Alexandria Comments at 2-3; Staff Comments at 6-11; Consumer Counsel Comments at 5-8.

¹⁶ *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUE-2015-00097, 2017 S.C.C. Ann. Rep. 288, 290-291, Final Order (May 24, 2017) (hereinafter "2015 Final Order").

¹⁷ 2015 Final Order at 291.

¹⁸ *City of Alexandria v. State Corporation Commission*, 296 Va. 79, 818 S.E.2d 33 (2018) ("The SCC's review of the WWISC was not disconnected from its overall discretionary review of VAWC's request for an increase in its base rate. It was an analysis that looked at all of the facts presented in the aggregate and in light of the statutory factors. This is particularly evident in the extensive qualifications that the [Commission] placed upon the implementation of the WWISC. Perhaps the most significant is the Earnings Test, which takes into account all of the Alexandria district's revenues from base rates and from the WWISC to determine if VAWC earned more than its approved rate of return for that district.").

¹⁹ Report at 104-106.

²⁰ Report at 106. The Report explains that "beginning in May 2019, the legislatively mandated consolidation to [single tariff pricing ("STP")] and the Commission's 2018 Rate Order 'resulted in an approximately \$1,045,049 increase in annual revenue for the Company's Alexandria [d]istrict (which was balanced with decreases in other districts).'" Report at 106 (quoting Virginia-American Post-Hearing Brief at 24).

²¹ Ex. 25 (Long Direct) at 18. While not dispositive to our decision herein, we note further that VAWC could have, but did not, present an alternative consolidated earnings test. The approved Stipulation in Case No. PUR-2019-00185 provided in relevant part: "To the extent the Commission approves the consolidation of the cost of service study for the Company's Alexandria district with the Company's other service districts, the Company may propose substitution of a consolidated earnings test for purposes of the WWISC subsequent to the effective date of such approval." Staff Comments at 11 n.43.

²² Ex. 25 (Long Direct) at 18; Staff Comments at 9-10.

²³ Report at 101. *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUR-2018-00175, 2020 S.C.C. Ann. Rep. 236 (Nov. 6, 2020).

Finally, the Commission notes that VAWC initially proposed a rate increase of \$14.3 million.²⁵ Under the approved Stipulation, the Commission approves a \$10.75 million rate increase,²⁶ which is supported by the record. In granting this approval, the Commission further notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The Commission adopts the Chief Hearing Examiner's findings and recommendations, with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers, and makes findings as set forth herein.

(2) The Chief Hearing Examiner's recommendations are hereby ordered with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers.

(3) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis on May 1, 2022. VAWC shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.

(4) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund effective May 1, 2022, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below, within ninety (90) days of the issuance of this Final Order.

(5) The Company shall refund, with interest, \$419,803 of WWISC revenues to the customers of the Alexandria district. Within ninety (90) days of the issuance of this Final Order, the Company shall complete refunds by check or through credits to customer bills.

(6) Refunds with interest for current customers may be made by a credit to the customers' accounts and shown on bills. If refunds with interest for current customers are made by a credit to the customers' accounts and shown on bills, the bills shall show the refund as a separate item or items.

(7) For former customers, refunds with interest that exceed \$1 shall be made by check mailed to the last known address of such customers.

(8) VAWC may retain refunds owed to former customers when such refund amount is less than \$1; however, if refunds owed to former customers in an amount less than \$1 are retained by the Company, the Company will prepare and maintain a list detailing each of the former accounts for which refunds are less than \$1, and in the event such former customers contact the Company and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Code § 55-210.6:2.

(9) VAWC may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its current customers or customers who are no longer on its system. To the extent the outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion.

(10) Interest upon the ordered refunds shall be computed from the date payments on monthly bills were due as shown on the bills to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly.

The average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent, of the "Bank prime loan" values published in the Federal Reserve Bulletin of the Federal Reserve's Selected Interest Rates (Statistical Release H.15) for the three (3) months of the preceding calendar quarter.

(11) Within sixty (60) days of completing the refunds ordered herein, VAWC shall submit to the Divisions of Utility Accounting and Finance and Public Utility Regulation a report showing that all refunds have been made pursuant to this Final Order and itemizing the cost of the refund and accounts charged. The Company shall not recover the interest paid or the expenses incurred in making such refunds from water or wastewater rates and charges subject to the Commission's jurisdiction.

(12) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(13) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

²⁴ Report at 100-102.

²⁵ Ex. 3 (Application) at 2.

²⁶ Report at 96; Ex. 2 (Stipulation).

**CASE NO. PUR-2021-00156
JUNE 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: Establishing a proceeding concerning the allocation of RPS-related costs and the determination of certain proxy values for Virginia Electric and Power Company

FINAL ORDER

On August 11, 2021, the State Corporation Commission ("Commission") issued an Order Establishing Proceeding ("Order") in this case, which initiated a proceeding to consider issues related to: (i) cost allocation of Virginia Electric and Power Company's ("Dominion" or "Company") resources approved under the Virginia Clean Economy Act ("VCEA"), including Company-owned and contracted for renewable and energy storage resources (collectively, "VCEA Resources"), as well as renewable energy certificates ("RECs") used by Dominion for compliance under the mandatory renewable energy portfolio standard ("RPS") program established by the VCEA; (ii) the appropriate proxy value(s) for avoided capacity costs associated with VCEA Resources that are not bid into the PJM Interconnection, L.L.C. ("PJM") capacity market; and (iii) the appropriate proxy value(s) for RECs that are transferred from renewable energy projects to Rider RPS.

In its Order, the Commission directed Dominion to make a filing ("Filing") that addressed these issues and presented alternative cost allocation methodologies for the Commission's consideration. On December 22, 2021, Dominion submitted its Filing with the Commission.

On January 10, 2022, the Commission issued an Order for Notice and Hearing, which directed Dominion to provide public notice of its Filing; scheduled hearings for the purpose of receiving testimony from public witnesses and evidence on the Filing; provided interested persons an opportunity to file written comments on the Filing or to participate as respondents in this proceeding; directed the Commission Staff ("Staff") to investigate the Filing and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by the Board of Supervisors of Culpeper County, Virginia; Direct Energy Business, LLC, and Direct Energy Services, LLC (collectively, "Direct Energy"); Walmart Inc. ("Walmart"); the Virginia Committee for Fair Utility Rates ("Committee"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel"). On June 7, 2022, Direct Energy, Walmart, the Committee, and Consumer Counsel filed testimony. On June 28, 2022, Staff filed testimony. The Company filed rebuttal testimony on July 19, 2022.¹ The Commission received one comment on the Filing.

A telephonic hearing was scheduled to be convened on August 8, 2022, to receive testimony from public witnesses, but was canceled because no interested person signed up to testify.² The evidentiary hearing was convened virtually on August 9-10, 2022. Counsel for Dominion, Direct Energy, Walmart, the Committee, Consumer Counsel, and Staff attended the hearing. On September 14, 2022, Dominion, Direct Energy, Walmart, the Committee, Consumer Counsel and Staff filed post-hearing briefs.

On November 17, 2022, the Report of Mary Beth Adams, Hearing Examiner ("Report") was filed. The Hearing Examiner made the following findings in the Report:³

- (i) the Company's proposal to allocate Company-owned resources and power purchase agreements ("PPAs") using the same cost allocation methodology should be approved;
- (ii) the costs and benefits of intermittent generation resources should be allocated using the same cost allocation methodology as traditional dispatchable units;
- (iii) VCEA Resources and the Company's legacy resources should be treated as a single fleet;
- (iv) the Company's proposed cost allocation methodology – the Cost of Service Classification methodology – is consistent with cost causation principles as it appropriately recognizes the characteristics of the VCEA Resources and properly allocates their costs and benefits among customer classes;⁴
- (v) the Cost of Service Classification methodology should be adopted to allocate costs and benefits of the VCEA Resources recovered through Rider CE, Rider PPA, and Rider OSW;

¹ In conjunction with its rebuttal testimony, Dominion filed a legal memorandum ("Legal Memorandum") regarding the type of RECs that can be used by customers taking electricity supply service from licensed competitive service providers ("Shopping Customers") to receive an exemption from Rider RPS. See Legal Memorandum at 1.

² Tr. 7.

³ Report at 66-67.

⁴ The Cost of Service Classification method uses an allocation factor based on the average and excess methodology ("Factor 1") to allocate demand-related costs and benefits (capacity), and an energy-only allocation factor ("Factor 3") to allocate energy-related costs and benefits (energy, RECs), consistent with the classification of such costs and benefits in the Company's cost of service. See Ex. 2 (Filing) at 6.

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- (vi) should the Commission find it appropriate to align costs and benefits within each individual project or rate adjustment clause, a blended approach methodology is a reasonable alternative methodology;
- (vii) should the Commission determine it is appropriate to allocate the costs and benefits of intermittent generation resources differently than traditional dispatchable units, using the summer winter peak and average method is reasonable;
- (viii) the Company's proposal to allocate Rider RPS based on Factor 3 is reasonable and should be approved;
- (ix) the proposed avoided capacity cost methodology is reasonable, as it holds jurisdictional customers harmless, and is not contrary to Code § 10.1-1197.6 because jurisdictional customers would not bear any part of the costs of constructing and operating the ring-fenced solar facilities, and therefore should be adopted for purposes of determining the appropriate amount to charge base rates for the value of capacity benefits that ring-fenced resources provide to jurisdictional customers;
- (x) the REC proxy value should be based on the revenue stream that would be produced if the REC were sold into the market, not the cost to produce the REC, and the proposed methodology, which calculates a reasonable measure of the REC value the Company could expect to obtain from the market, and the proposal to use a 12-month calendar year period for the calculation, should be adopted;
- (xi) it is appropriate for the Company to use the same proxy value for Shopping Customers' RECs that it uses for RECs generated by VCEA Resources;
- (xii) the Commission-approved cost recovery framework is set up to account for the language of Code § 56-585.5 G and the two categories of accelerated renewable energy buyers ("ARBs"), with REC-only ARBs being exempt from all or a portion of Rider RPS, and Bundled ARBs being exempt from all or a portion of Rider CE, Rider PPA, and Rider RPS;
- (xiii) any specific issues related to the mechanism for netting the benefits of Shopping Customers' RECs should be addressed in the Company's next Rider RPS filing, as necessary;
- (xiv) the less stringent REC standard set forth in Code § 56-585.5 C applies to both the Company and to competitive service providers for years 2021 to 2024;
- (xv) Direct Energy's proposed stranded cost methodology is outside the scope of this proceeding;
- (xvi) Dominion should be required to include in each of its rate adjustment clause filings under the Commission-approved framework a cumulative bill impact schedule showing the cumulative change in a customer's total non-bypassable charges (or credits) from all pending RPS-related proceedings, and should work with Staff on the appropriate information to include and the format used to present the information; and
- (xvii) the Company should be required to include with its RPS plan filings annual projected all-in non-bypassable charges, reflecting costs net of benefits included in the VCEA rate adjustment clauses, and should work with Staff on the appropriate information to include and the format used to present the information in future filings.

The Hearing Examiner recommended that the Commission:⁵ (1) adopt the findings and recommendations set forth in the Report; (2) approve the Cost of Service Classification methodology to allocate costs and benefits of VCEA Resources recovered through Rider CE, Rider PPA, and Rider OSW; (3) approve the Company's proposal to allocate Rider RPS based on Factor 3; (4) approve the Company's proposed avoided capacity proxy value for purposes of determining the appropriate amount to charge base rates for the value of capacity benefits that ring-fenced resources provide to jurisdictional customers; (5) approve the Company's proposed methodology to calculate the REC proxy value, which would apply to Shopping Customers' RECs and RECs generated by VCEA Resources, and its proposal to use a 12-month calendar year period for such calculation;

(6) direct the Company to apply Code § 56-585.5 C's less stringent REC standard to competitive service providers for the years 2021 to 2024; (7) direct the Company to include, in each of the rate adjustment clause filings under the Commission-approved framework, a cumulative bill impact schedule showing the cumulative change in a customer's total non-bypassable charges (or credits) from all pending RPS-related proceedings; (8) direct the Company to include with its RPS plan filings annual projected all-in non-bypassable charges, reflecting costs net of benefits included in the VCEA rate adjustment clauses; and (9) dismiss this case from the Commission's docket of active proceedings.

On December 13, 2022, Dominion, Direct Energy, Walmart, the Committee, Consumer Counsel, and Staff filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. As set forth above, the Hearing Examiner's Report in the instant proceeding concludes with 17 findings, as well as nine related recommendations. Accordingly, the remainder of this Final Order addresses these findings and recommendations.

Cost Allocation of VCEA Resources

Findings 1-7

We find that the Cost of Service Classification methodology should be approved for use to allocate costs and benefits of VCEA Resources recovered through Rider CE, Rider PPA, and Rider OSW. In making this determination, we note:

⁵ Report at 67-68.

- the Cost of Service Classification methodology is generally consistent with how the Company has historically allocated costs and benefits to customers;⁶
- the Cost of Service Classification methodology is consistent with how system energy costs and benefits are allocated in the fuel factor;⁷
- the Cost of Service Classification methodology follows cost causation principles, wherein the classification of costs and benefits as demand-related or energy-related results in those costs and benefits being allocated on a demand-related (Factor 1) or energy-related (Factor 3) factor, respectively;⁸
- it is reasonable and appropriate to allocate the costs and benefits of intermittent generation resources using the same cost allocation methodology as traditional dispatchable units;⁹
- it is appropriate for VCEA Resources and the Company's legacy resources to be treated as a single fleet;¹⁰
- the use of multiple cost allocation methodologies within the Company's fleet could create unnecessary complexity and confusion;¹¹
- it is reasonable and appropriate to use the same allocation methodology to allocate Company-owned resources and PPAs;¹² and
- multiple parties recommended adoption of the Cost of Service Classification methodology to allocate costs and benefits of the VCEA Resources.¹³

As such, we adopt the Hearing Examiner's findings 1-5, and reject findings 6-7, which represent alternative recommended methodologies for cost allocation of VCEA Resources should the Commission disagree that the Cost of Service Classification methodology is appropriate.

Finding 8

The Commission finds the Company's proposal to allocate Rider RPS based on Factor 3 to be reasonable. We note that this proposal was uncontested.¹⁴

Proxy Value for Capacity Costs

Finding 9

The Commission finds that the proposed avoided capacity cost methodology is generally reasonable. Further, we agree with the Hearing Examiner that an avoided capacity proxy value is not necessary as a result of the Company's recent election to fulfill its PJM capacity obligation as a fixed resource requirement entity – as the Company is not generally receiving capacity revenue for its resources or paying capacity costs to cover its load – except as for the limited purpose of determining the appropriate amount to charge base rates for the value of capacity benefits that ring-fenced resources provide to jurisdictional customers.¹⁵

⁶ See, e.g., Ex. 2 (Filing) at 7; Ex. 3 (Miller Direct) at 6-7, 13; Tr. 155-156.

⁷ See, e.g., Ex. 2 (Filing) at 7; Ex. 3 (Miller Direct) at 13.

⁸ See, e.g., Ex. 2 (Filing) at 7; Ex. 3 (Miller Direct) at 13; Ex. 36 (Perry Direct) at 15; Report at 66.

⁹ See, e.g., Report at 44, 66. We concur with the Hearing Examiner that, while some of the characteristics of the VCEA Resources are different from traditional resources, the Company's fleet has historically consisted of a variety of resources with differing characteristics, and internal variation within the Company's fleet is not new. *Id.* at 44.

¹⁰ See, e.g., Ex. 3 (Miller Direct) at 15; Report at 66.

¹¹ See, e.g., Report at 44; Ex. 29 (Miller Rebuttal) at 15.

¹² See, e.g., (Miller Direct) at 15; Ex. 21 (Pratt Direct) at 16; Report at 66.

¹³ See, e.g., Ex. 2 (Filing) at 7; Ex. 11 (Baron Direct) at 7; Ex. 36 (Perry Direct) at 3. Further, neither Direct Energy nor Staff opposed approval of the Cost of Service Classification methodology. See Direct Energy's Post-Hearing Brief at 1; Ex. 21 (Pratt Direct) at 22-23.

¹⁴ See Report at 50.

¹⁵ See, e.g., Report at 51; Ex. 7 (Vitiello Direct) at 3; Ex. 27 (Carr Direct) at 4-7; Ex. 34 (Gaskill Rebuttal) at 2-3.

The Commission approves the proposed capacity price methodology for the purpose of determining the amount to charge base rates for the capacity provided by ring-fenced resources, should it be determined in a future case that such a charge to base rates is appropriate. The Commission, however, declines to rule in this case on the appropriateness of any specific charge or credit. Such a determination will necessarily depend on the facts and circumstances in a future base rate case. Dominion bears the burden of proving whether the capacity provided by a ring-fenced facility is a reasonable expense to be included in base rate cost of service. The reasonableness of such charge may depend on whether, among other things, the Company has a capacity deficit or surplus in PJM and, if it has a surplus, whether the Company monetizes the excess capacity.¹⁶

REC Proxy Value

Findings 10-11

We concur with the Hearing Examiner that the REC proxy value should be based on the revenue stream that would be produced if the REC were sold into the market – not based on the forecasted valuation used at the time the facility was approved, or the cost to produce and retire the REC.¹⁷ We find that the Company's proposed methodology reasonably measures the value of RECs in the marketplace and should be adopted. We further agree that the proposal to use a 12-month calendar year period for such calculation is appropriate.¹⁸ Finally, we concur the Company should use the same proxy value for Shopping Customers' RECs that it uses for RECs generated by VCEA Resources.¹⁹

Application of Rider RPS to ARBs

Finding 12

The treatment of REC-only ARBs under the Commission-approved cost recovery framework was raised in this case.²⁰ We agree with the Hearing Examiner and adopt finding 12 as further supported and explained by Staff, the Company and the Committee.²¹

Other REC-Related Issues

Findings 13-14

We adopt findings 13-14 in the Report for the reasons discussed therein.²² Specifically, we concur that any specific issues related to the mechanism for netting the benefits of Shopping Customers' RECs would more appropriately be considered in the Company's next Rider RPS filing. Further, we agree that the same, less stringent, REC standard set forth in Code § 56-585.5 C applies to both the Company and to competitive service providers for years 2021 to 2024.

Direct Energy Methodology

Finding 15

We agree with the Hearing Examiner that Direct Energy's proposed methodology for determining the non-bypassable charge to be assessed to Shopping Customers is outside the scope of this proceeding, and decline to address it herein. This proceeding was initiated for the limited purposes of determining the proper jurisdictional and class allocation for costs of resources constructed or procured pursuant to the VCEA and developing certain proxy values.²³ Further, we note that the determination of the costs and net benefits that should be included in the non-bypassable charge to Shopping Customers was the focus of a recent prior proceeding, Case No. PUR-2020-00164.²⁴

Reporting Requirements

Findings 16-17

¹⁶ See, e.g., Consumer Counsel's Comments on the Hearing Examiner's Report at 2-8 (questioning the record support for the jurisdictional need of some or all of the ring-fenced capacity); Tr. 327-328.

¹⁷ See, e.g., Report at 55-57; Ex. 13 (Norwood Direct) 19; Consumer Counsel's Post-Hearing Brief at 15-16; Ex. 32 (Leimann Rebuttal) at 6-7.

¹⁸ See, e.g., Report at 58; Ex. 32 (Leimann Rebuttal) at 3.

¹⁹ See Report at 58.

²⁰ See, e.g., Consumer Counsel's Post-Hearing Brief at 20-23; Dominion's Post-Hearing Brief at 30-31; Report at 58.

²¹ See, e.g., Dominion's Post-Hearing Brief at 30-31; Tr. 315-322, 432; Ex. 27 (Carr Direct) at 3-4; Committee's Post-Hearing Brief at 35-37; Report at 58-60.

²² See Report at 61-64.

²³ See Ex. 10 (Lacey Direct) at 10-36; Dominion's Post-Hearing Brief at 34-36; Staff's Post-Hearing Brief at 18-19; Report at 64.

²⁴ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Allocating RPS costs to certain customers of Virginia Electric and Power Company*, 2021 S.C.C. Ann. Rept. 270, 272, Final Order (Sept. 23, 2021).

We adopt findings 16-17 of the Report and direct Dominion: (i) to include, in each of the rate adjustment clause filings under the Commission-approved framework, a cumulative bill impact schedule showing the cumulative change in a customer's total non-bypassable charges (or credits) from all pending RPS-related proceedings; and (ii) to include, with its future RPS plan filings, annual projected all-in non-bypassable charges, reflecting costs net of benefits included in the VCEA rate adjustment clauses. Dominion did not oppose either of these proposed reporting requirements.²⁵ We further direct the Company to work with Staff on the appropriate information to include and the format to present this information in future filings.²⁶

Accordingly, it is so ORDERED and this matter is DISMISSED.

Commissioner Patricia L. West participated in this matter.

²⁵ See Ex. 34 (Gaskill Rebuttal) at 5-6; Report at 65-66.

²⁶ See Report at 65-66.

CASE NO. PUR-2021-00158 MARCH 21, 2023

APPLICATION OF AQUA VIRGINIA, INC.

CASE NO. PUR-2022-00113

For Approval of a Water and Wastewater Infrastructure Service Charge Plan and For Authority to Implement Water and Wastewater WWISC Riders

APPLICATION OF AQUA VIRGINIA, INC.

CASE NO. PUR-2021-00158

For an Annual Informational Filing

FINAL ORDER

On October 29, 2021, Aqua Virginia, Inc. ("Aqua Virginia" or "Company") filed its Application for an Annual Informational Filing ("2021 AIF") with the State Corporation Commission ("Commission") for the twelve months ended March 31, 2021, in Case No. PUR-2021-00158. On May 27, 2022, Staff of the Commission ("Staff") filed its report ("2021 AIF Staff Report") on the Company's 2021 AIF. On June 24, 2022, the Company filed a response to the 2021 AIF Staff Report ("Company's Response"). On July 11, 2022, the Commission entered an Order Directing Additional Filings in Case No. PUR-2021-00158. On August 19, 2022, Staff filed its Reply to the Company's Response ("Staff's Reply") in Case No. PUR-2021-00158.

On August 15, 2022, the Company completed the filing of an application ("Application" or "2022 WWISC") with the Commission for approval of a water and wastewater infrastructure service charge plan ("WWISC Plan"), and for authority to implement water and wastewater WWISC riders ("Water WWISC Rider" and "Wastewater WWISC Rider," collectively, "Riders") in Case No. PUR-2022-00113.

On August 29, 2022, the Commission entered an Order for Notice and Hearing ("Order") in the 2022 WWISC proceeding. On September 12, 2022, the Commission entered an Order *Nunc Pro Tunc* in the 2022 WWISC proceeding, which was meant to replace the prior procedural Order in its entirety. The Commission's Order *Nunc Pro Tunc*, among other things: docketed the Application; established a procedural schedule; required the Company to provide public notice of its Application; allowed interested persons an opportunity to comment on the Application or to participate in this proceeding as a respondent; directed the Staff to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; scheduled a telephonic public witness hearing for January 25, 2023; scheduled a hearing on the Application for January 25, 2023, immediately following the public witness hearing; assigned the case to a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and file a final report; and denied in part and granted in part, the Company's request for interim rates, providing that Aqua Virginia "may, on an interim basis and subject to refund and interest, begin charging customers for its proposed WWISC Riders for billings made on or after December 13, 2022."¹

On September 6, 2022, the Commission issued an Order in Case No. PUR-2021-00158 that found "the record in [Case No. PUR-2021-00158] would benefit from further process with respect to Staff's recommended WWISC-related refund and any other remaining issues in this matter." The Order sent Case No. PUR-2021-00158 to the Office of Hearing Examiners to be addressed as part of Case No. PUR-2022-00113 and directed that the Hearing Examiner should make findings and recommendations pertaining to Case No. PUR-2021-00158 in addition to any other findings and recommendations to be made as part of the 2022 WWISC proceeding.

The Commission received public comments on Aqua Virginia's 2022 WWISC Application. Staff filed testimony on December 14, 2022 addressing both Case Nos. PUR-2021-00158 and PUR-2022-00113. Aqua Virginia filed rebuttal testimony on January 11, 2023 addressing both Case Nos. PUR-2021-00158 and PUR-2022-00113. On January 20, 2023, Aqua Virginia and Staff filed a Stipulation ("Stipulation") that resolved all of the outstanding issues in both Case Nos. PUR-2021-00158 and PUR-2022-00113.

The public witness hearing, originally scheduled to convene telephonically on January 25, 2023, was cancelled when no one signed up to testify. The evidentiary hearing was convened on January 25, 2023, as scheduled.

On February 10, 2023, separate Reports of Michael D. Thomas, Senior Hearing Examiner, were issued in Case No. PUR-2022-00113 ("WWISC Report") and Case No. PUR-2021-00158 ("AIF Report") (collectively, "Reports"). In the WWISC Report, the Senior Hearing Examiner made the following findings and recommendations:²

¹ Order *Nunc Pro Tunc* at 20.

² WWISC Report at 26.

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- (1) The Commission should adopt the Stipulation;
- (2) The Commission should approve the Company's proposed WWISC Plan;
- (3) The Commission should permit the Company the flexibility to redirect dollars to certain water and wastewater projects based on its annual planning and prioritization, or other operation contingencies, to remain within the WWISC caps;
- (4) The Commission should approve a Water WWISC revenue requirement of \$301,767;
- (5) The Commission should approve a Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of wastewater overcollections via the Wastewater WWISC True-Up Factor approved in the 2021 AIF Case;
- (6) The Commission should approve a Water WWISC Rider current service charge of \$0.2868 per 1,000 gallons of usage;
- (7) The Commission should approve a Wastewater WWISC Rider current service charge of \$0.0533 per 1,000 gallons of usage;
- (8) The Commission should approve the WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation; and
- (9) The Commission should dismiss this case from the Commission's docket of active cases.

In the AIF Report, the Senior Hearing Examiner made the following findings and recommendations:³

- (1) The Commission should adopt the Stipulation;
- (2) The Commission should approve a total Wastewater WWISC True-Up Factor of \$131,311;
- (3) The Commission should approve the WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation; and
- (4) The Commission should dismiss this case from the Commission's docket of active cases.

On February 17, 2023, the Company and Staff filed comments in support of the Senior Hearing Examiner's findings and recommendations in both Reports.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Stipulation should be approved, and the Senior Hearing Examiner's findings and recommendations contained in the Reports should be adopted.

Accordingly, IT IS ORDERED THAT:

- (1) The Stipulation is approved, and the Senior Hearing Examiner's findings and recommendations are adopted as the findings of this Commission.
- (2) The Company's proposed WWISC Plan is approved.
- (3) The Company shall have the flexibility to redirect dollars to certain water and wastewater projects based on its annual planning and prioritization, or other operational contingencies, to remain within the WWISC caps.
- (4) A Water WWISC revenue requirement of \$301,767 is approved.
- (5) A Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of wastewater overcollections via the Wastewater WWISC True-Up Factor⁴ is approved.
- (6) A total Wastewater WWISC True-Up Factor of (\$131,311) is approved.⁵ To be clear, we are ordering a credit of \$131,311 to Aqua Virginia's wastewater customers that, when netted against Aqua Virginia's prospective Wastewater WWISC revenue requirement, reduces Aqua Virginia's \$146,468 prospective WWISC revenue requirement approved herein to \$15,157.

³ AIF Report at 10.

⁴ WWISC Report at 25 (emphasis added):

"The Stipulation adopted a...Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of Wastewater WWISC over-earnings via a Wastewater WWISC True-Up Factor...[and] adopted Staff's calculation of wastewater over-earnings...of \$114,053 that should be refunded to customers via a Wastewater WWISC True-Up Factor, which includes carrying costs at the Company's WACC of \$17,258, for a total amount to be refunded to customers via the true-up of \$131,311. *Applying the Wastewater WWISC revenue requirement results in a net-positive Wastewater WWISC revenue requirement of \$15,157 after the true-up.*"

⁵ *Id.*

- (7) A Water WWISC Rider current service charge of \$0.2868 per 1,000 gallons of usage is approved.
- (8) A Wastewater WWISC Rider current service charge of \$0.0533 per 1,000 gallons of usage is approved.
- (9) The WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation are approved.
- (10) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2021-00160
APRIL 25, 2023**

APPLICATION OF
CONSOLIDATED EDISON CLEAN ENERGY BUSINESSES, INC.

For licensure as a subscriber organization pursuant to 20 VAC 5-340-30

ORDER REISSUING LICENSE

On August 5, 2021, Con Edison Clean Energy Businesses, Inc. ("ConEd" or "Company"), filed an application with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. On November 3, 2021, the Commission entered an Order Granting License that granted ConEd License No. SS-2 to conduct business as a non-exempt subscriber organization in the Shared Solar Program.

On April 10, 2023, ConEd filed an application requesting that the Commission reissue License No. SS-2 to reflect a company name change to RWECE Clean Energy, Inc. ("RWECE").

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that License No. SS-2, issued to ConEd, shall be cancelled and reissued as License No. SS-2A in the name of RWECE. RWECE shall be authorized to conduct business as a non-exempt subscriber organization in the Shared Solar Program, subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) License No. SS-2, granted to Con Edison Clean Energy Businesses, Inc., to provide shared solar subscription services in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia is hereby cancelled and is reissued in the name of RWECE Clean Energy, Inc., as License No. SS-2A.

(2) This license to act as a non-exempt subscriber organization is reissued subject to the provisions of the Commission's Rules Governing Shared Solar Program, 20 VAC 5-340-10 *et seq.*, the Commission's November 3, 2021 Order Granting License in this case, this Order Reissuing License, and all applicable statutes.

(3) This license is not valid authority for the provision of any product or service not identified within the license itself.

(4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2021-00255
APRIL 24, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2021-00255

For a general increase in rates

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2019-00176

For an Annual Informational Filing

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2020-00249

For an Annual Informational Filing

FINAL ORDER

On November 15, 2021, Virginia-American Water Company ("VAWC" or "Company") filed an application with the State Corporation Commission ("Commission") for an increase in rates ("Application" or "Rate Case"). On December 6, 2021, and December 9, 2021, the Company supplemented its Application.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On December 21, 2021, the Commission issued an Order for Notice and Hearing in VAWC's Rate Case, which, among other things, docketed the Company's Application; directed VAWC to provide notice of its Application; provided interested persons the opportunity to comment or participate in the proceeding; directed the Commission's Staff to investigate the Application; scheduled an evidentiary hearing; and assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed in the Rate Case proceeding by the Hopewell Committee for Fair Water Rates ("Hopewell Committee"); the City of Alexandria, Virginia ("Alexandria"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").

On March 3, 2022, the Commission entered an Order in Case Nos. PUR-2019-00176 and PUR-2020-00249 ("AIF Proceedings") which, among other things, found that the AIF Proceedings required further process and should be addressed as part of VAWC's pending Rate Case (Case No. PUR-2021-00255).¹ The Commission directed the Hearing Examiner assigned to the pending Rate Case to make findings and recommendations pertaining to the AIF proceedings in addition to any other findings and recommendations to be made as part of the Rate Case.² On March 14, 2022, the Hearing Examiner ruled that the AIF Proceedings would proceed concurrently with the Rate Case.³

On July 19, 2022, the Hopewell Committee, Alexandria, and Consumer Counsel filed their respective Rate Case testimony. On August 16, 2022, Staff of the Commission ("Staff") filed testimony pertaining to the Rate Case and the AIF Proceedings, and Consumer Counsel filed supplemental Rate Case testimony. On September 6, 2022, VAWC filed rebuttal testimony pertaining to the Rate Case and the AIF Proceedings. Public comments were also received in the Rate Case proceeding.

On September 26, 2022, VAWC, Staff, and Alexandria (collectively, "Stipulating Participants") submitted a Joint Motion to Approve Stipulation together with a proposed Stipulation ("Stipulation") pertaining to the Rate Case and AIF Proceedings.⁴ The Hopewell Committee and Consumer Counsel were not signatories to the Stipulation. Consumer Counsel, however, recommended the Commission approve the Stipulation as a reasonable resolution of the issues.⁵

The Stipulating Participants agreed as follows:⁶

- (1) To a rate increase that would produce additional annual jurisdictional revenues of \$10.75 million;
- (2) For future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case, the Stipulating Participants agree to a 9.7% return on equity ("ROE") and the following actual capital structure and cost of capital:

Component	Ratemaking Capital	Weight	Cost Rate	Weighted Cost
Short-Term Debt	\$20,144,129	7.335%	1.838%	0.135%
Long-Term Debt	\$141,673,355	51.590%	4.222%	2.178%
Preferred Stock	\$0	0.000%	0.000%	0.000%
Common Equity	\$111,850,200	40.73%	9.70%	3.951%
Investment Tax Credits	\$946,123	0.345%	6.594%	0.023%
Total Capitalization	\$274,613,807	100.00%		6.286%

- (3) To move forward with the second phase of consolidation for water service rates and the purchased water surcharge as proposed by the Company and consistent with the Partial Stipulation approved by the Commission in Case No. PUR-2018-00175;

- (4) To a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, resulting in an annual jurisdictional amortization amount of \$272,812, as calculated in Staff's pre-filed adjustment. The Company will stop deferring COVID-19 related costs as of June 30, 2021, and will start amortization for book purposes as of May 1, 2022;

¹ *Applications of Virginia American Water Company for Annual Informational Filings*, Case Nos. PUR-2019-00176 and PUR-2020-00249, Doc. Con. Cen. No. 220310081, Order at 4-5 (March 3, 2022) ("AIF Further Proceedings Order").

² AIF Further Proceedings Order at 5. In a footnote to Ordering Paragraph (1), the Commission stated: "We leave to the Hearing Examiner's discretion whether and how to combine and/or consolidate Case Nos. PUR-2019-00176, PUR-2020-00249, and PUR-2021-00255." *Id.* n.19.

³ Hearing Examiner Ruling at 2 (March 14, 2022).

⁴ Exhibit 2.

⁵ Tr. at 37.

⁶ Stipulation at 1-4.

(5) The Company may record any amounts above or below the total Company amount of 2023 pension expense equal to \$255,101 and OPEB⁷ expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;

(6) The Alexandria Water and Wastewater Infrastructure Surcharge ("WWISC") Earnings Test issue in Case Nos. PUR-2019-00176 & PUR-2020-00249 will be litigated before the Commission based on the record and post-hearing briefs;

(7) To the level of write-offs for the Depreciation Reserve Deficiency, OPEB Deferral, and COVID-19 Deferral in the June 2020 Earnings Test (in Case No. PUR-2020-00249 as updated by Staff in this Rate Case (Case No. PUR-2021-00255)) as presented below:

- Depreciation Reserve Deficiency: \$362,630
- OPEB Deferral: \$42,827
- COVID-19 Deferral: \$123,286; and

(8) The rates set forth on Attachment A to the Stipulation should be approved by the Commission and implemented by the Company effective May 1, 2022.

The public witness hearing was convened on September 27, 2022. The public evidentiary hearing was also convened on September 27, 2022, immediately following the public witness hearing, and concluded on September 28, 2022. VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff participated in the hearing.

On November 2, 2022, VAWC, the Hopewell Committee, Alexandria, Consumer Counsel, and Staff filed post-hearing briefs.

On December 2, 2022, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued in the Rate Case and the AIF Proceedings. In the Report, the Chief Hearing Examiner recommended the Commission enter an Order which adopts the proposed Stipulation, subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric rate block changing by the same percentage. The Chief Hearing Examiner further recommended there be no refunds of WWISC revenues collected from Alexandria district customers. Specifically, the Report made the following findings:⁸

- (1) Based on the record and Stipulation, VAWC requires a rate increase that will produce additional annual jurisdictional revenues of \$10.75 million;
- (2) VAWC's ROE is 9.7%, and the actual capital structure and cost of capital is as provided in the Stipulation and shown above, to be used for future cases requiring a capital structure and cost of capital until such time as VAWC files its next base rate case;
- (3) VAWC should move forward with the second phase of consolidation for water service rates and the [Purchase Water Surcharge] as proposed by the Company;
- (4) VAWC should use a 3-year amortization of the Company's COVID-19 regulatory asset balance as of June 30, 2021, stop deferring COVID-19 related costs as of June 30, 2021, and begin amortizing for book purposes as of May 1, 2022;
- (5) VAWC may record any amounts above or below the Company's amount of 2023 pension expense equal to \$255,101 and OPEB expense equal to (\$437,969) authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company's next base rate case. Such deferral will be subject to earnings tests during the deferral period based on total Company earnings;
- (6) VAWC should not be required to refund any WWISC revenues collected from Alexandria district customers during the Alexandria ET Period;
- (7) As specified in the Stipulation, VAWC should be directed to write-off the Depreciation Reserve Deficiency of \$362,630, OPEB Deferral of \$42,837, and COVID-19 Deferral of \$123,286;
- (8) Except for the rates for Hopewell industrial potable water customers, VAWC should implement the rates set forth on Attachment A of the Stipulation effective May 1, 2022. The rate design for the Hopewell industrial potable water customers should be designed based on the current six-block rate structure with each existing volumetric rate block changing by the same percentage; and
- (9) VAWC should refund, with interest as prescribed by the Commission, amounts collected as interim rates based on its Application in excess of the rates approved herein.

VAWC, Alexandria, the Hopewell Committee, Consumer Counsel, and Staff filed comments on the Report.

⁷ "OPEB" stands for "Other Post-Employment Benefits."

⁸ Report at 106-107.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁹

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹⁰

In accordance with the above findings, *I RECOMMEND* that the Commission enter an order that:

1. *ADOPTS* the findings in this Report and the Stipulation as amended; and
2. *DISMISSES* this case from the Commission's docket of active cases and passes the papers herein to the file for ended causes.

Upon consideration of this matter, the Commission concludes that the Chief Hearing Examiner's findings (1)-(5), (7),¹¹ and (8)-(9), above, are supported by law and the evidence, have a rational basis, and are adopted herein.¹² In so concluding, the Commission approves the proposed Stipulation subject to keeping the existing rate structure for Hopewell's potable industrial customers with each existing volumetric block changing by the same percentage, as recommended by the Hearing Examiner.¹³ In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

Proposed Refund of WWISC Revenues

The one exception to the Chief Hearing Examiner's findings and recommendations that the Commission does not adopt concerns Staff's recommended refund of certain WWISC revenues collected from the Alexandria district. The Chief Hearing Examiner explains:

I believe the Commission could find that based on the Alexandria [Earnings Test] Period results, Staff's proposed refund of \$419,803 of WWISC revenues collected from Alexandria customers is appropriate, based on the discussion above. However, while I find that earnings tests, by their nature, are not designed for granular causation analysis, in my opinion this case presents a situation for which the Commission should make an exception.¹⁴

Staff, Consumer Counsel and Alexandria disagree with the Chief Hearing Examiner's recommendation not to require refunds.¹⁵

After fully considering all the evidence and arguments both for and against the proposed refunds, the Commission finds that the record supports requiring refunds of the WWISC revenues as proposed by Staff and will so direct. The Commission's original approval of the WWISC was expressly dependent upon the use of Earnings Tests and refunds on a going-forward basis to assure that operation thereof does not result in annual earnings above the authorized ROE.¹⁶ In so ordering, the Commission, over the objection of VAWC, expressly directed "that the use of an Earnings Test should accompany the annual WWISC review and ... that refunds should be made to ratepayers, with interest, to the extent the WWISC collections result in annual earnings above the rate of return on common equity ... approved below."¹⁷ Indeed, the Supreme Court of Virginia – in affirming the Commission's approval of the WWISC – recognized this Earnings Test process as perhaps the most significant qualification placed by the Commission on the implementation of the WWISC.¹⁸

⁹ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹⁰ Report at 107 (emphases in original).

¹¹ With respect to finding (7), the Commission approves an OPED deferral write-off amount of \$42,827 as reflected in the Stipulation. *See Staff's Comments* at 5, n15 (stating that finding (7) contained an incorrect reference to an OPEB deferral write-off of \$42,837, rather than the amount of \$42,827 contained in the Stipulation).

¹² *See Report* at 106-107.

¹³ In its Comments, VAWC indicated it would accept the Hearing Examiner's recommended modification to the Stipulation to continue the use of the existing six-block structure for Hopewell's industrial potable customers. VAWC Comments at 4. Staff similarly did not oppose this modification. Staff Comments at 5. The Hopewell Committee supported this modification. Hopewell Committee Comments at 3-4.

¹⁴ Report at 106.

¹⁵ City of Alexandria Comments at 2-3; Staff Comments at 6-11; Consumer Counsel Comments at 5-8.

¹⁶ *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUE-2015-00097, 2017 S.C.C. Ann. Rep. 288, 290-291, Final Order (May 24, 2017) (hereinafter "2015 Final Order").

¹⁷ 2015 Final Order at 291.

¹⁸ *City of Alexandria v. State Corporation Commission*, 296 Va. 79, 818 S.E.2d 33 (2018) ("The SCC's review of the WWISC was not disconnected from its overall discretionary review of VAWC's request for an increase in its base rate. It was an analysis that looked at all of the facts presented in the aggregate and in light of the statutory factors. This is particularly evident in the extensive qualifications that the [Commission] placed upon the implementation of the WWISC. Perhaps the most significant is the Earnings Test, which takes into account all of the Alexandria district's revenues from base rates and from the WWISC to determine if VAWC earned more than its approved rate of return for that district.").

The Chief Hearing Examiner reasonably rejected the majority of VAWC's arguments against Staff's recommended refund.¹⁹ The Report, however, ultimately recommends the Commission make an exception and not require a refund based on the fact that "the additional rate consolidation revenues collected from customers of the Alexandria district exceeds the level of revenues that Staff recommended be refunded."²⁰

We are not persuaded to make an exception in this case. As recognized by the Chief Hearing Examiner, earnings tests are by their nature not designed for granular causation analysis, and we decline to conduct such an analysis here. The evidence in the record shows that in the Alexandria district, VAWC earned a 10.03% ROE for the 28-month WWISC period when both base rate and WWISC revenues are considered.²¹ After accounting for refunds of \$419,803, the Company's resulting earned return is 9.57%, which is above the weighted average benchmark of 9.55% determined by the authorized ROEs during the period.²² Requiring refunds in this matter is supported by the record and, moreover, conforms with the Commission's original approval of the WWISC and the Court's affirmance thereof.

Rate Consolidation

As set forth in the Report, the Commission adopted the first one-third step toward statewide STP in Case No. PUR-2018-00175, including allocation of one-third of the PWS to the Hopewell and Eastern districts.²³ We agree with the Chief Hearing Examiner that based on the record of this case, the Commission should continue with the second one-third step towards statewide STP, by moving all rates, including the PWS, one-third closer to STP.²⁴

Finally, the Commission notes that VAWC initially proposed a rate increase of \$14.3 million.²⁵ Under the approved Stipulation, the Commission approves a \$10.75 million rate increase,²⁶ which is supported by the record. In granting this approval, the Commission further notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The Commission adopts the Chief Hearing Examiner's findings and recommendations, with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers, and makes findings as set forth herein.

(2) The Chief Hearing Examiner's recommendations are hereby ordered with the exception of adopting recommendation number (6) related to refunds of certain WWISC revenues collected from Alexandria district customers.

(3) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis on May 1, 2022. VAWC shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.

(4) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund effective May 1, 2022, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below, within ninety (90) days of the issuance of this Final Order.

(5) The Company shall refund, with interest, \$419,803 of WWISC revenues to the customers of the Alexandria district. Within ninety (90) days of the issuance of this Final Order, the Company shall complete refunds by check or through credits to customer bills.

(6) Refunds with interest for current customers may be made by a credit to the customers' accounts and shown on bills. If refunds with interest for current customers are made by a credit to the customers' accounts and shown on bills, the bills shall show the refund as a separate item or items.

¹⁹ Report at 104-106.

²⁰ Report at 106. The Report explains that "beginning in May 2019, the legislatively mandated consolidation to [single tariff pricing ("STP")] and the Commission's 2018 Rate Order 'resulted in an approximately \$1,045,049 increase in annual revenue for the Company's Alexandria [d]istrict (which was balanced with decreases in other districts).'" Report at 106 (quoting Virginia-American Post-Hearing Brief at 24).

²¹ Ex. 25 (Long Direct) at 18. While not dispositive to our decision herein, we note further that VAWC could have, but did not, present an alternative consolidated earnings test. The approved Stipulation in Case No. PUR-2019-00185 provided in relevant part: "To the extent the Commission approves the consolidation of the cost of service study for the Company's Alexandria district with the Company's other service districts, the Company may propose substitution of a consolidated earnings test for purposes of the WWISC subsequent to the effective date of such approval." Staff Comments at 11 n.43.

²² Ex. 25 (Long Direct) at 18; Staff Comments at 9-10.

²³ Report at 101. *Application of Virginia-American Water Company, For a general increase in rates*, Case No. PUR-2018-00175, 2020 S.C.C. Ann. Rep. 236 (Nov. 6, 2020).

²⁴ Report at 100-102.

²⁵ Ex. 3 (Application) at 2.

²⁶ Report at 96; Ex. 2 (Stipulation).

(7) For former customers, refunds with interest that exceed \$1 shall be made by check mailed to the last known address of such customers.

(8) VAWC may retain refunds owed to former customers when such refund amount is less than \$1; however, if refunds owed to former customers in an amount less than \$1 are retained by the Company, the Company will prepare and maintain a list detailing each of the former accounts for which refunds are less than \$1, and in the event such former customers contact the Company and request refunds, such refunds shall be made promptly. All unclaimed refunds shall be handled in accordance with Code § 55-210.6:2.

(9) VAWC may offset the credit or refund to the extent no dispute exists regarding the outstanding balances of its current customers or customers who are no longer on its system. To the extent the outstanding balances of such customers are disputed, no offset shall be permitted for the disputed portion.

(10) Interest upon the ordered refunds shall be computed from the date payments on monthly bills were due as shown on the bills to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly. The average prime rate for each calendar quarter shall be the arithmetic mean, to the nearest one-hundredth of one percent, of the "Bank prime loan" values published in the Federal Reserve Bulletin of the Federal Reserve's Selected Interest Rates (Statistical Release H.15) for the three (3) months of the preceding calendar quarter.

(11) Within sixty (60) days of completing the refunds ordered herein, VAWC shall submit to the Divisions of Utility Accounting and Finance and Public Utility Regulation a report showing that all refunds have been made pursuant to this Final Order and itemizing the cost of the refund and accounts charged. The Company shall not recover the interest paid or the expenses incurred in making such refunds from water or wastewater rates and charges subject to the Commission's jurisdiction.

(12) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(13) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2021-00300
JULY 31, 2023

APPLICATION OF
SUSAN K. MENOZZI

For a license to conduct business as a competitive service provider

ORDER SUSPENDING LICENSE

On December 30, 2021, Susan K. Menozzi ("Menozzi") completed the filing of an application with the State Corporation Commission ("Commission") for a license to conduct business as a competitive service provider. By Order dated February 28, 2022, the Commission granted Menozzi License No. A-124 to provide electricity and natural gas aggregation services to eligible commercial and industrial customers throughout Virginia.

By letter dated May 5, 2023, Menozzi requested that the Commission suspend her competitive service provider license until such time that she requests reinstatement of the license.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Menozzi's request should be granted.

Accordingly, IT IS ORDERED THAT:

(1) License No. A-124, assigned to Susan K. Menozzi, is hereby suspended pending further action of the Commission.

(2) Menozzi shall not provide aggregation services in the Commonwealth of Virginia until, and if, her license is reinstated by the Commission.

(3) Menozzi shall file a formal request with the Commission to seek reinstatement of her license. In addition, Menozzi must meet the licensing requirements in the Commission's Rules Governing Retail Access to Competitive Energy Services, 20 VAC 5-312-10 *et seq.* ("Retail Access Rules"), in order for her license to be eligible for reinstatement.

(4) During the license suspension period, Menozzi shall not be subject to the requirements in 20 VAC 5-312-20 P of the Retail Access Rules.

(5) This matter is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00036
MAY 15, 2023**

APPLICATION OF
COLUMBIA GAS OF VIRGINIA, INC.

For authority to increase rates and charges and to revise the terms and conditions applicable to gas service

FINAL ORDER

On April 29, 2022, Columbia Gas of Virginia, Inc. ("CVA" or "Company"), filed an application with the State Corporation Commission ("Commission"), pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities,¹ requesting authority to increase its rates and charges, effective for the first billing unit of October 2022, and to revise other terms and conditions applicable to gas service ("Application").

On June 2, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things, docketed the Application; established a procedural schedule, including scheduling a public hearing on the Application; provided an opportunity for interested persons to file comments on the Application or to participate in the proceeding as a respondent; permitted the Company to implement its proposed rate and tariff modifications on an interim basis, subject to refund, effective on and after the first billing unit of October 2022, including the three-month bill credit associated with the Tax Cuts and Jobs Act of 2017 ("TCJA");² and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

Notices of participation were filed by: Virginia Industrial Gas Users' Association ("VIGUA"); Direct Energy Business Marketing, LLC ("Direct Energy") and XOOM Energy Virginia, LLC ("Xoom Energy"); Retail Energy Supply Association ("RESA") (Direct Energy, Xoom Energy, and RESA collectively, "CSP³ Respondents"); and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"). On October 12, 2022, VIGUA and CSP Respondents filed testimony in accordance with the Procedural Order. The Commission's Staff ("Staff") filed testimony on November 9, 2022, and CVA filed rebuttal testimony on November 30, 2022. One public comment was filed in this case.

On December 9, 2022, CVA filed a Stipulation and Proposed Recommendation ("Stipulation") with the Commission, which was signed by the Company, Consumer Counsel, VIGUA, and Staff (collectively, "Stipulating Participants"). According to its terms, the Stipulation resolved all of the outstanding issues among the Stipulating Participants and provides, in pertinent part:

1. **Earnings Test:** The results of the 2021 Earnings Test analysis demonstrate that the Company's earned [ROE] for the 2021 test period fell below the midpoint of the authorized return on equity ("ROE") range of 9.2% - 10.2% established in Case No. PUR-2018-00131, and that the level of earnings during the 2021 test period does not result in the write-off of any regulatory assets.
2. **Revenue Requirement Increase:** The annual increase in the Company's jurisdictional non-gas base revenue requirement effective with the first billing unit of October 2022 will be \$40.3 million, representing a settlement as to a specific revenue number but not as to a specific ROE, specific accounting adjustments, or specific ratemaking methodologies at issue unless otherwise set forth herein....
3. **Cost of Capital and Return on Equity:**
 - a. For purposes of settlement, the Stipulating [Participants] agree to calculate the revenue requirement in any rate application or any rate filing, other than an application for a change in base rates, using the overall weighted average cost of capital, as shown below, effective October 2022, until such time as new rates are implemented in the Company's next base rate case.

Component	Amount Outstanding (\$ooo's)	Weight %	Cost Rate %	Weighted Cost %
Short-Term Debt	306,199	1.87%	2.570%	0.048%
Long-Term Debt	8,699,783	53.00%	4.599%	2.438%
Preferred Stock	1,546,499	9.42%	7.855%	0.743%
Common Equity	5,853,181	35.66%	9.70%	3.459%
Job Development Credits (ITC)	<u>7,392</u>	<u>0.05%</u>	6.769%	<u>0.003%</u>
Total	16,413,054	100.00%		6.691%

¹ 20 VAC 5-201-10 *et seq.*

² On December 8, 2022, the Company filed revised tariff pages reflecting the expiration of the three-month bill credit associated with the TCJA, effective with the first billing unit of January 2023.

³ Competitive service provider.

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- b. For the purpose of Annual Informational Filings prior to the Company's next base rate case, subsequent test year capital structures should reflect the methodology consistent with that in the direct testimony of Staff [w]itness Gleason, and use an ROE range of 9.20% - 10.20%, with a midpoint ROE of 9.70%.
 - c. The midpoint of 9.70% will also be used in earnings test analyses beginning with calendar year 2022 and in determining its proposed revenue requirement in expedited rate cases.
4. Steps to Advance Virginia's Energy Plan ("SAVE"): The revenue requirement in paragraph (2) above is inclusive of \$14.5 million for the recovery of costs associated with \$132.5 million of SAVE in-service investments as of September 30, 2022, being rolled into rate base and excludes \$25.7 million of SAVE construction work in progress investments as of September 30, 2022.
5. Eligible Safety Activity Costs ("ESAC"): The Stipulating [Participants] agree to inclusion of (i) an ESAC 2023 baseline of \$7.27 million and (ii) an updated annual DIMP deferral amortization expense of \$443,490 over 36 months. The ESAC deferral will only be charged when ESAC costs exceed the 2023 baseline account. To the extent ESAC expenses fall below the level established by the 2023 baseline, this difference will be reflected in the earnings test analysis covering that time period.
6. COVID-19 Regulatory Asset: The Stipulating [Participants] agree to a two-year amortization of the Company's COVID-19 regulatory asset balance as of December 31, 2021, resulting in an annual amortization amount of \$1,432,717. The Company will start amortization for book purposes as of October 1, 2022.
7. Advanced Mobile Leak Detection: The Stipulating [Participants] agree that the Company can defer advanced mobile leak detection costs, including carrying charges, in excess of the base rate baseline amount of \$1,351,835. The Company may propose recovery of any deferred advanced mobile leak detection costs in a future SAVE amendment proceeding. If such deferral is subsequently determined by the Commission in the SAVE amendment proceeding to not be compliant with the SAVE Act, the Company will cease deferral of additional costs, and the Company may propose recovery of the deferral, excluding deferred carrying charges, in its next base rate proceeding subject to earnings test review.
8. Green Path Service: The Stipulating [Participants] agree that Rate Schedule GPS – Green Path Service will be approved as described in the direct testimony of Company [w]itness Dix except that the associated IT costs will be recovered from participating customers, resulting in an additional \$0.362 per dekatherm in the rate charged to participating customers. CVA agrees to provide detailed calculations on its website of how the environmental attributes acquired under Rate Schedule GPS are offsetting customers' greenhouse gas emissions.
9. Tariff Modifications: The tariff modifications set forth in the direct testimony of Company [w]itness Dix will be approved as proposed by the Company except as specified in paragraph (8) above.
10. Residential Customer Charge: The customer charge for residential customers will be set at \$18 per month.
11. Revenue Apportionment and Rate Design for Revenue Increase: Rates established in this proceeding will be calculated using the revenue apportionment of the non-gas revenue requirement increase, as specified in Paragraph (2), that reflects all customer classes receiving the system average increase....
12. Average Distribution Revenues Per Customer: ... the average distribution revenues per customer for purposes of revenue normalization adjustment calculations [are attached to the Stipulation at [Attachment C](#)].
13. Three-Month Bill Credit to Return Certain Tax Savings to Customers: The Stipulating [Participants] agree that the implementation of the three-month bill credit from October to December 2022 associated with the Tax Cuts and Jobs Act of 2017 was an appropriate mechanism to return the remaining balance of unprotected excess deferred income taxes in the amount of \$848,099 to customers.⁴

The hearing for the receipt of public witness testimony was canceled after no one signed up to testify. The public evidentiary hearing was convened on December 14, 2022. On February 6, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report") was issued. In her Report, the Hearing Examiner found that:

- (1) The Stipulation, with a modification to Paragraph (8) to incorporate the inclusion of education and outreach costs in Rate Schedule GPS's rate, balances the interest of consumers and the Company, and is fair, reasonable, and in the public interest;
- (2) The Commission has discretion to consider the impacts that approval of Rate Schedule GPS would have on the competitive market and CSPs;
- (3) A need determination relative to Rate Schedule GPS is not required;
- (4) Regardless of whether the Commission considers the impact that Rate Schedule GPS would have on the competitive market and CSPs, the education and outreach costs associated with Rate Schedule GPS should be recovered through its rate and not through base rates;

⁴ Stipulation at 1-4.

(5) Recovering education and outreach costs associated with Rate Schedule GPS through its rates, rather than base rates, will hold non-participating customers harmless or substantially harmless;

(6) Recovering education and outreach costs through Rate Schedule GPS results in its rates being just and reasonable. In addition, doing so would result in Rate Schedule GPS being in the public interest; and

(7) The Company should not be compelled to participate in a working group concerning its CHOICE Program.

The Company, the CSP Respondents, Consumer Counsel, VIGUA, and Staff each filed comments to the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁵

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:⁶

Accordingly, I RECOMMEND the Commission enter an order:

1. *ADOPTING* the findings of this Report;
2. *ACCEPTING* the Stipulation as modified herein;
3. *DIRECTING* the Company to refund with interest the amounts charged the customers in excess of the rates included in the Stipulation; and
4. *DISMISSING* this case.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's rulings, findings, and recommendations are supported by the law and evidence, have a rational basis, and are adopted herein. In so concluding, the Commission approves the Stipulation with the modifications to Paragraph (8) recommended by the Hearing Examiner.⁷ In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

The Company proposes Rate Schedule GPS, a voluntary companion tariff that will enable residential and small general service customers to offset, through the purchase of environmental attributes, the greenhouse gas emissions associated with the natural gas that each participating customer receives from the Company by either 50% or 100%.⁸ As noted by the Hearing Examiner, Rate Schedule GPS is similar in structure to other voluntary companion tariffs that have been approved by the Commission.⁹ In opposing Rate Schedule GPS, the CSP Respondents acknowledge that no statute expressly prohibits Rate Schedule GPS, but rather urge the Commission to exercise its discretion to reject it.¹⁰ Having carefully weighed the evidence both for and against approval of Rate Schedule GPS,¹¹ we find it meets the attendant statutory standards and exercise our discretion to approve it. Evidence supporting such determination includes, but is not limited to:

- The Company is proposing to offer Rate Schedule RPS as a result of a customer survey indicating that 63% of customers surveyed have an interest in using carbon neutral natural gas, and 15% indicated that they would be willing to pay more for renewable energy;¹²

⁵ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁶ Report at 64-65.

⁷ Specifically, Paragraph (8) shall be modified to incorporate the inclusion of education and outreach costs in Rate Schedule GPS's rate. We note in this regard that none of the Stipulating Participants opposed this recommended change in their comments on the Hearing Examiner's Report.

⁸ Report at 20-21.

⁹ Report at 63. *See, e.g., Application of Virginia Electric and Power Company, For approval of a voluntary renewable energy rate, designated Rider REC, pursuant to § 56-234 A of the Code of Virginia*, Case No. PUR-2019-00081, 2019 S.C.C. Ann. Rept. 442, Final Order (Oct. 31, 2019).

¹⁰ CSP Respondents Post-Hearing Brief at 4.

¹¹ *See, e.g., CSP Respondents Comments and Exceptions to the Report of Mary Beth Adams, Hearing Examiner*; Ex. 14 (Dix Direct) at 5-10; Ex. 16 (Cusati Direct) at 1-8; Ex. 32 (Evans Rebuttal) at 1-8.

¹² Report at 21.

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- Rate Schedule RPS is a voluntary companion tariff with no term commitment that permits customers to discontinue at any time with changes taking effect with the next billing cycle;¹³
- The proposed rate for Rate Schedule RPS is cost-based with no return component;¹⁴ and
- The Company's proposed safeguards, as well as recovery of education and outreach costs through Rate Schedule RPS as recommended by the Hearing Examiner through modification to Paragraph (8) of the Stipulation, hold non-participating customers substantially harmless.¹⁵

Finally, the Commission notes that CVA initially proposed a rate increase of \$58.2 million, which was placed into effect on an interim basis and subject to refund with the first billing of October 2022.¹⁶ Under the approved Stipulation, the Commission approves a \$40.3 million rate increase,¹⁷ and directs CVA to issue refunds to the extent interim rates were higher than the rates fixed herein. In granting this approval, the Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.

(2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.

(3) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis with the first billing unit of October 2022. CVA shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.

(4) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund with the first billing unit of October 2022, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below within ninety (90) days of the issuance of this Final Order.

(5) Interest upon the ordered refunds shall be computed from the date payments of monthly bills were due to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly, using the average prime rate values published in the Federal Reserve Bulletin or in the Federal Reserve's Selected Interest Rates (Statistical Release H. 15) for the three (3) months of the preceding calendar quarter.

(6) The refunds ordered herein may be credited to the current customers' accounts. Refunds to former customers shall be made by check mailed to the last known address of such customers when the refund amount is \$1 or more. The Company may offset the credit or refund to the extent of any undisputed outstanding balance for the current or former customer. No offset shall be permitted against any disputed portion of an outstanding balance. The

¹³ Report at 58.

¹⁴ *Id.*

¹⁵ *Id.* at 58-63.

¹⁶ Ex. 2 (Application) at 1.

¹⁷ Report at 52; Ex. 33 (Stipulation).

Company may retain refunds to former customers when such refund is less than \$1; however, such refunds shall be promptly made upon request. All unclaimed refunds shall be subject to Code § 55-210.6:2.

(7) Within sixty (60) days of completing the refunds ordered herein, the Company shall deliver to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance a report showing that all refunds have been made pursuant to this Final Order and detailing the costs incurred in effecting such refunds and the accounts charged.

(8) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(9) This matter is dismissed.

**CASE NO. PUR-2022-00036
JUNE 5, 2023**

APPLICATION OF
COLUMBIA GAS OF VIRGINIA, INC.

For authority to increase rates and charges and to revise the terms and conditions applicable to gas service

AMENDING ORDER

On May 15, 2023, the State Corporation Commission ("Commission") issued its Final Order in this matter. On May 22, 2023, Columbia Gas of Virginia, Inc. ("CVA" or "Company") filed an errata to the Stipulation and Proposed Recommendation ("Stipulation") approved in this case,¹ noting a typographical error contained in the Stipulation and including the corrected Stipulation with a revised page 2. Specifically, CVA notes that, on page 2, Paragraph (3), of the Stipulation, the Cost Rate column for the Preferred Stock contains the figure "7.855%" but should instead be "7.885%". This figure also appears on page 3 of the Commission's Final Order.² CVA represents that all other parties to the Stipulation have authorized the Company to represent that they do not object to the Company filing the errata.

In addition, due to a clerical error, Rate Schedule GPS was incorrectly referred to as Rate Schedule RPS in the bulleted list appearing on pages 7 and 8 of the Final Order.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that (i) page 2 of the Stipulation, as revised on May 22, 2023, should be approved and (ii) the Final Order should be corrected on page 3 in the Cost Rate column for the Preferred Stock to replace the figure "7.855%" with "7.885%" and to replace the references to Rate Schedule RPS with Rate Schedule GPS. All other provisions of the Final Order remain in full force and effect.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹ On December 9, 2022, CVA filed the Stipulation in this case. The Stipulation was joined by CVA, the Staff of the Commission, the Office of the Attorney General's Division of Consumer Counsel, and the Virginia Industrial Gas Users' Association. In its Final Order, the Commission approved the Stipulation with modifications to Paragraph (8) recommended by the Hearing Examiner.

² CVA further notes that the correction does not affect the Weighted Cost column, which the Company states is accurate.

**CASE NO. PUR-2022-00048
MARCH 3, 2023**

APPLICATION OF
BARC ELECTRIC COOPERATIVE

For approval of a general increase in electric rates

FINAL ORDER

On April 1, 2022, BARC Electric Cooperative ("BARC" or "Cooperative") filed an application ("Application") with the State Corporation Commission ("Commission") for approval of a general increase in electric rates. BARC filed this Application pursuant to §§ 56-231.33, 56-231.34, 56-236, 56-238, and 56-585.3 of the Code of Virginia and 5 VAC 5-20-80 A of the Rules of Practice and Procedure of the Commission.¹

In support of its Application, BARC states that a rate increase is needed to pay expenses, service debt, fund capital additions, retire patronage, and maintain the financial goals established by BARC's Board of Directors.² BARC requests a two-phase rate increase that would generate \$1.93 million in revenue over a two-year period.³ The Cooperative proposes to increase its jurisdictional revenue by \$1.16 million in Phase 1, beginning January 1, 2023, and by an additional \$0.767 million in Phase 2, beginning January 1, 2024, to achieve a \$25,405,240 annual revenue requirement.⁴ BARC states that the proposed increase would result in total rate year⁵ jurisdictional margins of \$1.78 million and a 2.24x jurisdictional TIER.⁶

On April 27, 2022, the Commission entered an Order for Notice and Hearing, which among other things, docketed the Application; established a procedural schedule; provided avenues for participation in the case; scheduled an evidentiary hearing; and appointed a Hearing Examiner to conduct all further proceedings in this matter. The Order for Notice and Hearing also allowed BARC to implement its proposed rates for bills rendered on and after January 1, 2023, on an interim basis and subject to refund with interest. BARC implemented its proposed rates effective January 1, 2023, subject to refund with interest.

No notices of participation were filed in this case and the public witness hearing was cancelled because no one signed up to testify. The Commission received two written public comments.

On September 30, 2022, the Commission's Staff ("Staff") filed testimony in this matter and on October 13, 2022, Staff filed supplemental testimony. On October 19, 2022, the Cooperative and Staff filed a Joint Motion to Approve Joint Stipulation together with a Joint Stipulation. On October 21, 2022, the Cooperative filed a letter advising the Commission that, in view of the filing of the Joint Stipulation, the Cooperative would not be filing rebuttal testimony. On November 4, 2022, the Cooperative and Staff filed a Joint Motion to Approve Revised Joint Stipulation together with a Revised Joint Stipulation.

On November 16, 2022, the Senior Hearing Examiner convened an evidentiary hearing to receive testimony and evidence on the Application.

On December 8, 2022, the Senior Hearing Examiner issued the Report of Michael D. Thomas, Senior Hearing Examiner ("Report"). On December 22, 2022, the Cooperative and Staff filed comments on the Report.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Senior Hearing Examiner made the following recommendations:⁷

I therefore *RECOMMEND* the Commission enter an Order that:

- (1) *ADOPTS* the findings and recommendations in this Report;
- (2) *APPROVES* the Revised Joint Stipulation, with the exception of the Cooperative's proposed demand charge;

¹ 5 VAC-5-20-10 *et seq.* On August 22, 2022, the Cooperative filed a Motion for Leave to Amend Application which was subsequently granted by the Senior Hearing Examiner.

² Ex. 2 (Application) at 3.

³ *Id.*

⁴ *Id.*

⁵ BARC states that the rate year is calendar year 2023. *Id.* at 3 n.7.

⁶ *Id.* at 3. The Cooperative clarifies that it is not requesting that the Commission set a TIER of 2.24x and adjust its proposed rates to that TIER. BARC requests that the Commission approve the rates as proposed, provided that the resulting TIER is within a reasonable range that would normally be recommended for electric distribution cooperatives in Virginia. *Id.* at 4.

⁷ Report at 31 (emphases in original).

- (3) *DECLINES* to approve at this time the Cooperative's proposed demand charge for Schedule A (Rural Electric Service) and Schedule B (Commercial and Small Power Service);
- (4) *APPROVES* the stipulated revenue increase of \$1,921,739, calculated using Staff's billing determinants in Staff witness Otwell's revised direct testimony;
- (5) *PERMITS* the Cooperative to recover the \$55,844 in annual revenue represented by its proposed demand charge through the energy charge for Schedule A (Rural Electric Service) and Schedule B (Commercial and Small Power Service);
- (6) *APPROVES* the Cooperative's proposed consumer delivery charges for Schedule A (Rural Electric Service), Schedule B (Commercial and Small Power Service), and Schedule LP-1 (Large Power Service);
- (7) *APPROVES* the Cooperative's proposed Schedule EF (Excess Facilities);
- (8) *APPROVES* the Cooperative's proposed Schedule PCA (Power Cost Adjustment);
- (9) *APPROVES* the Cooperative's proposal to revise Schedule LP-1 (Large Power Service) to state that the \$3.00 per kW Electricity Supply Service demand charge is applicable in the October through May billing months; and
- (10) *DISMISSES* this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Senior Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein.⁸ In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

Demand Charge

BARC proposes to introduce a "minimal" demand charge to the distribution service portion of proposed Schedule A and Schedule B of \$0.05 per kilowatt.⁹ Specifically, BARC proposes time-based billing demand with an incremental off-peak billing demand charge.¹⁰ In support of its request, among other things, BARC asserts "[r]ecovering demand costs by applying demand charges is a more cost-based method than recovering demand costs through energy consumption charges."¹¹

BARC, however, is not able to bill demand charges to these customers until new metering technology is installed "in the coming years."¹² Accordingly, BARC proposes to delay billing the demand charge until new metering technology is installed for all affected members.¹³ BARC includes language in its proposed tariff that states it will delay the demand charge until all affected members have meters capable of registering time differentiated demand, and further states that BARC will provide 30 days' notice to Staff prior to implementing the billing of the demand charge.¹⁴ The estimated demand charge revenue is included in the proposed rate year revenue, but BARC is proposing to forgo that revenue until the demand charges can be billed with the new metering technology.¹⁵

Having fully considered the evidence in the record with respect to BARC's proposed demand charge for Schedule A and Schedule B, we decline to approve such charge at this time. Such denial is without prejudice for BARC to renew its request in a future proceeding. BARC does not have the capability to implement its proposed demand charge and may not for several years. We find that BARC has not shown on this record that such demand charge is just and reasonable under these circumstances. The Commission's decision in this regard is based on the distinct record developed in this proceeding and is consistent with a similar decision issued in the past year.¹⁶ As recommended by the Senior Hearing Examiner, we will permit BARC to recover the annual revenue requirement represented by its proposed demand charge through the energy charge for Schedule A and Schedule B.¹⁷

⁸ See Report.

⁹ See, e.g., Ex. 2 (Application) at 4; *Id.* at Schedule 5A.

¹⁰ Ex. 5 (Gaines Direct) at 29.

¹¹ *Id.* at 26.

¹² *Id.* at 27.

¹³ Ex. 2 (Application) at 4; Ex. 5 (Gaines Direct) at 27.

¹⁴ See, e.g., Tr. 10-11.

¹⁵ Ex. 5 (Gaines Direct) at 27.

¹⁶ *Application of Shenandoah Valley Electric Cooperative, For approval of a general increase in electric rates*, Case No. PUR-2021-00054, Doc. Con. Cen. No. 220320024, Final Order at 6-8 (Mar. 11, 2022) and Doc. Con. Cen. No. 220510002, Order on Reconsideration at 2-4 (May 5, 2022) ("SVEC Order on Reconsideration"). We further reject BARC's assertion that denial of the demand charge would have "the Commission ignore its previous approval of a residential demand charge for an electric cooperative that did not have meters installed capable of measuring any demand." BARC Comments at 9. As previously pointed out by the Commission, the case cited by BARC involved a stipulation approved that expressly directed it shall *not* serve as precedent in any future case. SVEC Order on Reconsideration at 3.

¹⁷ According to BARC, the Cooperative originally calculated that the revenue requirement associated with the proposed demand charges would be \$55,844. However, using Staff's billing determinates, the amount of revenue associated with the Cooperative's proposed demand charges is \$56,851 (\$54,399 for Schedule A and \$2,452 for Schedule B). BARC Comments at 17 n.76. BARC may recover this amount to the extent it does not cause the overall revenue requirement to exceed the amount previously noticed to the public.

In granting this approval, the Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Senior Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Senior Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) The Cooperative shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (4) BARC's revised rates shall be effective as soon as reasonably practicable.
- (5) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00049
AUGUST 28, 2023**

PETITION OF
APPALACHIAN NATURAL GAS DISTRIBUTION COMPANY

For a declaratory judgment

ORDER ON RECONSIDERATION

On April 1, 2022, Appalachian Natural Gas Distribution Company ("ANGD") filed with the State Corporation Commission ("Commission") a Petition for Declaratory Judgment ("Petition") pursuant to 5 VAC 5-20-100 C of the Commission's Rules of Practice and Procedure ("Rules").¹

The Commission issued a Final Order in this docket on June 26, 2023. On July 14, 2023, CNX Resources Corporation ("CNX") filed a Petition for Limited Reconsideration ("Reconsideration Petition") pursuant to 5 VAC 5-20-220 of the Rules.

On July 17, 2023, the Commission issued an Order Granting Reconsideration that: (1) granted reconsideration for the purpose of continuing jurisdiction over this matter and considering the Reconsideration Petition; (2) suspended the Final Order pending the Commission's limited reconsideration thereof; and (3) scheduled pleadings attendant hereto.

On July 31, 2023, ANGD filed a response to the Reconsideration Petition ("ANGD Response"), and CNX filed a reply on August 7, 2023 ("CNX Reply").

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

First, the Final Order expressly states the single issue that is determined therein: "The Commission must interpret the following definition [of 'non-utility gas service'] in Code § 56-265.4:6 ... and determine whether the pipelines used by CNX to furnish gas to Buchanan Generation (and planned for use in providing gas to [Jewell Coke Company ("Jewell")]) meet the 'distribution lines' criteria in [that definition]."²

Next, the Final Order concludes that "CNX's pipelines at issue herein are *not* 'distribution lines,' and that service through such lines is *not* 'non-utility gas service' under Code § 56-265.4:6"³

Finally, the Final Order states that, as a result of such determination, CNX's service through such lines "is a violation of ANGD's exclusive franchise service territory unless CNX seeks and is granted approval under alternative statutory authority."⁴

In requesting limited reconsideration, CNX asks the Commission to withdraw the immediately above statement and "confirm that [CNX's sale and delivery of natural gas to Buchanan Generation] is authorized under Va. Code § 56-580 D and the [certificate of public convenience and necessity]

¹ 5 VAC 5-20-10 *et seq.* ANGD subsequently filed a motion to amend its Petition, which was granted by the Senior Hearing Examiner assigned to this proceeding. *See* Final Order at 2.

² Final Order at 2-3 (internal quotation marks and citation omitted).

³ *Id.* at 6 (emphases added).

⁴ *Id.*

issued in Case No. PUE-2001-00657.⁵ Alternatively, CNX requests that if the scope of this proceeding is limited to Code § 56-265.4:6, then the Commission "should limit its Final Order to findings thereunder."⁶

ANGD asks the Commission to "reject CNX's request that the Commission modify its Final Order to find that CNX's natural gas service to Buchanan Generation is authorized under Va. Code § 56-580 D"⁷ ANGD asserts that CNX's request "goes beyond the scope of ANGD's Amended Petition for Declaratory Judgment"⁸

As stated in the Final Order, the scope thereof is limited to Code § 56-265.4:6. Thus, the finding of a franchise violation is necessarily limited to a finding that CNX is not providing "non-utility gas service" under that statute. The Final Order includes neither analyses nor findings regarding Code § 56-580 D or Case No. PUE-2001-00657. And we continue to make none herein. Thus, the Commission clarifies that: (1) because CNX's service to Buchanan Generation or Jewell is not authorized under Code § 56-265.4:6, such service represents a violation of ANGD's exclusive franchise service territory unless it is provided under alternative statutory authority; and (2) the question of any such alternative authority is outside the scope of this matter.⁹

Accordingly, IT IS SO ORDERED, the Final Order is no longer suspended, and this case is DISMISSED.

Commissioner Patricia L. West participated in this matter.

⁵ CNX Reply at 13.

⁶ *Id.* at 12.

⁷ ANGD Response at 11.

⁸ *Id.*

⁹ The Commission further notes that, as explained by the Senior Hearing Examiner, "ANGD no longer seeks to enjoin CNX's provision of gas to Buchanan Generation or to require CNX to work with ANGD for a transition service from CNX to ANGD." Senior Hearing Examiner's Report at 26.

**CASE NO. PUR-2022-00049
JULY 17, 2023**

PETITION OF
APPALACHIAN NATURAL GAS DISTRIBUTION COMPANY

For a declaratory judgment

ORDER GRANTING RECONSIDERATION

On June 26, 2023, the State Corporation Commission ("Commission") issued a Final Order ("Order") in this docket. On July 14, 2023, CNX Resources Corporation ("CNX"), a respondent in this proceeding, filed a petition for limited reconsideration ("Petition") pursuant to 5 VAC 5-20-220 of the Commission's Rules of Practice and Procedure.¹

NOW THE COMMISSION, upon consideration of this matter, grants reconsideration for the purpose of continuing jurisdiction over this matter and considering the above-referenced request. The Order is hereby suspended pending the Commission's reconsideration.

Accordingly, IT IS ORDERED THAT:

- (1) Reconsideration is granted for the purpose of continuing jurisdiction over this matter and considering the above-referenced request.
- (2) Pending the Commission's reconsideration, the Order is suspended.
- (3) Appalachian Natural Gas Distribution Company shall file any response to the Petition on or before July 31, 2023.
- (4) CNX shall file any reply to the above response on or before August 7, 2023.
- (5) This matter is continued generally.

Commissioner Patricia L. West participated in this matter.

¹ 5 VAC 5-20-10 *et seq.*

CASE NO. PUR-2022-00049
JUNE 26, 2023

PETITION OF
 APPALACHIAN NATURAL GAS DISTRIBUTION COMPANY

For a declaratory judgment

FINAL ORDER

On April 1, 2022, Appalachian Natural Gas Distribution Company ("ANGD"), filed with the State Corporation Commission ("Commission") a petition for declaratory judgment ("Petition"), pursuant to 20 VAC 5-20-100 C of the Commission's Rules of Practice and Procedure.¹ In its Petition, ANGD seeks a declaratory judgment that CNX Resources Corporation ("CNX")² may not construct, own, or operate natural gas facilities and provide utility gas service to customers in ANGD's certificated service territory.³

On April 19, 2022, the Commission entered a Procedural Order, which among other things, docketed the Petition; established a procedural schedule; directed ANGD to serve the Petition on CNX; provided interested persons and Commission Staff ("Staff") an opportunity to file responses to the Petition, or for interested persons to participate in the proceeding as a respondent by filing a notice of participation; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

Pursuant to the Procedural Order, notices of participation and responses to the Petition were filed by CNX and Jewell Coke Company, L.P. ("Jewell"), on June 22 and 23, 2022, respectively. On July 8, 2022, ANGD filed its reply.

On July 26, 2022, the Senior Hearing Examiner entered a Ruling scheduling a hearing on the Petition for December 8, 2022, and established procedural deadlines.

On August 11, 2022, ANGD filed a Motion to Amend Petition with attached Amended Petition for Declaratory Judgment ("Amended Petition"). On August 19, 2022, the Senior Hearing Examiner entered a Ruling granting the Motion to Amend Petition; establishing a deadline for the filing of any response to the Amended Petition; and granting Jewell's request to withdraw from participating in this case. On August 30, 2022, CNX filed its Supplemental Response to Amended Petition.

The hearing was convened, as scheduled, in the Commission's courtroom on December 8, 2022.

On February 10, 2023, ANGD, CNX, and Staff each filed post-hearing briefs.

On March 1, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was filed. On March 22, 2023, ANGD, CNX, and Staff each filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁴

This case presents an issue of first impression. The Commission must interpret the following definition in Code § 56-265.4:6 (emphases added):

"Non-utility gas service" means the sale and distribution of propane, propane-air mixtures, or other natural or manufactured gas to two or more customers by way of underground or aboveground *distribution lines* by a person other than a natural gas utility or an affiliated interest of a natural gas utility, master meter operator, or any person operating in compliance with § 56-1.2.

Specifically, the Commission must determine "whether the pipelines used by CNX to furnish gas to Buchanan Generation (and planned for use in providing gas to Jewell) meet the 'distribution lines' criteria in the [above definition]."⁵

The term "distribution lines" is not defined in this statute. In such instance, "the general rule of statutory construction is to infer the legislature's intent from the plain meaning of the language used."⁶ In ascertaining that plain meaning, the Commission has also considered the "entire statute to place its

¹ 5 VAC 5-20-10 *et seq.*

² Per the Petition, CNX is a Virginia stock corporation with its principal place of business located at 1000 Consol Energy Drive, Canonsburg, Pennsylvania 15317-6506. Petition at 2.

³ *Id.* at 1.

⁴ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁵ Report at 20.

⁶ *Jones v. Von Moll*, 295 Va. 497, 504 (2018) ("The phrase 'further performance of duty' is not defined within the Act. When, as here, a statute contains no express definition of a term, the general rule of statutory construction is to infer the legislature's intent from the plain meaning of the language used.") (citations and internal quotation marks omitted).

terms in context."⁷ Based on standard principles of statutory construction, the Commission concludes that CNX's pipelines at issue herein are not "distribution lines" as referenced in the above statute.

The above definition of "non-utility gas service" encompasses selling and distributing natural gas to the customer (in this case, the customers are Buchanan Generation and Jewell) "by way of underground or aboveground *distribution* lines" (emphasis added). Contrary to CNX's request, we find that this phrase cannot be read to mean *any* lines that provide "the delivery or transportation of gas to an end use customer."⁸

As reflected by the Report, including the participants' discussion of natural gas service in this record, three types of pipelines often referenced include distribution lines, transmission lines, and gathering lines. For purposes of statutory construction, Code § 56-265.4:6 expressly references two of these: distribution lines and transmission lines. Importantly, the General Assembly explicitly recognized a distinction between distribution and transmission lines in this statute (emphases added):

"Natural gas line" means a *distribution or transmission pipeline* owned and operated by the natural gas utility and subject to the jurisdiction of the Commission but excluding such lines that serve only a single residence or retail establishment.

Like distribution lines, this statute also does not define transmission lines.⁹

CNX does not contest that its pipelines at issue herein are referred to as transmission lines for other regulatory purposes.¹⁰ Rather, CNX argues that the Commission should exercise "discretion" and also deem such to be distribution lines for the sole purpose of defining "non-utility gas service" in this statute.¹¹ In other words, this would mean any line in this statute that delivers to an end-use customer is a "distribution" line notwithstanding its pressure or other operating characteristics. Thus, under CNX's proposal, the statutory definition of "non-utility gas service" would have the exact same meaning regardless of whether the text thereof specified "distribution lines," "distribution and transmission lines," or simply "lines."

This result, however, would improperly render the General Assembly's choice to include only the "distribution" modifier in this definition useless or superfluous.¹² The General Assembly expressly recognized a distinction between distribution lines and transmission lines in this statute.¹³ The Commission must presume that the General Assembly's inclusion of distribution – and exclusion of transmission – lines in the definition of "non-utility gas service" was intentional and has meaning.¹⁴

Indeed, we also note the ease with which the General Assembly could have included transmission lines in the definition of "non-utility gas service," along with distribution lines, had that been its intent.¹⁵ And as Code § 56-265.4:6 expressly incorporates all gas pipeline safety requirements

⁷ *Virginia Elec. and Power Co. v. State Corp. Comm'n*, 300 Va. 153, 161 (2021) ("When construing a statute, our primary objective is to ascertain and give effect to legislative intent, as expressed by the language used in the statute. ... In doing so, we consider the entire statute to place its terms in context.") (citations and internal quotation marks omitted).

⁸ Comments of CNX Resources Corporation on Hearing Examiner's Report ("CNX Comments") at 4.

⁹ In addition, no party asserted that there is a material distinction, and the Commission likewise finds none, in this statute's interchangeable use of the terms "pipelines" and "lines."

¹⁰ Indeed, CNX explained that its pipeline "will be reported to the Commission as a 'transmission pipeline' and be subject to all applicable pipeline safety regulations." June 22, 2022 Response of CNX Resources Corporation at 4-5.

¹¹ CNX Comments at 4

¹² See, e.g., *Virginia Elec. and Power Co. v. State Corp. Comm'n*, 300 Va. 153, 164 (2021) ("Further, as we have observed, words in a statute should be interpreted, if possible, to avoid rendering words superfluous. ... This is so because, as we have long recognized, we must assume that in enacting legislation, the General Assembly did not intend to do a vain and useless thing.") (internal quotation marks, edits, and citations omitted).

¹³ In other words, transmission lines are distinct from distribution lines. See, e.g., *BASF Corp. v. State Corp. Comm'n*, 289 Va. 375, 404 (2015) (In the context of electric service, "[t]ransmission line' does not mean 'switching station.'").

¹⁴ See, e.g., *Virginia Elec. and Power Co.*, 300 Va. at 163 ("We presume that the legislature chose, with care, the specific words of the statute and that the act of choosing carefully some words necessarily implies others are omitted with equal care.") (internal quotation marks, edits, and citations omitted).

¹⁵ See, e.g., *BASF Corp.*, 289 Va. at 405 ("We also note the ease with which the General Assembly could have included substations in Code § 56-46.1(F), as exempt from local zoning ordinances, along with transmission lines, had that been its intent.").

established pursuant to Code § 56-257.2,¹⁶ and consistent with the Hearing Examiner, we find it is reasonable for the distinction between distribution and transmission lines in this statute to reflect the distinction as applied pursuant to Code § 56-257.2.¹⁷ In short, CNX's pipelines herein are not distribution lines.

Finally in this regard, the parties' briefs include explanations of particular policy virtues promoted by their positions on this issue. Those virtues, however, are not part of the Commission's analysis herein. That is, in determining the legislative intent of the law as it is written, the Commission did not "speculat[e] about extra-textual notions of public policy,"¹⁸ nor consider the "policy virtues of [the parties'] proffered interpretations."¹⁹

Declaratory Judgment

Having found that CNX's pipelines at issue herein are not "distribution lines," and that service through such lines is not "non-utility gas service" under Code § 56-265.4:6, we find such is a violation of ANGD's exclusive franchise service territory unless CNX seeks and is granted approval under alternative statutory authority.²⁰

ACCORDINGLY, it is so ORDERED and this matter is DISMISSED.

Commissioner Patricia L. West participated in this matter.

¹⁶ Code § 56-257.2 states in part: ". . . the Commission shall have the authority to regulate the safety of . . . gas pipeline facilities used in intrastate pipeline transportation, all as defined in the federal regulations promulgated under 49 U.S.C. § 60101 *et seq.*, as amended, and the federal pipeline safety laws, owned or operated by any person, limited liability company, business entity or association of individuals. The authority granted herein shall be exercised in a manner that is not inconsistent with the above-referenced federal regulations and pipeline safety laws." Code § 56-265.4:6 F states in part: "[a]ny non-utility gas service provider that is required to provide such notice shall be subject to the jurisdiction of the Commission for the purpose of ensuring compliance with the pipeline safety standards and subject to any penalties that may be applicable under § 56-257.2."

¹⁷ Report at 22.

¹⁸ *Appalachian Voices v. State Corp. Comm'n*, ___ Va. ___, ___, 879 S.E.2d 35, 38 (2022).

¹⁹ *Appalachian Power Co. v. State Corp. Comm'n et al.*, ___ Va. at ___, 876 S.E.2d 349, 358 (2022).

²⁰ We find it unnecessary to issue any injunctions based on the record developed herein.

CASE NO. PUR-2022-00051 JANUARY 23, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

In re: Appalachian Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 *et seq.*

FINAL ORDER

On April 29, 2022, Appalachian Power Company ("APCo" or "Company") filed with the State Corporation Commission ("Commission") the Company's Integrated Resource Plan ("IRP") pursuant to § 56-599 of the Code of Virginia ("Code").¹

On May 24, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, established a procedural schedule; set an evidentiary hearing date; directed APCo to provide public notice of its IRP; and provided any interested person an opportunity to file comments on the Company's IRP or to participate in the case as a respondent by filing a notice of participation.

Notices of participation were filed by Appalachian Voices; Sierra Club; the VML/VACo APCo Steering Committee ("Steering Committee"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel"). Public comments were also filed in this docket. Testimony was filed by the Company, Appalachian Voices, Sierra Club and Staff.

On October 25, 2022, the Commission convened a hearing on the Company's IRP. The Company, Appalachian Voices, Sierra Club, Consumer Counsel, and Staff participated in the hearing.²

¹ In accordance with Rule 5 VAC 5-20-160 of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et seq.* ("Rules of Practice"), a memorandum of completeness was filed on May 16, 2022, finding the IRP complete as filed. Thus, pursuant to Code § 56-599 D, the Commission's final order in this matter is due within nine months of filing.

² On October 20, 2022, the Commission issued an order canceling a telephonic hearing for the receipt of public witness testimony after no one signed up to testify. The Steering Committee requested to be and was excused from appearing at the evidentiary hearing convened on October 25, 2022.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.³

Legal Sufficiency of APCo's 2022 IRP

Pursuant to § 56-599 D of the Code, the Commission must, after giving notice and an opportunity to be heard, determine whether APCo's IRP is reasonable and in the public interest. This is APCo's first IRP since the passage of the Virginia Clean Economy Act ("VCEA"), which was effective July 1, 2020.⁴ With the passage of the VCEA, APCo is subject to many new requirements and mandates that will significantly impact its future resource mix, as well as the electric bills paid by APCo's customers. Under the VCEA, APCo must engage in robust planning to achieve the policy goals therein in a cost-effective manner. The Commission finds, based on the record in this proceeding and applicable statutes, that the Company's IRP is reasonable and in the public interest for the specific and limited purpose of filing the planning document as mandated by § 56-597 *et seq.* of the Code and for its first IRP since the enactment of the VCEA. APCo's subsequent IRPs must comply with the Commission's directives, as set forth in prior orders, and the additional requirements set forth herein.

The IRP is a planning document, not a document that will determine future decisions on specific resources. Therefore, consistent with prior final orders issued under these provisions of the Code, we reiterate that approval of an IRP does not create a presumption that resource options contained in the approved IRP will be approved in a future certificate of public convenience and necessity, rate adjustment clause, fuel factor, or other type of proceeding governed by different statutes.⁵

While the Commission finds that APCo's IRP is in the public interest for filing as a planning document, we also find that additional analysis shall be required in future IRPs and in related filings. Our findings, including the requirements directed herein, are based on the record in this case, and in reaching our determinations we have considered and weighed all of the arguments and evidence presented in this proceeding.⁶

Future IRPs

Capacity Price Forecasts and Monetizing Capacity

Several of the parties expressed concern regarding the Company's capacity price forecasts. In particular, the record shows that the Company's forecasts have not been updated since June 30, 2021, despite numerous changes implemented by PJM Interconnection, LLC ("PJM") that would be expected to impact capacity prices, which certain parties assert makes them out-of-date.⁷ In addition, parties expressed concern that APCo's capacity forecasts appear to be unreasonably high compared to current market prices and to other available forecasts.⁸ To address this issue, Appalachian Voices recommends APCo provide a sensitivity analysis in future IRP and other proceedings using the most recent S&P Global Market Intelligence capacity price forecast.⁹ APCo, however, opposes this option, asserting that capacity and energy prices are interrelated and that changing a capacity price and leaving every other assumption unchanged is inappropriate.¹⁰ We share respondents' concerns with APCo's capacity forecasts and find that APCo's IRP would benefit from more timely forecasts. We will not, however, direct APCo to use a specific capacity price forecast in future proceedings at this time. We will direct APCo to provide high- and low-capacity price forecast sensitivities as part of its next IRP, consistent with the recommendations of Consumer Counsel.¹¹

We further agree with Consumer Counsel that the Company should further evaluate and report in future proceedings on any limitations on its ability to monetize capacity in PJM to ensure capacity is modeled correctly for planning purposes.¹² If limitations are identified, they should also be incorporated as appropriate into APCo's modeling.

³ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁴ 2020 Va. Acts chs. 1193, 1194. On June 16, 2021, the Commission issued an Order in Case No. PUR-2019-00058 which directed APCo's 2022 IRP to account for the VCEA, the Clean Energy and Community Flood and Preparedness Act (2020 Va. Acts. chs. 1219, 1280) and the Virginia Environmental Justice Act (Code § 2.2-234 *et seq.*) and setting forth specific additional requirements for APCo's 2022 IRP. *Commonwealth of Virginia, ex rel., State Corporation Commission, In re: Appalachian Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2019-00058, 2021 S.C.C. Ann. Rept. 168, Order (June 16, 2021).

⁵ *See, e.g., Commonwealth of Virginia, ex rel., State Corporation Commission, In re: Appalachian Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2019-00058, 2020 S.C.C. Ann. Rept. 254, Final Order (Jan. 28, 2020) ("2019 Final Order").

⁶ With respect to issues raised by participants not expressly addressed by the Commission herein, the Commission finds that resolution of such issues is not necessary to the Commission's decision in this proceeding, and the Commission hereby exercises its discretion not to address such for purposes of the instant Order.

⁷ *See, e.g.*, Tr. 28; Ex. 3 (Abbott) at 24-25; Ex. 10 (Glick) at 24; Ex. 14 (Johnson) at 3, 4.

⁸ *See, e.g.*, Ex. 3 (Abbott) at 24-32.

⁹ Ex. 3 (Abbott) at 32-33. Sierra Club witness Glick similarly performed modeling using alternative capacity forecasts. Ex. 10 (Glick) at 24-26.

¹⁰ Ex. 28 (Martin Rebuttal) at 4-5.

¹¹ Consumer Counsel's Issues List at 1.

¹² *Id.*

Wind and Solar Capacity Factors

In APCo's last IRP proceeding, the Commission required APCo "to model its planned wind and solar resources using observed capacity factors from utility-specific, Virginia-specific, or regionally-specific operational data in future IRPs."¹³ In so ordering, the Commission recognized "[i]n the extent the actual performance of such resources falls short of estimated modeled capacity factors, it may affect whether, or to what extent, the Company's optimization model selects the resources."¹⁴ Notwithstanding, in the 2022 IRP, the Company did not comply with this requirement, but "has taken steps to ensure these are utilized in future analyses . . . [including] in its 2022 VCEA filing and for future Virginia filings."¹⁵ In future appropriate proceedings, if such information is not part of the initial filing, Staff should deem such filing incomplete pursuant to Rule 5 VAC 5-20-160 of the Commission's Rules of Practice.

Self-Scheduling Generation Resources in PJM

Regarding APCo's self-scheduling of its generation units, the Commission takes the issues raised by Appalachian Voices witness Gregory Abbott¹⁶ seriously and has carefully evaluated the evidence in the record. Based on the record, we do not find APCo's actions to be speculative, nor does it appear to be in customers' interest for the Commission to prohibit self-scheduling going forward.¹⁷ We note that the Company asserts that its practice of self-scheduling is "designed to meet federal and state compliance testing requirements, provide the most economic benefit to the customer by maximizing the economic output of the unit, while minimizing exposure to market price volatility, and to provide a lower overall cost to the customer."¹⁸ We expect the Company to continue to approach self-scheduling in this manner.

Inflation Reduction Act

The record supported that the federal Inflation Reduction Act ("IRA"),¹⁹ signed into law August 16, 2022, is expected to make renewable resources more affordable.²⁰ While we recognize that this law went into effect during the pendency of this proceeding, the Commission directs APCo to address and update its modeling assumptions in future proceedings to incorporate the projected impacts of the IRA, particularly the impact of the tax credits available therein for solar, wind and energy storage resources.

Bill Impacts

Staff states that the Company presented bill analyses in its IRP for the estimated monthly rate impact for residential customers under two of the Company's Portfolios.²¹ Staff noted that these analyses included combined West Virginia and Virginia rate impacts rather than Virginia-specific analyses.²² We agree with Staff that the Company's future IRPs should include Virginia-specific bill analyses²³ and so direct.

Accordingly, IT IS SO ORDERED, and this matter is DISMISSED.

Commissioner Patricia L. West participated in this matter.

¹³ 2019 Final Order, 2020 S.C.C. Ann. Rept. at 256.

¹⁴ *Id.*

¹⁵ Ex. 27 (Soller Rebuttal) at 3. The Commission also directed APCo to include in its next RPS Plan filing "[m]odeling based on the historical average annual capacity factors for wind and Virginia-specific or PJM-specific solar generation resources, based on a three-year rolling average." *Petition of Appalachian Power Company, For approval of its 2021 RPS Plan under § 56-585.5 of the Code of Virginia and related requests*, Case No. PUR-2021-00206, Doc. Con. Cen. No. 220720045, Final Order on Petition and Associated Requests, and Order Bifurcating Proceeding at 7 (July 15, 2022).

¹⁶ Ex. 3 (Abbott) at 11-13.

¹⁷ *See, e.g.*, Ex. 26 (Phung Rebuttal) at 5-10; Tr. 273, 279-280.

¹⁸ Ex. 26 (Phung Rebuttal) at 9.

¹⁹ Inflation Reduction Act, Pub. L. No. 117-169, 136 Stat. 1818 (2022).

²⁰ *See, e.g.*, Ex. 28 (Martin Rebuttal) at 6-7.

²¹ Ex. 17 (Clayton) at 2.

²² *Id.*

²³ *Id.* at 4.

**CASE NO. PUR-2022-00052
AUGUST 28, 2023**

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For a general rate increase and for authority to revise the terms and conditions applicable to natural gas service

FINAL ORDER

On August 1, 2022, Virginia Natural Gas, Inc. ("VNG" or "Company"), filed an application with the State Corporation Commission ("Commission"), pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities,¹ requesting authority to increase its rates and charges, effective for usage January 1, 2023, and to revise other terms and conditions applicable to gas service ("Application").

On September 2, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Application; established a procedural schedule, including scheduling a public hearing on the Application; provided an opportunity for interested persons to file comments on the Application or to participate in the proceeding as a respondent; permitted the Company to implement its proposed rate and tariff modifications on an interim basis, subject to refund with interest, for service rendered on and after January 1, 2023; and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

Virginia Industrial Gas Users' Association ("VIGUA") and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel") filed notices of participation in this proceeding.

On April 7, 2023, VIGUA and Consumer Counsel filed their respective testimony on the Company's Application. Commission Staff ("Staff") filed testimony on April 28, 2023, and VNG filed rebuttal testimony on May 19, 2023. Public Comments were filed between September 22, 2022, and June 12, 2023. On June 7, 2023, VNG filed with the Commission a Stipulation and Proposed Recommendation ("Stipulation") signed by the Company, Staff, and Consumer Counsel (collectively, "Stipulating Participants") that resolved the issues in this case.² The Stipulation provides in pertinent part:³

1. **Revenue Requirement:** The total incremental jurisdictional non-gas revenue requirement is \$48.0 million for service rendered on and after January 1, 2023, including the roll-in of \$121.3 million of net SAVE⁴ investment as of December 31, 2022. This represents a settlement as to a specific revenue number but not as to a specific return on equity ("ROE"), specific accounting adjustments, or specific ratemaking methodologies at issue unless otherwise set forth herein.
2. **Cost of Capital and Return on Equity:** For purposes of settlement, the revenue requirement in any rate application or any rate filing, other than an application for a change in base rates, will be calculated using the overall weighted average cost of capital, as shown below using a 9.70% ROE, effective January 2023. In Annual Informational Filings prior to the Company's next base rate case, subsequent test year capital structures should be consistent with Staff's recommended methodology and incorporate a 9.70% ROE. The 9.70% ROE will also be used in earnings test analyses beginning with calendar year 2023 and in the Company's proposed revenue requirement in expedited rate cases.

Capital Structure and Cost of Capital

Component	Weight	Cost Rate	Weighted Cost	Before Tax Weighted Cost
Short-Term Debt	5.430%	4.937%	0.268%	0.268%
Long-Term Debt	45.511%	4.090%	1.861%	1.861%
Common Equity	49.060%	9.700%	4.759%	6.409%
Total Capitalization	100.00%		6.888%	8.538%

3. **Earnings Test:**
 - a. The Company will write-off \$1.50 million of its COVID-19 deferral balance as of December 31, 2021, leaving a remaining jurisdictional balance of \$2.557 million to be amortized over four years beginning January 1, 2023.
 - b. In future earnings test filings beginning with that based on calendar year 2022, the Company will present earnings test jurisdictional allocations based on test year average data (rather than end-of-period data).

¹ 20 VAC 5-201-10 *et seq.*

² VIGUA did not join, but did not oppose, the Stipulation. See Ex. 3 (Stipulation) at 1, n.1.

³ Ex. 3 (Stipulation) at 1-6.

⁴ Steps to Advance Virginia's Energy Plan (SAVE) Act, Code § 56-603 *et seq.*

4. Cost of Service Studies: The Company agrees to the following:
- a. The Company will prepare a Test Year Jurisdictional and Class Cost of Service ("CCOS") study based on the Peak and Average ("P&A") methodology, developed in accordance with the methodologies reflected in Attachment MAT-1 and Attachment MAT-3 of the pre-filed testimony of Marc A. Tufaro. The Company will file the results of its P&A Jurisdictional and CCOS studies in its next base rate proceeding.
 - b. The Company will petition for and support a transition to the P&A methodology for the purpose of separating jurisdictional costs and revenues and apportioning jurisdictional revenues among its jurisdictional rate classes over the next three base rate proceedings to facilitate a gradual movement of costs and revenues. The Company, in its next three base rate proceedings, will calculate its proposed revenue requirement by moving one-third toward the P&A methodology in each case. The allocation factors will be calculated in accordance with the table below:

ALLOCATION METHODOLOGY FOR FACTORS #	
STEP 1-NEXT BASE RATE CASE	2/3 DDDC PLUS 1/3 P&A
STEP 2- SECOND BASE RATE CASE	1/3 DDDC PLUS 2/3 P&A
STEP 3-THIRD BASE RATE CASE	100 % P & A Factors
<i># Jurisdictional and class DDDC factors are to be developed as VNG proposed in the instant case and averaged with the P&A jurisdictional and class as developed in Attachment MAT-1 and MAT-3 of the pre-filed testimony of Marc A. Tufaro (50% DDDC allocator plus 50% throughput allocator.)</i>	

- 5. Bill Payment Transaction Costs: Bill payment transaction costs will be recovered in base rates effective January 1, 2023. As a result, VNG will refund all direct-billed transaction costs from January 1, 2023 until such time as it discontinues direct-billing.
- 6. Revenue Apportionment: The Company will apportion the revenue requirement as stated in paragraph (1) in accordance with the methodology identified in Attachment C [to the Stipulation].
- 7. Rate Design: Rates established in this proceeding will be calculated using the revenue apportionment identified in Attachment C [to the Stipulation], and the revenue requirement specified in Paragraph (1). . . . For settlement purposes, the Company agrees to a cap on the increase to the customer charge for residential customers on Schedule 1 and Schedule 3 of \$1.00, and the Stipulating Participants agree to any resulting changes required in Rider D.
- 8. Tariff Changes:
 - a. The unopposed changes to Sections I, III, VI, VII, X, and XIX of the Company's Terms and Conditions to better clarify the responsibilities of the Company and its customers as it relates to natural gas facilities will be adopted.
 - b. The unopposed changes to Tariff Section XVIII to allow the Company to extend up to 100 feet of facilities without charge for customers adding two or more natural gas appliances will be adopted.
 - c. For the Annual Margin Sharing Adjustment, the Company's proposal to complete any required margin sharing through the Company's existing Quarterly Billing Factor mechanism over a 9-month period rather than a 12-month period will be adopted.
- 9. Pipeline Safety / Virtual Call Center: The recommendations included in Staff witness Gregory Connolly's testimony are accepted. Such recommendations are:
 - a. The Company will continue to use its traditional leakage survey methods for any pipeline facilities for which: (1) the Picarro Surveyor is unable to provide useful data due to inaccessibility or environmental conditions; (2) for any pipeline facilities inside buildings; and (3) for any pipeline facilities that distribute propane
 - b. The Company will also be required to promptly investigate any other areas for which the Picarro Surveyor is unable to provide useful data, so that all pipeline facilities are surveyed according to the requirements in Subpart M of the Commission's Pipeline Safety Standards.
 - c. The Company will be required to update its Operations and Maintenance Manual ("O&M Manual") required by 49 C.F.R. § 192.605 of the Commission's Pipeline Safety Standards to: (1) incorporate its proposed timeframe for responding to leakage indications identified by the Picarro Surveyor; (2) to address how it will investigate any areas for which the Picarro Surveyor is unable to generate useful data; and (3) to add any and all other procedural guidance required to execute the Picarro process from start-to-finish.
 - d. The Company will continue to use its traditional leakage survey methods for any transmission pipeline facilities for which the Pergam Surveyor is unable to provide useful data, so that all pipeline facilities are surveyed according to the requirements in Subpart M of the Commission's Pipeline Safety Standards.
 - e. The Company will be required to update its O&M Manual to incorporate procedures for: (1) prompt response to leakage indications identified by the Pergam Surveyor; (2) to address how it will react to any areas for which the Pergam Surveyor is not able to provide useful data; and (3) to include any and all other procedural guidance required to execute the Pergam Surveyor process from start-to-finish.
 - f. If the Company determines that the Distran Surveyor and/or Laser Surveyor are appropriate for the performance of any covered tasks and decides to begin using this equipment in the field, the Company's O&M Manual will be updated as needed, to ensure that any processes involving the use of the Distran Surveyor and/or Laser Surveyor contain adequate procedural guidance for their successful execution.

- g. The Company's proposal to add additional employees to its virtual call center will not result in virtual call center employees fielding emergency calls from the public. The Company will continue to use its traditional in-person call center to receive emergency calls from the public.

The hearing for the receipt of public witness testimony was canceled after no one signed up to testify. On June 13, 2023, the Hearing Examiner convened an evidentiary hearing and admitted the Stipulation and other evidence into the record.

On July 3, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report") was issued. Therein, the Hearing Examiner made the following findings:⁵

1. The Stipulation balances the interests of the consumers and the Company, and is fair, reasonable, and in the public interest;
2. The Commission should approve a total incremental jurisdictional non-gas base revenue requirement of \$48.0 million for service rendered on and after January 1, 2023, including the roll-in of \$121.3 million of net SAVE Plan investment as of December 31, 2022;
3. Effective January 2023, an ROE of 9.70% should be approved for use in earnings test analyses and to determine the revenue requirement in any application or filing, other than an application for a change in base rates, wherein a revenue requirement determination is needed;
4. The Commission should direct VNG to write-off \$1.5 million of its COVID-19 deferral balance as of December 31, 2021 leaving a remaining jurisdictional balance of \$2.557 million to be amortized over four years beginning January 1, 2023;
5. The Commission should direct VNG to present earnings test jurisdictional allocations based on test year average data (rather than end-of-period data) in future earnings test filings beginning with calendar year 2022;
6. The Commission should direct the Company to prepare a Test Year Jurisdictional and Class Cost of Service study based on the P&A methodology, developed in accordance with the methodologies reflected in Attachment MAT-1 and Attachment MAT-3 of the prefiled testimony of Marc A. Tufaro, and to file the results of its P&A Jurisdictional and CCOS studies in its next base rate proceeding;
7. The Commission should direct the Company to petition for a transition to the P&A methodology for the purpose of separating jurisdictional costs and revenues and apportioning jurisdictional revenues among its jurisdictional rate classes over the next three base rate proceedings to facilitate a gradual movement of costs and revenues;
8. Bill payment transaction costs should be recovered in base rates effective January 1, 2023, and the Commission should direct VNG to refund all direct-billed transaction costs from January 1, 2023, until such time as it discontinues direct-billing;
9. The Commission should direct the Company to apportion the revenue requirement as stated in Paragraph (1) of the Stipulation in accordance with the methodology identified in Attachment C to the Stipulation;
10. Rates established in this proceeding should be calculated using the revenue apportionment identified in Attachment C to the Stipulation and the revenue requirement specified in Paragraph (1) agreed to in the Stipulation;
11. The Commission should approve the Company's agreement for a cap of \$1.00 on the increase to the customer charge for residential customers, and to the resulting changes required in Rider D;
12. The Commission should approve the following tariff changes for VNG:
 - a. The unopposed changes to Sections I, III, VI, VII, X, and XIX of the Company's Terms and Conditions to better clarify the responsibilities of the Company and its customers as they relate to natural gas facilities;
 - b. The unopposed changes to Tariff Section XVIII to allow the Company to extend up to 100 feet of facilities without charge for customers adding two or more natural gas appliances; and
 - c. For the Annual Margin Sharing Adjustment, the Company's proposal to complete any required margin sharing through the Company's existing Quarterly Billing Factor mechanism over a 9-month period rather than a 12-month period; and
13. The Commission should require the Company to abide by Staff witness Connolly's unopposed recommendations relating to pipeline safety.⁶

VNG, VIGUA, Consumer Counsel, and Staff each filed comments on the Hearing Examiner's Report. Both VNG and Consumer Counsel supported the findings and recommendations contained in the Report and requested approval of the Stipulation.⁷ Staff requested that the Commission adopt the findings and recommendations in the Report with an additional record citation.⁸

⁵ Report at 63-64.

⁶ Stipulation at 4-6.

⁷ VNG Comments at 1; Consumer Counsel Comments at 2.

⁸ Staff Comments at 1.

Specifically, Staff clarified that the Hearing Examiner's recommended approval of the pipeline safety recommendations made by Mr. Connolly⁹ are specifically provided for in the Stipulation.¹⁰ VIGUA did not oppose adoption of the Report's recommendations because "neither the Report nor the stipulation that it endorses . . . recommends or purports to require the predetermination in this proceeding of any issue that may or will be raised in future cases."¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.¹²

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹³

Accordingly, I RECOMMEND the Commission enter an order:

1. *ADOPTING* the Stipulation and the findings of this Report;
2. *APPROVING* the rates, charges, and tariff provisions set forth in the Stipulation;
and
3. *PASSING* the papers herein to the file for ended causes.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by the law and evidence, have a rational basis, and are adopted herein. In so concluding, the Commission approves the Stipulation as recommend by the Hearing Examiner and agreed to by VNG, Staff, and Consumer Counsel, and which was unopposed by VIGUA.¹⁴

In addition, the Commission notes that VNG initially proposed a rate increase of \$69.3 million, which was placed into effect on an interim basis and subject to refund with interest, for service rendered on and after January 1, 2023.¹⁵ Under the approved Stipulation, the Commission approves a \$48.0 million rate increase,¹⁶ and directs VNG to issue refunds to the extent interim rates were higher than the rates fixed herein. In granting this approval, the Commission further notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) As recommended by the Hearing Examiner, the Stipulation agreed to by VNG, Staff, and Consumer Counsel, which was unopposed by VIGUA, is hereby approved.
- (4) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis on January 1, 2023. VNG forthwith shall file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/case-information. Refunds of interim rates shall be made as required below.
- (5) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund on January 1, 2023, and where application of the new rates results in a reduced bill, refund the difference with interest (as set out below) within ninety (90) days of the issuance of this Final Order.

⁹ Report at 64, para. 13.

¹⁰ Staff Comments at 1, *citing* Ex. 3 (Stipulation) at 4-6.

¹¹ VIGUA Comments at 1.

¹² The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n. 10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (*citation omitted*).

¹³ Report at 64.

¹⁴ *Id.* and Ex. 3 (Stipulation).

¹⁵ Ex. 2 (Application) at 1.

¹⁶ Report at 57; Ex. 3 (Stipulation) at 1.

(6) Interest upon the ordered refunds shall be computed from the date payments of monthly bills were due to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly, using the average prime rate values published in the Federal Reserve Bulletin or in the Federal Reserve's Selected Interest Rates (Statistical Release H. 15) for the three (3) months of the preceding calendar quarter.

(7) The refunds ordered herein may be credited to the current customers' accounts. Refunds to former customers shall be made by check mailed to the last known address of such customers when the refund amount is \$1 or more. The Company may offset the credit or refund to the extent of any undisputed outstanding balance for the current or former customer. No offset shall be permitted against any disputed portion of an outstanding balance. The Company may retain refunds to former customers when such refund is less than \$1; however, such refunds shall be made promptly upon request. All unclaimed refunds shall be subject to Code § 55.1-2512.

(8) Within sixty (60) days of completing the refunds ordered herein, the Company shall deliver to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance a report showing that all refunds have been made pursuant to this Final Order and detailing the costs incurred in effecting such refunds and the accounts charged.

(9) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(10) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachments A, B, and C is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. PUR-2022-00054
AUGUST 29, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For authority to increase existing rates and charges and to revise the terms and conditions applicable to gas service pursuant to § 56-237 of the Code of Virginia

FINAL ORDER

On April 8, 2022, Washington Gas Light Company ("WGL" or "Company") filed with the State Corporation Commission ("Commission") a petition ("Petition") to grant a waiver from filing its Annual Informational Filing ("AIF") for the 12-month period ended December 31, 2021 ("2021 AIF"),¹ pursuant to 20 VAC 5-201-30 of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities² ("Rate Case and AIF Rules"). In its Petition, WGL stated that it was planning to file a general base rate case on or before July 1, 2022.³ On April 21, 2022, the Commission issued an Order ("AIF Waiver Order") granting WGL a waiver from filing its 2021 AIF due to the pending base rate case, with the condition that should the Company opt not to file a base rate case, then the Company shall file its 2021 AIF. The AIF Waiver Order also allowed WGL to file its pending base rate case in that same docket.⁴

On June 29, 2022, WGL filed an application with the Commission for an increase in base rates and revisions to the Company's terms and conditions of gas service ("Application" or "Rate Case").

On July 27, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things, docketed the Application in the prior established docket;⁵ established a procedural schedule, including scheduling a public hearing on the Application; provided an opportunity for interested persons to file comments or participate in the proceeding as a respondent; permitted the Company to implement its proposed rates on an interim basis, subject to refund with interest, effective for service rendered on and after November 26, 2022; and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

¹ *Application of Washington Gas Light Company, For a Waiver of the Annual Informational Filing For the twelve-Month Period Ended December 31, 2021*, Case No. PUR-2022-00054, Doc. Con. Cen. No. 220410207, Petition for Waiver (April 8, 2022) ("Petition").

² 20 VAC 5-201-10 *et seq.*

³ Petition at 1.

⁴ *Application of Washington Gas Light Company, For a Waiver of the Annual Informational Filing For the twelve-Month Period Ended December 31, 2021*, Case No. PUR-2022-00054, Doc. Con. Cen. No. 220420266, Order on Waiver at 2 (April 21, 2022).

⁵ *Application of Washington Gas Light Company, For a Waiver of the Annual Informational Filing For the twelve-Month Period Ended December 31, 2021*, Case No. PUR-2022-00054, Doc. Con. Cen. No. 220730186, Order for Notice and Hearing at 5 (July 27, 2022).

Notices of participation were filed by the Apartment and Office Building Association of Metropolitan Washington ("AOBA"), the City of Alexandria ("Alexandria"), and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel").

On August 1, 2022, WGL filed a Motion to Request Revision of the Procedural Schedule, which the Hearing Examiner granted in part on August 8, 2022.⁶

On February 10, 2023, AOBA, Alexandria, and Consumer Counsel filed testimony in accordance with the Procedural Order. Staff of the Commission ("Staff") filed testimony on March 10, 2023, and WGL filed rebuttal testimony on April 7, 2023. The Commission also received ten public comments on the Application.

On April 27, 2023, WGL, Staff, Consumer Counsel, and Alexandria (collectively, "Stipulating Participants") submitted a Proposed Stipulation and Recommendation ("Stipulation").⁷ AOBA was not a signatory to the Stipulation.

The public witness hearing was convened on May 1, 2023. The public evidentiary hearing was convened on May 2, 2023. WGL, AOBA, Alexandria, Consumer Counsel, and Staff participated in the hearing. On May 3, 2023, the Stipulating Participants submitted a Revised Proposed Stipulation and Recommendation.

On June 8, 2023, AOBA filed a letter stating that it would not be filing a post-hearing brief. On June 9, 2023, WGL and Staff filed post-hearing briefs, and Alexandria and Consumer Counsel filed letters stating that they would not be filing post-hearing briefs.

On July 17, 2023, the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report") was issued in this case. In the Report, the Hearing Examiner found that:⁸

- (1) The Revised Stipulation proposed by WGL, Consumer Counsel, Alexandria, and Staff offers a fair and reasonable resolution of all issues in this proceeding, except that the Virginia jurisdictional costs of the hydrogen roadmap are more appropriately recovered through base rates, rather than by expanding the purchased gas charge to recover these study costs; and
- (2) Increasing the base rate revenue requirement by the estimated Virginia jurisdictional cost of the roadmap, amortized over three years, would allow for WGL to recover the hydrogen roadmap costs, without the need to expand the purchased gas charge to include study costs.

On July 31, 2023, the Stipulating Participants filed a Second Revised Stipulation and Recommendation ("Second Revised Stipulation") that "includes agreement by the Stipulating Parties that the Company will recover costs related to the hydrogen roadmap through base rates over a three-year amortization period instead of through the Company's Purchase Gas Charge, as was proposed in the prior stipulation documents."⁹ The Second Revised Stipulation resolves the substantive issues between the Stipulating Parties as follows:¹⁰

1. **Revenue Requirement:** The increase in the Company's jurisdictional non-gas base revenue requirement will be \$73,040,000, representing a settlement as to a specific revenue number but not as to a specific return on equity ("ROE"), specific accounting adjustments, or specific ratemaking methodologies at issue unless otherwise set forth herein. Resulting rates will be developed as shown on Attachment A [to the Second Revised Stipulation]. An illustrative calculation of the impact on average monthly customer bills by rate class is shown on Attachment B [to the Second Revised Stipulation].
2. **Cost of Capital and Return on Equity:**
 - (a) For purposes of settlement, the Stipulating Parties agree to calculate the revenue requirement in any rate application or any rate filing, other than an application for a change in base rates, using the overall weighted average cost of capital, as shown below, effective upon the final order of the Commission, until such time as new rates are implemented in the Company's next base rate case:

<u>Component</u>	<u>Consolidated Ratemaking Capital</u>	<u>Weight</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Short-Term Debt	\$207,343	5.225%	4.140%	0.216%
Long-Term Debt	\$1,675,011	42.211%	4.410%	1.862%
Common Equity	\$2,084,367	52.527%	9.650%	5.069%
Investment Tax Credits	\$1,445	0.036%	7.320%	0.003%
Total Capitalization	\$3,968,166	100.000%		7.150%

⁶ See *Application of Washington Gas Light Company, For authority to increase existing rates and charges and to revise the terms and conditions applicable to gas service pursuant to § 56-237 of the Code of Virginia*, Case No. PUR-2022-00054, Doc. Con. Cen. No. 220820142, Hearing Examiner Ruling (Aug. 8, 2022).

⁷ Exhibit 38.

⁸ Report at 67.

⁹ Second Revised Stipulation at 1.

¹⁰ *Id.* at 1-5.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

- (b) For the purpose of Annual Informational Filings prior to the Company's next base rate case, subsequent test year capital structures should reflect the methodology consistent with that in the rebuttal testimony of Company Witness Addis and use an ROE range of 9.15%-10.15%, with a midpoint ROE of 9.65%.
- (c) The midpoint of 9.65% will also be used in earnings test analyses beginning with calendar year 2023 and in determining the Company's proposed revenue requirement in expedited rate cases.
3. Eligible Safety Activity Costs (ESAC): The baseline amount for calculation of future ESAC deferrals is \$836,492. To the extent ESAC expenses fall below the level established by the 2023 baseline, this difference will be reflected in the earnings test analysis covering that time period.
4. Excess Deferred Income Taxes: Excess deferred federal income taxes related to cost of removal will be recognized as unprotected for ratemaking purposes.
- In adopting this settlement, the Stipulating Parties have intended to comply with federal normalization requirements and believe this Stipulation does so. In the event a subsequent determination is made that an inadvertent normalization violation occurred, the Stipulating Parties agree that the calculation of the Average Rate Assumption Method and the qualification of temporary differences subject to federal normalization requirements provided herein may be adjusted at the next available ratemaking opportunity, in accordance with Rev. Proc. 2017-47 and related guidance, in order to meet the safe harbor provisions of the Internal Revenue Service regarding normalization requirements.
5. COVID Regulatory Asset: The Company will amortize the COVID regulatory asset over a five-year period beginning on December 1, 2022. The annual amortization amount is \$688,128.
6. Revenue Apportionment: The Company will apportion the approved revenue increase in accordance with the methodology identified in Attachment C [to the Second Revised Stipulation].
7. Rate Design: Rates established in this proceeding will be calculated using the revenue apportionment of the non-gas revenue requirement increase, as specified in Paragraph 1. The resulting rate design is shown in Attachment A [to the Second Revised Stipulation]. The Company will file its next base rate case using a single block rate structure for its residential class.
8. Proposed Tariff Revisions: The tariff language revisions submitted by the Company in its Application are accepted as proposed, provided that the following conditions are met:
- (a) The Company monitors the incremental (premium) cost associated with the procurement of biogas and hydrogen.
- (b) The Company caps the total incremental cost associated with the purchase of biogas and hydrogen to 5% of the total projected annual gas costs in the Company's Purchase Gas Charge ("PGC") for the purposes of this proceeding. The Company may at any time file an application to request approval for an adjustment to this cap.
- (c) The Company will limit recovery of the costs associated with its Hydrogen Blending Roadmap Initiative to the Virginia Allocated portion of \$300,000, and will recover such Virginia jurisdictional costs associated with its Hydrogen Blending Roadmap Initiative through base rates, amortized over three years.
9. Hydrogen Initiative and Reporting Requirements: The Company will provide bi-annual reports on its Hydrogen Blending Roadmap Initiative ("Roadmap") and the Stationary Fuel Cell Upgrade (collectively, the "Hydrogen Initiatives"). The bi-annual reports on the Hydrogen Initiatives will include, at a minimum, the following information:
- (a) The components identified for investigation through the Roadmap and the information discerned for each identified component.
- (b) The measured operating efficiency of the Bloom Energy fuel cell.
- (c) The actual fuel cell generated output, by year, and the percentage of its projected 1,728 megawatt-hour annual output that was achieved by the stationary fuel cell.
- Additionally, the Company agrees to address in its hydrogen blending Roadmap each of the safety related items identified in Attachment D [to the Second Revised Stipulation].
10. Customer Service:
- (a) The Company agrees to continue monthly status meetings regarding customer service with Staff.
- (b) The Company agrees to provide Staff with a supplemental report of the current service provider's role in the implementation of action plans in the After-Action Report established by Commission Order PUR-2018-00080.

11. Refunds: The Company will refund, with interest and pursuant to such terms and conditions as specified by the Commission, the revenues collected under the interim rates implemented for services rendered on or after November 26, 2022, that are in excess of the level agreed to herein.¹¹

On August 7, 2023, WGL, Alexandria, Consumer Counsel, and Staff each filed separate comments on the Report supporting the findings and recommendations contained therein. WGL, Alexandria, Consumer Counsel and Staff each requested the Commission approve the Second Revised Proposed Stipulation.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.¹²

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹³

Accordingly, I RECOMMEND the Commission enter an order that:

- (1) *ADOPTS* the findings and recommendations in this Report;
- (2) *APPROVES* the Revised Stipulation, except that: (i) purchased gas charge recovery of hydrogen roadmap costs under Paragraph 8(c) should be rejected; and (ii) the stipulated revenue requirement in Paragraph 1 should be increased by the estimated Virginia jurisdictional costs of the roadmap, amortized over three years;
- (3) *STATES*, consistent with recent Internal Revenue Service rulings and the Revised Stipulation, that WGL shall change its tax accounting treatment to recognize excess deferred federal income taxes related to cost of removal as unprotected and that such change is reflected in the revenue requirement approved herein;
- (4) *DIRECTS* WGL to provide customer refunds of recoveries under interim rates exceeding the rates approved herein, with interest; and
- (5) *DISMISSES* this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's rulings, findings, and recommendations are supported by the law and evidence, have a rational basis, and are adopted herein. In so concluding, the Commission approves the Second Revised Stipulation, which includes the modifications to Paragraph (8) recommended by the Hearing Examiner.¹⁴

The Commission notes that WGL initially proposed a rate increase of \$86.6 million, which was placed into effect on an interim basis and subject to refund beginning November 26, 2022. Under the approved Stipulation, the Commission approves a \$73.04 million rate increase. This includes recovery of costs associated with investment in infrastructure replacements made pursuant to the Company's Steps to Advance Virginia's Energy ("SAVE") plan pursuant to § 56-603 *et seq.* of the Code. The SAVE revenue requirement approved in Case No. PUR-2021-00261, which was in effect prior to the base rate increase in the instant proceeding was \$32.4 million.¹⁵ This amount was being recovered from customers through the SAVE Rider but will be recovered through base rates approved herein, resulting in a net revenue requirement increase of approximately \$40.6 million.

The Commission directs WGL to issue refunds to the extent interim rates were higher than the rates fixed herein. In granting this approval, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) The Second Revised Stipulation is hereby approved.

¹¹ The Second Revised Stipulation contained additional terms related to the admission of testimony into the record and terms and limitations of the Second Revised Stipulation.

¹² The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444,454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹³ Report at 67-68.

¹⁴ Report at 67-68.

¹⁵ *Application of Washington Gas Light Company, For approval of the SAVE rider for calendar year 2022*, Case No. PUR-2021-00261, 2022 S.C.C. Ann. Rept. 399, 401, Order Approving SAVE Rider (Jan. 21, 2022).

(4) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis beginning November 26, 2022. WGL shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: sec.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.

(5) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund beginning November 26, 2022, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below, within ninety (90) days of the issuance of this Final Order.

(6) Interest upon the ordered refunds shall be computed from the date payments of monthly bills were due to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly, using the average prime rate values published in the Federal Reserve Bulletin or in the Federal Reserve's Selected Interest Rates (Statistical Release H. 15) for the three (3) months of the preceding calendar quarter.

(7) The refunds ordered herein may be credited to the current customers' accounts. Refunds to former customers shall be made by check mailed to the last known address of such customers when the refund amount is \$1 or more. The Company may offset the credit or refund to the extent of any undisputed outstanding balance for the current or former customer. No offset shall be permitted against any disputed portion of an outstanding balance. The Company may retain refunds to former customers when such refund is less than \$1; however, such refunds shall be promptly made upon request. All unclaimed refunds shall be subject to Code § 55.1-2512.

(8) Within sixty (60) days of completing the refunds ordered herein, the Company shall deliver, to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, a report showing that all refunds have been made pursuant to this Final Order and detailing the costs incurred in effecting such refunds and the accounts charged.

(9) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(10) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachments A, B, C, and D is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia

**CASE NO. PUR-2022-00056
MAY 16, 2023**

APPLICATION OF
MECKLENBURG ELECTRIC COOPERATIVE

For approval of modifications to Schedule RTO

ORDER NUNC PRO TUNC

On October 20, 2022, Mecklenburg Electric Cooperative ("MEC" or "Cooperative") filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 56-235.2 of the Code of Virginia and the Commission's Rules for Filing an Application to Provide Electric and Gas Service Under a Special Rate, Contract or Incentive,¹ seeking expedited approval of modifications to its Schedule "LP-Contract-RTO" Large Power Contract Rate ("Current Schedule RTO"), under which it serves an electric customer ("Customer") with data center load.² Through its Application, the Cooperative proposed modifications to Current Schedule RTO to allow MEC (i) to continue to serve the Customer's load from the Cooperative's Boydton and Coleman Creek Substations and (ii) to serve the Customer's new, additional load from the Cooperative's new Timber 1 Substation ("Revised Schedule RTO").³

On April 24, 2023, the Commission issued an Order Granting Approval that, among other things, required MEC to file a Revised Schedule RTO with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance. Upon further review, it has been determined that Ordering Paragraph (3) of the Order Granting Approval contained an error regarding the tariff effective date.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that an Order *Nunc Pro Tunc* should be entered to revise Ordering Paragraph (3) of the Order Granting Approval.

¹ 20 VAC 5-310-10

² Ex. 1 (Application) at 2.

³ *Id.* at 4.

Accordingly, IT IS ORDERED THAT:

(1) Ordering Paragraph (3) of the Order Granting Approval is hereby removed and replaced, *nunc pro tunc*, with the following:

The Cooperative forthwith shall file a Revised Schedule RTO with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives in this Order Granting Approval. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(2) All other provisions of the Order Granting Approval shall remain in full force and effect.

(3) This matter is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00056
APRIL 24, 2023**

APPLICATION OF
MECKLENBURG ELECTRIC COOPERATIVE

For approval of modifications to Schedule RTO

ORDER GRANTING APPROVAL

On October 20, 2022, Mecklenburg Electric Cooperative ("MEC" or "Cooperative") filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 56-235.2 of the Code of Virginia and the Commission's Rules for Filing an Application to Provide Electric and Gas Service Under a Special Rate, Contract or Incentive,¹ seeking expedited approval of modifications to its Schedule "LP-Contract-RTO" Large Power Contract Rate ("Current Schedule RTO"), under which it serves an electric customer ("Customer") with data center load.² Through its Application, the Cooperative proposes modifications to Current Schedule RTO to allow MEC (i) to continue to serve the Customer's load from the Cooperative's Boydton and Coleman Creek Substations and (ii) to serve the Customer's new, additional load from the Cooperative's new Timber 1 Substation ("Revised Schedule RTO").³

On November 29, 2022, the Commission entered an Order for Notice and Hearing ("Procedural Order") in this case that, among other things, docketed this matter; directed the Cooperative to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission. The Procedural Order also granted the Cooperative interim authority to serve and bill the Customer under Revised Schedule RTO on an interim basis effective November 29, 2022.

The Commission did not receive any notices of participation or written public comments on the Application. Staff filed testimony on February 10, 2023. MEC filed a letter in lieu of rebuttal testimony on February 24, 2023, and on March 2, 2023, MEC filed a letter requesting a new effective date for Revised Schedule RTO of January 1, 2023. The public witness hearing was scheduled to convene telephonically on March 7, 2023, but was canceled because no public witnesses signed up to testify.⁴ The evidentiary hearing was convened on March 8, 2023. Counsel for MEC and Staff appeared at the hearing.

On March 10, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was issued. In the Report, the Senior Hearing Examiner found that: (1) the Cooperative's Revised Schedule RTO (i) protects the public interest, (ii) will not unreasonably prejudice or disadvantage any customer or class of customers, and (iii) will not jeopardize the continuation of reliable electric service; (2) the Cooperative should continue its practice of recording all directly assigned revenues, expenses, and capital expenditures arising from Revised Schedule RTO and should make such records available to Staff upon request; (3) following Staff's administrative review of the costs of the Timber 1 substation, the Cooperative and Staff should file a Joint Report in this docket for the Commission's consideration in adjusting the Customer's consumer delivery charge; (4) the Cooperative's revised tariff language is reasonable; and (5) the Cooperative's Revised Schedule RTO should be approved with an effective date of January 1, 2023.⁵

¹ 20 VAC 5-310-10

² Ex. 1 (Application) at 2.

³ *Id.* at 4.

⁴ Tr. at 4-5.

⁵ Report at 8.

Accordingly, the Hearing Examiner recommended that the Commission enter an order: (1) adopting the findings of the Report; (2) directing the Cooperative to continue its practice of separately recording all directly assigned revenues, expenses, and capital expenditures arising from Revised Schedule RTO and to make such records available to Staff at Staff's request; (3) approving the Revised Schedule RTO; and (4) continuing this matter for the receipt and consideration of the Joint Report on Timber 1 substation costs discussed in the Report.⁶

On March 31, 2023, the Cooperative and Staff each filed comments in support of the Report's findings and recommendations.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Senior Hearing Examiner's findings and recommendations contained in the Report shall be adopted.⁷ We find that the Cooperative's Revised Schedule RTO protects the public interest, will not unreasonably prejudice or disadvantage any customer of class of customers, and will not jeopardize the continuation of reliable electric service. We therefore approve Revised Schedule RTO. We find that the Cooperative shall continue its practice of separately recording all directly assigned revenues, expenses, and capital expenditures arising from Revised Schedule RTO and make such records available to Staff at Staff's request. Finally, we find that following Staff's administrative review of the costs of the Timber 1 substation, MEC and Staff shall file a Joint Report in this docket for the Commission's consideration in adjusting the Customer's consumer delivery charge.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations set forth in the Report are adopted as set forth herein.

(2) The Cooperative's Revised Schedule RTO is hereby approved with an effective date of January 1, 2023. The interim authority granted by the Commission's November 29, 2022, Procedural Order is hereby terminated.

(3) The Cooperative forthwith shall file a Revised Schedule RTO with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as is necessary to comply with the directives in this Order Granting Approval, reflecting the date of this Order Granting Approval as the tariff effective date. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) MEC shall continue its practice of separately recording all directly assigned revenues, expenses, and capital expenditures arising from Revised Schedule RTO and make such records available to Staff at Staff's request

(5) This case is continued for the receipt and consideration of the Joint Report from MEC and Staff.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 9.

⁷ For clarification, we note that the Cooperative began billing the Customer under Revised Schedule RTO on January 1, 2023. See Report at 6-7 (citing Ex. 9). This billing was carried out under interim authority that the Commission granted in its November 29, 2022 Procedural Order. The Commission will herein terminate such interim authority, effective as of the date of this Order Granting Approval, and approve Revised Schedule RTO with a tariff effective date as of this Order Granting Approval.

**CASE NO. PUR-2022-00070
JULY 12, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For reinstatement and revision of a rate adjustment clause, designated Rider RGGI, under § 56-585.1 A 5 e of the Code of Virginia

FINAL ORDER

On May 5, 2022, Virginia Electric and Power Company ("Dominion" or the "Company") petitioned the State Corporation Commission ("Commission") to suspend, effective July 1, 2022, its rate adjustment clause ("RAC" or "Rider"), designated Rider RGGI, that was approved in Case No. PUR-2020-00169 ("Suspension Petition"). The Rider recovers the Company's costs related to the purchase of allowances through the Regional Greenhouse Gas Initiative ("RGGI") market-based trading program for carbon dioxide emissions.

In Case No. PUR-2020-00169, the Commission approved projected allowance costs of \$167,759,000 for the period ending July 31, 2022, subject to true-up for the actual costs subsequently approved by the Commission for that period.¹

On June 15, 2022, the Commission granted the Company's Suspension Petition, ordering that Rider RGGI be suspended, and the Rider RGGI Projected Cost Recovery Factor be reset to \$0.00/kilowatt-hour, effective July 1, 2022. The Commission further directed that Dominion recover pre-July 31, 2022 RGGI costs through both Rider RGGI and base rates (subject to further review in a future Rider RGGI actual cost true-up proceeding, and in the Company's 2024 triennial review proceeding).

¹ *Petition of Virginia Electric and Power Company For approval of a rate adjustment clause, designated Rider RGGI, under § 56-585.1 A 5 e of the Code of Virginia*, Case No. PUR-2020-00169, 2021 S.C.C. Ann. Rept. 273, Order Approving Rate Adjustment Clause (Aug. 4, 2021); 2021 S.C.C. Ann. Rept. 279, Order on Reconsideration (Nov. 17, 2021).

On December 14, 2022, the Company filed a Petition seeking Commission approval to reinstate and revise Rider RGGI ("Petition"). According to the Petition, the Company seeks to account for allowance costs incurred and recovered through Rider RGGI prior to the Rider's July 1, 2022 suspension.² Additionally, the Company seeks to reinstate Rider RGGI to recover deferred RGGI compliance costs incurred after July 31, 2022, and those projected to occur over the period of September 1, 2023 through August 31, 2024 (the "Rate Year").³ For purposes of this proceeding, the Company states that it has assumed that Virginia will withdraw from RGGI on December 31, 2023, and accordingly has not projected any RGGI-related compliance costs to be incurred after that date.⁴

Section 56-585.1 A 5 e of the Code of Virginia ("Code") permits a utility to seek approval of a rate adjustment clause for recovery of:

projected and actual costs of projects that the Commission finds to be necessary ... to comply with state or federal environmental laws or regulations applicable to generation facilities used to serve the utility's native load obligations, including the costs of allowances purchased through a market-based trading program for carbon dioxide emissions. The Commission shall approve such a petition if it finds that such costs are necessary to comply with such environmental laws or regulations.

In its Petition, Dominion states that for the period August 1, 2022 through December 31, 2023, it will require approximately 31,000,000 carbon dioxide ("CO₂") allowances to cover CO₂ emissions from its Virginia-based generation fleet, with approximately 7,000,000 CO₂ allowances for the Rate Year.⁵ The Company states that it intends to follow a programmatic approach by purchasing most of its required allowances in the RGGI quarterly auction, using the secondary market to fulfill any deficiencies.⁶ The Company states that it assumed a weighted average price of \$13.52 per allowance, based on futures contracts for 2022 and 2023.⁷

The Company states that its aggregate Virginia jurisdictional revenue requirement for RGGI-related costs from the time Virginia joined RGGI in 2021 through December 31, 2023 is expected to be approximately \$640 million.⁸ For the period prior to August 1, 2022, the total revenue requirement was \$267 million on a Virginia jurisdictional basis. The Company states that it recovered \$84 million of the \$267 million through the initial Rider RGGI in effect from January 1, 2022 through June 30, 2022, and that the remaining amount of \$183 million is being recovered through base rates in effect as incurred.⁹ For the period from August 1, 2022 through December 31, 2023, the Company projects a revenue requirement of approximately \$373 million on a Virginia jurisdictional basis, which the Company is proposing to recover during the Rate Year through the reinstated Rider RGGI.¹⁰

The revenue requirement for Rider RGGI includes a Projected Cost Recovery Factor ("Projected Factor"). According to the Petition, the Projected Factor reflects the revenue requirement necessary for recovery of amortization expense for CO₂ allowances as well as projected financing costs on the unamortized purchased CO₂ allowance balance.¹¹ Additionally, the Company states that the Projected Factor includes the amortization of deferred costs, including financing costs, incurred prior to the Rate Year.¹² The Company states that no Actual Cost True-Up Factor is included in this proceeding because all differences between costs incurred and amounts recovered through Rider RGGI through July 31, 2022 will be recovered through base rates.¹³ In this proceeding, the Company seeks approval of a total revenue requirement of \$373,214,000 for the Rate Year.¹⁴

On January 24, 2023, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, established a procedural schedule; directed Dominion to provide notice of its Petition to the public; provided interested persons an opportunity to comment on the Petition or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

² Ex. 2 (Petition) at 5.

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at 6.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.* at 6-7.

¹⁴ *Id.* at 7.

Appalachian Voices, the Virginia Committee for Fair Utility Rates and the Office of the Attorney General, Division of Consumer Counsel each filed notices of participation. On March 21, 2023, Appalachian Voices filed its direct testimony. On April 4, 2023, Staff filed its testimony. On April 18, 2023, Dominion filed rebuttal testimony.

No one registered to speak as a public witness in this proceeding; as a result, the May 1, 2023 portion of the hearing was not convened. On May 4, 2023, an evidentiary hearing was convened before Hearing Examiner M. Renae Carter.

On June 1, 2023, the Hearing Examiner issued a thorough, detailed Report, which summarized and analyzed the evidence and issues in this proceeding. Based thereon, the Hearing Examiner directed Dominion to make a compliance filing, to be filed with its comments to the Report, incorporating adjustments to remove two errors related to the number of allowances Dominion projected it would need involving the Clover facility and three biomass facilities (the "Biomass and Clover Adjustments").¹⁵ The Hearing Examiner directed that this compliance filing should include adjusted Rider RGGI rates and accompanying workpapers that include the recalculation of expense, re-amortization of allowances, and re-computation of rate base and revenue requirement, with associated cost allocation and rate design documentation.¹⁶ The Hearing Examiner directed Staff to verify these calculations as soon as possible after the compliance filing is made.¹⁷ In the Report, the Hearing Examiner also made the following findings and recommendations for the Commission's consideration:

I FIND that:

1. As to proposed Self-Scheduling Adjustments 1 and 2, APV's self-scheduling analysis and proffered cost disallowances related to uneconomic dispatch, on an hourly or 24-hour basis, of Dominion's coal units over the period August 1, 2022, through January 31, 2023:
 - are inconsistent with the 2022 Fuel Order,
 - ask the Commission to judge prudence not on the circumstances at the time a decision is made but instead based on after-the-fact determinations; and
 - misconstrue Dominion's strategy to comply with its DEQ biomass permit for VCHEC;
2. As to the proposed Over-Forecast Adjustment, under the circumstances of this case, updating the revenue requirement to reflect actual, not forecasted, emissions data for the first quarter of 2023 is not reasonable or prudent at this time;
3. As to the proposed Clover and Biomass Adjustments, the cost to purchase allowances to cover [Old Dominion Electric Cooperative]'s share of emissions from the Clover facility and the cost to purchase allowances to cover emissions related to start-up power at Dominion's biomass plants are not "necessary" for Dominion "to comply" with RGGI pursuant to Code § 56-585.1 A 5 e;
4. With the condition that the Biomass and Clover Adjustment are made, the projected and actual Rider RGGI costs as proposed in the Petition and updated by Commission Staff are "necessary" for Dominion "to comply with state or federal environmental laws or regulations" pursuant to Code § 56-585.1 A 5 e and are reasonable and prudent pursuant to Code § 56- 585.1 D;
5. The Rider RGGI revenue requirement of approximately \$356.6 million, once modified for the Clover and Biomass Adjustments, is necessary, reasonable, and prudent;
6. To the extent the Commission disagrees with the analysis in this Report of what costs are "necessary" for Dominion "to comply" with environmental laws or regulations, and/or believes that Code § 56-585.1 A 5 e permits the Biomass and Clover Adjustments to be made through a true-up instead of being made now, the Commission could adopt the revenue requirement of approximately \$356.6 million as calculated by Staff and agreed to by the Company;
7. If the Commission believes more process is needed to address the Clover and/or Biomass Adjustments, the Commission could issue an interim order remanding the case for the limited purpose of taking additional evidence thereon;
8. The projected and actual allowance prices that form the basis of Rider RGGI (a weighted average of allowance costs of \$12.92 each for October through December 2022 and \$13.66 each for January through December 2023) are reasonable for purposes of this case;
9. The capital structure proposals for both deferred costs and the Projected Cost Recovery Factor are reasonable; and
10. The Company's proposed cost allocations and rate design are reasonable, including the calculation of allocation factors on a monthly basis and the allocation of RGGI costs only to Virginia jurisdictional customers, provided that updates are made as needed for the Clover and Biomass Adjustments.

Accordingly, I RECOMMEND the Commission enter an Order that:

1. ADOPTS the findings and recommendations of this Report;
2. REJECTS Self-Scheduling Adjustments 1 and 2 and the Over-Forecast Adjustment;

¹⁵ Report at 44.

¹⁶ *Id.*

¹⁷ *Id.*

3. APPROVES a Rider RGGI revenue requirement of \$356.6 million, as further modified for the Clover and Biomass Adjustments;
4. CAPS any adjustment to the revenue requirement based on the Biomass and Clover Adjustments at \$373,214,000, which is the amount that was requested in the Petition and noticed to the public in this case;
5. APPROVES the capital structure proposals for both deferred costs and the Projected Cost Recovery Factor;
6. APPROVES the Company's proposed cost allocations and rate design for use in this case, provided that updates are made as needed for the Clover and Biomass Adjustments;
7. REINSTATES Rider RGGI effective for the Rate Year beginning September 1, 2023;
8. REQUIRES the Company, if it does not already do so, to note in its self-scheduling records those occasions in which a reason for self-scheduling VCHC relates to compliance with biomass permitting requirements;
9. REQUIRES Dominion to file a Rider RGGI update in 2023 or as soon as possible in 2024: (i) to true-up RGGI-related recovery with actual RGGI costs for 2022; and (ii) if Virginia remains in RGGI, to propose a Projected Cost Recovery Factor based on just twelve months of costs, or as few months beyond twelve as possible; and
10. CONTINUES this case to the extent necessary for further process related to the Clover and/or Biomass Adjustments.¹⁸

On June 16, 2023, Dominion, Appalachian Voices, and Staff each filed comments on the Report. Dominion's comments included the compliance filing directed by the Hearing Examiner, which calculated a revised revenue requirement, incorporating the Biomass and Clover Adjustments, of approximately \$355.8 million.¹⁹ In its comments, Staff stated that it "has reviewed the compliance information to be provided by the Company and has verified the Company's revised revenue requirement of \$355,798,812, which includes the changes required to comply with the Hearing Examiner's Report."²⁰

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.²¹

The Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein.²² In addition, the Commission will further address certain findings of the Hearing Examiner to which Dominion or Appalachian Voices objects.

First, Dominion objects to the Hearing Examiner's recommendation to approve the Biomass and Clover Adjustments. The Company asserts that the costs removed by these adjustments are "[s]imply ... over-projections just like any other kind of over- or under-projection that routinely occurs in RAC proceedings."²³ As explained by the Hearing Examiner, however, the specific costs excluded by these adjustments are not simply over-projections. Rather, all participants – including Dominion – agree that these specific costs were included in error; that is, these costs admittedly do *not* fall within the Company's RGGI compliance obligations.²⁴

Further in this regard, the Supreme Court of Virginia has clearly determined that costs are recoverable under Code § 56-585.1 A 5 e if "they are necessary to comply with [Dominion's] statutory duty to purchase allowances for every short ton of CO₂ emitted from its power plants."²⁵ Yet, as succinctly stated by the Hearing Examiner, "there are no circumstances under which the costs at issue in the Biomass and Clover Adjustments would be necessary for Dominion to comply with the RGGI program."²⁶ Accordingly, we agree with the Hearing Examiner that the costs excluded by these adjustments are not "necessary" under Code § 56-585.1 A 5 e.

¹⁸ *Id.* at 44-46.

¹⁹ Dominion Comments at Attachment 1.

²⁰ Staff Comments at 3, n. 7.

²¹ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

²² *See Report*. The only exception is Recommendation 9 (Report at 45); the Commission does not herein direct a specific date for Dominion's next RGGI filing, for which the Company shall determine the contents thereof in the first instance.

²³ Dominion's Comments at 5.

²⁴ *See, e.g., Report* at 35-38.

²⁵ *Appalachian Voices v. State Corp. Comm'n*, ___ Va. ___, ___, 879 S.E.2d 35, 38 (2022).

²⁶ Report at 37.

Dominion also asserts that approving the Biomass and Clover Adjustments triggers "significant procedural and evidentiary concerns."²⁷ We again disagree. To the contrary, the Hearing Examiner's directive in this instance for Dominion to provide a preliminary compliance filing provides *additional* process compared to that typically found in public utility rate cases when a final order denies specific cost recovery. Specifically, when the Commission's final order in a rate case disallows or modifies any of the utility's requested costs, that utility necessarily must subsequently file revised rates based on re-computations that exclude those disallowed costs. Such post-final order compliance filing is then verified by the Commission's Staff before the approved new rates go into effect.²⁸

Dominion is undoubtedly cognizant of this basic process to which it regularly participates. The Hearing Examiner, by directing a preliminary compliance filing incorporating the Biomass and Clover Adjustments (in the event the Commission approves such adjustments, as we do herein), has provided all participants an opportunity to review the Company's re-computations while the proceeding remains pending prior to a final order. In this manner, the Hearing Examiner has provided *more* process, not less.

Next, Appalachian Voices objects to Dominion's recovery of certain RGGI costs that, according to Appalachian Voices, are "associated with self-scheduled *uneconomic* dispatch."²⁹ The Company, however, testified to how it dispatched its fleet in the most economic manner "within the confines of market, regulatory, and reliability considerations."³⁰ Based on the evidence in the record, the Commission agrees with the Hearing Examiner's analysis, which concludes that Dominion has established its must-run decisions at issue herein are reasonable and prudent.³¹ As a result, the allowance costs related to those must-run decisions are necessary to comply with the Company's statutory duty to purchase allowances for every short ton of CO₂ emitted from those power plants and, in turn, shall be included in Rider RGGI herein.

Finally, the Commission agrees with the Hearing Examiner's recommendation (to which Appalachian Voices objects) not to *lower* projected emissions for the first quarter of 2023.³² Among other things: (1) "[i]f the alleged over-forecast results in customers overpaying RGGI-related costs during the Rate Year, customers will be refunded this overpayment, with financing costs, during a true-up proceeding"; and (2) "[t]he penalties for failing to have the required number of allowances to cover emissions is steep: the generator must forfeit three additional allowances per ton of excess emissions."³³

In sum, the Commission finds that Rider RGGI, as approved herein, meets the statutory requirements for approval of a RAC under Code §§ 56-585.1 A 5 e and D.

In granting this approval which will result in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations in the Hearing Examiner's Report are adopted as set forth and discussed herein.

(2) The Company forthwith shall file a revised Rider RGGI and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) Rider RGGI, with a revenue requirement in the amount of \$355,798,812 as approved herein, shall be effective for usage on and after September 1, 2023.

(4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

²⁷ Dominion's Comments at 6.

²⁸ Indeed, the Hearing Examiner notes this process and gives a recent example thereof. Report at 38, n.272.

²⁹ Appalachian Voices' Comments at 2 (emphasis added).

³⁰ Ex. 29 (Vitiello Rebuttal) at 19. See also *Appalachian Voices*, ___ Va. at ___, 879 S.E.2d at 38 ("The understanding of the necessity standard [in Code § 56-585.1(A)(5)(e)] takes into account [Dominion's] statutory duty to provide a stable and reliable power grid for all Virginians. This is not simply an aspirational goal. It is an underlying condition of [Dominion's] status as a legal monopoly and a nonnegotiable limitation on the permissible enforcement of the General Assembly's environmental goals.") (citations omitted).

³¹ See, e.g., Report at 25-32 (and record citations therein).

³² *Id.* at 32-35.

³³ *Id.* at 34-35. See also *Appalachian Voices*, ___ Va. at ___, 879 S.E.2d at 39 n.5 (agreeing with a Commission Hearing Examiner that "mathematically, additional costs from higher forecasted RGGI prices can exceed allowance savings associated with lower forecasted emissions"), and 38 n.3 (observing "the harsh penalties that would arise if [Dominion] guessed too low on the forecasted CO₂ emissions") (citations omitted).

**CASE NO. PUR-2022-00088
JANUARY 26, 2023**

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 Years Commencing April 1, 2023 and April 1, 2024

FINAL ORDER

On June 13, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") its biennial update filing of the Company's rate adjustment clause Rider B ("Application"), pursuant to § 56-585.1 A 6 of the Code of Virginia. Through its Application, the Company seeks to recover costs associated with the major unit conversions of the Altavista, Hopewell, and Southampton Power Stations from coal-burning generation facilities into renewable biomass generation facilities.¹ Dominion has asked the Commission to approve Rider B for a rate year beginning April 1, 2023, and ending March 31, 2024 ("Rate Year 1"), and a rate year beginning April 1, 2024, and ending March 31, 2025 ("Rate Year 2").²

On July 11, 2022, the Commission entered an Order for Notice and Hearing in this case that, among other things, docketed this matter; directed Dominion to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Commission did not receive any notices of participation or written public comments on the Application. Staff filed testimony on October 19, 2022. Dominion filed rebuttal testimony on November 2, 2022. The public witness hearing was scheduled to convene telephonically on November 16, 2022, but was canceled because no public witnesses signed up to testify. The evidentiary hearing was convened on November 17, 2022. Counsel for Dominion and Staff appeared at the hearing.

On December 2, 2022, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report"), was issued. In the Report, the Chief Hearing Examiner made the following findings:

- (i) The Commission should approve a total Rider B revenue requirement for Rate Year 1 of \$33.63 million, consisting of a Projected Cost Recovery Factor of \$23.07 million and an Actual Cost True-Up Factor of \$10.56 million;
- (ii) The Commission should approve a total Rider B revenue requirement for Rate Year 2 of \$33.67 million, consisting of a Projected Cost Recovery Factor of \$33.68 million; no Actual Cost True-Factor, and limiting the total Rider B revenue requirement to the original revenue requirement noticed by the Company of \$33.67 million, with any unrecovered revenue requirements subject to future true-ups;
- (iii) The Commission should direct Dominion to inform the Commission of any changes to the retirement dates for the biomass units once they have been finalized, along with any updated schedules impacted by the date change(s); and
- (iv) The Commission should approve Dominion's proposed cost allocation and rate design.³

Accordingly, the Chief Hearing Examiner recommended that the Commission enter an order adopting the findings of the Report, approving the updated Rider B consistent with the Report's recommendations, and dismissing this case from the Commission's docket of active cases.⁴

On December 13, 2022, Dominion and Staff each filed comments in support of the Report's findings and recommendations.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Chief Hearing Examiner's findings and recommendations contained in the Report should be adopted. The Commission approves an updated Rider B with a Rate Year 1 revenue requirement of \$33.63 million and a Rate Year 2 revenue requirement of \$33.67 million. Rider B rates shall be designed to recover these revenue requirements based on the allocation and rate design methodology proposed by the Company. Dominion shall inform the Commission of any changes to the retirement dates for the biomass units once they have been finalized, along with any updated schedules impacted by the date change(s).

In granting this approval, the Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted as set forth herein.

¹ Ex. 2 (Application) at 1; Ex. 5 (Dibble Direct) at 1-2.

² Ex. 2 (Application) at 6.

³ Report at 16.

⁴ *Id.*

(2) Rider B is approved with a Rate Year 1 revenue requirement of \$33.63 million and a Rate Year 2 revenue requirement of \$33.67 million.

(3) Rider B, as approved herein, shall be effective for usage on and after sixty (60) days following the issuance of this Final Order, or, at the Company's option, shall be effective for usage on and after April 1, 2023, for Rate Year 1, and effective for usage on and after April 1, 2024, for Rate Year 2.

(4) The Company forthwith shall file a revised Rider B and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(5) The Company shall inform the Commission of any changes to the retirement dates for the biomass units once they have been finalized, along with any updated schedules impacted by the date change(s).

(6) The Company shall file its next Rider B application on or before June 30, 2024.

(7) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00089
FEBRUARY 27, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of a rate adjustment clause: Rider U, new underground distribution facilities, for the rate year commencing April 1, 2023

FINAL ORDER

On June 13, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an annual update of the Company's rate adjustment clause, Rider U, pursuant to Code § 56-585.1 A 6. On June 30, 2022, the Company filed an amended Application ("Application"). Through its Application, the Company is seeking to recover costs associated with its Strategic Undergrounding Program ("SUP").¹ Specifically, the Company provides an update on, and seeks cost recovery associated with, the previously approved Phase One, Phase Two, Phase Three, Phase Four, Phase Five, and Phase Six (collectively, "Previously Approved SUP Phases").²

In this proceeding, Dominion has asked the Commission to approve Rider U for the rate year beginning April 1, 2023, and ending March 31, 2024 ("Rate Year").³ The Company states that the total revenue requirement for the Rate Year associated with the Previously Approved SUP Phases is approximately \$74.26 million.⁴

On July 19, 2022, the Commission issued an Order for Notice and Hearing in this case that, among other things, docketed the Application; scheduled public witness and evidentiary hearings on the Application; required Dominion to publish notice of its Application; gave interested persons the opportunity to comment on, or participate in, the case; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel") filed a notice of participation in the case. On December 21, 2022, Commission Staff ("Staff") filed testimony. On January 5, 2023, Dominion filed a letter in lieu of rebuttal testimony noting that there were no significant differences between the Company's and Staff's recommended total revenue requirement.⁵ The Commission also received several written public comments regarding the Application.

The public witness hearing was scheduled to be held telephonically on January 18, 2023, but was canceled because no public witnesses signed up to testify.⁶ The evidentiary hearing was convened on January 19, 2023. Dominion, Consumer Counsel, and Staff participated at the hearing.

On January 30, 2023, the Senior Hearing Examiner issued the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"). In the Report, the Senior Hearing Examiner made the following findings: (i) an updated Rider U rate adjustment clause with a total Rate Year revenue requirement of

¹ Ex. 2 (Application) at 1.

² *Id.* at 1, 3-5.

³ *Id.* at 1, 5.

⁴ *Id.* at 5.

⁵ Rebuttal Letter at 2.

⁶ Tr. 6.

\$74.26 million, consisting of a Projected Cost Recovery Factor of \$71.87 million and an Actual Cost True-Up Factor of \$2.38 million, is supported by the evidence and should be approved; (ii) regarding the depreciation portion of deferral balance-related excess deferred income taxes resulting from the federal Tax Cuts and Jobs Act, the Company's proposed 69-year amortization is reasonable and supported by a private letter ruling the Company received from the Internal Revenue Service; (iii) the Company's proposed cost allocation and rate design methodologies are supported by the evidence and should be approved; and (iv) Dominion and Staff should continue to evaluate the Storm Grid Analysis approach as an appropriate alternative to the System Average Interruption Duration Index and System Average Interruption Frequency Index metrics for assessing the effectiveness of the SUP.⁷ The Senior Hearing Examiner recommended that the Commission adopt the findings of the Report and approve an updated Rider U as set forth in the Report.⁸ No participants filed comments opposing any finding or recommendation in the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Hearing Examiner's Report should be adopted. The Commission finds that a total revenue requirement of \$74.26 million for the Rate Year, consisting of a Projected Cost Recovery Factor of \$71.87 million and an Actual Cost True-Up Factor of \$2.38 million, should be approved for Rider U.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations contained in the Report are hereby adopted.
- (2) Rider U, as approved herein with an updated revenue requirement in the amount of \$74.26 million, shall become effective for usage on and after April 1, 2023.

(3) The Company forthwith shall file a revised Rider U and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: <https://scc.virginia.gov/pages/Case-Information>.

(4) On or before June 30, 2023, the Company shall file an application to revise Rider U effective April 1, 2024.

(5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁷ Report at 12-13.

⁸ *Id.* at 13.

**CASE NO. PUR-2022-00090
FEBRUARY 23, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider W, Warren County Power Station, For the Rate Years Commencing April 1, 2023 and April 1, 2024

FINAL ORDER

On June 13, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") its biennial update filing of the Company's rate adjustment clause Rider W ("Application"), pursuant to § 56-585.1 A 6 of the Code of Virginia. Through its Application, the Company seeks to recover costs associated with the Warren County Power Station ("Station"), a natural gas-fired combined-cycle electric generating facility and associated transmission interconnection facilities located in Warren County, Virginia.¹ Dominion has asked the Commission to approve Rider W for a rate year beginning April 1, 2023, and ending March 31, 2024 ("Rate Year 1"), and a rate year beginning April 1, 2024, and ending March 31, 2025 ("Rate Year 2").²

On July 11, 2022, the Commission entered an Order for Notice and Hearing in this case that, among other things, docketed this matter; directed Dominion to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Commission did not receive any notices of participation. The Commission received public comments on September 22, 2022, and December 8, 2022. Staff filed testimony on December 8, 2022. On December 22, 2022, in lieu of rebuttal testimony, Dominion filed a letter stating its agreement with Staff's revenue requirement updates presented in Staff's testimony. The public witness hearing was scheduled to convene telephonically on January 10, 2023, but was canceled because no public witness signed up to testify. The evidentiary hearing was convened on January 11, 2023. Counsel for Dominion and Staff appeared at the hearing.

¹ Ex. 2 (Application) at 1; Ex. 4 (Givens Direct) at 1.

² Ex. 2 (Application) at 6.

On January 20, 2023, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report"), was issued. In the Report, the Senior Hearing Examiner made the following findings and recommendations:³

- (i) The Commission should approve the Company's Application including the revenue requirement, cost allocation, rate design, and accounting treatment for Rate Year 1 and Rate Year 2 for operation of the Station, as modified in the Staff Report's recommendations
- (ii) The Commission should approve a total revenue requirement of \$105,489,000 for Rate Year 1;
- (iii) The Commission should approve a total revenue requirement of \$109,219,000 for Rate Year 2; and,
- (iv) The Commission should dismiss the case from the Commission's docket of active cases.

On January 26, 2023, Staff filed comments in support of the Report's findings and recommendations. On January 27, 2023, Dominion filed comments in support of the Report's findings and recommendations.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Senior Hearing Examiner's findings and recommendations contained in the Report should be adopted. The Commission approves an updated Rider W with a Rate Year 1 revenue requirement of \$105,489,000, and a Rate Year 2 Requirement of \$109,219,000. Rider W rates shall be designed to recover these revenue requirements based on the allocation and rate design methodology proposed by the Company.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted as set forth herein.
- (2) Rider W is approved with a Rate Year 1 revenue requirement of \$105,489,000 and a Rate Year 2 revenue requirement of \$109,219,000.
- (3) Rider W, as approved herein, shall be effective for usage on and after April 1, 2023, for Rate Year 1, and effective for usage on and after April 1, 2024, for Rate Year 2.
- (4) The Company forthwith shall file a revised Rider W and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (5) The Company shall file its next Rider W application on or before June 30, 2024.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

³ Report at 10.

**CASE NO. PUR-2022-00101
MAY 5, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For an update of the 100 percent renewable energy tariff, designated Rider TRG, pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia

ORDER APPROVING APPLICATION

On July 1, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia ("Code") for an annual update of its voluntary 100 percent renewable energy tariff, designated Rider TRG.¹ The Company began offering Rider TRG in July 2020.² According to the Application, as of June 15, 2022, approximately 3,481 residential customers and 82 commercial customers were enrolled in Rider TRG.³

¹ Application at 1.

² *Id.* at 9.

³ *Id.*

In Case No. PUR-2019-00094, the Commission approved the Company's initial Rider TRG filing, whereby participating customers can voluntarily elect to purchase 100 percent of their energy and capacity needs sourced from a portfolio of renewable energy resources owned or contracted for by the Company ("TRG Portfolio") that meet the definition of renewable energy in Code § 56-576.⁴ In that case, the Commission approved the following resources for inclusion in the TRG Portfolio: the Scott, Whitehouse, and Woodland solar facilities; the Essex, Williamston Speight, HXOap, Cork Oak, and Sunflower solar power purchase agreements; the Gaston and Roanoke Rapids hydro facilities; and the Altavista, Hopewell, and Southampton biomass units.⁵

Customers electing to participate in Rider TRG pay a premium over standard service that is based on the prevailing market value of retail renewable energy, using the market value of renewable energy certificates ("RECs") as a proxy for this premium ("Rider TRG Rate").⁶ In Case No. PUR-2019-00094, the Commission approved a Rider TRG Rate of \$3.98 per megawatt-hour ("MWh"), which was the weighted average price of the RECs produced by all of the resources in the approved TRG Portfolio.⁷

Dominion is not proposing any changes to the TRG Portfolio or Rider TRG Rate at this time.⁸ Dominion thus proposes to charge participating customers the previously-approved Rider TRG Rate of \$3.98 per MWh.⁹ This represents a charge over standard service of 2.91% for participating customers.¹⁰

The Company states that it calculates the current market value of the RECs in the TRG Portfolio to be \$12.87 per MWh.¹¹ Dominion, however, is not proposing to increase the previously-approved Rider TRG Rate in order to "ensure a successful start of the program and to facilitate new customer enrollment."¹² Instead, Dominion proposes for the Company to cover the difference between the \$3.98 per MWh charged to customers and the full market value of the RECs of \$12.87 per MWh (*i.e.* \$8.89/REC), for the period July 1, 2022, through June 30, 2023.¹³

On August 3, 2022, the Commission issued an Order for Notice and Comment in this proceeding that directed Dominion to provide public notice of its Application and provided interested persons the opportunity to file comments, a notice of participation, or a request for a hearing on the Company's Application. The Commission also directed the Staff of the Commission ("Staff") to investigate the Application and file a report containing the Staff's findings and recommendations ("Staff Report").

On September 28, 2022, the Board of Supervisors of Culpeper County, Virginia, filed a notice of participation as a respondent. Retail Energy Advancement League ("REAL") filed a notice of participation as a respondent and comments ("REAL's Comments") on September 28, 2022.¹⁴ REAL also filed a document entitled "Motion of the Retail Energy Advancement League" coincident with its Comments. Several other interested persons also filed public comments on the Application. On October 11, 2022, Staff filed its Staff Report in this matter. Dominion filed comments in response to Staff and REAL ("Dominion's Comments") on November 2, 2022.

On November 14, 2022, REAL filed a Motion to Compel or Permit Discovery of [REAL] with Request for Expedited Action ("Discovery Motion"). In the Discovery Motion, REAL requested (i) Dominion be compelled to respond to certain discovery requests and (ii) an extension of "REAL's deadline to reply to Dominion's response to REAL's pending prior motion until at least three business days after Dominion replies to REAL's discovery requests."¹⁵

⁴ *Application of Virginia Electric and Power Company, For approval of a 100 percent renewable energy tariff, designated Rider TRG, pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2019-00094, 2020 S.C.C. Ann. Rept. 280, Order Approving Tariff (July 2, 2020) ("July 2, 2020 Order Approving Tariff").

⁵ *See id.* at 280, 283-284; Application at 5-6.

⁶ Application at 7.

⁷ *See id.*; July 2, 2020 Order Approving Tariff, 2020 S.C.C. Ann. Rept. at 283-84. In Case No. PUR-2021-00138, the Commission did not modify the previously-approved Rider TRG Rate of \$3.98 per MWh. *Application of Virginia Electric and Power Company, For an update of the 100 percent renewable energy tariff, designated Rider TRG, pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2021-00138, 2021 S.C.C. Ann. Rept. 512, Order (Dec. 8, 2021) ("December 8, 2021 Order").

⁸ Application at 5-6, 10-11.

⁹ *Id.* at 7, 10-11.

¹⁰ *Id.* at 7.

¹¹ *Id.* at 8.

¹² *Id.*

¹³ *Id.*

¹⁴ REAL represents that it "is an unincorporated collective of members with a common goal of empowering customer choice through the expansion and modernization of retail energy markets. REAL's founding board member companies are Calpine Energy Solutions, Clean Choice Energy, Inc., IGS Energy, NRG Energy, Inc., Shell Energy North America (US) L.P. and Vistra Corp." REAL Notice of Participation at 1.

¹⁵ Discovery Motion at 7.

The Hearing Examiner assigned to this matter to rule on any discovery matters that arose in this case subsequently granted in part and denied in part the Discovery Motion ("Hearing Examiner's Ruling"). Specifically, the Hearing Examiner found REAL's discovery was proper and timely served under the Commission's Rules of Practice and Procedure.¹⁶ The Hearing Examiner, however, found the document entitled "Motion of Retail Energy Advancement League" filed coincident with REAL's Comments was improperly filed as a motion and should instead be treated as substantive comments.¹⁷

On December 20, 2022, REAL filed a Motion to Supplement Comments ("Motion to Supplement") requesting to supplement its prior Comments to include a discovery response provided by Dominion following the Hearing Examiner's Ruling. REAL requests "Dominion's response to REAL's Question No 2 be accepted for filing, under seal, in supplement to REAL's Comments in this proceeding."¹⁸ REAL further represented that Dominion did not oppose the Motion to Supplement.¹⁹ No responses to the Motion to Supplement were filed.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds the Application is approved and that this annual update proceeding shall be dismissed.²⁰

As noted above, the Commission approved Rider TRG in July 2020.²¹ As part of that approval, the Commission "agree[d] with Dominion that the Commission retains authority to modify or amend Rider TRG at any time in the future and will have ample authority to address any concerns regarding participant levels during the annual update proceedings."²² These annual update proceedings, however, are not mandated by statute but, rather, were directed by the Commission in its order approving Rider TRG.²³ This is Dominion's second annual update proceeding for Rider TRG. In Dominion's first update proceeding, the Commission found, "upon consideration of the pleadings filed [therein], the Commission exercises its discretion *not* to address participant levels, and *not* to modify the filed rate, until Rider TRG has been in effect for a longer period of time in order to gain additional experience with the implementation thereof."²⁴

As discussed by Staff and Dominion, Rider TRG is still in its implementation phase, and the Company is working to implement a successful start of the program and to facilitate new customer enrollment.²⁵ Dominion also correctly notes that for participating customers, Rider TRG does not require annual rate changes or true-ups.²⁶ Furthermore, Staff agrees with Dominion that non-participating customers will continue to be held substantially harmless under the Company's proposal.²⁷

Upon consideration thereof, the Commission exercises its discretion (for the limited purpose of the specific Application filed in this matter) to limit its finding herein to the relief sought in, and to grant, the Application.

Finally, having found that Rider TRG continues to be in an implementation phase, the Commission finds it appropriate for Dominion to file its next update proceeding for Rider TRG on or before July 1, 2024. The Commission continues to direct Dominion to file an annual report on Rider TRG on or before May 1 of each year.²⁸

Accordingly, IT IS SO ORDERED, and this matter IS DISMISSED.

Commissioner Patricia L. West participated in this matter.

¹⁶ Hearing Examiner's Ruling at 3-4 (Dec. 6, 2022).

¹⁷ *Id.*

¹⁸ Motion to Supplement at 2.

¹⁹ *Id.*

²⁰ The Commission further finds REAL's Motion to Supplement should be granted.

²¹ See July 2, 2020 Order Approving Tariff, 2020 S.C.C. Ann. Rept. at 280, 285.

²² *Id.* at 284.

²³ *Id.* at 285.

²⁴ See December 8, 2021 Order, 2021 S.C.C. Ann. Rept. at 512.

²⁵ See, e.g., Dominion's Comments at 3; Staff Report at 5.

²⁶ See, e.g., Dominion's Comments at 3-4.

²⁷ See, Staff Report at 7.

²⁸ Such reports shall be filed with the Clerk of the Commission in the most recent Rider TRG update proceeding and should include, in addition to those items previously directed, the number of participants in Rider TRG and the applicable customer class as of December 31 of the most recently ended calendar year.

**CASE NO. PUR-2022-00103
MARCH 24, 2023**

APPLICATION OF
AIR VOICE WIRELESS, LLC d/b/a AIRTALK WIRELESS

For designation as an eligible telecommunications carrier

FINAL ORDER

On July 1, 2022, Air Voice Wireless, LLC d/b/a AirTalk Wireless ("Air Voice" or "Company"), filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),¹ Chapter 436 of the 2022 Virginia Acts of Assembly,² and 5 VAC 5-20-100 A of the Commission's Rules of Practice and Procedure,³ requesting that the Commission enter an order designating Air Voice as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁴ Specifically, Air Voice asked for ETC designation solely to provide Lifeline service to qualifying Virginia consumers.⁵ Air Voice requested ETC designation that is statewide in scope to allow the Company to provide Lifeline service wherever its underlying, facilities-based providers have wireless coverage.⁶

In support of the Application, Air Voice stated that it provides prepaid wireless telecommunications services to consumers by using the underlying wireless networks of AT&T Mobility LLC and T-Mobile USA, Inc., on a wholesale basis.⁷ Air Voice stated that it is designated as an ETC and is providing Lifeline services in: California, Colorado, Georgia, Kentucky, Maryland, Michigan, Mississippi, Missouri, Nevada, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, West Virginia, Wisconsin and Wyoming, and that it provides non-Lifeline mobile phone services and is an approved provider of broadband services under the FCC's Affordable Connectivity Program.⁸

According to the Application, Air Voice will provide affordable prepaid mobile phone service and high-quality customer service that will include offering: (1) local and long-distance calling; (2) access to the following custom calling features at no charge: (a) Caller ID; (b) Call Waiting; (c) Call Forwarding; (d) 3-Way Calling; and (e) Voicemail; (3) text messaging; (4) broadband access; and (5) the option for a consumer to "bring their own device" and its products and plans will be specially geared toward serving lower income communities, especially in rural areas that are predominantly unserved by other ETCs designated in the state, and its service models and pricing plans will reflect this mission.⁹

Air Voice further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹⁰ For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, Air Voice stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹¹

On August 1, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed Air Voice to provide notice of its Application to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On September 21, 2022, Air Voice filed its proof of the notice and service as directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on Air Voice's Application.

¹ 47 C.F.R. §§ 54.101-54.207.

² Codified at § 56-479.4 of the Code of Virginia ("Code").

³ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁴ Application at 5.

⁵ *Id.* at 6.

⁶ *Id.* at 16 and Exhibit 3.

⁷ *Id.* at 8.

⁸ *Id.*

⁹ *Id.* at 10.

¹⁰ *Id.* at 13-21.

¹¹ *Id.* at 19.

On September 28, 2022, Air Voice filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice to govern the procedure for the production and use of confidential information in the course of responding to discovery in this proceeding.

On October 19, 2022, Staff filed its Staff Report, which detailed Staff's review of Air Voice's Application for ETC designation for purposes of participating in the Lifeline program.¹² Staff did not oppose the Commission granting ETC designation to Air Voice, and recommended certain requirements be included in any order granting Air Voice an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹³ Specifically, Staff recommended:

- Air Voice should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- Air Voice should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- Air Voice should be directed to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program;
- Air Voice should be required to comply with the CTIA Consumer Code for Wireless Service;
- Air Voice should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;
- Air Voice should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- Air Voice should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission's Staff, as well as provide timely updates for all future changes;
- Air Voice should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider; and
- The Company should not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.¹⁴

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107,¹⁵ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- Air Voice will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁶

On October 19, 2022, Air Voice filed a letter stating that the Company was waiving its right to respond to the Staff Report and requesting that the Commission enter an order consistent with Staff's recommendations.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that Air Voice's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff. The Commission also finds that the Company's Motion is moot, and, therefore, the Motion should be denied.¹⁷

¹² Staff Report at 1-7. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC") and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 n.7 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹³ Staff Report at 8.

¹⁴ *Id.* at 8-10.

¹⁵ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁶ Staff Report at 10. On October 25, 2022, Staff filed Appendix A to the Staff Report that was inadvertently omitted from the October 19, 2022 filing.

¹⁷ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot noting that Staff will continue to treat the confidential information, to which the Motion pertains, as confidential pursuant to our Rules of Practice.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-479.4, Air Voice's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.
- (2) Air Voice's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based providers have wireless coverage.
- (3) Air Voice shall file or update necessary product guides for Lifeline services consistent with FCC requirements.
- (4) Air Voice shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.
- (5) Air Voice shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program.
- (6) Air Voice shall comply with the CTIA Consumer Code for Wireless Service.
- (7) Air Voice shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.
- (8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.
- (9) Air Voice shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to Staff upon request.
- (10) Air Voice shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.
- (11) Air Voice shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.
- (12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.
- (13) Air Voice shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.
- (14) Air Voice's Motion is denied.
- (15) This case is dismissed.
Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00104
MARCH 24, 2023**

APPLICATION OF
GLOBAL CONNECTION INC. OF AMERICA d/b/a STANDUP WIRELESS

For designation as an eligible telecommunications carrier

FINAL ORDER

On July 1, 2022, GLOBAL CONNECTION INC. OF AMERICA d/b/a STANDUP WIRELESS ("STANDUP" or "Company"), filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),¹ Chapter 436 of the 2022 Virginia Acts of Assembly,² and 5 VAC 5-20-100 A of the Commission's Rules of Practice and Procedure,³ requesting that the Commission enter an order designating STANDUP as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁴

¹ 47 C.F.R. §§ 54.101-54.207.

² Codified at § 56-479.4 of the Code of Virginia ("Code").

³ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁴ Application at 1.

Specifically, STANDUP asked for ETC designation solely to provide Lifeline service to qualifying Virginia consumers.⁵ STANDUP requested ETC designation that is statewide in scope to allow the Company to provide Lifeline service wherever its underlying, facilities-based providers have wireless coverage.⁶

In support of the Application, STANDUP stated that it provides prepaid wireless telecommunications services to consumers by using the underlying wireless network of T-Mobile USA, Inc., on a wholesale basis.⁷ STANDUP stated that it is designated as an ETC in: Arkansas, Arizona, California, Colorado, Georgia, Hawaii, Idaho, Iowa, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Utah, West Virginia, and Wisconsin.⁸

According to the Application, STANDUP will provide affordable prepaid mobile phone service and high-quality customer service that will include offering: (1) local and long-distance calling; (2) access to the following custom calling features at no charge: (a) Caller ID; (b) Call Waiting; (c) 3-Way Calling; and (d) Voicemail; (3) text messaging; (4) broadband access; and (5) the option for a consumer to "bring their own device" and its products and plans will be specially geared toward serving lower income communities, especially in rural areas that are predominantly unserved by other ETCs designated in the state, and its service models and pricing plans will reflect this mission.⁹

STANDUP further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹⁰ For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, STANDUP stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹¹

On August 3, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed STANDUP to provide notice of its Application to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On September 21, 2022, STANDUP filed its proof of the notice and service as directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on STANDUP's Application.

On September 30, 2022, STANDUP filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice to govern the procedure for the production and use of confidential information in the course of responding to discovery in this proceeding.

On October 13, 2022, STANDUP filed a Motion for Extension of Procedural Dates ("Motion to Extend") to provide the Company additional time to respond to Staff discovery and a corresponding extension of the procedural dates set out in the Commission's Order for Notice and Comment for the filing of a Staff Report and the Company's response thereto. The Motion to Extend was granted by Commission Order entered on October 18, 2022.

On October 28, 2022, STANDUP filed a supplement to its Application in which the Company stated that a transfer of 75% of STANDUP to a new parent company had occurred. On November 2, 2022, Staff filed a motion seeking an extension to the procedural schedule in order to complete its investigation of the Application as supplemented by the October 28, 2022 filing. On November 4, 2024, the Commission entered its Order Granting Motion which revised the procedural schedule for this case.

On November 30, 2022, Staff filed its Staff Report, which detailed Staff's review of STANDUP's Application for ETC designation for purposes of participating in the Lifeline program.¹² Staff did not oppose the Commission granting ETC designation to STANDUP, and recommended certain requirements be included in any order granting STANDUP an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹³ Specifically, Staff recommended:

⁵ *Id.* at 2.

⁶ *Id.* at 11 and Exhibit 3.

⁷ *Id.* at 4.

⁸ *Id.* at 4-5.

⁹ *Id.* at 5.

¹⁰ *Id.* at 8-20.

¹¹ *Id.* at 15.

¹² Staff Report at 1-9. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC") and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 n.7 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹³ Staff Report at 9.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

- STANDUP should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- STANDUP should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- STANDUP should be directed to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program;
- STANDUP should be required to comply with the CTIA Consumer Code for Wireless Service;
- STANDUP should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;
- STANDUP should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- STANDUP should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission's Staff, as well as provide timely updates for all future changes;
- STANDUP should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given for them to find another provider; and
- The Company should not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.¹⁴

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107,¹⁵ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- STANDUP will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁶

On December 5, 2022, STANDUP filed a letter stating that the Company will not be filing a response to the Staff Report, and requesting that the Commission enter an order granting the relief sought in its Application along with the conditions recommended in the Staff Report.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that STANDUP's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff. The Commission also finds that the Company's Motion is moot, and, therefore, the Motion should be denied.¹⁷

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-479.4, STANDUP's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.
- (2) STANDUP's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based provider has wireless coverage.
- (3) STANDUP shall file or update necessary product guides for Lifeline services consistent with FCC requirements.

¹⁴ *Id.* at 9-11.

¹⁵ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁶ Staff Report at 11-12.

¹⁷ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot noting that Staff will continue to treat the confidential information, to which the Motion pertains, as confidential pursuant to our Rules of Practice.

(4) STANDUP shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.

(5) STANDUP shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program.

(6) STANDUP shall comply with the CTIA Consumer Code for Wireless Service.

(7) STANDUP shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.

(8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.

(9) STANDUP shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to Staff upon request.

(10) STANDUP shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.

(11) STANDUP shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.

(12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.

(13) STANDUP shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.

(14) STANDUP's Motion is denied.

(15) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00107
APRIL 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services

ORDER ADOPTING RULES

On July 27, 2022, the State Corporation Commission ("Commission") initiated a proceeding to consider establishing rules to govern the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services. During its 2022 Session, the Virginia General Assembly enacted Chapter 436 of the Acts of Assembly, which states:

The State Corporation Commission may designate any commercial mobile radio or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline service, in addition to any commercial mobile radio or cellular telephone service providers designated as such pursuant to 47 U.S.C. §§ 214(e) and (e)(2), without requiring any such provider to obtain a certificate pursuant to the provisions of § 56-265.4:4. The Commission is authorized to promulgate all rules and regulations necessary to implement the provisions of this act.

To facilitate the determination of what rules and regulations would be necessary to implement the provisions of Chapter 436 of the 2022 Acts of Assembly, the Commission ordered that proposed rules ("Proposed Rules") prepared by the Staff of the Commission ("Staff") be published for public review, and that interested persons should be provided an opportunity to file written comments on, propose modifications or supplements to, or request a hearing on the Proposed Rules.

Staff filed proof of the newspaper publication ordered by the Commission on August 23, 2022. The Proposed Rules were published in the *Virginia Register of Regulations* on August 29, 2022.¹

¹ 39 Va. Regs. Reg. 18 (Aug. 29, 2022).

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Comments on the Proposed Rules were filed on September 26, 2022, by Assurance Wireless USA, L.P. ("Assurance"), and Virginia Cable Telecommunications Association ("VCTA"). On September 27, 2022, the comments of the National Lifeline Association ("NLA") were filed.² No one requested that a hearing be held on the Proposed Rules.

On October 24, 2022, Staff filed a Staff Report reviewing the comments received from Assurance, VCTA, and NLA. The Staff Report also described the extent to which these comments led to any recommendations from Staff for modifying the Proposed Rules. Staff's proposed revisions were attached to the Staff Report as Revised Proposed Rules.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that the Rules Governing Designation of a Commercial Mobile Radio or Cellular Telephone Service Provider as an Eligible Telecommunications Carrier ("ETC Lifeline Wireless Rules"), 20 VAC 5-430-10 *et seq.*, as set forth in the Appendix to this Order, should be adopted.

Accordingly, IT IS ORDERED THAT:

(1) The Commission's Rules Governing Designation of a Commercial Mobile Radio or Cellular Telephone Service Provider as an Eligible Telecommunications Carrier, 20 VAC 5-430-10 *et seq.*, as set forth in the Appendix to this Order, are hereby adopted and shall become effective May 22, 2023.

(2) A copy of this Order and the ETC Lifeline Wireless Rules as set forth in the Appendix thereto shall be forwarded to the Registrar of Regulations for publication in the *Virginia Register of Regulations*.

(3) An electronic copy of this Order shall be made available on the Division of Public Utility Regulation's section of the Commission's website: scc.virginia.gov/pages/Rulemaking.

(4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Appendix entitled "Rules Governing Designation of a Commercial Mobile Radio or Cellular Telephone Provider as an Eligible Telecommunications Carrier" is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

² NLA's Comments were filed electronically on September 26, 2022, after 5 p.m., and so, are considered filed on the next business day.

**CASE NO. PUR-2022-00110
MARCH 24, 2023**

APPLICATION OF
Q LINK WIRELESS LLC

For designation as an eligible telecommunications carrier

FINAL ORDER

On July 7, 2022, Q LINK WIRELESS LLC ("Q LINK" or "Company"), filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),¹ Chapter 436 of the 2022 Virginia Acts of Assembly,² and 5 VAC 5-20-100 A of the Commission's Rules of Practice and Procedure,³ requesting that the Commission enter an order designating Q LINK as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁴ Specifically, Q LINK asked for ETC designation solely to provide Lifeline service to qualifying Virginia consumers.⁵ Q LINK stated that it provides prepaid wireless telecommunications services to consumers by using the underlying wireless network of T-Mobile- USA, Inc., on a wholesale basis.⁶ Q LINK requested ETC designation that is statewide subject to the existence of its underlying carrier's facilities and corresponding coverage, and as it may change going forward.⁷

¹ 47 C.F.R. §§ 54.101-54.207.

² Codified at § 56-479.4 of the Code of Virginia.

³ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁴ Application at 1.

⁵ *Id.* at 2.

⁶ *Id.* at 4.

⁷ *Id.* at 17 and Exhibit 5.

In support of the Application, Q LINK stated that it is designated as an ETC in: Arizona, Arkansas, Colorado, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nevada, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, US Virgin Islands, Utah, Vermont, Washington, West Virginia, and Wisconsin.⁸

According to the Application, Q LINK will provide affordable prepaid mobile phone service including calling, text messaging, and broadband access.⁹ Q LINK stated that its products and plans will be specially geared toward serving lower income communities, especially in rural areas that are predominantly unserved by other ETCs designated in the state, and its service models and pricing plans will reflect this mission.¹⁰

Q LINK further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹¹ For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, Q LINK stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹²

On August 3, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed Q LINK to provide notice of its Application to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On September 21, 2022, Q LINK filed its proof of the notice and service as directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on Q LINK's Application.

On October 6, 2022, Q LINK filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice to govern the procedure for the production and use of confidential information in the course of responding to discovery in this proceeding.

On November 2, 2022, Staff filed its Staff Report, which detailed Staff's review of Q LINK's Application for ETC designation for purposes of participating in the Lifeline program.¹³ Staff did not oppose the Commission granting ETC designation to Q LINK, and recommended certain requirements be included in any order granting Q LINK an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹⁴ Specifically, Staff recommended:

- Q LINK should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- Q LINK should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- Q LINK should be directed to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program, including, unless modified or eliminated by the FCC, the requirement to provide to Lifeline consumers E911 compliant handsets and to replace, at no additional charge, noncompliant handsets;
- Q LINK should be required to comply with the CTIA Consumer Code for Wireless Service;
- Q LINK should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;

⁸ *Id.* at 4-5 and 19.

⁹ *Id.* at 5.

¹⁰ *Id.*

¹¹ *Id.* at 12-20.

¹² *Id.* at 19.

¹³ Staff Report at 1-8. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC") and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 n.8 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹⁴ Staff Report at 8-11.

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- Q LINK should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- Q LINK should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission's Staff, as well as provide timely updates for all future changes;
- Q LINK should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider; and
- The Company should be required to not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against Q LINK that the Commission finds meritorious, may be grounds for suspension or revocation of Q LINK's ETC designation.¹⁵

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107,¹⁶ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- Q LINK will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁷

On November 15, 2022, Q LINK filed a Motion for Extension of Time to Respond to Staff Report and For Expedited Consideration, seeking to extend the deadline for filing its response from November 16, 2022, to December 7, 2022. On November 16, 2022, an Order Granting Motion was issued by the Commission.

On December 5, 2022, Q LINK filed a letter stating that the Company will not be filing a response to the Staff Report, and requesting that the Commission enter an order granting the relief sought in its Application along with the conditions recommended in the Staff Report.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that Q LINK's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff. The Commission also finds that the Company's Motion is moot, and, therefore, the Motion should be denied.¹⁸

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-479.4, Q LINK's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.

(2) Q LINK's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based provider has wireless coverage.

(3) Q LINK shall file or update necessary product guides for Lifeline services consistent with FCC requirements.

(4) Q LINK shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.

(5) Q LINK shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program, including, unless modified or eliminated by the FCC, the requirement to provide to Lifeline consumers E911 compliant handsets and to replace, at no additional charge, noncompliant handsets.

(6) Q LINK shall comply with the CTIA Consumer Code for Wireless Service.

(7) Q LINK shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.

¹⁵ *Id.* at 8-11.

¹⁶ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁷ Staff Report at 11.

¹⁸ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot noting that Staff will continue to treat the confidential information, to which the Motion pertains, as confidential pursuant to our Rules of Practice.

(8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer, and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.

(9) Q LINK shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to Staff upon request.

(10) Q LINK shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.

(11) Q LINK shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.

(12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.

(13) Q LINK shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.

(14) Q LINK's Motion is denied.

(15) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2022-00111
JANUARY 17, 2023

APPLICATION OF
HARBOR LINK VIRGINIA, LLC

For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia

FINAL ORDER

On August 18, 2022, Harbor Link Virginia, LLC ("Harbor Link" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for certificates of public convenience and necessity ("Certificates") to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia. The Company requested authority to price its interexchange telecommunications services on a competitive basis pursuant to § 56-481.1 of the Code of Virginia. The Company also filed a Motion for a Protective Order ("Motion") in accordance with 5 VAC-20-170 of the Commission's Rules of Practice and Procedure.¹

On August 31, 2022, the Commission issued an Order for Notice and Comment ("Procedural Order") that, among other things, directed Harbor Link to provide notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to investigate the Application and file a report ("Staff Report"). On October 6, 2022, the Company filed proof of notice and proof of service in accordance with the Procedural Order. No comments or requests for hearing on the Company's Application were filed.

On December 7, 2022, Staff filed its Staff Report concluding that the Company's Application is in compliance with the Commission's Rules Governing the Certification and Regulation of Competitive Local Exchange Carriers, 20 VAC 5-417-10 *et seq.* ("Local Rules") and the Rules Governing the Certification of Interexchange Carriers, 20 VAC 5-411-10 *et seq.* ("Interexchange Rules"). Based upon its review of the Company's Application, Staff determined that it would be appropriate to grant Certificates to Harbor Link subject to the following condition: Harbor Link should notify the Division of Public Utility Regulation no less than 30 days prior to the cancellation by the Issuer or lapse of its bond and should provide a replacement bond at that time. Staff recommended that this requirement be maintained until the Commission determines it no longer necessary. No response to the Staff Report was filed by Harbor Link.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds it should grant Certificates to Harbor Link. Having considered Code § 56-481.1, the Commission finds that Harbor Link may price its interexchange services competitively. Further, the Commission finds that the Company's Motion is moot; therefore, the Motion should be denied.²

Accordingly, IT IS ORDERED THAT:

¹ 5 VAC 5-20-10 *et seq.*

² The Commission has not received a request to review the information that the Company designated confidential. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

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(1) Harbor Link is hereby granted Certificate No. T-799 to provide local exchange telecommunications services subject to the restrictions set forth in the Local Rules, Code § 56-265.4:4, and the provisions of this Final Order.

(2) Harbor Link is hereby granted Certificate No. TT-323A to provide interexchange telecommunications services subject to the provisions of the Interexchange Rules, Code § 56-265.4:4, and the provisions of this Final Order.

(3) Pursuant to Code § 56-481.1, Harbor Link may price its interexchange telecommunications services competitively.

(4) Prior to providing telecommunications services pursuant to the Certificates granted by this Final Order, the Company shall provide tariffs to the Division of Public Utility Regulation that conform to all applicable Commission rules and regulations. If Harbor Link elects to provide retail services on non-tariffed basis, it shall provide written notification pursuant to Local Rule 20 VAC 5-417-50 A.

(5) Harbor Link shall notify the Division of Public Utility Regulation no less than thirty (30) days prior to the cancellation or lapse of its bond and shall provide a replacement bond at that time. This requirement shall be maintained until such time as the Commission determines it is no longer necessary.

(6) The Company's Motion is denied; however, the Commission directs the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(7) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00113
MARCH 21, 2023**

APPLICATION OF AQUA VIRGINIA, INC.

CASE NO. PUR-2022-00113

For Approval of a Water and Wastewater Infrastructure Service Charge Plan and For Authority to Implement Water and Wastewater WWISC Riders

APPLICATION OF AQUA VIRGINIA, INC.

CASE NO. PUR-2021-00158

For an Annual Informational Filing

FINAL ORDER

On October 29, 2021, Aqua Virginia, Inc. ("Aqua Virginia" or "Company") filed its Application for an Annual Informational Filing ("2021 AIF") with the State Corporation Commission ("Commission") for the twelve months ended March 31, 2021, in Case No. PUR-2021-00158. On May 27, 2022, Staff of the Commission ("Staff") filed its report ("2021 AIF Staff Report") on the Company's 2021 AIF. On June 24, 2022, the Company filed a response to the 2021 AIF Staff Report ("Company's Response"). On July 11, 2022, the Commission entered an Order Directing Additional Filings in Case No. PUR-2021-00158. On August 19, 2022, Staff filed its Reply to the Company's Response ("Staff's Reply") in Case No. PUR-2021-00158.

On August 15, 2022, the Company completed the filing of an application ("Application" or "2022 WWISC") with the Commission for approval of a water and wastewater infrastructure service charge plan ("WWISC Plan"), and for authority to implement water and wastewater WWISC riders ("Water WWISC Rider" and "Wastewater WWISC Rider," collectively, "Riders") in Case No. PUR-2022-00113.

On August 29, 2022, the Commission entered an Order for Notice and Hearing ("Order") in the 2022 WWISC proceeding. On September 12, 2022, the Commission entered an Order *Nunc Pro Tunc* in the 2022 WWISC proceeding, which was meant to replace the prior procedural Order in its entirety. The Commission's Order *Nunc Pro Tunc*, among other things: docketed the Application; established a procedural schedule; required the Company to provide public notice of its Application; allowed interested persons an opportunity to comment on the Application or to participate in this proceeding as a respondent; directed the Staff to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; scheduled a telephonic public witness hearing for January 25, 2023; scheduled a hearing on the Application for January 25, 2023, immediately following the public witness hearing; assigned the case to a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and file a final report; and denied in part and granted in part, the Company's request for interim rates, providing that Aqua Virginia "may, on an interim basis and subject to refund and interest, begin charging customers for its proposed WWISC Riders for billings made on or after December 13, 2022."¹

On September 6, 2022, the Commission issued an Order in Case No. PUR-2021-00158 that found "the record in [Case No. PUR-2021-00158] would benefit from further process with respect to Staff's recommended WWISC-related refund and any other remaining issues in this matter." The Order sent Case No. PUR-2021-00158 to the Office of Hearing Examiners to be addressed as part of Case No. PUR-2022-00113 and directed that the Hearing Examiner should make findings and recommendations pertaining to Case No. PUR-2021-00158 in addition to any other findings and recommendations to be made as part of the 2022 WWISC proceeding.

The Commission received public comments on Aqua Virginia's 2022 WWISC Application. Staff filed testimony on December 14, 2022 addressing both Case Nos. PUR-2021-00158 and PUR-2022-00113.

¹ Order *Nunc Pro Tunc* at 20.

Aqua Virginia filed rebuttal testimony on January 11, 2023 addressing both Case Nos. PUR-2021-00158 and PUR-2022-00113. On January 20, 2023, Aqua Virginia and Staff filed a Stipulation ("Stipulation") that resolved all of the outstanding issues in both Case Nos. PUR-2021-00158 and PUR-2022-00113.

The public witness hearing, originally scheduled to convene telephonically on January 25, 2023, was cancelled when no one signed up to testify. The evidentiary hearing was convened on January 25, 2023, as scheduled.

On February 10, 2023, separate Reports of Michael D. Thomas, Senior Hearing Examiner, were issued in Case No. PUR-2022-00113 ("WWISC Report") and Case No. PUR-2021-00158 ("AIF Report") (collectively, "Reports"). In the WWISC Report, the Senior Hearing Examiner made the following findings and recommendations:²

- (1) The Commission should adopt the Stipulation;
- (2) The Commission should approve the Company's proposed WWISC Plan;
- (3) The Commission should permit the Company the flexibility to redirect dollars to certain water and wastewater projects based on its annual planning and prioritization, or other operation contingencies, to remain within the WWISC caps;
- (4) The Commission should approve a Water WWISC revenue requirement of \$301,767;
- (5) The Commission should approve a Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of wastewater overcollections via the Wastewater WWISC True-Up Factor approved in the 2021 AIF Case;
- (6) The Commission should approve a Water WWISC Rider current service charge of \$0.2868 per 1,000 gallons of usage;
- (7) The Commission should approve a Wastewater WWISC Rider current service charge of \$0.0533 per 1,000 gallons of usage;
- (8) The Commission should approve the WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation; and
- (9) The Commission should dismiss this case from the Commission's docket of active cases.

In the AIF Report, the Senior Hearing Examiner made the following findings and recommendations:³

- (1) The Commission should adopt the Stipulation;
- (2) The Commission should approve a total Wastewater WWISC True-Up Factor of \$131,311;
- (3) The Commission should approve the WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation; and
- (4) The Commission should dismiss this case from the Commission's docket of active cases.

On February 17, 2023, the Company and Staff filed comments in support of the Senior Hearing Examiner's findings and recommendations in both Reports.

² WWISC Report at 26.

³ AIF Report at 10.

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NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Stipulation should be approved, and the Senior Hearing Examiner's findings and recommendations contained in the Reports should be adopted.

Accordingly, IT IS ORDERED THAT:

- (1) The Stipulation is approved, and the Senior Hearing Examiner's findings and recommendations are adopted as the findings of this Commission.
- (2) The Company's proposed WWISC Plan is approved.
- (3) The Company shall have the flexibility to redirect dollars to certain water and wastewater projects based on its annual planning and prioritization, or other operational contingencies, to remain within the WWISC caps.
- (4) A Water WWISC revenue requirement of \$301,767 is approved.
- (5) A Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of wastewater overcollections via the Wastewater WWISC True-Up Factor⁴ is approved.
- (6) A total Wastewater WWISC True-Up Factor of (\$131,311) is approved.⁵ To be clear, we are ordering a credit of \$131,311 to Aqua Virginia's wastewater customers that, when netted against Aqua Virginia's prospective Wastewater WWISC revenue requirement, reduces Aqua Virginia's \$146,468 prospective WWISC revenue requirement approved herein to \$15,157.
- (7) A Water WWISC Rider current service charge of \$0.2868 per 1,000 gallons of usage is approved.
- (8) A Wastewater WWISC Rider current service charge of \$0.0533 per 1,000 gallons of usage is approved.
- (9) The WWISC Annual Earnings Test filing schedule and filing requirements set forth in the Stipulation are approved.
- (10) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁴ WWISC Report at 25 (emphasis added):

"The Stipulation adopted a...Wastewater WWISC revenue requirement of \$146,468, exclusive of the effect of the refund of Wastewater WWISC over-earnings via a Wastewater WWISC True-Up Factor...[and] adopted Staff's calculation of wastewater over-earnings...of \$114,053 that should be refunded to customers via a Wastewater WWISC True-Up Factor, which includes carrying costs at the Company's WACC of \$17,258, for a total amount to be refunded to customers via the true-up of \$131,311. *Applying the Wastewater WWISC revenue requirement results in a net-positive Wastewater WWISC revenue requirement of \$15,157 after the true-up.*"

⁵ *Id.*

**CASE NO. PUR-2022-00120
APRIL 10, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider US-3, Colonial Trail West and Spring Grove 1 Solar Projects, for the rate year commencing June 1, 2023

FINAL ORDER

On August 2, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval of its annual update filing with respect to Rider US-3 for the Colonial Trail West Solar Facility, an approximately 142 megawatt ("MW") facility located in Surry County, Virginia, and the Spring Grove 1 Solar Facility, an approximately 98 MW facility located in Surry County, Virginia (collectively, "US-3 Solar Facilities").¹ Dominion has asked the Commission to approve Rider US-3 for a rate year beginning June 1, 2023, and ending May 31, 2024 ("Rate Year").²

¹ Ex. 2 (Application) at 1.

² *Id.* at 4.

On August 18, 2022, the Commission entered an Order for Notice and Hearing in this case that, among other things, docketed this matter; directed Dominion to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Commission did not receive any notices of participation or written public comments on the Application. Staff filed testimony on January 20, 2023. Dominion filed a rebuttal letter on February 3, 2023. The public witness hearing was scheduled to convene telephonically on February 22, 2023, but was canceled because no public witnesses signed up to testify.³ The evidentiary hearing was convened on February 23, 2023. Counsel for Dominion and Staff appeared at the hearing.

On February 27, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report"), was issued. In the Report, the Hearing Examiner found that the Commission should approve an updated Rider US-3 with a revenue requirement of \$40.41 million and that Rider US-3 rates should be designed to recover the revenue requirement based on the allocation and rate design methodology supported by the Company.⁴ Accordingly, the Hearing Examiner recommended that the Commission enter an order adopting the findings of the Report, approving the updated Rider US-3 rates consistent with the Report's recommendations, and dismissing this case from the Commission's docket of active cases.⁵

On March 6, 2023, Dominion filed comments in support of the Report's findings and recommendations. In its comments, Dominion recommended that the Commission find that \$1,322,063 be credited to the Company's fuel factor related to the performance of the US-3 Solar Facilities during the 2021 calendar year period.⁶ Dominion indicated that this amount represented the Staff's calculation of the performance guarantee adjustment for Virginia jurisdictional customers, which the Company does not oppose.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Hearing Examiner's findings and recommendations contained in the Report should be adopted. The Commission approves an updated Rider US-3 with a total revenue requirement of \$40.41 million for the Rate Year. Rider US-3 rates shall be designed to recover the revenue requirement based on the allocation and rate design methodology supported by the Company. Additionally, we find that \$1,322,063 shall be credited to Dominion's fuel factor related to the performance of the US-3 Solar Facilities during the 2021 calendar year period.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted as set forth herein.
- (2) Rider US-3 is approved with a total Rate Year revenue requirement of \$40.41 million.
- (3) Rider US-3, as approved herein, shall be effective for usage on and after June 1, 2023.

(4) The Company forthwith shall file a revised Rider US-3 and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (5) The Company shall file its next Rider US-3 application on or after August 1, 2023.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

³ Tr. 4.

⁴ Report at 9.

⁵ *Id.*

⁶ Dominion Comments at 1.

⁷ *Id.*

**CASE NO. PUR-2022-00121
APRIL 6, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider US-4, Sadler Solar Facility, for the rate year commencing June 1, 2023

FINAL ORDER

On August 2, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval of its annual update filing, with respect to Rider US-4 for the Sadler Solar Facility, an approximately 100 megawatt utility-scale solar photovoltaic generating facility located in Greensville County, Virginia.¹ Dominion has asked the Commission to approve Rider US-4 for a rate year beginning June 1, 2023, and ending May 31, 2024 ("Rate Year").²

On August 22, 2022, the Commission entered an Order for Notice and Hearing in this case that, among other things, docketed this matter; directed Dominion to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Commission did not receive any notices of participation or written public comments on the Application. Staff filed testimony on January 11, 2023. Dominion filed rebuttal testimony on January 25, 2023. The public witness hearing was scheduled to convene telephonically on February 7, 2023, but was canceled because no public witnesses signed up to testify. The evidentiary hearing was convened on February 8, 2023. Counsel for Dominion and Staff appeared at the hearing.

On February 21, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report"), was issued. In the Report, the Chief Hearing Examiner found that the Commission should approve an updated Rider US-4 revenue requirement of \$16,458,687 and that Rider US-4 rates should be designed to recover the revenue requirement based on the allocation and rate design methodology proposed by the Company.³ The Chief Hearing Examiner further found that the performance guarantee adjustment in this proceeding should be calculated as agreed upon by the Company and Staff and based on the period of July 6, 2021, to July 5, 2022, and that the performance guarantee adjustment should transition to the use of a calendar-year period in next year's Rider US-4 annual update proceeding.⁴ Accordingly, the Chief Hearing Examiner recommended that the Commission enter an order adopting the findings of the Report, approving the updated Rider US-4 rates consistent with the Report's recommendations, and dismissing this case from the Commission's docket of active cases.⁵

On March 1, 2023, Dominion filed comments in support of the Report's findings and recommendations. In its comments, Dominion recommended that the Commission find that \$229,981 be credited to the Company's fuel factor related to performance of the Sadler Solar Facility for the July 6, 2021 to July 5, 2022 period.⁶ Dominion indicated that this amount represented the Company's calculation of the performance guarantee adjustment at a system level using a methodology with which Staff agreed.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Chief Hearing Examiner's findings and recommendations contained in the Report shall be adopted. The Commission approves an updated Rider US-4 with a total revenue requirement of \$16,458,687 for the Rate Year. Rider US-4 rates shall be designed to recover the revenue requirement based on the allocation and rate design methodology proposed by the Company. The performance guarantee adjustment in this proceeding shall be calculated as agreed upon by the Company and Staff and based on the period of July 6, 2021, to July 5, 2022. Specifically, we find that \$229,981 shall be credited to Dominion's fuel factor. The performance guarantee adjustment shall transition to the use of a calendar-year period in the Company's next Rider US-4 annual update proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted as set forth herein.
- (2) Rider US-4 is approved with a Rate Year revenue requirement of \$16,458,687.

¹ Ex. 2 (Application) at 1.

² *Id.* at 4.

³ Report at 14.

⁴ *Id.*

⁵ *Id.* at 15.

⁶ Dominion Comments at 1.

⁷ *Id.*

(3) Rider US-4, as approved herein, shall be effective for usage on and after sixty (60) days following the issuance of this Final Order, or, at the Company's option, shall be effective for usage on and after June 1, 2023.

(4) The Company forthwith shall file a revised Rider US-4 and supporting workpapers with the Clerk of the Commission and submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(5) The Company shall file its next Rider US-4 application on or after August 1, 2023.

(6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00123
APRIL 24, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: Line #183 Partial Rebuild Project

FINAL ORDER

On August 3, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in Fauquier and Prince William Counties, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Specifically, the Company proposes the following partial rebuild project located within existing right-of-way ("ROW") or on Company-owned property in Fauquier and Prince William Counties, Virginia (collectively, "Rebuild Project"):

- Rebuild an approximately 15.2-mile segment of the Company's existing 23.6-mile 115 kilovolt ("kV") Bristers-Ox Line #183 between Structure #183/12 and Structure #183/134. Specifically, remove existing Structures #183/13 through #183/133, of which, existing Structures #183/13 through #183/100 are predominantly single circuit 115 kV wood H-frame structures, and existing Structures #183/101 through #183/133 are predominately 115 kV weathering steel (COR-TEN®) lattice towers. The existing weathering steel (COR-TEN®) lattice towers are framed for double circuit construction; however, the davit arms for one of the circuits are currently vacant. The Company proposes to replace Structures #183/13 through #183/23 with 230 kV single circuit weathering steel H-frames, and to replace Structures #183/24 through #183/133 primarily with 230 kV double circuit weathering steel monopoles, which will have a set of three vacant davit arms available to allow for future load growth. This rebuild of the 15.2-mile segment of the Company's 115 kV Line #183 is inclusive of an approximately 0.11-mile single circuit 115 kV tap circuit, which feeds the Soweigo Delivery Point owned by Northern Virginia Electric Cooperative and will be rebuilt with two 230 kV single circuit weathering steel 3-pole structures. In addition to the structure replacements, the existing 3-phase twin-bundled 636 ACSR, single 636 ACSR, 4/0 ACSR and 740.8 AAAC conductors and existing shield wire on Line #183 between Structures #183/2 and #183/12 and between Structures #183/12 and #183/134 will be replaced with 3-phase twin-bundled 768.2 ACSS conductors and new optical ground wire fiber optic shield wires. The Company proposes to operate the rebuilt Line #183 at 115 kV until such time as 230 kV operation of the line is required.
- Upgrade line terminal equipment at the Company's existing Bristers Substation to support the new line rating of rebuilt Line #183.¹

According to the Application, Dominion proposes the Rebuild Project to replace aging infrastructure at the end of its service life, to comply with mandatory North American Electric Reliability Corporation ("NERC") Reliability Standards and the Company's mandatory electric transmission planning criteria, and to maintain reliable service for the overall growth in the area.² The Company states that the desired in-service date for the Rebuild Project is December 31, 2025.³ The Company further states that the estimated conceptual cost of the Rebuild Project (in 2022 dollars) is approximately \$38.2 million, which includes approximately \$38.0 million for transmission-related work and approximately \$0.2 million for substation-related work.⁴

¹ Exhibit ("Ex.") 1 (Application) at 2-3.

² *Id.* at 2.

³ *Id.* at 6. Dominion requests that the Commission enter a final order by July 30, 2023. *Id.* The Company states that, should the Commission issue a final order by July 30, 2023, the Company estimates that construction should begin in August 2024 and be completed in December 2025. *Id.*

⁴ *Id.*

On August 25, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On October 19, 2022, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained a Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Follow DEQ's recommendations for construction activities to avoid and minimize impacts to wetlands to the maximum extent possible;
- Follow the Virginia Marine Resources Commission's recommendation to initiate a new review with the agency should the proposed project change;
- Follow DEQ's recommendations regarding erosion and sediment control and stormwater management, as applicable;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, as applicable;
- Coordinate with the Department of Conservation and Recreation's ("DCR") Division of Natural Heritage to obtain an update on natural heritage information, and regarding its recommendations related to aquatic natural communities and invasive species management;
- Coordinate with Department of Historic Resources ("DHR") regarding the recommendation to perform additional archaeological and architectural surveying;
- Coordinate with the Department of Health regarding its recommendations to protect public drinking water sources;
- Follow the principles and practices of pollution prevention to the maximum extent practicable;
- Limit the use of pesticides and herbicides to the extent practicable; and
- Coordinate with the Department of Wildlife Resources ("DWR") regarding its recommendations to minimize adverse impacts from linear utility projects.⁵

On January 13, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of Dominion's Application. On January 27, 2023, the Company filed rebuttal testimony.

During this proceeding, no notices of participation or public comments were filed. No persons signed up to testify as a public witness and pursuant to Ordering Paragraph (5) of the Commission's Order for Notice and Hearing, the public witness hearing scheduled for February 14, 2023, was canceled. On February 15, 2023, the Senior Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion and Staff participated at the hearing.

On March 3, 2023, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report") was issued. In the Report, the Senior Hearing Examiner made the following findings and recommendations:

1. The Rebuild Project is needed to replace aging infrastructure that is at the end of its service life, to comply with the Company's Planning Criteria and mandatory NERC Reliability Standards, and to maintain reliable service for overall growth in the Rebuild Project area;
2. Line #183 should be rebuilt using 230 kV construction so that the line could be operated at 115 kV in the near-term but with the capability of converting to 230 kV operation when needed to support load growth;
3. A portion of Line #183 should be rebuilt to accommodate a second 230 kV circuit on the line's steel monopoles to support data center load growth expected to occur in the Rebuild Project area;
4. Incremental demand-side management will not obviate the need for the Rebuild Project;
5. The Company reasonably considered existing ROW for the Rebuild Project and will construct the project entirely within existing Company ROW;

⁵ Ex. 8 (DEQ Report) at 5-6.

6. The Rebuild Project will have no material adverse impact on scenic, environmental, or historic resources;
7. The comments in the DEQ Report by DCR Natural Heritage Program ("DCR/DNH") regarding the development of an invasive species management plan ("ISMP"), DEQ regarding the development of an environmental management system ("EMS"), and DWR regarding time-of-year construction restrictions are unnecessarily duplicative, and could lead to significant project cost increases and/or project delays;
8. The Commission should decline to adopt the foregoing recommendations in the DEQ Report;
9. The other recommendations in the DEQ Report Summary of Recommendations are "desirable or necessary to minimize adverse environmental impact" associated with the Rebuild Project;
10. There are no feasible alternatives to the Rebuild Project;
11. The Rebuild Project does not represent a hazard to public health or safety;
12. The Company reasonably addressed the impact of the Rebuild Project on aviation resources; and
13. The Company reasonably considered the requirements of the Virginia Environmental Justice Act ("VEJA") in its Application.⁶

Accordingly, the Senior Hearing Examiner recommended the Commission enter an order that adopts the findings and recommendations in the Report; issues a certificate of public convenience and necessity ("CPCN") to the Company to construct and operate the Rebuild Project; and dismisses the case from the Commission's docket of active cases.⁷

On March 9, 2023, Dominion filed comments on the Report supporting the findings and recommendations contained therein.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Rebuild Project. The Commission further finds that CPCNs authorizing the Rebuild Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

. . . . it shall be unlawful for any public utility to construct, enlarge, or acquire any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

[w]henver the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing ROW easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

⁶ Report at 23.

⁷ *Id.* at 24.

Public Convenience and Necessity

Dominion represented that the Rebuild Project is needed to maintain and improve electric service to customers in the Northern Virginia Load Area, to replace aging infrastructure that is at the end of its service life.⁸ The Commission agrees with the Senior Hearing Examiner that Dominion has reasonably demonstrated the Rebuild Project is needed to replace aging infrastructure that is at the end of its service life, to comply with the Company's Planning Criteria and mandatory NERC Reliability Standards, and to maintain reliable service for overall growth in the Rebuild Project area.⁹

In its Application, the Company explained the need to rebuild Line #183 at 230 kV but operate it at 115 kV.¹⁰ We agree with the Senior Hearing Examiner that Line #183 should be rebuilt using 230 kV construction so that the line could be operated at 115 kV in the near-term but with the capability of converting to 230 kV operation when needed to support load growth.

The Company asserts that rebuilding Line #183 utilizing 230 kV double circuit construction from Structures #183/24 through #183/133 with a set of three vacant davit arms will allow for the addition of a new 230 kV conductor when the need arises in the future, without requiring new ROW or expansion of the existing transmission ROW Line #183 shares with the 500 kV Bristers-Ox Line #539. We agree with the Senior Hearing Examiner and approve, based on the unique facts and circumstances of this case, a portion of Line #183 to be rebuilt to accommodate a second 230 kV circuit on the line's steel monopoles to support data center load growth expected to occur in the Rebuild Project area.¹¹

Economic Development

The Commission has considered the effect of the Rebuild Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Rebuild Project would support economic growth in the Commonwealth by continuing to provide reliable electric service.¹²

Rights-of-Way and Routing

Dominion has adequately considered usage of existing ROW. The Rebuild Project, as proposed, would be constructed on existing ROW and Company-owned property, and no new ROW is required.¹³

Impact on Scenic Assets and Historic Districts

The Commission finds that the Rebuild Project will avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the DHR, and the environment of the area concerned, as required by § 56-46.1 B of the Code.¹⁴

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.¹⁵

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Rebuild Project. This finding is supported by the DEQ Report, as nothing therein suggests the Rebuild Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.¹⁶ The Company disagreed with three of those recommendations.¹⁷ First, the Company requests that the Commission reject the recommendation by DCR/DNH related to the development and implementation of an ISMP.¹⁸

⁸ Ex. 1 (Application) at 3.

⁹ Report at 13.

¹⁰ Ex. 1 (Application) Appendix at 6-9.

¹¹ Report at 15.

¹² Ex. 7 (Ingram Direct) Staff Report at 20.

¹³ Ex. 1 (Application) at 6-7.

¹⁴ See Report at 16-17.

¹⁵ Code § 56-46.1 A.

¹⁶ Ex. 8 (DEQ Report) at 7, 9-10, 14, 17-21, 23-25.

¹⁷ Ex. 9 (Young Rebuttal) at 4.

¹⁸ *Id.* at 5-6.

Dominion represents that this recommendation is unnecessarily duplicative as the Company already has a comprehensive Integrated Vegetation Management Plan in place that utilizes mechanical, chemical, and cultural methods for controlling vegetation, including invasive species.¹⁹ We agree with the Senior Hearing Examiner that this recommendation is unnecessarily duplicative.

Next, the Company requests that the Commission reject the recommendation to consider the development of an effective EMS as unnecessarily duplicative, as the Company already has a comprehensive EMS Manual in place.²⁰ We agree with the Senior Hearing Examiner that this recommendation is unnecessarily duplicative.²¹

Finally, the Company requests that the Commission reject the DCR recommendation to conduct significant tree removal and ground-clearing activities outside of the primary songbird nesting season of March 15 through August 15. The Company asserts that because the Rebuild Project is proposed to be constructed within existing, cleared ROW, any tree and/or ground-clearing activities will not be significant.²² We agree with the Senior Hearing Examiner and decline to adopt this recommendation.²³ The Company shall coordinate with DWR to create appropriate construction restrictions should significant tree clearing or ground clearing be required.

Environmental Justice

The VEJA sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."²⁴ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."²⁵

The Commission agrees with the Senior Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.²⁶

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Rebuild Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCNs to construct and operate the Rebuild Project is granted as provided for herein, subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCNs to Dominion:

Certificate No. ET-DEV-FAU-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Fauquier County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00123, cancels Certificate No. ET-DEV-FAU-2021-A, issued to Virginia Electric and Power Company in Case No. PUR-2020-00080 on February 11, 2021.

Certificate No. ET-DEV-PRW-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Prince William County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00123, cancels Certificate No. ET-DEV-PRW-2022-A, issued to Virginia Electric and Power Company in Case No. PUR-2021-00291 on June 24, 2022.

¹⁹ *Id.* at 5.

²⁰ *Id.* at 7.

²¹ Report at 20.

²² Ex. 9 (Young Rebuttal) at 8.

²³ Report at 20.

²⁴ Code § 2.2-235.

²⁵ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rep. 368, 372-373, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rep. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rep. 190, 195, Final Order (Feb. 1, 2021).

²⁶ Report at 22, 23.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for each Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCNs issued in Ordering Paragraph (3) with the maps attached.

(6) The Rebuild Project approved herein must be constructed and in service by December 30, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00124
APRIL 14, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests

FINAL ORDER

During its 2020 Session, the Virginia General Assembly enacted Chapters 1193 (HB 1526) and 1194 (SB 851) of the 2020 Virginia Acts of Assembly. These duplicate Acts of Assembly, known as the Virginia Clean Economy Act ("VCEA"), became effective on July 1, 2020. The VCEA, *inter alia*, establishes a mandatory renewable energy portfolio standard ("RPS") program ("RPS Program") for Virginia Electric and Power Company ("Dominion" or "Company") in Code § 56-585.5. Code § 56-585.5 D 4 requires Dominion to submit annually to the State Corporation Commission ("Commission") plans and petitions for approval of new solar and onshore wind generation capacity ("RPS Filing").

As in prior RPS cases, the Commission must determine whether the instant RPS Filing is reasonable and prudent, giving due consideration to the following factors: (i) the RPS and carbon dioxide reduction requirements in Code § 56-585.5; (ii) the promotion of new renewable generation and energy storage resources within the Commonwealth, and associated economic development; and (iii) fuel savings projected to be achieved by the plan.¹

The Commission's final order regarding any RPS Filing is required by Code § 56-585.5 D 4 to be entered not more than six months after the date of such filing.

On October 14, 2022, Dominion submitted its annual RPS Filing to the Commission ("2022 RPS Filing" or "Petition"). The 2022 RPS Filing requests that the Commission:

- (i) Approve the Company's annual plan for the development of new solar, onshore wind, and energy storage resources ("RPS Development Plan") in connection with the mandatory RPS Program pursuant to Code § 56-585.5 D 4;
- (ii) Grant certificates of public convenience and necessity ("CPCNs") and approval to construct and operate eight utility-scale projects, consisting of seven utility-scale solar generating facilities ("CE-3 Solar Projects") totaling approximately 474 megawatts ("MW"), and one stand-alone energy storage resource ("Shands Storage") totaling approximately 15.7 MW (collectively, "CE-3 Projects") pursuant to Code § 56-580 D;
- (iii) Approve to recover through the Rider CE rate adjustment clause the costs of (a) the CE-3 Projects and related interconnection facilities, and (b) two distributed solar projects ("Ivy Landfill"), representing four distributed solar facilities, totaling approximately 6 MW, and related interconnection facilities ("CE-3 Distributed Solar Projects") pursuant to Code § 56-585.1 A 6;
- (iv) Approve an update to Rider CE for recovery of costs associated with solar projects and related interconnection facilities as approved by the Commission in prior RPS Filing proceedings;² and

¹ Code § 56-585.5 D 4.

² See *Petition of Virginia Electric and Power Company, For approval of the RPS Development Plan, approval and certification of the proposed CE-2 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, revision of rate adjustment clause, designated Rider CE, under § 56-585.1 A 6 of the Code of Virginia, and a prudence determination to enter into power purchase agreements pursuant to § 56-585.1:4 of the Code of Virginia*, Case No. PUR-2021-00146, Doc. Con. Cen. No. 220320113, Final Order (Mar. 15, 2022) ("2022 RPS Order"); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, Final Order (Apr. 30, 2021).

- (v) Make a prudence determination for the Company to enter into 13 power purchase agreements ("PPAs") for solar and energy storage resources totaling approximately 270 MW of solar and 49 MW of energy storage ("CE-3 PPAs") pursuant to Code § 56-585.1:4.³

The Company subsequently filed supplemental testimony addressing the impacts of the federal Inflation Reduction Act of 2022 on the Petition.⁴

On October 27, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order"), which established a procedural schedule; directed Dominion to provide public notice of its 2022 RPS Filing; scheduled public witness and evidentiary hearings on the 2022 RPS Filing; provided interested persons an opportunity to file written comments on the Petition or participate as respondents in this proceeding; and directed the Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon.

Notices of participation were filed by Appalachian Voices; the Solar Energy Industries Association ("SEIA"); the Virginia Committee for Fair Utility Rates; Walmart Inc. ("Walmart"); and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").⁵

Appalachian Voices, Walmart, and Staff filed testimony on December 21, 2022.⁶ Dominion filed rebuttal testimony on January 11, 2023. The Commission also received written public comments in this proceeding from interested persons.

In the Procedural Order, the Commission noted that Staff had requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the proposed CE-3 Projects. The DEQ filed a report ("DEQ Report") on December 9, 2022. The DEQ Report summarized the proposed CE-3 Projects' potential environmental impacts, made recommendations for minimizing those impacts, and outlined the Company's responsibilities for compliance with certain legal requirements governing environmental protection.

On January 11, 2023, the Commission issued an Order Assigning Hearing Examiner, which assigned a Hearing Examiner to conduct all further proceedings in this case and to file a final report containing findings and recommendations.

A public witness hearing was convened telephonically on January 30, 2023, as scheduled, to receive the testimony of any public witnesses that desired to provide comments on the Company's Petition. Six public witnesses testified.⁷ A public evidentiary hearing was convened in the Commission's courtroom on January 31 and February 1, 2023, to receive testimony and evidence offered by Dominion, respondents, and Staff on the Petition.⁸

On March 1, 2023, Hearing Examiner D. Mathias Roussy, Jr., issued a 168-page Report that analyzed the law, the evidence, and the arguments in this case and made detailed findings and recommendations ("Report"). The Report recommends that the Commission enter an order in this case that:

- (1) **FINDS** that Dominion's RPS Development Plan is reasonable and prudent based on the record of this case, giving due consideration to all factors required by Code § 56-585.5 D 4.
- (2) **DIRECTS** Dominion to include, in its next RPS plan filing, modeling results that:
 - incorporate the effects of the Inflation Reduction Act;
 - show the Commonwealth both in [the Regional Greenhouse Gas Initiative ("RGGI")] and out of RGGI; and
 - exclude a carbon shadow price from the baseline modeling analysis.
- (3) **DIRECTS** Dominion to address in its next RPS plan filing:
 - the load forecast, modeling, and planning implications of projecting (and conversely not projecting) a portion of data center load increases coming from [accelerated renewable energy buyers ("ARBs")]; and
 - Dominion's modeling assumption for energy efficiency beginning in 2026.
- (4) **DIRECTS** Dominion to upload to an RPS plan eRoom, at the time of future RPS plan filings:
 - electronic workpapers underlying the Company's economic analysis; and
 - any recent [integrated resource plan ("IRP")] on which the RPS plan is based.
- (5) **APPROVES** and **GRANTS** CPCNs for the CE-3 Solar Projects, subject to the conditions that Dominion:
 - comply with the uncontested recommendations of the DEQ Report;
 - obtain all environmental permits and approvals necessary to construct and operate the CE-3 Solar Projects; and
 - obtain and file with the Commission executed Interconnection Service Agreements indicating no unaddressed adverse impacts on system reliability, as a condition of approval for Cerulean, Courthouse, Moon Corner, and Southern Virginia Solar.

³ Ex. 8 (Petition) at 1-2.

⁴ This supplemental testimony was filed on November 22, 2022.

⁵ SEIA subsequently withdrew its notice of participation and instead participated in this proceeding through the submission of public comments and public witness testimony. Tr. 6-18.

⁶ Staff subsequently filed corrections to certain testimonies on January 19, 2023.

⁷ One witness testified via Microsoft Teams rather than telephonically.

⁸ All parties and Staff participated at the hearing, except for SEIA as noted above.

- (6) **DENIES** approval and a CPCN for Shands Storage.
- (7) **DIRECTS** Dominion, in its next CPCN filing accompanying an RPS plan petition, to:
- separate, in its economic analysis, any estimated social cost of carbon cost/benefit from the estimated ratepayer benefits and costs;
 - include further discussion on the estimated effect of carbon storage loss on the estimated level of CO₂ reductions from proposed generation facilities; and
 - incorporate a downward trend for projected [PJM Interconnection, LLC ("PJM")] marginal emission rates.
- (8) **ENCOURAGES** Dominion to allow [the Virginia Department of Conservation and Recreation ("DCR")] to review selected species lists for the CE-3 Projects so that DCR can share any relevant information.
- (9) **ENCOURAGES** Dominion to continue its ongoing environmental justice outreach.
- (10) **APPROVES** an updated Rider CE revenue requirement of approximately \$87.913 million, subject to the condition that Dominion take all reasonable steps to minimize ratepayer costs, including pursuing federal tax credits that best benefit ratepayers.
- (11) **DEFERS** any decision on proxy values to Case No. PUR-2021-00156.
- (12) **FINDS** the CE-3 PPAs are prudent.
- (13) **FINDS** Dominion over-complied with the 2021 RPS compliance obligation.
- (14) **DIRECTS** Dominion to conform its future compliance calculations to the *RPS Allocation Order* and to apply [renewable energy certificates ("RECs")] used for overcompliance in 2021 to compliance in 2022 or other future years.
- (15) **DIRECTS** or **ENCOURAGES** Dominion to allow, in future [Requests for Proposals ("RFPs")], pricing that includes fixed pricing, a range of positive escalators, but no negative escalators.
- (16) **DIRECTS** or **ENCOURAGES** Dominion and/or Staff to study the potential inclusion, in future RFPs, of a potential downward bid refresh mechanism.
- (17) **DIRECTS** or **ENCOURAGES** Dominion to continue its efforts regarding previously developed sites, including taking advantage of Virginia [Department of Energy's] relevant expertise.
- (18) **ADDRESSES** the 65%/35% legal issue, if the Commission decides the instant case is the appropriate proceeding.⁹

On March 14, 2023, Dominion, Appalachian Voices, Walmart, Consumer Counsel, and Staff filed comments on the Report.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.¹⁰

The Commission – as discussed in prior RPS orders – is guided in these matters by the statutes and the record. The Commission has continued to exercise its delegated discretion in a manner that faithfully implements the VCEA's carbon-reduction requirements, while best protecting consumers who expect and deserve reliable and affordable service.¹¹ The Commission herein (among other things) approves:

- seven utility-scale solar generating facilities, totaling approximately 474 MW;
- a stand-alone energy storage resource, totaling approximately 15.7 MW;
- the costs for the above projects and related interconnection facilities;
- the costs of two distributed solar projects (including interconnection facilities), representing four distributed solar facilities totaling approximately 6 MW; and
- 13 PPAs for solar and energy storage resources, totaling approximately 270 MW of solar and 49 MW of storage.

⁹ Report at 166-167 (emphases in original).

¹⁰ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹¹ With respect to issues raised by participants not expressly addressed by the Commission herein, the Commission finds that resolution of such issues is not necessary for the decision in this proceeding, and the Commission hereby exercises its discretion not to address such for purposes of the instant order.

As set forth above, the Hearing Examiner's Report concludes with 18 well-structured recommendations for purposes of the instant RPS proceeding. Accordingly, the remainder of this Final Order addresses each enumerated recommendation, *seriatim*, as listed in the Report.¹²

RPS Development Plan

Recommendation 1

The Commission finds that Dominion's RPS Development Plan is reasonable and prudent based on the record of this case, giving due consideration to all factors required by Code § 56-585.5 D 4.

Recommendation 2

The Commission directs Dominion to include, in its next RPS plan filing, modeling results that incorporate the effects of the Inflation Reduction Act, and that show the Commonwealth both in RGGI and out of RGGI. For the shadow price of carbon, the Commission finds reasonable Dominion's proposal to exclude from its carbon dispatch adder an indirect cost associated with the social cost of carbon.

Recommendation 3

The Commission finds reasonable Dominion's proposal to address – in its next IRP proceeding – (i) the load forecast, modeling, and planning implications of projecting (and conversely not projecting) a portion of data center load increases coming from ARBs, and (ii) its modeling assumption for energy efficiency beginning in 2026.

Recommendation 4

Dominion is directed to upload to an RPS plan eRoom, at the time of future RPS plan filings, electronic workpapers underlying the Company's economic analysis. In addition, the Commission will not require Dominion to upload its IRP to the RPS plan eRoom in its next RPS proceeding; however, the Commission expressly does not rule on the relevancy of any portion of the IRP for purposes of a future RPS proceeding.

New Company-Owned Resources

Recommendation 5

The Commission approves and grants CPCNs for the CE-3 Solar Projects, subject to the conditions that Dominion: (1) comply with the uncontested recommendations of the DEQ Report; (2) obtain all environmental permits and approvals necessary to construct and operate the CE-3 Solar Projects; and (3) obtain and file with the Commission executed Interconnection Service Agreements indicating no unaddressed adverse impacts on system reliability, as a condition of approval for Cerulean, Courthouse, Moon Corner, and Southern Virginia Solar.

Recommendation 6

Significant energy storage targets are contained in the VCEA¹³ as well as the Commission's Regulations Governing Deployment of Energy Storage.¹⁴ As previously recognized by the Commission, "[t]he VCEA envisions significant increased deployment of energy storage resources in Virginia through 2035."¹⁵ At the same time, as argued by Consumer Counsel, the VCEA does not require the Commission to approve cost recovery for all new projects *at any cost*.¹⁶ In evaluating Shands Storage, the Commission has considered, among other things, the aforementioned provisions of the VCEA as enacted by the General Assembly, the relatively nascent stage of energy storage deployment in the Commonwealth, and the experience that Dominion will gain from operating Shands Storage. We have also carefully considered the cost to Dominion's customers and the results of the economic analysis presented by Dominion, as well as other statutory standards applicable to this type of resource.¹⁷

Based on the particular record developed herein, including the thorough and well-reasoned Report prepared by the Hearing Examiner, the Commission approves and grants a CPCN to Shands Storage, subject to compliance with the recommendations in the DEQ Report (except as otherwise recommended by the Hearing Examiner), and finds that Dominion should be required to obtain all environmental permits and approvals necessary to construct and operate the project.¹⁸

¹² Unless otherwise noted, where the Commission herein adopts the Hearing Examiner's recommendation, such is based on analysis and rationale therefor as set forth in the Report.

¹³ See Code § 56-585.5 E 2.

¹⁴ 20 VAC 5-335-10 *et seq.*

¹⁵ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules and regulations pursuant to § 56-585.5 E 5 of the Code of Virginia related to the deployment of energy storage*, Case No. PUR-2020-00120, 2020 S.C.C. Ann. Rept. 562, 563, Order Adopting Regulations (Dec. 18, 2020).

¹⁶ Consumer Counsel Comments at 1.

¹⁷ See, e.g., Report at 109-140. We find that Dominion has sufficiently demonstrated the need for additional capacity that will be provided by Shands Storage. Ex. 25 (Drummond Direct) at 6-7.

¹⁸ Report at 140.

Recommendation 7

In its next CPCN filing accompanying an RPS plan petition, Dominion is directed: (1) to separate, in its economic analysis, any estimated social cost of carbon cost/benefit from the estimated ratepayer benefits and costs; and (2) to include further discussion on the estimated effect of carbon storage loss on the estimated level of CO₂ reductions from proposed generation facilities. In addition, the Commission finds reasonable Dominion's proposal not to incorporate a downward trend for projected PJM marginal emission rates at this time.¹⁹

Recommendation 8

The Commission finds reasonable Dominion's proposal not to require additional selected species review for the CE-3 Projects.

Recommendation 9

The Commission encourages Dominion, consistent with the Company's ongoing and already-planned activities, to continue its environmental justice outreach.

Rider CE*Recommendation 10*

The Commission approves a Rate Year revenue requirement for Rider CE of \$89.154 million.²⁰ This revenue requirement includes the Rate Year cost recovery associated with the previously approved CE-1 and CE-2 Projects and the proposed CE-3 Solar Projects, as well as cost recovery for Shands Storage and the two CE-3 Distributed Solar Projects. Having approved and granted CPCNs to the CE-3 Solar Projects and Shands Storage as set forth above, the Commission likewise finds that cost recovery for those projects is approved.²¹

In approving cost recovery for the two CE-3 Distributed Solar Projects,²² the Commission considered the particular record developed herein in conjunction with the provisions of the VCEA that apply to facilities that are not utility scale in size. First, Code § 56-585.5 C provides in part that:

A Phase II Utility shall meet one percent of the RPS Program requirements in any given compliance year with solar, wind, or anaerobic digestion resources of one megawatt or less located in the Commonwealth, with not more than 3,000 kilowatts at any single location or at contiguous locations owned by the same entity or affiliated entities. . . .

Ivy Landfill is comprised of three individual 1 MW facilities on contiguous locations in the Commonwealth, permitting it to contribute towards the Company's compliance with this annual requirement.²³

In addition, Code § 56-585.5 D 2 addresses facilities that do not exceed 3 MW in size, directing that:

By December 31, 2035, each Phase II Utility shall petition the Commission for necessary approvals to (i) construct, acquire, or enter into agreements to purchase the energy, capacity, and environmental attributes of 16,100 megawatts of generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind, *which shall include 1,100 megawatts of solar generation of a nameplate capacity not to exceed three megawatts per individual project.* . . . (Emphasis added.)

The CE-3 Distributed Solar Projects together will contribute 6 MW towards this 1,100 MW target.²⁴

¹⁹ Ex. 64 (Drummond Rebuttal) at 11.

²⁰ As recommended by the Hearing Examiner, the Commission also approves the Company's proposed allocation and rate design for purposes of this proceeding and subject to modification in future Rider CE proceedings. Report at 147.

²¹ The Commission further finds, as recommended by the Hearing Examiner, that the Company is not prohibited from electing to opt out of normalization requirements with respect to Shands Storage. *Id.* at 143. "This election, which only involves this Company-owned storage resource, would allow Dominion to accelerate the beneficial impact of [investment tax credits] on future Shands Storage revenue requirements." *Id.* at 143-144.

²² The CE-3 Distributed Solar Projects do not require CPCNs as a result of their size. Ex. 15 (Flowers Direct) at 8.

²³ *Id.* at 21.

²⁴ *Id.* at 20-21.

In approving these facilities, the Commission also considered that the CE-3 Distributed Solar Projects will provide needed capacity, energy, and RECs.²⁵

While the traditional economic analysis of the CE-3 Distributed Solar Projects did not show positive results under the assumptions considered,²⁶ these resources were identified through a competitive procurement process.²⁷ The Commission further considered that these smaller facilities provide unquantified benefits, including that lower individual project development and capital costs can provide greater opportunities to use a more diverse set of project developers.²⁸

Recommendation 11

The Commission defers any decision on proxy values to Case No. PUR-2021-00156.

New Third-Party-Owned Resources

Recommendation 12

The Commission finds that the 13 CE-3 PPAs are prudent.

2021 RPS Compliance

Recommendations 13 and 14

The Commission finds that Dominion met the 2021 RPS compliance obligation, and that any over-compliance can be credited to future compliance years. The Company's future compliance calculations shall conform with Commission orders. In addition, issues related to the treatment of over-compliance, and with related RECs, may be addressed as needed through future RPS proceedings.

Requests for Proposals

Recommendations 15, 16, and 17

The Commission finds that it is reasonable not to adopt these RFP-focused recommendations at this time based on the record developed herein. The Commission continues to strongly encourage the Company to consider input from interested parties and Staff and to continue to refine and update its RFP processes to ensure the inclusion of the most economical and least environmentally invasive projects.²⁹

Legal Issue

Recommendation 18

Based on the findings herein, the Commission's specific conclusions in the instant proceeding are not dependent upon whether Code § 56-585.5 D permits *more than 35%* of capacity to come from third-party-owned resources. Both Appalachian Voices and Walmart, however, strongly implore the Commission to make a ruling *now* on this legal question.³⁰ These parties explain, among other things, how the ultimate resolution of this statutory requirement may materially impact each annual RPS plan going forward (including the next statutorily-required annual RPS application and proceeding) and the potential costs of compliance with the VCEA.

²⁵ Ex. 25 (Drummond Direct) at 5-10.

²⁶ Ex. 50 (Kuleshova) at 21; Report at 144-147.

²⁷ Ex. 15 (Flowers Direct) at 10, 23.

²⁸ *Id.* at 23.

²⁹ For example, there appears to be agreement on certain RFP-related issues in this case, such as (i) increasing the weight of certain non-price factors in project scoring criteria and (ii) including in future RPS filings a description of the Company's progress with increasing EPC contractors' participation in the RFP process. *See, e.g.*, Staff's Comments at 2-3; Report at 67; Tr. 375.

³⁰ *See, e.g.*, Appalachian Voices Comments at 2-4; Walmart Comments at 2-4.

In this regard, the Commission's role in this context is to reach a legal conclusion based on Supreme Court of Virginia jurisprudence. That jurisprudence, as recently reiterated by the Court, does not permit an inquiry into "what the legislature meant" but, rather, courts (including the Commission) "can only administer the law as it is written."³¹ This particular law is written as follows: "... and 35 percent of such generating capacity procured shall be from [third-party-owned resources], with the remainder, in the aggregate, being from construction or acquisition by [Dominion]."³² As written, the above says that "35%" – neither something more nor something less – "shall" be from third-party-owned resources.³³

Next, in considering the instant "debate over the textual and contextual meaning of [this] statutory provision[],"³⁴ the Commission has also "consider[ed] the entire statute to place its terms in context."³⁵ The statutory provision at issue here is not the only instance where the General Assembly legislated fractions of a whole number in Code § 56-585.5, and those instances include the following (emphases added):

- "a minimum of 50 percent of the respective electric output to low-income utility customers" (Code § 56-585.5 A);
- "at least 75 percent of all RECs used by [Dominion] in a compliance period shall come from" (Code § 56-585.5 C);
- "no less than 25 percent of such one percent shall be composed of low-income qualifying projects" (Code § 56-585.5 C);
- "that supply no more than 10 percent of their annual net electrical generation to the electric grid or no more than 15 percent of their annual total useful energy" (Code § 56-585.5 C);
- "that supply 10 percent or more of their annual net electrical generation to the electric grid or more than 15 percent of their annual total useful energy to any entity" (Code § 56-585.5 C);
- "added incremental generation representing greater than 50 percent of the original nameplate capacity" (Code § 56-585.5 C);
- "including the goal of installing at least 10 percent of such energy storage projects behind the meter" (Code § 56-585.5 D 4); and
- "at least 35 percent of the energy storage facilities placed into service shall be [from third-party-owned resources]" (Code § 56-585.5 E 5).

Accordingly, the General Assembly explicitly confirmed that it knew how to attach modifiers to legislated fractions of a whole number in Code § 56-585.5 – including "no less than" and "at least" – but did not do so for the 35% directive at issue here.³⁶ Moreover, contrary to respondents' arguments, other language in Code § 56-585.5 D (such as the reference to "necessary approvals to construct, acquire, or enter into agreements") does not change the plain meaning of the 35% directive herein. The General Assembly did not mandate by oblique allusion that which it chose to mandate directly (*i.e.*, by including explicit modifiers to percentage directives) elsewhere in the same statute. Indeed, the Commission must presume that the General Assembly both included, and *omitted*, such modifiers with "equal care."³⁷

Finally in this regard, the Commission recognizes that the parties' legal briefs include explanations of particular policy virtues promoted by their positions. Those virtues, however, cannot be part of the Commission's legal analysis herein. That is, in determining the legislative intent of the law as it is written, the Commission is not permitted to "speculat[e] about extra-textual notions of public policy,"³⁸ nor to consider the "policy virtues of [the parties'] proffered interpretations."³⁹ The Commission concludes that Code § 56-585.5 D, as written, does not permit more than 35% of capacity to come from third-party-owned resources.

³¹ *Appalachian Power Co. v. State Corp. Comm'n*, ___ Va. ___, ___, 876 S.E.2d 349, 358 (2022) (citations and internal quotation marks omitted).

³² Code § 56-585.5 D 2.

³³ In addition, no party has established that this requirement is internally inconsistent or incapable of operation. *See, e.g., Chaffins v. Atlantic Coast Pipeline, LLC*, 293 Va. 564, 570 (2017) ("The phrase 'absurd result' has a specific meaning in our jurisprudence. It describes situations in which the law would be internally inconsistent or otherwise incapable of operation.") (citations and internal quotation marks omitted). Similarly, no party has established that the mandatory "shall" somehow means the permissive "may" in this context. *See, e.g., Wal-Mart Stores East, LP v. State Corp. Comm'n*, 299 Va. 57, 70 n.5 (2020) (discussing traditional rules applying "shall" as mandatory and "may" as permissive).

³⁴ *Appalachian Power Co.*, ___ Va. at ___, 876 S.E.2d at 358.

³⁵ *Virginia Elec. and Power Co. v. State Corp. Comm'n*, 300 Va. 153, 161 (2021) (citations and internal quotation marks omitted).

³⁶ *See, e.g., Zinone v. Lee's Crossing Homeowners Ass'n*, 282 Va. 330, 337 (2011) ("Moreover, when the General Assembly has used specific language in one instance, but omits that language or uses different language when addressing a similar subject elsewhere in the Code, we must presume that the difference in the choice of language was intentional.") (citations omitted).

³⁷ *Virginia Elec. and Power Co.*, 300 Va. at 163 ("We presume that the legislature chose, with care, the specific words of the statute and that the act of choosing carefully some words necessarily implies others are *omitted* with equal care. ... Indeed, as we have observed, we regularly reject invitations to read into a statute language that is not there, because of the long-established rule that courts cannot add language to a statute the General Assembly has not seen fit to include.") (emphasis added) (citations and internal quotation marks and edits omitted).

³⁸ *Appalachian Voices v. State Corp. Comm'n*, ___ Va. ___, ___, 879 S.E.2d 35, 38 (2022)

³⁹ *Appalachian Power Co.*, ___ Va. at ___, 876 S.E.2d at 358.

Accordingly, IT IS ORDERED THAT:

(1) The RPS Development Plan is approved as set forth herein.

(2) Subject to the conditions and requirements set forth in this Final Order, Dominion is granted approval and Certificates of Public Convenience and Necessity as set forth below to construct and operate the following solar and/or storage facilities. The Company forthwith shall file maps of each solar/storage facility with the Commission's Division of Public Utility Regulation.

- CE-3 Solar Facilities:
 - Bridleton: CPCN No. EG-DEV-HCO-2023-A
 - Cerulean: CPCN No. EG-DEV-RIC-2023-A
 - Courthouse: CPCN No. EG-DEV-CHA-2023-A
 - Kings Creek: CPCN No. EG-DEV-YOR-2023-A
 - Moon Corner: CPCN No. EG-DEV-RIC-2023-B
 - North Ridge: CPCN No. EG-DEV-POW-2023-A
 - Southern Virginia: CPCN No. EG-DEV-PIT-2023-A
- CE-3 Storage Facility:
 - Shands: CPCN No. ES-DEV-SUS-2023-A

(3) The CE-3 PPAs are found to be prudent as set forth herein.

(4) The Company forthwith shall file a revised Rider CE tariff and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(5) Rider CE, as approved herein, shall be effective for usage on and after May 1, 2023.

(6) On or after September 15, 2023, the Company shall file its next RPS Filing and its application to revise Rider CE.

(7) Subsequent RPS Filings must continue to comply with all prior Commission directives, as ordered in previous RPS proceedings, in addition to the requirements set forth herein.

(8) This case is dismissed.
Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00125
JANUARY 23, 2023**

APPLICATION OF
ROANOKE GAS COMPANY

For approval of a certificate of public convenience and necessity to construct, own, and operate a digester gas conditioning system and for a rate adjustment clause designated Rider RNG and related tariff provisions pursuant to Chapters 10.1 and 30 of Title 56 of the Code of Virginia

FINAL ORDER

On August 3, 2022, Roanoke Gas Company ("Roanoke Gas" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application"), pursuant to Chapters 10.1 and 30 of Title 56 of the Code of Virginia ("Code"), for approval of a biogas supply investment plan.¹ The Company seeks to buy anaerobic digester gas ("Digester Gas") from the Western Virginia Water Authority ("WVWA"), which will be processed through a digester gas conditioning system, gas carrying pipe, and other necessary equipment ("RNG Facility"), constructed, owned, operated, and maintained by the Company, to produce renewable natural gas ("RNG").² Specifically, the Company seeks approval of: (1) a certificate of public convenience and necessity to construct, own, operate, and maintain the RNG Facility pursuant to the Utility Facilities Act, Code § 56-265.1 *et seq.*; (2) a rate adjustment clause designated Rider RNG, for the recovery of projected costs associated with the RNG Facility as permitted under Chapter 30 of Title 56 of the Code,³ and (3) tariff provisions pursuant to Code §§ 56-248.1 and 56-234 related to the RNG Facility, the Company's procurement of "supplemental and substitute forms of gas" under the Code, and the interconnection of renewable gas facilities owned and operated by third parties with the Company's distribution system.⁴ Pursuant to Code § 56-625 C, the Commission "shall approve or deny, within 180 days, a natural gas utility's initial application for a biogas supply investment plan."

¹ Application at 1.

² *Id.*

³ Code § 56-625.

⁴ Application at 1-2.

On August 29, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things: directed Roanoke Gas to provide public notice of its Application; scheduled public witness and evidentiary hearings for the purpose of receiving testimony from public witnesses and evidence on the Application; provided interested persons an opportunity to file written comments on the Application or participate as respondents in this proceeding; directed the Commission Staff ("Staff") to investigate the Application and file testimony with the results of the investigation; and assigned this case to a Hearing Examiner to conduct all further proceedings in this matter and to file a report.

Appalachian Voices filed a notice of participation on September 23, 2022, and testimony on October 21, 2022.⁵ Staff filed testimony on October 31, 2022.⁶ Roanoke Gas filed rebuttal testimony on November 14, 2022.⁷ The Commission also received four public comments regarding the Application, all in support.

In the Procedural Order, the Commission noted that Staff had requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the proposed RNG Facility. The DEQ filed the results of its coordinated review ("DEQ Report") on November 7, 2022.⁸ The DEQ Report summarized the proposed RNG Facility's potential environmental impacts, made recommendations for minimizing those impacts, and outlined the Company's responsibilities for compliance with certain legal requirements governing environmental protection.⁹

On November 18, 2022, Commission Hearing Examiner D. Mathias Roussy, Jr., convened a hearing to receive the testimony of Appalachian Voices' witness. On November 21, 2022, the telephone testimony of one public witness was received. On November 22, 2022, the remaining evidence of the parties and Staff was received into the record. Roanoke Gas, Appalachian Voices, and Staff participated in the hearings.

The Hearing Examiner issued his Report ("Report") in this matter on December 19, 2022. On January 4, 2023, comments on the Report were filed by Roanoke Gas, Appalachian Voices, and Staff.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.¹⁰

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹¹

Accordingly, I RECOMMEND the Commission enter an order that:

- (1) *GRANTS* a certificate of public convenience and necessity for the RNG Facility, subject to the conditions that the Company: (a) adhere to the recommendations of the DEQ Report; (b) obtain all necessary environmental and applicable local government permits and approvals; and (c) adhere to Staff's safety recommendations, to the extent they apply to the RNG Facility;
- (2) *APPROVES* Rider RNG, with an initial, nine-month revenue requirement credit of \$127,398, subject to the condition that the Company take all reasonable steps to lower the costs to construct and operate the RNG Facility, which includes maximizing RIN¹² proceeds and seeking any applicable tax credits that are currently available or become available in the future;
- (3) *DIRECTS* the Company to file annual updates to Rider RNG that include a true-up mechanism;
- (4) *DIRECTS* the Company to present Rider RNG charges or credits as a separate line item on customer bills;
- (5) *APPROVES* the Company's proposed tariff provisions, with approval for Rate Schedule RNG Receipt conditioned on the Company's adherence to all of Staff's safety recommendations to the extent they apply to facilities other than the Company's proposed RNG Facility with Staff recommendation (11) modified as recommended herein; and
- (6) *DISMISSES* this case from the Commission's docket of active cases.

⁵ See, e.g., Ex. 1 (Clarens Direct).

⁶ See, e.g., Ex. 20/20C (Otwell Direct); Ex. 21 (Newton Direct); Ex. 22 (Connolly Direct); Ex. 23/23C (Kuleshova Direct).

⁷ See, e.g., Ex. 24 (Schneider Rebuttal); Ex. 25/25C (Banka Rebuttal); Ex. 26 (Cox Rebuttal); Ex. 28 (Luna Rebuttal); Ex. 30 (Oliver Rebuttal).

⁸ See Ex. 19 (DEQ Report).

⁹ See e.g., *id.* at 3-6.

¹⁰ The Commission has fully considered the evidence and arguments in the record. See also *Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹¹ Report at 86 (emphases in original).

¹² Renewable Identification Number.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's rulings, findings, and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein.¹³ In so concluding, the Commission approves the Application, including the requested certificate of public convenience and necessity; Rider RNG; and proposed tariff revisions, subject to the conditions and requirements recommended by the Hearing Examiner and further set forth herein. In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

2022 Legislation

The instant proceeding represents the first filing under the legislation ("2022 Legislation") enacted by the 2022 General Assembly and codified at Code § 56-625.¹⁴ As acknowledged by the Hearing Examiner, there is overlap and duplication in the statutory standards applicable to this case.¹⁵ At a high level, Code § 56-625 contains: (1) certain requirements or elements of a "biogas supply investment plan"; (2) standards for determining whether the RNG Facility is an "[e]ligible biogas supply infrastructure project[]" includable in such a "plan;" and (3) standards requiring that the Commission "shall approve" such a "plan."¹⁶

Emissions Reductions

A significant issue in this case was the extent to which Roanoke Gas's RNG Facility, and by extension its biogas supply investment plan, will result in a decrease of methane or carbon dioxide equivalent emissions and, in particular, whether emissions reductions from WVWA's digester rehabilitation project may be considered. In this regard, the Commission agrees with the analysis and conclusions set forth by the Hearing Examiner:

I read the statute to allow any reasonably anticipated reduction in relevant emissions from the RNG Facility to be combined with ("in combination with") any such reduction from the digester rehabilitation (an "other project[]") by the WVWA. The RNG Facility was developed with the WVWA (a "third party"), which will, among other things, provide the necessary digester gas and property. These are complementary, interconnected projects that were designed concurrently and are being overseen by the same engineering firms. Company witness Luna, for example, was hired by RK&K to help engineer and design the WVWA's project and Roanoke Gas's RNG Facility to optimally work together. As memorialized by several finalized and pending contracts, WVWA and Roanoke Gas have jointly developed strategies for the construction and operation of the RNG Facility, which include the sale of the environmental attributes of the biogas. These attributes cannot be sold without the RNG Facility. Accordingly, this is a type of strategic partnership that may be used to achieve the underlying policy if, among other things, the RNG Facility – "in combination with" the WVWA's project – will reduce emissions. This part of the statute can be satisfied either with such combination or by considering the RNG Facility alone.¹⁷

Based on the record developed in this proceeding, the Commission agrees with the Hearing Examiner that the record supports a finding that the RNG Facility, in combination with the WVWA's digester rehabilitation project, will result in a decrease of methane or carbon dioxide equivalent emissions and that such satisfies the statute.¹⁸

Public Interest

Appalachian Voices asserts that the Hearing Examiner "should have included the Projects' costs to customers in his public interest balancing."¹⁹ "Without considering costs to customers in the public interest prong, [] the public interest analysis becomes a mere formality, and the result a foregone conclusion."²⁰ We disagree and find the Hearing Examiner's balancing of the various public interest factors to be rigorous. We further clarify, however, that additional consideration of the costs to customers of the RNG Facility (beyond any considerations encompassed by the Hearing Examiner) would not change our conclusion that the RNG Facility and the associated biogas supply investment plan is in the public interest. As stated by the Hearing Examiner, "Roanoke Gas's project has the potential to achieve a rare combination of increasing local fuel supply, reducing greenhouse gas emissions, and increasing a utility's profit while also lowering customer rates."²¹

¹³ See Report.

¹⁴ 2022 Va. Acts ch. 728, 759.

¹⁵ Report at 61.

¹⁶ *Id.*

¹⁷ *Id.* at 67.

¹⁸ *Id.* at 67-74.

¹⁹ Appalachian Voices Comments at 4.

²⁰ *Id.* at 4-5.

²¹ Report at 2. Appalachian Voices also urges the Commission to consider the cost to customers per metric ton of carbon dioxide as part of its consideration of the public interest. Appalachian Voices Comments at 5. We decline to adopt such as a mandatory criterion for consideration of whether approval is in the public interest.

Sharing of RIN Proceeds and Performance Guarantee

Roanoke Gas proposes for shareholders to receive a portion of the RIN proceeds as an incentive to maximize RIN sales.²² Such incentive would be in addition to dollar-for-dollar cost recovery and a 100 basis-point return on equity adder under Code § 56-625. We agree with the Hearing Examiner that Rider RNG rates will be just and reasonable if the Company's proposal for shareholders to receive a share of RIN proceeds is removed.²³ Further in this regard, the Company is directed to take all reasonable steps to lower the costs to construct and operate the RNG Facility, which includes maximizing RIN proceeds and seeking any applicable tax credits that are currently available or become available in the future. We will not, however, require a performance guarantee associated with the RNG Facility at this time.

Pipeline Safety

The injection of RNG, derived from wastewater, into a local distribution company's distribution system is a new practice in Virginia and the record established in this proceeding shows "possible deleterious effect to a natural gas distribution system from certain constituents potentially found in such RNG."²⁴ The Commission finds the Hearing Examiner's recommended modification to recommendation number (11) of Staff witness Connolly is reasonable and appropriate at this time.²⁵ As the Commission gains experience with RNG and its impact on the local distribution system, this condition may be revisited, revised, or superseded to ensure pipeline safety.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Subject to the findings and requirements set forth in this Final Order, the Company is granted Generation Certificate No. EG-RNG-ROX-2023-A to construct and operate the RNG Facility.
- (4) The Company shall forthwith work with Staff to file electronic maps of the RNG Facility for certification. The electronic maps shall include the boundaries of the RNG Facility; the utility point of interconnection; county designations; geographic identifiers (road names, waterways, etc.); and the Global Positioning System coordinates of the RNG Facility. The electronic maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, by email at mike.cizenski@scc.virginia.gov.
- (5) The Company shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (6) The Company may implement Rider RNG upon acceptance of its revised tariffs and terms and conditions of service by Commission Staff.
- (7) Roanoke Gas shall file an application to update Rider RNG by May 30, 2023, and include the annual reports required by Code § 56-625 E and Enactment Clause 3 of the 2022 Legislation regarding reductions in methane and carbon dioxide equivalent emissions.
- (8) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

²² Report at 77.

²³ *Id.* at 85.

²⁴ *See, e.g.*, Staff Comments at 2 (citing Ex. 22 (Connolly Direct)) at 3-10.

²⁵ Report at 83-84.

**CASE NO. PUR-2022-00127
MARCH 24, 2023**

APPLICATION OF
TRUCONNECT COMMUNICATIONS, INC.

For designation as an eligible telecommunications carrier

FINAL ORDER

On August 3, 2022, TRUCONNECT COMMUNICATIONS, INC. ("TRUCONNECT" or "Company"),¹ filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),² § 56-479.4 of the Code of Virginia ("Code"),³ and 5 VAC 5-20-100 A of the Commission's Rules of Practice and Procedure,⁴ requesting that the Commission enter an order designating TRUCONNECT as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁵ Specifically, TRUCONNECT asked for ETC designation solely to provide Lifeline service to qualifying Virginia consumers.⁶ TRUCONNECT stated that it provides prepaid wireless telecommunications services to consumers by using the underlying wireless network of T-Mobile USA, Inc., on a wholesale basis.⁷ TRUCONNECT requested ETC designation that is statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based carrier has wireless coverage.⁸

In support of the Application, TRUCONNECT stated that it is currently designated and operating as a wireless ETC in California, New Jersey, Massachusetts, Rhode Island, Vermont, and the U.S. Virgin Islands, and is authorized by the FCC and the Universal Service Administration Company ("USAC") to participate in the Affordable Connectivity Program throughout the United States, including Virginia.⁹

According to the Application, TRUCONNECT will provide affordable prepaid wireless services including: (1) local and long-distance calling; (2) access to the following custom calling features at no charge: (a) Caller ID; (b) Call Waiting; (c) Call Forwarding; (d) 3-Way Calling; and (e) Voicemail; (3) text messaging; (4) broadband access; and (5) the option for a consumer to "bring their own device."¹⁰ TRUCONNECT stated that its products and plans will be specially geared toward serving lower income communities, especially in rural areas that are predominantly unserved by other ETCs designated in the state, and its service models and pricing plans will reflect this mission.¹¹ TRUCONNECT further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹² For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, TRUCONNECT stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹³

On September 13, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed TRUCONNECT to provide notice of its Application to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

¹ While Application states the Company's name as TruConnect Communications Inc., records provided in response to discovery in the course of this proceeding documents that the official name of the Company on record with the State Corporation Commission as TRUCONNECT COMMUNICATIONS, INC. See Staff Report at 1 n.1.

² 47 C.F.R. §§ 54.101-54.207.

³ 2022 Va. Acts ch. 436.

⁴ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁵ Application at 1.

⁶ *Id.* at 2.

⁷ *Id.* at 4.

⁸ *Id.* at 12 and Exhibit 3.

⁹ *Id.* at 4-5.

¹⁰ *Id.* at 6.

¹¹ *Id.*

¹² *Id.* at 9-20.

¹³ *Id.* at 15-16.

On October 19, 2022, TRUCONNECT filed its proof of the notice and service as directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on TRUCONNECT's Application.

On December 8, 2022, TRUCONNECT filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice to govern the procedure for the production and use of confidential information in the course of responding to discovery in this proceeding.

On January 12, 2023, Staff filed its Staff Report, which detailed Staff's review of TRUCONNECT's Application for ETC designation for purposes of participating in the Lifeline program.¹⁴ Staff did not oppose the Commission granting ETC designation to TRUCONNECT, and recommended certain requirements be included in any order granting TRUCONNECT an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹⁵ Specifically, Staff recommended:

- TRUCONNECT should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- TRUCONNECT should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- TRUCONNECT should be required to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program;
- TRUCONNECT should be required to comply with the CTIA Consumer Code for Wireless Service;
- TRUCONNECT should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;
- TRUCONNECT should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- TRUCONNECT should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission's Staff, as well as provide timely updates for all future changes;
- TRUCONNECT should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider; and
- The Company should be required to not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against TRUCONNECT that the Commission finds meritorious, may be grounds for suspension or revocation of TRUCONNECT's ETC designation.¹⁶

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107,¹⁷ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- TRUCONNECT will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁸

On January 12, 2023, TRUCONNECT filed a letter stating that the Company will not be filing a response to the Staff Report, and requesting that the Commission enter an order granting the relief sought in its Application along with the conditions recommended in the Staff Report.

¹⁴ Staff Report at 1-8. The FCC's Lifeline program is administered by USAC and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 n.8 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹⁵ Staff Report at 8.

¹⁶ *Id.* at 8-10.

¹⁷ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁸ Staff Report at 11.

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that TRUCONNECT's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff. The Commission also finds that the Company's Motion is moot, and, therefore, the Motion should be denied.¹⁹

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-479.4, TRUCONNECT's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.

(2) TRUCONNECT's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based provider has wireless coverage.

(3) TRUCONNECT shall file or update necessary product guides for Lifeline services consistent with FCC requirements.

(4) TRUCONNECT shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.

(5) TRUCONNECT shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program, including, unless modified or eliminated by the FCC, the requirement to provide to Lifeline consumers E911 compliant handsets and to replace, at no additional charge, noncompliant handsets.

(6) TRUCONNECT shall comply with the CTIA Consumer Code for Wireless Service.

(7) TRUCONNECT shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.

(8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer, and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.

(9) TRUCONNECT shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to Staff upon request.

(10) TRUCONNECT shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.

(11) TRUCONNECT shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.

(12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.

(13) TRUCONNECT shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.

(14) TRUCONNECT's Motion is denied.

(15) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁹ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot noting that Staff will continue to treat the confidential information, to which the Motion pertains, as confidential pursuant to our Rules of Practice.

**CASE NO. PUR-2022-00129
APRIL 10, 2023**

APPLICATION OF
TELRITE CORPORATION d/b/a LIFE WIRELESS

For designation as an eligible telecommunications carrier

FINAL ORDER

On August 5, 2022, TELRITE CORPORATION d/b/a Life Wireless ("TELRITE" or "Company")¹ filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101-54.207 of the Rules of the Federal Communications Commission ("FCC"),² § 56-479.4 of the Code of Virginia ("Code"),³ and 5 VAC 5-20-100 A of the Commission's Rules of Practice and Procedure,⁴ requesting that the Commission enter an order designating TELRITE as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁵ Specifically, TELRITE asked for ETC designation for the limited purpose of receiving federal universal service support to provide wireless services to low-income Virginia households as part of the Lifeline program.⁶ The Company stated that for its wireless Lifeline services, TELRITE operates as a reseller and uses the networks of its underlying service providers, T-Mobile and AT&T Mobility, to provide service to its subscribers.⁷ The Company requested designation to operate as a Lifeline-only ETC throughout Virginia via resale of its underlying service providers.⁸

In support of the Application, TELRITE stated that it is designated as a wireless ETC in: Arizona, Arkansas, California, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Nebraska, Nevada, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Puerto Rico, and the United States Virgin Islands.⁹

TELRITE stated that it has the ability to provide all services supported by the universal service program throughout Virginia, and will meet or exceed the FCC's minimum service standards as currently established, as well as any future updates.¹⁰ The Application described TELRITE's planned Lifeline offerings in Virginia, which initially would provide 500 voice minutes and 4.5 gigabytes of data per month with unlimited texting and multimedia messaging service at no cost to eligible consumers.¹¹ According to the Application, TELRITE's plan would include a smartphone; custom calling features: Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, and Voicemail; and options for customers to purchase additional services.¹²

TELRITE further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹³ For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, TELRITE stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹⁴

¹ While Application states the Company's name as Telrite Corporation, records provided in response to discovery in the course of this proceeding document that the official name of the Company on record with the State Corporation Commission as TELRITE CORPORATION. See Staff Report at 1 n.1.

² 47 C.F.R. §§ 54.101-54.207.

³ 2022 Va. Acts ch. 436.

⁴ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁵ Application at 1-2, 6.

⁶ *Id.*

⁷ *Id.* at 4, 8.

⁸ *Id.* at 4, 7-8, 11-12.

⁹ *Id.* at 4.

¹⁰ *Id.* at 13.

¹¹ *Id.*

¹² *Id.* at 13-14.

¹³ *Id.* at 6-15.

¹⁴ *Id.* at 12.

On September 19, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed TELRITE to provide notice of its Application to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On November 9, 2022, TELRITE filed its proof of the notice and service as directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on TELRITE's Application.

On January 19, 2023, Staff filed its Staff Report, which detailed Staff's review of TELRITE's Application for ETC designation for purposes of participating in the Lifeline program.¹⁵ Staff did not oppose the Commission granting ETC designation to TELRITE, and recommended that certain requirements be included in any order granting TELRITE an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹⁶ Specifically, Staff recommended:

- TELRITE should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- TELRITE should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- TELRITE should be required to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program;
- TELRITE should be required to comply with the CTIA Consumer Code for Wireless Service;
- TELRITE should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;
- TELRITE should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- TELRITE should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission Staff, as well as provide timely updates for all future changes;
- TELRITE should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider; and
- The Company should not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a TELRITE that the Commission finds meritorious, may be grounds for suspension or revocation of TELRITE's ETC designation.¹⁷

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No PUR-2022-00107,¹⁸ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- TELRITE will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁹

On February 2, 2023, TELRITE filed its response stating, in part, that the Company accepts the Staff Report and requests that the Commission grant the relief sought in its Application subject to the conditions recommended in the Staff Report and the forthcoming rules in Case No. PUR-2022-00107.²⁰

¹⁵ Staff Report at 1-8. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC") and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 n.8 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹⁶ Staff Report at 8.

¹⁷ *Id.* at 8-11.

¹⁸ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁹ Staff Report at 11.

²⁰ Response at 2.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that TELRITE's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-479.4, TELRITE's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.
- (2) TELRITE's Lifeline-only ETC designation, as requested, allows the Company to provide Lifeline services throughout Virginia via resale of its underlying service providers.
- (3) TELRITE shall file or update necessary product guides for Lifeline services consistent with FCC requirements.
- (4) TELRITE shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.
- (5) TELRITE shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program.
- (6) TELRITE shall comply with the CTIA Consumer Code for Wireless Service.
- (7) TELRITE shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.
- (8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer's complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer, and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.
- (9) TELRITE shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to Staff upon request.
- (10) TELRITE shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.
- (11) TELRITE shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.
- (12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against TELRITE that the Commission finds meritorious, may be grounds for suspension or revocation of TELRITE's ETC designation.
- (13) TELRITE shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.
- (14) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00131
APRIL 24, 2023**

PETITION OF
BOOMERANG WIRELESS, LLC d/b/a ENTOUCH WIRELESS

For designation as an eligible telecommunications carrier in the Commonwealth of Virginia

FINAL ORDER

On August 9, 2022, Boomerang Wireless, LLC d/b/a enTouch Wireless ("Boomerang" or "Company"), filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),¹ and § 56-479.4 of the Code of Virginia ("Code"),² requesting that the Commission enter an order designating Boomerang as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.³

¹ 47 C.F.R. §§ 54.101-54.207.

² 2022 Va. Acts ch. 436.

³ Petition at 1.

Specifically, Boomerang asked for ETC designation for the limited purpose of receiving federal universal service support to provide wireless services to low-income Virginia households and qualifying residents of federally recognized Tribal lands as part of the Lifeline program.⁴ The Company stated that it operates as a reseller and uses the network of its underlying service provider, T-Mobile, to provide service to its subscribers.⁵ The Company requested designation to operate as an ETC throughout Virginia wherever its underlying facilities-based carrier provides coverage.⁶

In support of the Petition, Boomerang stated that it is currently designated as a wireless ETC in: Arkansas, Arizona, California, Colorado, Georgia, Hawaii, Iowa, Idaho, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Missouri, Mississippi, Nebraska, Nevada, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Washington, West Virginia, Wisconsin, Wyoming, and Puerto Rico.⁷

Boomerang stated that it has the ability to provide all services supported by the universal service program throughout Virginia, and will meet or exceed the FCC's minimum service standards as currently established, as well as any future updates.⁸ According to the Petition, Boomerang proposes initially to offer Lifeline plans in Virginia that include Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, and Voicemail at no cost to the subscriber, with options for purchasing additional services.⁹

Boomerang further stated that it satisfies the requirements for designation as an ETC under 47 C.F.R. §§ 54.201 and 54.202; will provide service consistent with the FCC's grant of forbearance from 47 U.S.C. § 214's facilities requirement; and will provide all the supported services required by the FCC for participation in the Lifeline program, including voice telephony and broadband Internet access service.¹⁰ For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, Boomerang stated that it will comply with the Cellular Telecommunications and Internet Association's ("CTIA") Consumer Code for Wireless Service.¹¹

On September 19, 2022, the Commission issued an Order for Notice and Comment that, among other things, directed Boomerang to provide notice of its Petition to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On October 27, 2022, Boomerang filed its proof of the notice and service directed by the Commission. The Commission did not receive any comments, objections, or requests for hearing on Boomerang's Petition.

On January 19, 2023, Staff filed its Staff Report, which detailed Staff's review of Boomerang's Petition for ETC designation for purposes of participating in the Lifeline program.¹² Staff did not oppose the Commission granting ETC designation to Boomerang, and recommended that certain requirements be included in any order granting Boomerang an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹³ Specifically, Staff recommended that:

- Boomerang should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- Boomerang should provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Division of Public Utility Regulation;
- Boomerang should be directed to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program;
- Boomerang should be required to comply with the CTIA Consumer Code for Wireless Service;

⁴ *Id.*

⁵ *Id.* at 3.

⁶ *Id.* at 12-13 and Exhibit D.

⁷ *Id.* at 4.

⁸ *Id.* at 17.

⁹ *Id.* at 17-18.

¹⁰ *Id.* at 7-20.

¹¹ *Id.* at 15.

¹² Staff Report at 1-7. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC"), and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹³ Staff Report at 8.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

- Boomerang should be required to update its in-house regulatory contact information within 30 days of any changes to the contact information;
- The Company's designee should be required to respond to Commission Staff within 24 hours of receiving a complaint from the Commission. The Company response should be required to include confirmation that the Company has made contact with the customer, and it should also describe a plan for addressing the customer's complaint. The Company should be required to provide Commission Staff with a written confirmation when the customer complaint is resolved;
- Boomerang should be required to retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months, and provide such information to the Commission Staff upon request;
- Boomerang should be required to post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to the Commission's Staff, as well as provide timely updates for all future changes;
- Boomerang should be required to not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider; and
- The Company should not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.¹⁴

Further, Staff referenced the ongoing rulemaking by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107,¹⁵ and recommended that approval of the requested ETC designation also be conditioned on the requirement that:

- Boomerang will be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.¹⁶

On February 9, 2023, Boomerang filed its response ("Response") to the Staff Report, in which the Company listed the Staff recommendations to which it commits to complying with as a designated ETC. To wit, Boomerang agrees to:

(1) comply with the federal requirements for participation in the Lifeline program and the CTIA Consumer Code for Wireless Service, (2) post information about Lifeline services on its website, (3) file updates with the Commission about its Lifeline services and changes to its regulatory contact, (4) provide copies of Universal Service Administrative Company annual reports to the Staff, (5) respond to Staff requests for service area data, (6) not abandon or discontinue providing Lifeline services in Virginia without providing the Commission with advance notice, and (7) not discriminate among subscribers requesting service.¹⁷

Boomerang stated that the Company "commits to complying with the foregoing recommended requirements that are applicable to all designated ETCs operating in the Commonwealth of Virginia."¹⁸

In its Response, Boomerang states that the Company opposes in part the Staff's recommendation that Boomerang be required to respond to customer complaints forwarded by the Commission within 24 hours of receipt as a condition for the ETC designation.¹⁹ In part, Boomerang states that the recommended requirement, which is based on a proposed rule being considered in Case No. PUR-2022-00107,

should not serve as the basis for imposing an unduly burdensome 24-hour timeframe to secure contact with the customer, develop a plan for resolving the complaint, and advise the Commission that the foregoing two steps have occurred. If the proposed rule is adopted, then the implemented rule would appropriately be a requirement for ETC applicants along with the other seven requirements noted above, and it would then be applicable to all designated ETCs within the Commonwealth of Virginia.²⁰

¹⁴ *Id.* at 8-10.

¹⁵ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of establishing rules governing the designation of a commercial mobile or cellular telephone service provider as an eligible telecommunications carrier for purposes of providing Lifeline services*, Case No. PUR-2022-00107, Doc. Con. Cen. No. 220730203, Order for Notice and Comment (July 27, 2022).

¹⁶ Staff Report at 10.

¹⁷ Response at 2.

¹⁸ *Id.*

¹⁹ Response at 2-7.

²⁰ *Id.* at 4.

Boomerang states that the Company fully recognizes the importance of promptly responding to and resolving all customer complaints, including those that are forwarded by the Commission.²¹ Boomerang's Response describes why it is concerned about the 24-hour timeframe included in the proposal.²² Boomerang further states that notwithstanding the Company's objection to the Staff's recommendation, "Boomerang commits to responding to the Commission as soon as possible and to attempting to contact the customer in accordance with the rules applicable to other ETCs designated within Virginia."²³ Finally, Boomerang confirms that "if granted an ETC designation by the Commission, Boomerang will comply with all regulations adopted in rulemaking PUR-2022-00107 *once made final and effective by Commission order* and will comply with any changes adopted thereto by the Commission."²⁴

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that Boomerang's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff.

Regarding Boomerang's opposition to the complaint procedure recommended by Staff, the Commission finds that this recommended requirement should be adopted despite Boomerang's objection. The Commission has imposed this requirement on each of the wireless providers that have been granted Lifeline-only ETC designation pursuant to Code § 56-479.4.²⁵ Further, we find that the requirements adopted herein should remain in place at least until a final order in Case No. PUR-2022-00107 is issued, and any rules adopted therein are made effective. To the extent any rules adopted in Case No. PUR-2022-00107 differ from any requirements adopted herein, Boomerang shall comply with the rules adopted by the Commission going forward.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-479.4, Boomerang's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.

(2) Boomerang's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based provider has wireless coverage.

(3) Boomerang shall file or update necessary product guides for Lifeline services consistent with FCC requirements.

(4) Boomerang shall provide a copy of all its USAC annual reports, as well as data on the service area locations, whether public or confidential, to the Commission's Division of Public Utility Regulation.

(5) Boomerang shall comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program, including, unless modified or eliminated by the FCC, the requirement to provide to Lifeline consumers E911 compliant handsets and to replace, at no additional charge, noncompliant handsets.

(6) Boomerang shall comply with the CTIA Consumer Code for Wireless Service.

(7) Boomerang shall update its in-house regulatory contact information on file with the Commission's Division of Public Utility Regulation within thirty (30) days of any changes to the contact information.

(8) The Company's designee shall respond to Staff within twenty-four (24) hours of receiving a customer complaint from the Commission. The Company's response shall include confirmation that the Company has made contact with the customer and describe a plan for addressing the customer's complaint. The Company shall provide Staff with a written confirmation when the customer complaint is resolved.

(9) Boomerang shall retain a listing of all of the service areas within Virginia in which the ETC has provided Lifeline service during the preceding twelve (12) months and provide such information to Staff upon request.

(10) Boomerang shall post the Company's Lifeline services offered in Virginia on the Company's website and provide a link to the web address to Staff, as well as provide timely updates for all future changes.

(11) Boomerang shall not abandon or discontinue providing Lifeline services to customers in Virginia without providing advance notice to the Commission, including a description of the notice that will be provided to customers to ensure that adequate time is given to find another provider.

²¹ *Id.* at 2-3.

²² *See id.* at 3-6.

²³ *Id.* at 6-7.

²⁴ *Id.* at 7 (emphasis in the original).

²⁵ *See, e.g., Application of Air Voice Wireless, LLC d/b/a AirTalk Wireless, For designation as an eligible telecommunications carrier, Case No. PUR-2022-00103, Doc. Con Cen. No. 230340161, Final Order (Mar. 24, 2023); Application of GLOBAL CONNECTION INC. OF AMERICA d/b/a STANDUP WIRELESS, For designation as an eligible telecommunications carrier, Case No. PUR-2022-00104, Doc. Con Cen. No. 230340181, Final Order (Mar. 24, 2023); Application of Q LINK WIRELESS LLC, For designation as an eligible telecommunications carrier, Case No. PUR-2022-00110, Doc. Con Cen. No. 230340168, Final Order (Mar. 24, 2023); Application of TRUCONNECT COMMUNICATIONS, INC., For designation as an eligible telecommunications carrier, Case No. PUR-2022-00127, Doc. Con Cen. No. 230340154, Final Order (Mar. 24, 2023); Application of TELRITE CORPORATION d/b/a Life Wireless, For designation as an eligible telecommunications carrier, Case No. PUR-2022-00129, Doc. Con Cen. No. 230420007, Final Order (Apr. 10, 2023).*

(12) The Company shall not discriminate among subscribers requesting service, and any finding of discrimination may be grounds for suspension or revocation of the ETC designation. Further, excessive subscriber complaints against a wireless ETC that the Commission finds meritorious, may be grounds for suspension or revocation of the carrier's ETC designation.

(13) Boomerang shall be subject to any rules adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107 or thereafter.

(14) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00132
APRIL 10, 2023**

APPLICATION OF
COX VIRGINIA TELCOM, L.L.C.

To revise designated eligible telecommunications carrier service area

FINAL ORDER

On August 9, 2022, Cox Virginia Telcom, L.L.C. ("Cox" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e) seeking to revise the area in which the Company has been designated as an eligible telecommunications carrier ("ETC") in Virginia.¹ In support of this request, Cox stated that it was granted ETC designation by the Commission in Case No. PUR-2021-00002² on April 16, 2021, in order to receive federal universal service fund support in all areas in which the Company has been awarded Rural Digital Opportunity Fund ("RDOF") support by the Federal Communications Commission ("FCC").³ Specifically, Cox was designated as an ETC in 93 areas, identified as census blocks, in Virginia, in which the Company was the winning RDOF bidder as announced by the FCC on December 7, 2020.⁴ With this filing, Cox stated that through the ongoing FCC confirmation process, the Company has determined that it will not be pursuing the RDOF support in two areas in Virginia.⁵ Accordingly, Cox asked that the Commission remove these two census blocks from the areas in which the Company is designated as an ETC.⁶ The specific census blocks Cox proposes to remove from its ETC designated areas are in the City of Fredericksburg, Virginia.⁷

Cox also requested with this filing that the Commission approve a mechanism to allow the Company to modify its ETC-designated service area by filing notice of such modifications in this docket without the need for further action by the Commission.⁸ In support of this request, Cox stated that it is foreseeable that the FCC may make further revisions to which census blocks are eligible for RDOF support.⁹ Cox stated that the Commission approved such a mechanism for another ETC designee in Case No. PUR-2021-00009.¹⁰

On September 14, 2022, the Commission issued an Order for Notice and Comment ("Procedural Order") which, among other things, directed Cox to provide notice of its Application to local exchange carriers ("LECs") certificated to provide service in Virginia; established a schedule by which LECs and other interested parties could file comments, objections, or requests for hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

¹ Application at 1.

² *Application of Cox Virginia Telcom, L.L.C., For eligible telecommunications carrier designation*, Case No. PUR-2021-00002, 2021 S.C.C. Ann. Rept. 374, Final Order (Apr. 16, 2021) ("2021 Final Order").

³ Application at 1-2.

⁴ *Id.*; see also, 2021 Final Order at 374.

⁵ Application at 1-3.

⁶ *Id.* at 3.

⁷ *Id.* at 3 and Attachment A.

⁸ *Id.* at 3-4.

⁹ *Id.* at 3.

¹⁰ *Id.* at 4 (citing *Application of Charter Fiberlink VA-CCO, LLC and Time Warner Cable Information Services (Virginia), LLC, For designation as eligible telecommunications carriers*, Case No. PUR-2021-00009, 2021 S.C.C. Ann. Rept. 381, Final Order (June 14, 2021)).

On November 30, 2022, Cox filed a Motion to Amend Procedural Schedule ("Motion") requesting additional time to complete the service requirement set out in the Procedural Order, and for corresponding changes to the procedural schedule for this case. On December 8, 2022, the Commission issued an Order Amending Procedural Schedule granting the Company's Motion.

On December 9, 2022, Cox filed its proof of service in accordance with the Commission's Order Amending Procedural Schedule. The Commission did not receive any comments, objections, or a request for hearing on the Company's Application.

On January 13, 2023, a Staff Report was filed in which Staff detailed its review of the Application to revise the areas in which the Company is designated as an ETC.¹¹ Staff did not oppose Cox's request (i) to remove the two census blocks identified by Cox from the areas in which the Company is designated as an ETC, and (ii) for a mechanism that allows the Company to modify its ETC-designated service area by filing notice of such modifications, in this docket, without the need for further action by the Commission.¹² Staff stated that any notice filed by Cox relative to its proposed mechanism should include either a copy of the FCC's Order or the cite to the docket in which the FCC's decision is entered, and a detailed description of the RDOF support areas in which the Companies will no longer be designated as an ETC.¹³ Further, Staff recommended that granting Cox's request to amend its ETC designated service territory should not affect the other requirements imposed on Cox in the Commission's 2021 Final Order.¹⁴

On January 19, 2023, Cox filed its response to the Staff Report, stating in part that the Company concurs with the Staff Report and is prepared to comply with the requirements imposed by the Commission in similar cases. Cox also requested that the Commission issue an Order consistent with Staff's recommendations.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that Cox's request that the Commission remove two census blocks from the areas in which the Company is designated as an ETC should be granted. Further, we find that the proposed mechanism for addressing changes to the Company's ETC designation should be granted subject to the recommendations of Staff. Accordingly, if Cox does not receive RDOF support in any such census block or portion thereof, then Cox may file notice in this case of such change to the census block or portion thereof and such census block or portion thereof will be removed from the Company's ETC-designated service area without further action by the Commission.

Accordingly, IT IS ORDERED THAT:

(1) Cox's request for the Commission to revise the Company's ETC designation by removing the two census blocks described above from its ETC-designated service area is hereby granted.

(2) Cox's requests for the Commission to adopt a mechanism, as described herein, to allow the Company to modify its ETC-designated service area by filing notice of such modifications in this docket without the need for further action by the Commission is hereby granted. Any notice filed by Cox pursuant to this mechanism shall include either a copy of the FCC's Order or the cite to the docket in which the FCC's decision is entered, and a detailed description of the previously designated RDOF support areas in which the Company will no longer be designated as an ETC.

(3) Cox shall provide a copy of all its Universal Service Administrative Company ("USAC") annual reports and build-out milestone certifications, as well as data on the locations where service is available, whether public or confidential, to the Commission's Division of Public Utility Regulation.

(4) Cox shall provide to the Commission's Division of Public Utility Regulation an annual notarized affidavit on the Company's use of federal universal service funds in the form required by Case No. PUC-2001-00172.

(5) Cox shall comply with all requirements and criteria of the FCC, USAC, and the RDOF program.

(6) Unless modified herein, the requirements set out in the Commission's 2021 Final Order shall remain in full force and effect.

(7) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹¹ Staff Report at 3-5.

¹² *Id.* at 5.

¹³ *Id.* at 6.

¹⁴ *Id.* at 5.

**CASE NO. PUR-2022-00133
MARCH 24, 2023**

APPLICATION OF
LUMOS TELEPHONE LLC and LUMOS OF BOTETOIRT LLC

Request for a waiver of 20 VAC 5-428-80 regarding printed directories

ORDER GRANTING WAIVER

On August 10, 2022, Lumos Telephone LLC and Lumos of Botetourt LLC (jointly, "Lumos") filed an application ("Application") with the State Corporation Commission ("Commission") requesting a waiver of the requirement in 20 VAC 5-428-80 of the Commission's Rules Governing Local Exchange Telecommunications Carrier Retail Service Quality Rules ("Service Quality Rules"), 20 VAC 5-428-10 *et seq.*, relating to printed telephone directories.¹ Lumos requests a waiver pursuant to 20 VAC 5-428-120 of the Service Quality Rules, which provides that the Commission may, at its discretion, waive or grant exceptions to any provision of these regulations.² Specifically, Lumos requests a waiver of the requirement in 20 VAC 5-428-80 A that it distribute a printed directory to all its customers on an annual basis, and instead proposes to make the directory for each of its incumbent local exchange carrier service areas available online, and to provide a printed directory to customers only upon request.³

On September 12, 2022, the Commission entered an Order for Notice and Comment that directed Lumos to give notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Application; and directed the Staff of the Commission ("Staff") to investigate the reasonableness of the Application and present its findings in a Staff Report.

Proof on notice as directed by the Commission was filed by Lumos on November 9, 2022. No comments or requests for hearing were filed on the Company's Application.

Staff filed its Staff Report on December 8, 2022, in which Staff recommended that granting the Company's waiver request be subject to the following requirements:

- Lumos should make its directory listings available online;
- Lumos should provide a printed white pages directory at the request of a residential customer;
- Lumos should ensure that the instructions for ordering residential white page directories are prominently displayed on the cover of the directories that continue to be distributed, on the table of contents and the emergency number 911 page of the directories;
- Lumos should ensure that the necessary information for obtaining a free residential white page directory is available on its website;
- Lumos should ensure that the white page directories are highly searchable from any site within the primary website;
- Lumos should notify the Division of Public Utility Regulation in writing of any proposed further modifications or changes to its residential distribution policy;
- Lumos should treat a customer's initial request for a residential white page directory as a standing order that does not require annual renewal; and
- Lumos should ensure that business and governmental entities with multiple telephone lines will be able to order all necessary residential white page directories through a single request. Other managed multi-tenant locations (such as retirement communities, nursing homes, and apartment complexes) should be able to order residential white page directories through a single request by the management or by individual request of the tenant.⁴

Staff noted that the requirements recommended in this case are similar to the directives issued by the Commission in granting a waiver to Verizon in 2013.⁵ Lumos did not file a response to the Staff Report.

¹ Application at 1.

² *Id.*

³ *Id.* at 3.

⁴ Staff Report at 6-7.

⁵ *Id.* at 2, 6 n.22 (citing *Application of Verizon Virginia Inc. and Verizon South Inc., For waiver of Rule 20 VAC 5-428-80 regarding printed directories*, Case No. PUC-2010-00046, 2013 S.C.C. Ann. Rept. 186, Order Granting Waiver (July 3, 2013)).

NOW THE COMMISSION, having considered this matter and the recommendations of Staff, is of the opinion and finds that the Company's requested waiver should be granted subject to the requirements as set out in the Staff Report.⁶ In granting this waiver pursuant to 20 VAC-5-428-120 of the Service Quality Rules, we note that the Commission will continue to monitor Lumos's compliance with the requirements set forth herein and any complaints from customers arising from the waiver, and may reconsider the granting of this waiver should the need arise.

Accordingly, IT IS ORDERED THAT:

(1) Lumos is granted a waiver of 20 VAC 5-428-80 A of the Service Quality Rules as it relates to the requirement to distribute a printed copy of residential white page directories on an annual basis, subject to the Company's compliance with the requirements set out in the Staff Report.

(2) The Staff Report requirements, as set forth herein, are hereby ordered.

(3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ The Staff Report also contains a recommendation that Lumos be required to make its 2022 publications and distributions in the manner that Company asserted it would do in its Application. See Staff Report at 6; Application at 3. That point is now moot and need not be further addressed.

CASE NO. PUR-2022-00139 MARCH 6, 2023

APPLICATION OF APPALACHIAN POWER COMPANY

To increase its fuel factor pursuant to § 56-249.6 of the Code of Virginia

ORDER ESTABLISHING 2022-2023 FUEL FACTOR

On September 15, 2022, Appalachian Power Company ("APCo" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") pursuant to § 56-249.6 of the Code of Virginia ("Code") seeking to increase its fuel factor. The Company proposes to increase the current fuel factor of 2.300 cents per kilowatt-hour ("¢/kWh") to 4.319¢/kWh, effective for service rendered November 1, 2022, through October 31, 2023 ("Fuel Year").¹ To mitigate its requested rate increase, the Company is proposing to recover its deferred fuel balance as of October 31, 2022, over two fuel years.² In addition, APCo seeks Commission approval to establish a new rider, designated Rider DFCC. The Company states that it proposes to implement Rider DFCC at a zero rate, to be updated and true-up in the future, as an alternative to the recovery of the carrying costs on its deferred fuel balance through base rates.³

The Company's proposed fuel factor consists of both an in-period component and a prior-period component.⁴ APCo's proposed in-period component is designed to recover its estimated Virginia jurisdictional fuel expenses during the Fuel Year of approximately \$416,140,161, which includes non-incremental costs associated with APCo's Beech Ridge and Grand Ridge wind contracts; the energy components of the Company's other wind and solar resources; a credit for 75% of projected Off-System Sales ("OSS") margins; PJM Interconnection, L.L.C. ("PJM"), Load Serving Entity transmission losses; PJM congestion charges; 100% of incremental transmission line loss margins; and Financial Transmission Right revenues.⁵ The Company proposes an in-period factor component of 3.011¢/kWh.⁶

The prior-period component is a true-up component designed to recover from customers over a two-year period an estimated under-recovered deferred fuel balance as of October 31, 2022, of \$361,411,867, or \$180,705,934 per year.⁷ The Company states that it divided the projected deferred fuel cost balance by the projected Virginia jurisdictional energy sales for the Fuel Year to obtain the prior-period under-recovery component of 1.308¢/kWh.⁸

¹ Ex. 2 (Application) at 1, 6.

² *Id.* at 1.

³ *Id.*

⁴ *Id.* at 3.

⁵ Ex. 8 (Castle Direct) at 5.

⁶ *Id.*

⁷ *Id.* at 6.

⁸ *Id.*

The Company represents that the combined impact of the Company's proposed fuel factor over the Fuel Year is an annual revenue increase of approximately \$279 million.⁹ APCo maintains that this proposal would increase the monthly bill of a residential customer using 1,000 kWh of electricity by \$20.17.¹⁰

On October 6, 2022, the Commission entered an Order Establishing 2022-2023 Fuel Factor Proceeding that, among other things, (i) stated "the Company may place its proposed fuel factor into effect on an interim basis for service rendered on and after November 1, 2022;" (ii) scheduled a telephonic hearing for December 13, 2022, to receive the testimony of public witnesses; (iii) scheduled an in-person public evidentiary hearing for December 14, 2022; (iv) directed the Company to provide notice to the public; (v) provided interested persons an opportunity to comment on the Company's Application or to participate as a respondent; and (vi) appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

The following parties filed notices of participation: Steel Dynamics, Inc. ("SDI"); the Old Dominion Committee for Fair Utility Rates ("Old Dominion Committee"); the VML/VACo APCo Steering Committee ("Steering Committee") and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"). No respondent filed testimony.

On November 22, 2022, the Commission's Staff ("Staff") filed its direct testimony. On December 1, 2022, APCo filed rebuttal testimony. On December 13, 2022, the Hearing Examiner appointed by the Commission convened the public witness hearing.¹¹ On December 14, 2022, the Hearing Examiner convened the evidentiary hearing, as scheduled. APCo, SDI, the Steering Committee, the Old Dominion Committee, Consumer Counsel, and Staff participated at the hearing.

On January 18, 2023, the Report of M. Renae Carter, Hearing Examiner ("Report") was issued. The Company, the Steering Committee, the Old Dominion Committee, Consumer Counsel, and Staff subsequently filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

Code of Virginia

The Company filed its Application pursuant to Code § 56-249.6, which provides in part as follows:

A.1. Each electric utility . . . shall submit to the Commission its estimate of fuel costs, including the cost of purchased power, for the 12-month period beginning on the date prescribed by the Commission. Upon investigation of such estimates and hearings in accordance with law, the Commission shall direct each company to place in effect tariff provisions designed to recover the fuel costs determined by the Commission to be appropriate for that period, adjusted for any over-recovery or under-recovery of fuel costs previously incurred.

2. The Commission shall continuously review fuel costs and if it finds that any utility described in subdivision A 1 is in an over-recovery position by more than five percent, or likely to be so, it may reduce the fuel cost tariffs to correct the over-recovery.

3. Beginning July 1, 2009, . . . , if the Commission approves any increase in fuel factor charges pursuant to this section that would increase the total rates of the residential class of customers of any such utility by more than 20 percent, the Commission, within six months following the effective date of such increase, shall review fuel costs, and if the Commission finds that the utility is, or is likely to be, in an over-recovery position with respect to fuel costs for the 12-month period for which the increase in fuel factor charges was approved by more than five percent, it may reduce the utility's fuel cost tariffs to correct the over-recovery. . . .

D. In proceedings under subsections A and C:

1. Energy revenues associated with off-system sales of power shall be credited against fuel factor expenses in an amount equal to the total incremental fuel factor costs incurred in the production and delivery of such sales. In addition, 75 percent of the total annual margins from off-system sales shall be credited against fuel factor expenses; For purposes of this subsection, "margins from off-system sales" shall mean the total revenues received from off-system sales transactions less the total incremental costs incurred; and

3. The Commission shall disallow recovery of any fuel costs that it finds without just cause to be the result of failure of the utility to make every reasonable effort to minimize fuel costs or any decision of the utility resulting in unreasonable fuel costs, giving due regard to reliability of service and the need to maintain reliable sources of supply, economical generation mix, generating experience of comparable facilities, and minimization of the total cost of providing service.

⁹ Ex. 2 (Application) at 1.

¹⁰ Ex. 8 (Castle Direct) at 7.

¹¹ Numerous public comments were also filed opposing APCo's proposed increase to the fuel factor.

Mitigation Proposal

APCo presents a Mitigation Proposal in this case to moderate the impact of the rate increase on customers. Specifically, APCo proposes to recover its significant under-recovery balance of approximately \$361.4 million over two years.¹² As described by Consumer Counsel, the Mitigation Proposal "takes what would be a \$33 per month bill increase and reduces it to a[n] increase of \$20 per month."¹³ In consideration of the magnitude of the increase in this case, the Commission approves the Mitigation Proposal which has been in effect on an interim basis.¹⁴

Off-System Sales Credits

We further note that pursuant to Code § 56-249.6 D I, the Commission is permitted to credit, at most, 75% of the Company's estimated total annual margins from OSS against fuel factor expenses for the benefit of ratepayers. In this proceeding, we have utilized the maximum credit allowed by law – 75% of projected OSS margins – to reduce the fuel rates paid by APCo's Virginia customers.

Fuel Factor

Even with the impacts of the Mitigation Proposal and the OSS credit, we are deeply concerned about the significant rate increase requested in this case, and its impact on customer bills. The impact of the increase is worsened by its introduction during the winter months, which are typically higher usage months, and by other recent APCo rate increases.¹⁵ We are mindful of the numerous public comments and concerns expressed about the impact of such rate increases on APCo's customers and have reviewed this matter carefully. APCo is, however, entitled by law to recover its prudently incurred fuel costs under Code § 56-249.6.¹⁶ The price of fuel that the Company must purchase to generate electricity and that of purchased power have risen significantly. As a result, the Company has materially under-recovered its fuel costs over the last year and its forecasted costs for the coming year have risen markedly. While parties noted concerns with the amount of the proposed increase and its impact on customers, no party or Staff raised issues with the Company's forecasts.¹⁷

In consideration of this matter, we adopt the findings set forth in the Hearing Examiner's Report, except as modified herein, and find that a revised total fuel factor of 4.319¢/kWh, consisting of an in-period period factor of 3.011¢/kWh and a prior period factor of 1.308¢/kWh is approved for usage on and after November 1, 2022. We note that this is the same total fuel factor that the Company placed into effect on an interim basis for usage on and after November 1, 2022, and therefore, will not result in an additional increase at this time.

In granting this approval, the Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Fuel Audit & Coal Procurement Practices

As explained in prior cases, approval of the fuel factor herein does not represent ultimate approval of the Company's fuel expenses. This approval is based in part upon the Company's estimate of future fuel expenses yet to be incurred. An audit and investigation of the Company's actual booked fuel expenses and OSS margins, among other things, will be conducted by the Staff after the close of the fuel year. The Commission subsequently determines what are, in fact, prudent and, therefore, allowable fuel expenses, as well as the Company's recovery position at the end of the audit period. The Commission has previously described this review as follows:

¹² Ex. 8 (Castle Direct) at 4-6 and WKC Schedule 2.

¹³ Transcript at 49. See also Ex. 10 (Blevins Direct) at 5.

¹⁴ With respect to APCo's request for approval of Rider DFCC to recover carrying costs associated with the deferred fuel balance, we agree with the Hearing Examiner that it should be denied in this limited-issue fuel factor proceeding, without prejudice for the Company to renew its request in a future general rate case such as the Company's next Triennial Review. Report at 24-26, 32.

¹⁵ As a result of APCo's appeal of the Commission's decision in APCo's 2020 triennial review and subsequent remand by the Supreme Court of Virginia, APCo's base rates have also increased. In its Order on Remand, the Commission reduced the annual rate increase initially requested by APCo in its remand filing that had been in effect on an interim basis since October 1, 2022. See *Application of Appalachian Power Company, For a 2020 triennial review of its base rates, terms and conditions pursuant to § 56-585.1 of the Code of Virginia*, Case No. PUR-2020-00015, Doc. Con. Cen. No. 221230186, Order on Remand (Dec. 21, 2022).

¹⁶ See, e.g., *Commonwealth of Virginia, ex rel. State Corp. Commission, Ex Parte: In the matter of establishing Commission policy regarding rate treatment of purchased power capacity charges by electric utilities and cooperatives*, Case No. PUE-1988-00052, 1988 S.C.C. Ann. Rept. 346, 347 (Nov. 10, 1988) (describing the "fuel factor" as "a statutory adjustment mechanism through which all prudently incurred energy costs are recovered, dollar for dollar"). See also *Application of Kentucky Utilities Company t/a Old Dominion Power Company, To revise its fuel factor pursuant to Virginia Code § 56-249.6*, Case No. PUE-1994-00043, 1995 S.C.C. Ann. Rept. 309, 310, Order Establishing 1994/95 Fuel Factor (Jan. 6, 1995) ("Kentucky Utilities Order") (describing that the "fuel factor mechanism . . . gives the Company dollar for dollar recovery for allowable fuel expenses"); *Application of Virginia Electric and Power Company, To revise its fuel factor pursuant to Va. Code § 56-249.6*, Case No. PUE-2008-00039, 2008 S.C.C. Ann. Rept. 533, 534, Order Establishing Fuel Factor (June 27, 2008) ("the fuel factor permits dollar for dollar recovery of prudently incurred fuel costs") (emphasis in original).

¹⁷ Report at 22.

Should the Commission find in its Final Audit Order (1) that any component of the Company's actual fuel expenses or credits has been inappropriately included or excluded, or (2) that the Company has failed to make every reasonable effort to minimize fuel cost or has made decisions resulting in unreasonable fuel cost, the Company's recovery position will be adjusted. This adjustment will be reflected in the recovery position of the Company's next fuel factor. We reiterate that no finding in this order is final, as this matter is continued generally, pending Staff's audit of actual fuel expenses.¹⁸

Accordingly, no finding in this Order Establishing Fuel Factor is final, as this matter is continued generally, pending audit and investigation of the Company's actual fuel expenses.

The parties and Staff reference an investigation by the West Virginia Public Service Commission into APCo's coal fuel procurement activities related to the Company's Amos and Mountaineer plants which are used in part to serve APCo's Virginia customers. Every party except the Company asked the Commission to undertake a similar investigation, or at a minimum, monitor the proceeding in West Virginia and undertake an investigation if the West Virginia Public Service Commission finds that improper action on APCo's part has driven up the cost of fuel.¹⁹

We find that Staff should forthwith commence its fuel audit of the January 1, 2019 to December 31, 2022 period.²⁰ In so finding, we stress that no party to this case, nor Staff, has asserted or concluded that APCo has acted imprudently in its procurement of coal. Rather, we agree with the Hearing Examiner that a review of the reasonableness of APCo's coal procurement practices is appropriate under the circumstances and is consistent with the law and with Commission practice.²¹ Specifically, such audit should include a focus on whether APCo has made "every reasonable effort to minimize fuel costs or [has made] any decision[s] . . . resulting in unreasonable fuel costs" consistent with the requirements of Code § 56-249.6 D 2.

As part of its fuel audit, Staff shall investigate and report on, at a minimum, the following with respect to APCo's coal procurement activities, as recommended by the Hearing Examiner:²²

- Whether APCo complied with its Regulated Fuel Procurement Policy and Procedures Manual;
- The timing and adequacy of APCo's response to market turmoil in mid-2021;
- APCo's actions to obtain performance by contractors with whom APCo had coal supply agreements;
- APCo's ability to maintain coal inventories at minimum target levels; and
- If APCo had the ability to maintain the minimum target levels of coal inventory, what additional generation would have been available to APCo.

Staff shall include the results of such fuel audit in its prefiled testimony in APCo's next fuel factor proceeding.²³

Further in this regard, for informational purposes, we direct APCo to file in this docket copies of any orders issued by the West Virginia Public Service Commission concerning its investigation of APCo's coal procurement practices²⁴ and address the status, including any decisions of the West Virginia Public Service Commission, in APCo's next fuel factor application. Staff should also monitor these proceedings and report on developments when Staff files testimony in APCo's next fuel factor proceeding.

Information on Payment Assistance

The Commission reiterates its concern regarding the impacts of this significant rate increase on customers. We agree with the Hearing Examiner that APCo should take additional steps to advise its customers of opportunities for payment assistance.²⁵ We direct APCo, within 60 days from the date of this Order, to remind customers how they may contact the Company for bill assistance and to set up budget billing for their accounts. Such reminder should be provided through social media as well as at least one non-social media outlet such as bill stuffers or a newsletter to reach customers that prefer not to use social media or do not have internet access. APCo shall confirm such reminder has been completed through a filing with the Commission in this docket no later than 70 days following entry of this Order.

¹⁸ Kentucky Utilities Order, 1995 S.C.C. Ann. Rept. at 311.

¹⁹ See, e.g., Report at 27 (citing statements by counsel for SDI, the Steering Committee, the Old Dominion Committee and Consumer Counsel).

²⁰ In its comments on the Hearing Examiner's Report, Staff indicated that it is capable of conducting such an audit and including the results of the audit in APCo's 2023 Fuel Factor proceeding. Staff Comments on the Hearing Examiner's Report at 1.

²¹ See, e.g., Report at 29-30.

²² *Id.* at 30.

²³ In addition, Staff shall file a copy of such audit report in the docket(s) in which the fuel factor for the applicable audit period was originally approved.

²⁴ Such proceedings include Case Nos. 21-0339-E-ENEC, 22-0393-E-ENEC and any related dockets.

²⁵ Report at 32.

Staff to Monitor Deferred Fuel Balance

Finally, we direct the Staff to monitor the Company's fuel cost recovery on a monthly basis. If the Staff finds evidence of a change in the recovery balance that permits the Commission, pursuant to Code § 56-249.6 A 2, to adjust the fuel factor downward during the current period, we will review the matter to determine whether fuel rates should be decreased.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations contained in the Hearing Examiner's Report are adopted except as modified herein.
- (2) The Company's fuel factor shall be 4.319¢ per kWh effective for service rendered on and after November 1, 2022.
- (3) The Company shall comply with the directives set forth in this Order.
- (4) Staff shall forthwith commence its audit of the January 1, 2019 to December 31, 2022 period as further described herein.
- (5) Staff shall monitor the Company's fuel cost recovery on a monthly basis and shall notify the Commission if there is evidence of a change in the recovery balance that permits the Commission, pursuant to Code § 56-249.6 A 2, to reduce the fuel factor during the current period.
- (6) This matter is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00140
APRIL 27, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of a rate adjustment clause, designated Rider GT, under § 56-585.1 A 6 of the Code of Virginia

FINAL ORDER

On August 16, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") a petition ("Petition") to update the rate adjustment clause ("RAC") designated Rider GT, pursuant to § 56-585.1 A 6 of the Code of Virginia ("Code"), the Commission's Rules Governing Utility Rate Case Applications and Annual Informational Filings of Investor-Owned Electric Utilities,¹ and the directive contained in Ordering Paragraph (3) of the Final Order issued by the Commission on May 13, 2022, in Case No. PUR 2021-00083 (the "2021 RAC Order").² Through its Petition, the Company seeks to recover projected and actual costs related to certain electric distribution grid transformation projects that the Commission has approved as part of the Company's plan for electric distribution grid transformation projects ("GT Plan").³

In Case Nos. PUR-2018-00100⁴ and PUR-2019-00154,⁵ the Commission approved Dominion's GT Plan investments related to eleven projects in years 2019, 2020, and 2021 ("Phase I").⁶ In the 2021 RAC Order, the Commission authorized the Company to recover projected and actual costs for ten of the Phase I projects through Rider GT.⁷ The projects include: (1) mainfeeder hardening, (2) targeted corridor improvement, (3) voltage island mitigation, (4) hosting capacity analysis, (5) the Locks Campus Microgrid, (6) physical security, (7) the Smart Charging Infrastructure Pilot Program, (8) telecommunications, (9) cyber security, and (10) customer education.⁸

¹ 20 VAC 5-204-5 *et seq.*

² *Petition of Virginia Electric and Power Company, For approval of a rate adjustment clause, designated Rider GT, under § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2021-00083, Doc. Con. Cen. No. 220520147, Final Order (May 13, 2022).

³ Ex. 2 (Petition) at 1.

⁴ *Petition of Virginia Electric and Power Company, For approval of a plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2018-00100, 2019 S.C.C. Ann. Rept. 234, Final Order (Jan. 17, 2019).

⁵ *Petition of Virginia Electric and Power Company, For approval of plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia, and for approval of an addition to the terms and conditions applicable to electric service*, Case No. PUR-2019-00154, 2020 S.C.C. Ann. Rept. 318, Final Order (Mar. 26, 2020) ("2019 GT Plan Final Order").

⁶ Ex. 2 (Petition) at 4.

⁷ *Id.*; 2021 RAC Order at 7.

⁸ Ex. 2 (Petition) at 4.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On September 8, 2022, the Commission entered an Order for Notice and Hearing, which, among other things: established a procedural schedule; required the Company to provide public notice of its Petition; afforded interested persons an opportunity to participate or file comments on the Company's Petition; directed Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits; scheduled a hearing to receive public witness testimony; scheduled a public evidentiary hearing; and assigned the case to a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and file a final report.

A notice of participation was filed by the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel") on January 3, 2023. On February 21, 2023, Staff filed the testimonies and exhibits of its witnesses. On March 1, 2023, the Company filed a rebuttal letter stating that it did not oppose the revenue requirement contained in Staff's testimony and requesting approval of the Company's proposed Rider GT, effective for usage on and after June 1, 2023. The Commission received one public comment in this matter.

The Senior Hearing Examiner convened the evidentiary hearing on March 22, 2023.⁹ Dominion, Consumer Counsel, and Staff appeared at the hearing.¹⁰ On April 10, 2023, the Senior Hearing Examiner filed the Report of Michael D. Thomas, Senior Hearing Examiner ("Report"). The Senior Hearing Examiner found:¹¹

- The proposed Rider GT revenue requirement of \$14,337,000 for the June 1, 2023, to May 31, 2024 rate year ("2023 Rate Year") is fair, reasonable in the public interest, and is supported by the evidence in the record of this proceeding.
- Since no True-Up Factor was filed in this proceeding, the Company should be permitted to true-up any difference in the Rider GT revenue requirement and actual Rider GT costs in a future Rider GT case.
- The weight of the evidence in the record supports the Company's position that the additional costs to complete the Targeted Corridor Improvement, Hosting Capacity Analysis, and Physical Security projects were reasonable and prudent, and that the Company's customers benefited from the completion of those GT Plan projects.

Based on the foregoing, The Senior Hearing Examiner recommended the Commission issue an Order that:¹²

- (1) ADOPTS the findings and recommendations in this Report;
- (2) APPROVES the Company's Petition;
- (3) APPROVES a Rider GT revenue requirement of \$14,337,000, allocated as proposed by the Company, for the 2023 Rate Year beginning June 1, 2023;
- (4) APPROVES the additional program costs for the Targeted Corridor Improvement projects, the Hosting Capacity Analysis project, and the Physical Security projects;
- (5) ALLOWS the Company to true-up any difference in the Rider GT revenue requirement and actual Rider GT costs in a future Rider GT case; and
- (6) DISMISSES this case from the Commission's docket of active cases.

On April 17, 2023, each participant in this case filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Senior Hearing Examiner's findings and recommendations contained in the Report are supported by law and the evidence, have a rational basis, and are adopted herein. In addition, the Commission provides further discussion below on its findings for purposes of this proceeding.

Incremental Costs of the Targeted Corridor Improvement, Hosting Capacity Analysis, and Physical Security Projects

In approving the Phase I GT Plan projects, the Commission found that costs in excess of the cost caps "must be proven by Dominion in a future proceeding to be reasonable and prudent before recovery thereof from ratepayers shall be permitted."¹³

⁹ The public witness hearing scheduled for March 21, 2023, was cancelled because no one signed up to testify.

¹⁰ Tr. 2.

¹¹ Report at 23.

¹² Report at 23-24.

¹³ 2019 GT Plan Final Order, 2020 S.C.C. Ann. Rept. at 327.

While seven of the ten projects for which the Company seeks cost recovery through Rider GT are progressing within the previously approved cost caps, the Company has reported that three of the ten projects—the Targeted Corridor Improvement, Hosting Capacity Analysis, and Physical Security Projects—have projected costs in excess of such cost caps.¹⁴ The Company seeks approval herein of these incremental costs and for recovery through Rider GT, arguing that these three projects remain reasonable and prudent to pursue at the higher cost.¹⁵

Staff concluded that approval of the incremental costs for the Phase I Targeted Corridor Improvement,¹⁶ Hosting Capacity Analysis,¹⁷ and Physical Security¹⁸ projects remain consistent with the Commission's prior determination that these projects are reasonable and prudent.¹⁹ The Senior Hearing Examiner found the weight of the evidence supported a finding that these additional costs were reasonable and prudent and recommended the Commission approve these additional program costs.²⁰ We agree and find, under the facts of this case, that the incremental costs for these three projects are reasonable and prudent and therefore appropriate for recovery through Rider GT.

Revenue Requirement

The Company does not oppose Staff's recommendation that the updated Rider GT revenue requirement would be \$14.337 million.²¹ This amount would represent a decrease of \$1.165 million as compared to the amount publicly noticed by the Company of \$15.502 million for the 2023 Rate Year. Additionally, the Company represents that this revenue requirement would decrease the monthly bill of a typical residential customer using 1,000 kWh per month by \$0.88.²² We agree with the Senior Hearing Examiner and approve a revenue requirement of \$14.337 million for Rider GT for the 2023 Rate Year.

Accordingly, IT IS ORDERED THAT:

(1) Rider GT, with a revenue requirement in the amount of \$14.337 million, shall become effective for service rendered on and after June 1, 2023.

(2) The Company forthwith shall file the Rider GT tariff and supporting workpapers, and any other necessary tariff revisions, with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) On or before September 1, 2023, the Company shall file an application to revise Rider GT effective June 1, 2024.

(4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁴ Ex. 2 (Petition) at 5.

¹⁵ *Id.* at 6; Ex. 3 (Eisenrauch Direct) at 23-25.

¹⁶ The incremental costs of the Targeted Corridor Improvement are approximately \$12.8 million, which is \$300,000 higher than the approved cost cap. Ex. 3 (Eisenrauch Direct) at 7.

¹⁷ The incremental costs of the Hosting Capacity Analysis are approximately \$315,000, which is \$107,000 higher than the approved cost cap. Ex. 3 (Eisenrauch Direct) at 11.

¹⁸ The incremental costs of the Physical Security are approximately \$9.4 million, which is \$64,000 higher than the approved cost cap. Ex. 3 (Eisenrauch Direct) at 15.

¹⁹ Ex. 9 (deLeón Direct) at 2-3.

²⁰ Report at 23-24.

²¹ Ex. 10 (Rebuttal Letter) at 1.

²² Tr. 10.

**CASE NO. PUR-2022-00146
MAY 12, 2023**

PETITION OF
APPALACHIAN POWER COMPANY

For approval of a modification to its rate adjustment clause, RPS-RAC, to recover the incremental costs of participation in the Virginia renewable energy portfolio program pursuant to Title 56 of the Virginia Code

FINAL ORDER

On September 29, 2022, Appalachian Power Company ("APCo" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Commission's Final Order in Case No. PUR-2021-00048¹ and the Commission's broad ratemaking authority under Chapter 10 of Title 56 of the Code of Virginia ("Code"), for approval to revise the rate adjustment clause ("RAC") that APCo uses to recover the incremental costs of participation in its voluntary renewable energy portfolio standards ("RPS") program ("RPS-RAC") previously established under the now repealed provisions of Code § 56-585.2.² The Company requested approval to reduce the sur-credit to customers presently in place through its RPS-RAC starting June 1, 2023, through May 31, 2024 ("Rate Year").³

Citing the repeal of Code § 56-585.2 and the replacement of the voluntary RPS program with a mandatory RPS program by the Virginia Clean Economy Act,⁴ APCo requested that the Commission order the RPS-RAC to be discontinued and no longer applicable to customers as soon as its corresponding sur-credit has been fully depleted.⁵ Specifically, the Company asked that the RPS-RAC rate schedule no longer be applicable to customers effective June 1, 2024, and that any under- or over-recovery balance at that point be considered part of the Company's cost of service.⁶

On October 18, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Petition; established a procedural schedule; directed APCo to provide notice of its Petition to the public; provided interested persons an opportunity to comment on the Petition or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and to file a final report.

On December 7, 2022, the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel") filed its notice of participation. On December 8, 2022, APCo filed its supplemental direct testimony.⁷ On February 1, 2023, Staff filed its direct testimony.⁸ On February 15, 2023, APCo filed its rebuttal testimony.⁹

In accordance with the Commission's Order for Notice and Hearing, comments were filed in this case by six customers of APCo. No persons signed up to testify as a public witness; therefore, the public witness hearing scheduled for March 8, 2023, was canceled.

The Chief Hearing Examiner convened the evidentiary hearing on March 9, 2023. On March 22, 2023, the Chief Hearing Examiner filed a Report in this matter ("Report").

NOW THE COMMISSION, upon consideration hereof, is of the opinion and finds as follows.

As explained in the Report, Staff and the Company agreed that: (1) all RPS-RAC rates should be set to zero at the end of the Rate Year (June 1, 2024);¹⁰ and (2) the revenue requirement necessary to effectuate this result is *negative* (i.e., a credit to customers) \$4,965,229.¹¹

¹ *Petition of Appalachian Power Company, For approval of a rate adjustment clause, RPS-RAC, to recover the incremental costs of participation in the Virginia renewable energy portfolio standard program pursuant to Va. Code §§ 56-585.1 A 5 d and 56-585.2 E*, Case No. PUR-2021-00048, 2021 S.C.C. Ann. Rept. 432 (Dec. 6, 2021).

² Ex. 2 (Petition) at 1, 3-4.

³ *See id.*

⁴ 2020 Va. Acts ch. 1193 and 1194.

⁵ Ex. 2 (Petition) at 4.

⁶ Ex. 3 (Long Direct) at 5.

⁷ *See* Ex. 4 (Long Supplemental).

⁸ *See* Ex. 5/5C (Harris Direct); Ex. 6 (Smith Direct).

⁹ *See* Ex. 7/7C (Castle Rebuttal); Ex. 8 (Long Rebuttal).

¹⁰ Report at 14.

¹¹ *Id.* at 11.

The Commission finds that such proposal represents a reasonable way to zero-out and terminate the RPS-RAC and, thus, so orders.¹²

Accordingly, IT IS ORDERED THAT:

- (1) APCo's RPS-RAC is approved herein with an updated revenue requirement in the amount of (\$4,965,229).
- (2) The revised RPS-RAC shall be effective from June 1, 2023, through May 31, 2024, at which point the RPS-RAC will be set to zero and discontinued.
- (3) The Company forthwith shall file a revised Schedule RPS-RAC and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (4) On or before September 1, 2024, the Company shall file with the Clerk of the Commission in this docket a report on the over- or under-recovered balance on the RPS-RAC as of May 31, 2024.
- (5) This case is continued pending further order of the Commission.

Commissioner Patricia L. West participated in this matter.

¹² Moreover, based on the unique purpose and circumstances of this case – *i.e.*, determining the appropriate credit to be given to customers to close out a circumscribed rate adjustment clause – the Commission finds that this result does not conflict with prior precedent regarding notice of rate increases.

**CASE NO. PUR-2022-00150
AUGUST 3, 2023**

PETITION OF
APPALACHIAN POWER COMPANY

For revision of a rate adjustment clause pursuant to § 56-585.1 A 6 of the Code of Virginia with respect to the Dresden Generating Plant

FINAL ORDER

On November 30, 2022, Appalachian Power Company ("APCo" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to § 56-585.1 A 6 of the Code of Virginia for approval to recover costs associated with APCo's Dresden Generating Plant ("Dresden") through its generation rate adjustment clause ("G-RAC").

Through its Petition, APCo proposes an annual revenue requirement of \$34.7 million for the 24 months following implementation of the revised G-RAC.¹ The Company states that this proposed annual revenue requirement is composed of: (i) an actual under-recovery of approximately \$7.5 million of the Company's G-RAC costs for the period ended August 31, 2022; (ii) a projected under-recovery of \$6.3 million for the period of September 1, 2022, through October 31, 2023; and (iii) a projected base annual revenue requirement of \$27.8 million for the period of November 1, 2023, through October 31, 2025.² APCo seeks to collect the combined under-recovery balance of approximately \$13.7 million over 24 months, resulting in an annualized under-recovery amount of approximately \$6.9 million.³ APCo requests approval to implement the proposed G-RAC on and after November 1, 2023, and to recover the requested annual revenue requirement for 24 months, consistent with its request in this Petition to file its next G-RAC Petition in 24 months.⁴ The Company asserts that if approved, the proposed revenue requirement will result in an increase of \$0.66 to the monthly bill of a residential customer using 1,000 kilowatt hours of electricity per month when compared to rates effective November 1, 2022.⁵

On January 23, 2023, the Commission issued an Order for Notice and Hearing that, among other things, scheduled a public hearing on the Petition; required APCo to publish notice of its Petition; gave interested persons the opportunity to comment on, or participate in, the proceeding; directed the Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel") filed a notice of participation in this matter on March 15, 2023. Staff filed testimony on April 7, 2023. The Company filed rebuttal testimony on April 21, 2023. The Commission received six public comments on the Company's Petition.

¹ Ex. 2 (Petition) at 5.

² *Id.*; Ex. 3 (Stevens Direct) at 3.

³ Ex. 3 (Stevens Direct) at 3.

⁴ Ex. 2 (Petition) at 5.

⁵ *Id.*

On May 1, 2023, the Company and Staff filed a Joint Motion to Accept Stipulation with an attached Stipulation signed by the Company and Staff.⁶ The Stipulation provides in pertinent part that:

- (1) The Petition should be approved, and [APCo] should be directed to implement the proposed revisions to the G-RAC to reflect a total annual revenue requirement of \$34,660,584 for the two rate years beginning November 1, 2023.
- (2) The Company's proposed revenue allocation and rate design methodology, as presented in the Direct Testimony of Katharine I. Walsh, should be approved.
- (3) In connection with each subsequent petition regarding the Company's G-RAC, [APCo] will provide to the Staff, within five (5) days of filing the Petition with the Commission, details regarding all purchase order transactions, including general ledger transactions to reconcile Maximo discrepancies, included in the Company's proposed revenue requirement.

The hearing scheduled to take the testimony of public witnesses on May 2, 2023, was cancelled after no witnesses signed up to testify. The evidentiary hearing was held on May 3, 2023. APCo, Consumer Counsel, and Staff participated in the hearing.

On May 10, 2023, the report of A. Anne Berkebile, Senior Hearing Examiner ("Report"), was filed. In her Report, the Senior Hearing Examiner found that:

- (1) The Stipulation should be accepted by the Commission as a full and fair resolution of the issues in this case;
- (2) The uncontested annual G-RAC revenue requirement of \$34,660,584 for the two rate years beginning November 1, 2023, is adequately supported by the evidence;
- (3) The Stipulation's requirement for the Company to provide to Staff, within five (5) days of its next G-RAC filing, information concerning purchase order transactions included in the Company's proposed revenue requirement, including general ledger transactions to reconcile Maximo discrepancies, constitutes a reasonable measure for alleviating future confusion or ambiguity associated with the Company's use of Maximo and treatment of purchase orders;
- (4) The Company's proposed G-RAC revenue allocation and rate design methodology is supported by the evidence; and
- (5) APCo's request for a 24-month G-RAC filing interval is reasonable.⁷

The Senior Hearing Examiner also recommended the Commission enter an order:

- (1) Adopting the findings in the Report;
- (2) Approving the Stipulation agreed to by the Company and Staff for the resolution of all issues in this case;
- (3) Approving the Company's updated G-RAC with an annual revenue requirement of \$34,660,584 for the two rate years beginning November 1, 2023;
- (4) Directing the Company provide to the Staff, within five (5) days of filing a G-RAC petition with the Commission, details regarding all purchase order transactions, including general ledger transactions to reconcile Maximo discrepancies, included in the Company's proposed revenue requirement;
- (5) Approving the Company's proposed revenue allocation and rate design methodology;
- (6) Approving the Company's request for a G-RAC filing interval of 24 months;
- (7) Authorizing the Company to file its next G-RAC petition by no later than December 1, 2024; and
- (8) Dismissing this case from the Commission's docket of active cases.⁸

On May 30, 2023, APCo filed a letter in lieu of comments stating that it agreed with the Senior Hearing Examiner that the Stipulation provides a full and fair resolution of the issues in this proceeding. On May 31, 2023, Consumer Counsel filed comments stating that it does not object to the approval of the Stipulation or the adoption of the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

⁶ Exhibit 11 (Stipulation). Consumer Counsel, while not a signatory to the Stipulation, did not object to it. Tr. 12.

⁷ Report at 12.

⁸ *Id.*

The Commission concludes that the Senior Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein.⁹ In so doing, the Commission approves an annual revenue requirement of \$34,660,584 for the two rate years beginning November 1, 2023.

Accordingly, IT IS ORDERED THAT :

- (1) The findings and recommendations of the Report are hereby adopted.
- (2) The Stipulation is hereby approved.
- (3) The Company's updated G-RAC is approved with an annual revenue requirement of \$34,660,584 for the two rate years beginning November 1, 2023.
- (4) Pursuant to Code § 56-585.1 A 7, the Company is permitted to implement the G-RAC rate, as approved herein, for service rendered on and after 60 days from the date of this Final Order. Alternatively, as requested by the Company, APCo may implement the G-RAC, as approved herein, for service rendered on and after November 1, 2023.
- (5) The Company forthwith shall file a revised consolidated G-RAC and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/case-information.
- (6) The Company shall provide to the Staff, within five (5) days of filing a G-RAC petition with the Commission, details regarding all purchase order transactions, including general ledger transactions to reconcile Maximo discrepancies, included in the Company's proposed revenue requirement.
- (7) The Company's proposed revenue allocation and rate design methodology are approved.
- (8) The Company's request for a G-RAC filing interval of 24 months is approved.
- (9) The Company shall file its next G-RAC petition on or before December 1, 2024.
- (10) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁹ See Report.

**CASE NO. PUR-2022-00151
APRIL 27, 2023**

PETITION OF
VIRGINIA-AMERICAN WATER COMPANY and E.L. GODDARD, INC.

For authority to transfer utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia

FINAL ORDER

On October 7, 2022,¹ Virginia-American Water Company ("VAWC" or "Company") and E.L. Goddard, Inc. ("Goddard") (collectively, "Petitioners"), completed a filing with the State Corporation Commission ("Commission") of a joint petition ("Petition") pursuant to Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of utility assets³ from Goddard to VAWC ("Proposed Transfer").⁴ VAWC also requested that the Commission: (1) approve an amendment to its certificate of public convenience and necessity ("Certificate") to allow VAWC to operate as a public utility providing water service in the territory currently served by Goddard;⁵

¹ On September 2, 2022, the Petitioners filed their Petition. On September 20, 2022, the Commission Staff ("Staff") sent a written request to the Petitioners for additional information required by Virginia Code § 56-237.1. On October 7, 2022, Petitioners supplemented their Petition with the requested information ("Supplemental Filing"), which completed their Petition.

² Code § 56-89.

³ The utility assets include 17 water systems ("Systems") located in Reedville, Heathsville, Ophelia, Kilmarnock, Callao, and Lottsburg in Northumberland County and Kinsale and Hague in Westmoreland County, Virginia. Petition at 2. The Systems currently provide water service to approximately 275 connections. Supplemental Filing at Exhibit 1 (Oct. 7, 2022).

⁴ Petition at 1.

⁵ *Id.*

(2) approve Goddard's current bi-monthly rates but with the request that VAWC may, for each system, bill monthly at half of the current bi-monthly rate;⁶ (3) approve migration of the Goddard system customers to VAWC's Eastern District rates once meters are installed for each affected customer;⁷ and (4) determine the rate base value of the Systems for purposes of setting the purchase price.⁸

Per the Petition, VAWC plans to purchase, own, and thereafter operate the Systems.⁹ Petitioners do not anticipate any change to the current operations of the Systems as a result of the Proposed Transfer that would interrupt the continuous service to the respective customers of the Systems.¹⁰ VAWC proposes to initially continue to charge the existing flat rate for unlimited water usage imposed by Goddard, but billed monthly instead of bi-monthly, at half the rate.¹¹ After closing of the Proposed Transfer, VAWC plans to install meters for all Goddard customers. According to the Petitioners, upon completion of meter installations in each separate system, VAWC will migrate metered customers to VAWC's Eastern District tariff rates.¹² Otherwise, the Petitioners do not anticipate any change by which customers obtain service.¹³

On October 17, 2022, the Commission entered an Order for Notice and Comment in this matter that, among other things, docketed the proceeding; directed Petitioners to provide notice of the Petition to the public; provided interested persons an opportunity to comment or request a hearing; and directed Staff to investigate the Petition and file a report ("Staff Report") containing Staff's findings and recommendations.¹⁴

On February 10, 2023, Staff filed its Report summarizing the results of its investigation of the Petition. In its Report, Staff determined that adequate service at just and reasonable rates will not be impaired or jeopardized by the Proposed Transfer and, therefore, recommended approval of the Proposed Transfer subject to the requirements listed in Appendix A to the Staff Report. Staff also recommended approval of the requested amendment to VAWC's Certificate pursuant to Code §§ 56-265.2 and 56-265.3 D to include the Systems. Staff further recommended approval of the Petitioners' request to move Goddard's customers from bi-monthly billing to monthly billing at half of the bi-monthly rate, on an interim basis subject to refund with interest.¹⁵ Staff also recommended that these approvals should be subject to the requirements listed in Appendix A to the Report. Staff, also recommended that any potential migration of Goddard customers to VAWC's Eastern District rates be deferred until VAWC's next base rate case.¹⁶

On February 24, 2023, VAWC filed a response ("Response") to the Staff Report. In the Response, VAWC stated that while they agreed with Staff's conclusion that the Proposed Transaction will not impair or jeopardize adequate service to the public at just and reasonable rates, they took issue with two aspects of the Staff Report.¹⁷ Specifically, VAWC requested that the Commission additionally: (1) determine the rate base value of the Systems, to ensure that the proposed transaction goes forward; and (2) decline to adopt Staff's recommendation that VAWC place the current Goddard rates into effect on an interim basis.¹⁸

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that pursuant to Code §§ 56-89 and 56-90, the Proposed Transfer will neither impair nor jeopardize the provision of adequate service at just and reasonable rates and is approved subject to the requirements in the Appendix attached to this Order.

⁶ *Id.* at 4.

⁷ *Id.* at 4-5.

⁸ *Id.* at 3.

⁹ *Id.* at 1.

¹⁰ *Id.* at 4.

¹¹ *Id.* Current Goddard customers pay on average \$74.00 per month for unlimited water usage from the Systems. Supplemental Filing at Exhibit 1.

¹² *Id.* at 4-5; Under current VAWC's Eastern District rates, Goddard residential customers with an average monthly usage of 2,000 gallons of water would pay \$31.11/month including purchased water. Supplemental Filing at Exhibit 2.

¹³ Petition at 4.

¹⁴ No requests for hearing were filed. Five public comments were filed between December 1, 2022, and January 10, 2023. Petitioners filed Proof of Service on November 30, 2022.

¹⁵ Staff Report at 7.

¹⁶ *Id.* at 8.

¹⁷ Response at 3.

¹⁸ *Id.* at 8.

With respect to the concerns raised by the Company in the Response to the Staff Report, we find that the Staff Report Appendix A recommendation numbers (3)¹⁹ and (7)²⁰ are hereby amended, respectively, to provide VAWC with the option of filing the Compliance Filing or a base rate case within ninety (90) days following the first full year of the Company's operation of the Systems, whichever comes first. The Commission declines to take further action on the Company's objections to the Staff Report for the reasons stated below.

First, the Commission typically employs customer safeguards such as a) no ratemaking implications and b) rates set interim subject to refund in Utility Transfers Act cases where the water/wastewater system subject to the transfer originates from an entity that has not historically been regulated by the Commission.²¹ This practice ensures that the acquiring utility has the opportunity, through the Compliance Filing, to develop the necessary cost of service information required for the Commission to confirm just and reasonable rates for the acquiring utility and its new customers.

Second, and as to VAWC's desire that the Commission determine the rate base value of the Systems in this proceeding "to ensure that the proposed transaction goes forward,"²² the Commission typically does not make any accounting or ratemaking determinations in a Utility Transfers Act case as part of its limited review of whether or not a proposed transfer of utility assets meet the standards for approval set out in Code § 56-90.²³ The Company may, however, certainly proffer this information for the Commission's consideration in a general rate case, where the review of such rate base value of the systems and the resulting purchase price paid would be more appropriate.

Finally, we find that pursuant to Code §§ 56-265.2 and 56-265.3, it is in the public interest to amend VAWC's certificate to include the Systems.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-89 and 56-90, the Proposed Transfer is approved subject to the requirements outlined in this Order and the attached Appendix.

(2) Pursuant to Code §§ 56-265.2 and 56-265.3:

(a) VAWC's Certificate No. W-328a is hereby cancelled; and

(b) VAWC is hereby granted an amended Certificate No. W-328b authorizing it to furnish water distribution service to the Systems.

¹⁹ Original recommendation # 3: Upon closing of the proposed Transfer, the Commission shall allow VAWC to move the Goddard Systems' customers from bi-monthly billing to monthly billing at one-half of the current bi-monthly rates on an interim basis, subject to refund with interest. VAWC shall file with the Commission, within ninety (90) days following the first full year of its operation of the Systems, either a compliance filing or a rate case, whichever the Company may choose to file first, and which contains at a minimum: a balance sheet, 12-month income statement, rate of return statement, and, if available, a federal tax return for each System ("Compliance Filing"). Upon receiving such Compliance Filing, Staff shall plan and conduct an investigation of the Systems' cost of service and the reasonableness of current rates. Staff should then summarize its findings of such investigation in a report filed with the Commission to determine whether the interim rates should be made permanent.

²⁰ Original recommendation # 7: The Commission shall defer any ratemaking decision on any acquisition adjustment recorded as a result of the proposed Transfer. VAWC shall be required to track and quantify all the benefits (both qualitative and quantitative) customers are receiving under its ownership. VAWC shall also be required to provide full support and documentation of any requested acquisition adjustment it proposes to include in its cost of service. VAWC shall include such information with its Compliance Filing.

²¹ *Joint Petition of Virginia Electric Power Company and Old Dominion Electric Cooperative for approval to transfer utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq.*, Docket No. PUR-2022-00102, Doc. Con. Cen. No. 221320022, Final Order at 4 (*see especially*, ordering paragraph (1)) and Appendix A (para. (1) transfer shall have no ratemaking implications) (November 10, 2022). *See also, Joint Application of CP Isle of Wight Water Co. and Life Essentials, Inc., for approval of a transfer of utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq., and a transfer of a Certificate of Public Convenience and Necessity*, Docket No. PUR-2021-00074, S.C.C. Ann. Rep. at 468-470, Final Order (*see especially*, ordering paragraphs (1), (7), (8) and (9) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (September 14, 2021); and *Joint Petition of Aqua Virginia, Inc., Aqua Presidential, Inc. and Clyde E. Viperman, Jr., for approval of a transfer of utility assets*, PUE -2015-00077, S.C.C. Ann. Rep. 362-363, Final Order (*see especially*, ordering paragraph (1) and Appendix A paragraphs (5), (6), (7) and (8) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (November 19, 2015); as well as *Joint Petition of Aqua Utilities Captain's Cove, Inc. and Captain's Cove Utilities, Inc., for approval of a transfer of utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq.*, Docket No. PUE-2015-00014, S.C.C. 276, 280-281, Final Order (*see especially*, ordering paragraphs (6), (8), (10), (11) and (12) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (August 4, 2015).

²² Response at 8.

²³ *Joint Petition of Virginia Electric Power Company and Old Dominion Electric Cooperative for approval to transfer utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq.*, Docket No. PUR-2022-00102, Doc. Con. Cen. No. 221320022, Final Order at 4 (*see especially*, ordering paragraph (1)) and Appendix A (para. (1) transfer shall have no ratemaking implications) (November 10, 2022). *See also, Joint Application of CP Isle of Wight Water Co. and Life Essentials, Inc., for approval of a transfer of utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq., and a transfer of a Certificate of Public Convenience and Necessity*, Docket No. PUR-2021-00074, S.C.C. Ann. Rep. at 468-470, Final Order (*see especially*, ordering paragraphs (1), (7), (8) and (9) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (September 14, 2021); and *Joint Petition of Aqua Virginia, Inc., Aqua Presidential, Inc. and Clyde E. Viperman, Jr., for approval of a transfer of utility assets*, PUE -2015-00077, S.C.C. Ann. Rep. 362-363, Final Order (*see especially*, ordering paragraph (1) and Appendix A paragraphs (5), (6), (7) and (8) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (November 19, 2015); as well as *Joint Petition of Aqua Utilities Captain's Cove, Inc. and Captain's Cove Utilities, Inc., for approval of a transfer of utility assets pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq.*, Docket No. PUE-2015-00014, S.C.C. 276, 280-281, Final Order (*see especially*, ordering paragraphs (6), (8), (10), (11) and (12) transfer shall have no ratemaking implications, compliance filings requirements and rates interim subject to refund) (August 4, 2015).

(3) VAWC shall obtain and maintain all permits, certifications, and licenses to operate the Systems, including permits from the Virginia Department of Health and the Virginia Department of Environmental Quality.

(4) In accordance with the Commission's amendments to (3) and (7) in Appendix A to Staff's Report (see attached Appendix), the Company shall, within ninety (90) days following the first full year of its ownership and operation of the Systems, either file its Compliance Filing or its next rate case, whichever comes first.

(5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1. Pursuant to Code §§ 56-89 and 56-90, the Commission approves the proposed Transfer subject to the requirements listed below.

2. Pursuant to Code §§ 56-265.2 and 56-235.3 D, the Commission approves an Amendment to VAWC's Certificate to include the Systems.

3. Upon closing of the proposed Transfer, the Commission shall allow VAWC to move the Goddard Systems' customers from bi-monthly billing to monthly billing at one-half of the current bi-monthly rates on an interim basis, subject to refund with interest. VAWC shall file with the Commission, within ninety (90) days following the first full year of its operation of the Systems, either a compliance filing or a rate case, whichever the Company may choose to file first, and which contains at a minimum: a balance sheet, 12-month income statement, rate of return statement, and, if available, a federal tax return for each System-("Compliance Filing"). Upon receiving such Compliance Filing, Staff shall plan and conduct an investigation of the Systems' cost of service and the reasonableness of current rates. Staff should then summarize its findings of such investigation in a report filed with the Commission to determine whether the interim rates should be made permanent. Should the Company choose to file a rate case in lieu of the Compliance Filing, the Company's rate case filing shall include each of the afore-mentioned documents and otherwise comply with all statutory and Commission rate case filing rules.

4. The Commission shall defer any potential migration of the Goddard Systems' customers to VAWC's Eastern District rates until VAWC's next base rate case.

5. The Commission's approval shall have no accounting or ratemaking implications.

6. The Commission's approval shall be contingent upon closing the Transfer pursuant to the terms and conditions ("Terms") of the Agreement reviewed by this Commission. No changes to the Terms of the Agreement shall be made before or at closing, without prior Commission approval.

7. The Commission shall defer any ratemaking decision on any acquisition adjustment recorded as a result of the proposed Transfer. VAWC shall be required to track and quantify all the benefits (both qualitative and quantitative) customers are receiving under its ownership. VAWC shall also be required to provide full support and documentation of any requested acquisition adjustment it proposes to include in its cost of service. VAWC shall include such information with its Compliance Filing or rate case filing, whichever the Company chooses to file first, under the timeline delineated herein.

8. Goddard is directed to provide all records related to the transferred Assets to VAWC at closing, which shall be directed to maintain all such records henceforth in accordance with the Uniform System of Accounts ("USOA").

9. Within ninety (90) days of completing the proposed Transfer, VAWC shall file a Report of Action ("Report") with the Commission. The Report shall include the date of the Transfer, the actual Acquisition Price, and the actual accounting entries on VAWC's books to reflect the Transfer. Such accounting entries shall be in accordance with the USOA, which includes booking any difference between the Acquisition Price and the net book value of the acquired Assets as an acquisition adjustment.

10. VAWC shall provide to Staff, periodic updates on the VDH's grant status, to include the following: (a) the date the VDH grant is approved; (b) the dates and amounts of VDH grant money receipts; (c) the accounting journal entries to record each VDH grant receipt; (d) a schedule showing improvements to each System by type, account, and amount; and (e) any other events that affect the VDH grant, receipts, or System improvements. Updates shall be provided within ten (10) business days of receipt of documents.

11. The Commission shall direct VAWC that:

- a. The quality of service in the Systems' service territory shall not deteriorate due to a lack of maintenance or capital investment;
- b. The quality of service in the Systems' service territory shall not deteriorate due to a reduction in the number of employees providing services; and
- c. VAWC shall continue to maintain a high degree of cooperation with the Commission Staff and shall take all actions necessary to ensure VAWC's timely response to Staff inquiries with regard to its provision of water service in Virginia.

**CASE NO. PUR-2022-00154
MAY 30, 2023**

APPLICATION OF
KEYDET SOLAR CENTER, LLC

For Certificates of Public Convenience and Necessity for a solar generating facility totaling up to 145 MW and associated interconnection facilities to be located in Charles City County, Virginia

FINAL ORDER

On September 16, 2022, pursuant to Code §§ 56-46.1, 56.265.2, and 56-580 D, and the State Corporation Commission ("Commission") Filing Requirements in Support of Applications for Authority to Construct and Operate an Electric Generating Facility,¹ Keydet Solar Center, LLC ("Keydet" or "Company"), by counsel, filed an application ("Application") and supporting documents for certificates of public convenience and necessity ("CPCNs") with the Commission for the construction and operation of: (1) a solar generating facility totaling up to 145 megawatts ("MW") alternating current in Charles City County (the "Solar Generating Facility"); and (2) the transmission lines and associated facilities necessary to interconnect the Solar Generating Facility to the transmission grid (the "Interconnection Facilities") (together with Solar Generating Facility, the "Project"), which include: (a) 34.5 kilovolt ("kV") medium voltage feeder lines ("Feeder Lines") to interconnect the Solar Generating Facility with an existing collector substation ("Skipjack Collector Substation"); and (b) an existing 0.9 mile 230 kV generation-tie line to interconnect the Skipjack Collector Substation to the transmission grid at the existing Virginia Electric and Power Company Chickahominy Substation.²

On October 11, 2022, Skipjack Solar Center, LLC ("Skipjack"), filed a Notice of Participation stating that it supports the Application and the relief requested therein.³

On October 24, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things: directed Keydet to provide public notice of its Application; scheduled public witness and evidentiary hearings for the purpose of receiving testimony from public witnesses and evidence on the Application; provided interested persons an opportunity to file written comments on the Application or participate as respondents in this proceeding; directed the Commission Staff ("Staff") to investigate the Application and file testimony with the results of the investigation; and assigned this case to a Hearing Examiner to conduct all further proceedings in this matter and to file a report

Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On February 16, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ.⁴ The DEQ Report provides general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contains the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

1. Follow DEQ's recommendations including the avoidance and minimization of impacts to wetlands and streams.
2. Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels.
3. Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable.
4. Provide DCR with a copy of the New Jersey Rush survey.
5. Coordinate with DCR on a plan to minimize the fragmentation of ecological cores at identified sites.
6. Development of an invasive species management plan and the planting of native pollinator plants may be coordinated with DCR.
7. Coordinate with DCR for updates to the Biotics Data System database.
8. Coordinate with Department of Wildlife Resources ("DWR") on recommendations for the protection of the Herring Creek Anadromous Fish Use Area.
9. Coordinate with DWR on its recommendations for the establishment of wildlife corridors.
10. Coordinate with DWR on its recommendations for the protection of aquatic resources.
11. Coordinate with the Department of Forestry on its recommendations for the protection of forest resources.

¹ 20 VAC 5-302-10 *et seq.*

² Ex. 2 (Application) at 5-6.

³ Skipjack Notice of Participation at 3.

⁴ Ex. 13 (DEQ Report). On March 24, 2023, DEQ filed the updated comments of the Department of Conservation and Recreation's Division of Natural Heritage ("DCR"). Ex. 14 (DEQ Report Update).

12. Employ best management practices and Spill Prevention and Control Countermeasures as appropriate for the protection of water supply sources.
13. Limit the use of pesticides and herbicides to the extent practicable.

On November 10, 2022, Keydet filed its Supplemental Information in Support of Application and Motion to Revise Notice and Request for Expedited Consideration ("Motion to Supplement"). Therein, Keydet explained that subsequent to the Application's filing and based on feedback from adjacent neighbors and stakeholders, it had decided to remove approximately 200 acres from the Project's scope. The Motion to Supplement was subsequently granted by the Hearing Examiner on November 16, 2022.

Staff filed testimony on February 16, 2023. Keydet filed rebuttal testimony on March 14, 2023. The Commission also received public comments on the Application.

On April 4, 2023, the Hearing Examiner convened an evidentiary hearing to receive testimony and evidence on the Application.⁵

On April 24, 2023, the Hearing Examiner issued the Report of M. Renae Carter, Hearing Examiner ("Report").⁶ The Report contained the following findings:

1. The proposed Project will have no material adverse effect upon reliability of electric service provided by any regulated public utility.
2. The proposed Project will have no material adverse effect upon the rates paid by customers of any regulated public utility in the Commonwealth.
3. The proposed Project is likely to provide economic benefits to Charles City County and the Commonwealth; supports the economic and job creation objectives of the Commonwealth Clean Energy Policy; and potentially may improve service reliability.
4. Keydet should: (i) adhere to the uncontested recommendations in the DEQ Report; (ii) adhere to a 100-foot riparian buffer standard throughout the Project site, with the additional buffers as described in Company witness Saunders's rebuttal testimony; (iii) consult with DWR as to the height of fencing installed at the Project site; (iv) mark and protect wells outside of the Project site to the extent required under the Underground Utility Damage Prevention Act, Title 56, Chapter 10.3 of the Code; (v) either (a) coordinate with DCR to select a time to perform a survey of Virginia Least Trillium that will not jeopardize the Project timeline, or (b) in lieu of a survey, educate Keydet's construction team about Virginia Least Trillium prior to commencement of construction, and coordinate with DCR if the species is found in the approximately 598 acres of the Project site which will be used for construction and/or disturbance; and (vi) complete a Phase 1B Cultural Resources Survey, and consult and coordinate with DHR thereon.
5. The route chosen for the Feeder Lines will avoid or reasonably minimize impact on existing residences, scenic assets, historic resources, and the environment.
6. The Project raises no environmental justice concerns.
7. The Project is both in the public interest, pursuant to Code § 56-580 D, and not otherwise contrary to the public interest, pursuant to Code §§ 56-265.2 B and 56-580 D, provided any approved CPCNs to Keydet are conditioned upon an appropriate sunset provision.
8. I find that a three-year sunset provision is reasonable under the circumstances of this case and should be applied to Keydet's exclusively held CPCNs as well as to Keydet's interest in the Transmission and Distribution CPCNs jointly held by Keydet and Skipjack.
9. It is appropriate for Skipjack's Generation CPCN No. EG-224 to be amended and for Keydet to be granted a new Generation CPCN for its Solar Facility.
10. It is appropriate for Skipjack's Certificate No. ET-213 to be amended to be held jointly in the name of Skipjack and Keydet.
11. It is appropriate for the Commission to amend Skipjack's Certificate No. ED-1 (to reflect removal of the Joint Use Feeder Segment) and to issue two additional Distribution CPCNs, one to be held jointly by Skipjack and Keydet for the Joint Use Feeder Segment and one for the distribution facilities that Keydet will own and/or operate exclusively.
12. The record of this case is sufficient to make the statutory determinations required to approve the Application without the information for which Keydet seeks waivers.

On May 5, 2023, Keydet, Skipjack and Staff filed comments on the Report.⁷

⁵ The public witness hearing was cancelled because no one signed up to testify. Tr. 6.

⁶ On May 9, 2023, the Hearing Examiner filed an errata correcting erroneous references on page 44 of the Report to a five-year sunset period and replacing those references with a three-year sunset period.

⁷ On May 9, 2023, Keydet filed a Motion for Leave to File Comments and Comments ("Motion"). In its Motion, Keydet requested leave to file comments to refute the position taken by Staff in its comments to the Hearing Examiner's Report related to whether Keydet has site control over Option A. On May 10, 2022, Staff filed a letter objecting to the Motion. Because the Commission approves the Option A route herein, we find the Motion moot and do not rule thereon.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:⁸

Accordingly, I RECOMMEND the Commission issue an Order that:

1. ADOPTS the findings and recommendations in this Report;
2. APPROVES the Keydet Project subject to the conditions described herein;
3. APPROVES Option A for the route of the Project's Feeder Lines;
4. AMENDS, and does not "cancel" and "reissue," Skipjack's Generation, Transmission, and Distribution CPCNs and, if the Commission elects, REQUIRES Skipjack and Keydet to comply with the record-keeping duties in 20 VAC 5-300-40; or, in the event Staff's "cancel" and "reissue" process is used, REQUIRES Staff personnel, such as the Director of PUR, to draft a letter on Division stationery to Skipjack, explaining that CPCN cancellations and reissuances (which may include CPCN numbering changes) are part of Staff's current process, that those two events occur simultaneously, and that Skipjack is never without a certificate;
5. AMENDS Skipjack's CPCNs and GRANTS new CPCNs to Keydet and Skipjack as follows.

For Skipjack:

- Amend Certificate No. EG-224, to change the acreage amount listed in the certificate and to include a map showing the three land parcels that will be used by Keydet;
- Amend Certificate No. ET-213 to be jointly held in the names of Skipjack and Keydet and to include a three-year sunset as to Keydet's interest in the CPCN with reversion of Keydet's interest to Skipjack should the sunset occur; and
- Amend Certificate No. ED-1, to remove the Joint Use Feeder Segment.

For Keydet:

- Grant a new Distribution CPCN, with a three-year sunset provision, to Keydet for the distribution facilities that Keydet will own and/or operate exclusively, including the 34.5 kV Feeder Lines (which CPCN will not include the Joint Use Feeder Segment);
 - Grant a new Distribution CPCN, in the names of both Keydet and Skipjack, for the Joint Use Feeder Segment, with a three-year sunset as to Keydet's interest in the CPCN with reversion of Keydet's interest to Skipjack should the sunset occur; and
 - Grant a new Generation CPCN, with a three-year sunset provision, to Keydet for the 145 MW Solar Facility, with an attached map showing the three parcels it will use (in Skipjack's solar footprint) along with the rest of the land on which Keydet will construct the Solar Facility;
6. REQUIRES Skipjack and Keydet to coordinate with VA811 to clarify who should be contacted to mark and, if necessary, correct damage to the underground Joint Use Transmission Facilities;
 7. CONDITIONS Keydet's exclusive CPCNs on the environmental recommendations listed in Finding Paragraph (4) of the Hearing Examiner's Report;
 8. CONDITIONS the exclusive Keydet CPCNs on Keydet obtaining all environmental permits and approvals that are necessary to construct and operate the Project;
 9. GRANTS the waivers requested in the Application as discussed above; and
 10. DISMISSES this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein. With respect to recommended Recommendation No. 4, the Commission finds it appropriate to amend Skipjack's Generation, Transmission, and Distribution CPCNs.⁹ The Commission will also require Skipjack and Keydet to comply with the record-keeping duties in 20 VAC 5-300-40.¹⁰

⁸ Report at 44-45 (emphases in original).

⁹ In approving such "amended" certificates as recommended by the Hearing Examiner based on the specific facts and circumstances herein, the Commission notes that as to the Commission's recordkeeping of such, Staff retains discretion to employ a reasonable administrative process therefor; any such process (and the terminology used by Staff attendant thereto) does not change the legal result of the Commission's granting herein of "amended" certificates.

¹⁰ As requested by Keydet, the Commission further confirms that the required recordkeeping herein is limited to retaining copies of the CPCNs for the life of the Projects. See Keydet comments on the Hearing Examiner's Report at 2.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Subject to the findings and requirements set forth above, Skipjack and Keydet are granted the amended and new CPCNs as follows:

a) Generation

- i) Skipjack Solar Center, LLC: Certificate No. EG-224-A
- ii) Keydet Solar Center, LLC: Certificate No. EG-KYDT-CCY-2023-A

b) Transmission

- i) Skipjack Solar Center, LLC and Keydet Solar Center, LLC: Joint Use Certificate No. ET-213-A

c) Distribution

- i) Skipjack Solar Center, LLC: Certificate No. ED-1-A
- ii) Skipjack Solar Center, LLC and Keydet Solar Center, LLC: Joint Use Certificate No. ED-SKPJK/KYDT-CCY-2023-A
- iii) Keydet Solar Center, LLC: Certificate No. ED-KYDT-CCY-2023-A

- (4) Keydet shall file for amended CPCNs from the Commission if there is a change in the route of the Project's Feeder Lines;

(5) The Company and Skipjack shall forthwith work with Staff to file electronic maps of the Project for certification. The electronic maps shall include the boundaries of the Solar Generating Facility; the utility point of interconnection; county designations; geographic identifiers (road names, waterways, etc.); and the Global Positioning System coordinates of the Solar Generating Facility. The electronic maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, by email at mike.cizenski@scc.virginia.gov.

- (6) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00162
JUNE 15, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of a rate adjustment clause designated Rider SNA under § 56-585.1 A 6 of the Code of Virginia

FINAL ORDER

On October 6, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") for revision of a rate adjustment clause, Rider SNA, for the costs associated with the preparation of the applications for Subsequent License Renewal ("SLR") to the Nuclear Regulatory Commission to extend the operating licenses (the "SLR Component"), and the projects reasonably appropriate to upgrade or replace systems and equipment deemed to be necessary to operate safely and reliably, Dominion's Surry Units 1 and 2 and North Anna Units 1 and 2 in the extended period of operation (the "Capital Upgrade Component") (collectively, the SLR Component and the Capital Upgrade Component comprise the "Program").¹

In Case No. PUR-2021-00229 ("2021 Rider SNA"), the Commission approved Phase I of the Program, consisting of the Company's subsequent license renewal applications and 33 Capital Upgrade Component projects.² The total estimated costs for Phase I are approximately \$1.2 billion.³ The Company filed its Petition as the first annual update to: (1) inform the Commission of the status of the Program; and (2) update Rider SNA for the recovery costs associated with the Program.⁴

¹ Ex. 2 (Petition) at 1.

² *Petition of Virginia Electric and Power Company, For approval of a rate adjustment clause designated Rider SNA under § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2021-00229, Doc. Con. Cen. No. 220710001, Final Order (July 1, 2022).

³ Ex. 2 (Petition) at 4.

⁴ *Id.* at 4.

In this proceeding, Dominion has asked the Commission to approve Rider SNA from September 1, 2023 through August 21, 2024 ("Rate Year"). In its Petition, the Company also presented a new project for Phase I of the Capital Upgrade Component projects: the Cathodic Protection Project at Surry Units 1 and 2.⁵ The Company asserts the Cathodic Protection Project is necessary to obtain the SLR.⁶

On November 1, 2022, the Commission entered an Order for Notice and Hearing, which, among other things: established a procedural schedule; required the Company to provide public notice of its Petition; afforded interested persons an opportunity to participate or file comments on the Company's Petition; directed Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits; scheduled a hearing to receive public witness testimony; scheduled a public evidentiary hearing; and assigned the case to a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and file a final report.

On November 9, 2022, the Virginia Committee for Fair Utility Rates filed a Notice of Participation. On January 5, 2022, the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel") filed a Notice of Participation. On March 21, 2023, Staff filed the testimonies and exhibits of its witnesses. On April 3, 2023, the Company filed a letter in lieu of rebuttal testimony to the prefiled direct testimony of Staff. The Company noted that Staff does not object to the changes and additions to the Capital Upgrade Component projects. The Company agreed with the revenue requirement presented in Staff's prefiled testimony, which is materially identical to the revenue requirement proposed by the Company in its Petition. The Commission received one public comment in this matter.

The Senior Hearing Examiner convened the evidentiary hearing on April 26, 2023.⁷ Dominion, Consumer Counsel, and Staff participated at the hearing.⁸ On May 5, 2023, the Senior Hearing Examiner filed the Report of Michael D. Thomas, Senior Hearing Examiner ("Report"). The Senior Hearing Examiner found:⁹

- The Company's Petition is fair, reasonable, in the public interest, and should be approved;
- The material changes to the two Capital Upgrade Component projects approved in the 2021 Rider SNA case, the Low Level Circulating Water Project at Surry and the Incore Instrumentation Project at North Anna, the costs of which will be covered by project contingency, are reasonable, prudent, and should be approved;
- The new Capital Upgrade Component project proposed for Phase I, the Cathodic Protection Project at Surry Units 1 and 2, the costs of which are reasonable, prudent, and required for the facility's operating license renewal, should be approved;
- A Rider SNA revenue requirement of \$49,796,308, including the Company's proposed cost allocation, rate design, and accounting treatment, is reasonable and should be approved; and
- The Company's proposed Rider SNA should be effective for usage on and after September 1, 2023.

Based on the foregoing, the Senior Hearing Examiner recommended the Commission issue an Order that:¹⁰

- (1) ADOPTS the findings and recommendations in the Report;
- (2) APPROVES the Company's Petition;
- (3) APPROVES the material changes to the two Capital Upgrade Component projects approved in the 2021 Rider SNA case, the Low Level Circulating Water Project at Surry and the Incore Instrumentation Project at North Anna;
- (4) APPROVES the new Capital Upgrade Component project proposed for Phase I, the Cathodic Protection Project at Surry Units 1 and 2;
- (5) APPROVES a Rider SNA revenue requirement of \$49,796,308, including the Company's proposed cost allocation, rate design, and accounting treatment;
- (6) APPROVES the Company's proposed Rider SNA, effective for usage on and after September 1, 2023; and
- (7) DISMISSES this case from the Commission's docket of active cases.

On May 12, 2023, the Company and Consumer Counsel filed comments on the Report. On May 15, 2023, Staff filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Senior Hearing Examiner's findings and recommendations contained in the Report are supported by law and the evidence, have a rational basis, and should be adopted herein.

⁵ Ex. 2 (Petition) at 6; Ex. 3 (Holloway Direct) at 6, 9; Ex. 4 (Phelps Direct) at 8.

⁶ Ex. 2 (Petition) at 6; Ex. 3 (Holloway Direct) at 6.

⁷ The public witness hearing scheduled for April 25, 2023, was cancelled because no one signed up to testify.

⁸ Tr. 8.

⁹ Report at 14.

¹⁰ *Id.*

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted.
- (2) Rider SNA is approved with a Rate Year revenue requirement of \$49,796,308.

(3) The Company forthwith shall file a revised Rider SNA and supporting workpapers, and any other necessary tariff revisions, with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) Pursuant to Code § 56-585.1 A 7, the Company may implement Rider SNA, as approved herein, for service rendered on and after 60 days from the date of this Final Order. Alternatively, as requested by the Company, Dominion may implement Rider SNA, as approved herein, for service rendered on and after September 1, 2023, for the Rate Year.

(5) On or before October 31, 2023, the Company shall file an application to revise Rider SNA effective September 1, 2024.

(6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00163
SEPTEMBER 5, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval and certification of the Reusens to Roanoke 138 kV Rebuild Project Under Title 56 of the Code of Virginia

FINAL ORDER

On November 22, 2022, Appalachian Power Company ("APCo" or the "Company") filed with the State Corporation Commission ("Commission") an application ("Application") to construct, own, operate, and maintain electric facilities in Roanoke and Bedford Counties, the cities of Roanoke and Lynchburg, and the Town of Vinton, Virginia.¹ APCo filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code"), and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following, which is collectively referred to as the "Project":²

- A rebuild of the Reusens–Roanoke 138-kilovolt ("kV") Transmission Line asset consisting of approximately 43 miles of double-circuit 138 kV line between the Company's Reusens and Roanoke Substations;
- Reconfiguring approximately 250 feet of Roanoke–Cloverdale 138 kV Transmission Line asset between the rebuilt Reusens–Roanoke 138 kV Transmission Line and existing structure 48-175/1; and
- Expanding and replacing equipment at Centerville Substation.

According to the Application, the infrastructure needs to be replaced to address the condition, performance, and risk associated with the asset, including its inability to meet current National Electric Safety Code ("NESC") standards.³

The Company asserts the Project will replace aging infrastructure that is approximately 90 years old, contains numerous open conditions due to age-related deterioration, and does not comply with current NESC Grade B loading criteria standards and current American Society of Civil Engineers structural strength criteria.⁴ The Company states the Project is necessary to ensure adequate and reliable electric service and accommodate future growth in Roanoke and Bedford Counties, the cities of Lynchburg and Roanoke, the towns of Vinton and Bedford, and the surrounding areas.⁵

¹ Ex. 2 (Application) at 1.

² *Id.* at 1-2.

³ *Id.* at 2.

⁴ *Id.*

⁵ *Id.*

Per the Application, approximately forty percent of the Project will be constructed on an existing 18 mile 100-foot-wide right-of-way ("ROW") already acquired by the Company and approximately 24 miles will be rebuilt parallel to or near existing ROW on new 100-foot-wide ROW.⁶ Approximately one mile will be built on new ROW but not adjacent to the existing line.⁷

On December 20, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Application; established a procedural schedule; directed APCo to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter and to file a final report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.⁸ On February 10, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provided a list of permits needed for the Project.⁹ The DEQ Report also provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Conduct an on-site delineation of all wetlands and stream crossings within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
- Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels;
- Evaluate identified Pollution Complaint case and its potential to impact the proposed project;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable;
- Coordinate with the Department of Conservation and Recreation's ("DCR") should there be potential project impacts to karst features;
- Development of an invasive species management plan and the planting of native pollinator plants may be coordinated with DCR;
- Coordinate with DCR on a plan to minimize fragmentation of ecological cores at identified sites;
- Coordinate with DCR for updates to the Biotics Data System database (if the scope of the project changes or six months pass before the project is implemented);
- Coordinate with the Virginia Department of Wildlife Resources ("DWR") regarding its recommendations for the Loggerhead Shrike, listed fish species, Managed Trout Streams, Species of Greatest Conservation Need, and general recommendations to protect aquatic and wildlife resources;
- Coordinate with the Virginia Outdoors Foundation if the project area changes or if this project does not begin within 24 months;
- Employ best management practices and Spill Prevention and Control Countermeasures as appropriate for the protection of water supply sources;
- Follow the principles and practices of pollution prevention to the extent practicable; and
- Limit the use of pesticides and herbicides to the extent practicable.¹⁰

On May 8, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of the Company's Application. On May 22, 2023, the Company filed rebuttal testimony. On May 23, 2023, DWR submitted public comments in response to the Company's rebuttal testimony.

Because no public witnesses signed up to testify, the public witness portion of the hearing on June 5, 2023, was not convened. Similarly, no written comments were filed relative to the Application. On June 6, 2023, the Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. The Company and Staff participated at the hearing.

⁶ *Id.*

⁷ Ex. 5 (McMillen Direct) at 4,

⁸ Letter from Frederick D. Ochsenhirt, State Corporation Commission, dated November 28, 2022, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2022-00197; Letter from Frederick D. Ochsenhirt, State Corporation Commission, dated November 28, 2022, to Bettina Hayfield, Department of Environmental Quality, filed in Case No. PUR-2022-00163.

⁹ Ex. 295 (DEQ Report) at 6-7.

¹⁰ Ex. 9 (DEQ Report) at 6-7.

On July 14, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report"), was issued. In the Report, the Hearing Examiner made the following findings and recommendations:¹¹

1. The Company demonstrated the need for its proposed Project;
2. The Project's cost is reasonable;
3. The Project would reasonably minimize adverse impacts to scenic areas, historic districts, and the environment of the area concerned, as required by § 56-46.1 of the Code;
4. The uncontested recommendations in the DEQ Report should be adopted by the Commission as conditions of approval;
5. APCo should be directed to follow the mitigation guidelines and, where reasonable and practical, utilize selective clearing methods to retain low-growth shrubs and other compatible vegetation within: (1) 50 feet of all year-round streams, ponds or wetlands and undertake erosion control measures where necessary; (2) 50 feet of road crossings; and (3) 25 feet of karst features and outcrops of limestone or dolomite rock;
6. The Company should be directed to coordinate with the appropriate agencies to conduct the necessary studies by using the agency protocol to determine if any Loggerhead Shrike are detected in the relevant area to determine if, or the extent to which, the time-of-year restrictions are needed in that area;
7. The Company should be directed to identify any work that would be deemed to be instream work on the relevant waters noted in DWR's comments and coordinate with the appropriate agencies regarding the work and any time-of-year restrictions deemed necessary by the agencies;
8. APCo should be directed to coordinate with the United States Fish and Wildlife Service ("USFWS") to perform presence/absence surveys for the northern long-eared bat ("NLEB") in areas where suitable habitat is present and tree removal will occur. The results of such surveys and USFWS concurrence should determine whether time-of-year restrictions on tree removal will be necessary for the Project;
9. The Project will not adversely impact the health and safety of the persons in the area concerned;
10. The Project does not adversely impact any goal established by the Virginia Environmental Justice Act ("VEJA");
11. The Project will ensure the Company's continued bulk electric power delivery, thereby supporting economic development; and
12. The Company should be directed to contact Mr. Ferguson and Mr. Hutchens to discuss the details pertaining to the proposed towers expected to impact their respective properties.

Accordingly, the Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed facilities as specified above; approves the Company's request for a Certificate of Public Convenience and Necessity ("CPCN") to authorize construction of the proposed facilities as specified above; and dismisses the case from the Commission's docket of active cases.¹²

On July 27, 2023, APCo and Staff each filed separate comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

[I]t shall be unlawful for any public utility to construct, enlarge, or acquire . . .any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

¹¹ Report at 23-24.

¹² *Id.* at 24.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

[w]henver the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact . . . In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted . . . Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing right-of-way easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

APCo represented that the proposed Project is necessary to ensure adequate and reliable electric service and accommodate future growth in Roanoke and Bedford Counties, the cities of Lynchburg and Roanoke, the towns of Vinton and Bedford, and the surrounding areas, and comply with mandatory NERC Reliability Standards for transmission facilities and the Company's mandatory planning criteria.¹³ Staff concluded that APCo reasonably demonstrated that the proposed Project is needed.¹⁴ The Commission agrees with the Hearing Examiner that the Company has reasonably demonstrated the requisite need for the Project.¹⁵

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Project would support economic growth in the Commonwealth by continuing to provide reliable electric service.¹⁶

Rights-of-Way and Routing

In making determinations about the routing of a transmission line, "the Commission must balance adverse impacts along with other factors and traditional considerations."¹⁷ The Commission must then "decide within the parameters of the statute what best serves the total public interest."¹⁸

After considering the record, the Commission agrees with the analysis and conclusions in the Hearing Examiner's Report¹⁹ regarding the route and concludes that the proposed route, being constructed largely within or parallel to the existing ROW, will avoid or reasonably minimize to the greatest extent reasonably practicable the impact on existing residences, the environment, scenic assets, and historic resources.

Impact on Scenic Assets and Historic Districts

The Project area is characterized by rolling terrain at the foothills of the Blue Ridge Mountains with steeper terrain near the city of Roanoke.²⁰

¹³ Ex. 2 (Application) at 2.

¹⁴ Ex. 10 (Staff Report) at 23.

¹⁵ Report at 19.

¹⁶ Ex. 10 (Staff Report) at 22.

¹⁷ *BASF v. State Corp. Com'n*, 289 Va. 375, 395 (2015) (citations and internal quotation marks omitted). The Commission is not bound by the recommendations of the Hearing Examiner which are advisory in nature. *Northern Virginia Elec. Coop. v. Virginia Elec. & Power Co.*, 265 Va. 363, 368, 372 (2003) (The Court noted that the Commission rejected the Hearing Examiner's recommendations, and the Court affirmed the Commission's order "[f]inding that the [Commission's] decision is supported by the law and the evidence . . .").

¹⁸ *BASF v. State Corp. Com'n*, 289 Va. 375, 395 (2015).

¹⁹ Report at 19-20.

²⁰ Ex. 2 (Application), Response to Guidelines at 40; Ex. 10 (Staff Report) at 19.

The record reflects that the proposed route crosses agricultural areas within or near the existing ROW and therefore is not expected to permanently impact farmland.²¹ The Commission finds that construction of the Project would avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and the environment of the area concerned, as required by § 56-46.1 B of the Code, subject to the recommendations provided in the following section.

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.²²

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.²³ The Company disagreed with several of those recommendations.²⁴

Although DWR initially recommended that APCo maintain a 100-foot-wide vegetated buffer around wetlands and streams, DWR was agreeable to alternative buffer sizes referenced in the Company's rebuttal testimony.²⁵ We agree with the Hearing Examiner²⁶ that APCo should follow the mitigation guidelines and, where reasonable and practical, utilize selective clearing methods to retain low-growth shrubs and other compatible vegetation within: (1) 50 feet of all year-round streams, ponds or wetlands and undertake erosion control measures where necessary; (2) 50 feet of road crossings; and (3) 25 feet of karst features and outcrops of limestone or dolomite rock.

Similarly, DWR initially recommended time-of-year restrictions on tree removal and ground-clearing activities during the songbird nesting season of March 15 through August 15 each year. However, DWR was later agreeable to removing this recommendation. We agree with the Hearing Examiner that the Company, therefore, need not follow this initial recommendation.²⁷

DWR also recommended time-of-year restrictions on any clearing of woody vegetation in certain areas of the Project during April 1 through July 31 of any year to protect the state-threatened Loggerhead Shrike and avoid an illegal take of such species. The Company opposed this recommendation.²⁸ DWR stated that, prior to any tree or shrub removal, APCo would need to perform a survey of the area in adherence to DWR's survey protocols, if APCo could not follow the recommended time-of-year restrictions. The Company agreed to coordinate with the appropriate agencies to conduct the survey and confirmed that it has successfully completed such coordination on past projects.²⁹ We agree with the Hearing Examiner that the Company should be directed to coordinate with the appropriate agencies to conduct the necessary studies by using the agency protocol to determine if any Loggerhead Shrike are detected in the relevant area to determine if, or the extent to which, the time-of-year restrictions are needed in that area.³⁰

DWR also recommended time-of-year restrictions to avoid instream work from March 15 through June 30 of any year for the protection of Roanoke Logperch and Orange-fin Madtom. The Company initially opposed this recommendation; however, upon consideration of DWR's comments, the Company committed to identifying any work that would be deemed to be instream work on the relevant waters and coordinating with the appropriate agencies regarding the work and any time-of-year restrictions deemed necessary by the agencies.³¹ The Company represented that it has successfully completed such coordination efforts on past projects.³² We agree with the Hearing Examiner that the Company's commitment adequately addresses DWR's concerns regarding these species.³³

²¹ *Id.*

²² Code § 56-46.1 A.

²³ Ex. 25 (DEQ Report) at 6-7.

²⁴ Ex. 11 (McMillen Rebuttal) at 2-10.

²⁵ Ex. 11 (McMillen Rebuttal), at 2-4; Ex. 12 (DWR Response), at 1.

²⁶ Report at 20.

²⁷ *Id.*

²⁸ Ex. 11 (McMillen Rebuttal) at 4-5.

²⁹ Ex. 11 (McMillen Rebuttal) at 4-5; Ex. 12 (DWR Response) at 1; Tr. at 14.

³⁰ Report at 21.

³¹ Tr. at 14-15.

³² *Id.*

³³ Report at 21.

The Company also disagreed with DWR's recommendation regarding time-of-year restrictions for tree removal, tree timbering, and/or prescribed burns from April 1 through November 14 to avoid impacts to the NLEB.³⁴ The Company did not object to DWR's recommendation that APCo coordinate with the USFWS for all projects that may affect the NLEB.³⁵ We agree with the Hearing Examiner that APCo should be directed to coordinate with the USFWS to perform presence/absence surveys for the NLEB in areas where suitable habitat is present and tree removal will occur.³⁶

Finally, APCo disagreed with Virginia Department of Health's ("VDH") Office of Drinking Water's recommendation that "[w]ells within a 1,000-foot radius of the [P]roject site should be field marked and protected from accidental damage during construction."³⁷ The Company asserted that this recommendation is overly broad and unduly burdensome. The Company represented that it employs best management practices and that such practices assure there will be no indirect impacts from construction outside of the limits of disturbance. The Company asserted that "to the extent there are water wells located outside of the limits of disturbance, these water wells are protected adequately from direct impacts due to the limits on construction activities and indirect impacts through federal, state, local, and Company requirements related to overall construction site best management practices and no specific additional requirements are required."³⁸ We agree with the Hearing Examiner that adoption of VDH's Office of Drinking Water's recommendation appears to be unnecessary, as the Company's practices adequately address the concerns cited.³⁹

Environmental Justice

The VEJA sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."⁴⁰ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁴¹

The Commission agrees with the Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.⁴²

Accordingly, IT IS ORDERED THAT:

- (1) APCo is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.
- (2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein, subject to the requirements set forth herein.
- (3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to APCo:

Certificate No. ET-APCO-BED-2023-A, which authorizes Appalachian Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Bedford County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00163, cancels Certificate No. ET-APCO-BED-2022-A, issued to Appalachian Power Company in Case No. PUR-2021-00049 on February 15, 2022.

Certificate No. ET-APCO-CAM-2023-A, which authorizes Appalachian Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Campbell County and the City of Lynchburg, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00163, cancels Certificate No. ET-APCO-CAM-2022-A, issued to Appalachian Power Company in Case No. PUR-2021-00049 on February 15, 2022.

³⁴ Ex. 11 (McMillen Rebuttal) at 9.

³⁵ *Id.*

³⁶ Report at 21.

³⁷ Ex. 11 (McMillen Rebuttal) at 7.

³⁸ *Id.* at 8.

³⁹ Report at 21.

⁴⁰ Code § 2.2-235.

⁴¹ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rept. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 EPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rept. 190, 195, Final Order (Feb. 1, 2021).

⁴² Report at 22.

Certificate No. ET-APCO-ROA-2023-A, which authorizes Appalachian Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Roanoke County, the City of Roanoke, and the Town of Vinton, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00163, cancels Certificate No. ET-44k, issued to Appalachian Power Company in Case No. PUE-2008-00096 on December 21, 2009.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by December 1, 2030. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2022-00164 JUNE 12, 2023

APPLICATION OF VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider US-2, Scott, Whitehouse, and Woodland Solar Power Stations, for the Rate Years Commencing September 1, 2023 and September 1, 2024

FINAL ORDER

On October 5, 2022, Virginia Electric and Power Company ("Dominion" or "Company"), pursuant to § 56-585.1 A 6 of the Code of Virginia ("Code"), filed with the State Corporation Commission ("Commission") an annual update with respect to the Company's rate adjustment clause, Rider US-2 ("Application"). Through its Application, the Company seeks to recover costs associated with three utility-scale solar photovoltaic generation facilities: (i) the 17 megawatt ("MW") (nominal alternating current ("AC")) Scott Solar Facility located in Powhatan County; (ii) the 20 MW AC Whitehouse Solar Facility located in Louisa County; and (iii) the 19 MW AC Woodland Solar Facility located in Isle of Wight County.¹ In this proceeding, Dominion has asked the Commission to approve Rider US-2 for two rate years beginning September 1, 2023 through August 31, 2024 ("Rate Year 1") and September 1, 2024 through August 31, 2025 ("Rate Year 2"), respectively.²

On November 15, 2022, the Commission issued an Order for Notice and Hearing in this case that, among other things, docketed the Application; scheduled a public hearing on the Application; required Dominion to publish notice of its Application; gave interested persons the opportunity to comment on or participate in the case; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

No notices of participation were filed in this case.³ Commission Staff ("Staff") filed testimony on February 17, 2023. On March 1, 2023, Dominion filed a letter in lieu of rebuttal testimony, stating, among other things, that the Company agrees with the revenue requirement updates presented in Staff's pre-filed testimony with the understanding that the approved revenue requirement in this proceeding will be limited to the noticed amounts.⁴

The Hearing Examiner convened the evidentiary hearing on March 15, 2023.⁵ Dominion and Staff participated at the hearing. On March 21, 2023, the Hearing Examiner issued the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report"). As stated in the Report,

¹ Ex. 2 (Application) at 1.

² *Id.* at 4.

³ The Commission received one public comment.

⁴ Ex. 9 (Rebuttal Letter) at 2.

⁵ The public witness hearing scheduled for March 14, 2023, was cancelled because no one signed up to testify.

No issues are contested in this case. Dominion accepted Staff's Rider US-2 revenue requirement calculations of \$9.030 million and \$8.491 million for service rendered during the first rate year and second rate year, respectively. The uncontested revenue requirement for the first rate year is slightly higher than proposed in the Application. However, Dominion agreed with Staff that the revenue requirement approved in this proceeding should be limited to the noticed amount. For the second rate year, adoption of the uncontested \$8.491 million calculation, rather than the \$8.493 million amount proposed by the Application, would slightly decrease some of the Rider US-2 rates compared to the rates proposed in the Application.⁶

The Hearing Examiner further stated:

I find that the Code and the record support Rider US-2 revenue requirements of: (i) \$9.030 million, for service to be rendered during September 1, 2023, through August 31, 2024; and (ii) \$8.491 million, for service rendered during September 1, 2024, through August 31, 2025. However, the revenue requirement used to revise Rider US-2 rates for service rendered during September 1, 2023, through August 31, 2024, should be limited to the proposed \$8.935 million total revenue requirement that was included in the public notice in this case.⁷

The Hearing Examiner recommended the Commission enter an order that: (i) adopts the findings and recommendations of the Report; (ii) approves for the rate years commencing September 1, 2023, and September 1, 2024, updated Rider US-2 revenue requirement calculations consistent with the findings of the Report; (iii) approves for service rendered during September 1, 2023, through August 31, 2024, revised Rider US-2 rates as proposed by Dominion's Application; (iv) approves for service rendered during September 1, 2024, through August 31, 2025, revised Rider US-2 rates based on Staff's recommended revenue requirement; and (v) dismisses this case from the Commission's docket of active cases.⁸ On April 3, 2023, the Company and Staff filed comments on the Report. The Company requests that the Commission adopt the findings of the Hearing Examiner's Report, and Staff supports the findings and recommendations set forth in the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Hearing Examiner's findings and recommendations set forth in the Report should be adopted. The Commission approves an updated Rider US-2 with a revenue requirement of \$8.935 million for Rate Year 1 and \$8.491 million for Rate Year 2.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are adopted.
- (2) Rider US-2 is approved with a Rate Year 1 revenue requirement of \$8.935 million for Rate Year 1 and \$8.491 million for Rate Year 2.

(3) The Company forthwith shall file a revised Rider US-2 and supporting workpapers with the Clerk of the Commission and with the Commission's Division of Public Utility Regulation and Division of Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) Pursuant to Code § 56-585.1 A 7, the Company may implement Rider US-2, as approved herein, for service rendered on and after 60 days from the date of this Final Order. Alternatively, as requested by the Company, Dominion may implement Rider US-2, as approved herein, for service rendered on and after September 1, 2023, for Rate Year 1, and effective for usage on and after September 1, 2024, for Rate Year 2.

(5) The Company shall file its next Rider US-2 application on or before October 31, 2024.

(6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ Report at 9-10 (internal citations omitted).

⁷ Report at 10.

⁸ *Id.*

**CASE NO. PUR-2022-00166
SEPTEMBER 15, 2023**

FILING OF
APPALACHIAN POWER COMPANY

For consideration of the appropriate framework for cost recovery, the allocation of costs net of benefits pursuant to Code § 56-585.5 F, and class and jurisdictional cost allocation

FINAL ORDER

During its 2020 Session, the Virginia General Assembly enacted Chapters 1193 (HB 1526) and 1194 (SB 851) of the 2020 Virginia Acts of Assembly. These duplicate Acts of Assembly, known as the Virginia Clean Economy Act ("VCEA"), became effective on July 1, 2020.

The VCEA, *inter alia*, establishes a mandatory renewable energy portfolio standard ("RPS") for Appalachian Power Company ("APCo" or "Company") in § 56-585.5 of the Code of Virginia ("Code"). Subdivision D 4 of Code § 56-585.5 requires APCo to submit annually to the State Corporation Commission ("Commission") plans and petitions for approval of new solar and onshore wind generation capacity ("RPS Filing").¹

In Case No. PUR-2021-00206, APCo submitted its second annual RPS Filing to the Commission on December 30, 2021.² In that case, on July 15, 2022, the Commission directed APCo to file a separate proceeding to consider the appropriate framework for cost recovery, the allocation of costs net of benefits pursuant to Code § 56-585.5 F, and class and jurisdictional cost allocation for VCEA-related costs.³ Subdivision F of Code § 56-585.5 requires the Commission to annually "determine the amount of such costs, net of benefits, that should be allocated to retail customers within the utility's service territory which have elected to receive electric supply service from a supplier of electric energy other than the utility."⁴

In compliance with that directive, APCo made a Filing ("Filing") on September 30, 2022.

On October 27, 2022, the Commission issued an Order for Notice and Hearing in which, among other things, the Commission directed the Company to provide public notice of its Filing; scheduled hearings for the purpose of receiving testimony from public witnesses and evidence on the Filing; provided interested persons an opportunity to file written comments on the Filing or to participate as respondents in this proceeding; directed the Commission Staff ("Staff") to investigate the Filing and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by the Old Dominion Committee for Fair Utility Rates ("Committee"); Steel Dynamics, Inc. ("SDI"); Walmart Inc. ("Walmart"); the VML/VACO APCo Steering Committee ("Steering Committee"); and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"). The Commission also received public comments on the Filing.

A telephonic hearing was scheduled to be convened on May 23, 2023, to receive testimony from public witnesses, but was canceled because no interested person signed up to testify. The evidentiary hearing was convened on May 24, 2023. Counsel for APCo, SDI, Walmart, the Committee, the Steering Committee, Consumer Counsel and Staff attended the hearing. On June 23, 2023, APCo, SDI, the Committee, the Steering Committee, Walmart, Consumer Counsel and Staff filed post-hearing briefs.

On July 20, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was filed. The Chief Hearing Examiner made the following findings in the Report:⁵

1. The cost allocation methodology to be used for the Company's VCEA-related resources it owns should be consistent with the method used for APCo's existing generation resources;
2. More specifically, costs for VCEA-related resources owned by the Company should be allocated by first removing the value of renewable energy certificates ("RECs") and then allocating the remaining costs based on demand using the Company's traditional 6 coincident peak ("CP") methodology;
3. RECs should be valued using transactional information for the appropriate RECs for delivery in the rate year, at the time of filing;
4. Staff's bill impact analysis is based on the use of inconsistent forecasts and assumptions; and does not provide reliable results in this case;
5. APCo's proposed framework in this proceeding should be approved by the Commission;
6. Issues related to net of benefits for shopping customers should remain open for further development in a future A6 RPS RAC proceeding. However, Committee witness Baron's recommended methodology should be used as a placeholder; and
7. REC-only accelerated renewable buyers ("ARBs") are exempt from REC costs of resources procured pursuant to §§ 56-585.5 D and 56-585.5 E of the Code.

The Chief Hearing Examiner recommended that the Commission: (1) adopt the findings and recommendations set forth in the report and (2) dismiss the case from the Commission's docket of active cases.⁶

APCo, SDI, the Committee, the Steering Committee, Walmart, Consumer Counsel and Staff filed comments on the Report.

¹ Code § 56-585.5 D 4.

² *Petition of Appalachian Power Company, For approval of its 2021 RPS Plan under § 56-585.5 of the Code of Virginia and related requests*, Case No. PUR-2021-00206, Petition and Requests for Waiver of Appalachian Power Company (filed Dec. 30, 2021).

³ *Petition of Appalachian Power Company for approval of its 2021 RPS Plan under § 56-585.5 of the Code of Virginia and related requests*, Case No. PUR-2021-00206, 2022 S.C.C. Ann. Rept. 315, 351, Final Order on Petition and Associated Requests and Order Bifurcating Proceeding (July 15, 2022).

⁴ Code § 56-585.5 F.

⁵ Report at 38.

⁶ *Id.*

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁷

As set forth above, the Chief Hearing Examiner's Report includes seven well-structured findings for purposes of this proceeding. Accordingly, the remainder of this Final Order addresses each enumerated finding, *seriatim*, as listed in the Report.⁸

Findings 1-2

We have considered the arguments both for and against the different cost allocation methodologies put forward in this case. The Commission agrees with the Chief Hearing Examiner and finds the cost allocation methodology to be used for the Company's VCEA-related resources it owns should be consistent with the method used for APCo's existing generation resources. We further agree that costs for VCEA-related resources owned by the Company should be allocated by first removing the value of RECs and then allocating the remaining costs based on demand using the Company's traditional 6 CP methodology. We decline to make the additional modifications requested by the Committee,⁹ the Steering Committee,¹⁰ SDI,¹¹ and Walmart¹² based on the record developed herein.

We further clarify, as requested by APCo, that the Company should implement the new cost allocation methodology approved in this proceeding beginning with the rates to be approved in the Company's next RPS proceeding that it anticipates filing in 2024.¹³

Finding 3

We agree with the Chief Hearing Examiner that RECs should be valued using transactional information for the appropriate RECs for delivery in the rate year, at the time of filing.

Finding 4

We find it unnecessary to make a finding on Staff's bill impact analysis based on the record established herein.

Finding 5

We find that APCo's proposed framework in this proceeding should be approved by the Commission.

Finding 6

With respect to issues relating to the net of benefits for shopping customers, we decline to adopt a placeholder at this time as premature. We recently directed APCo and Virginia Electric and Power Company to, among other things, "file a proposed mechanism for netting the benefits of such shopping customers' RECs in [a] new docket" to be filed on or before January 16, 2024.¹⁴

Finding 7

Consistent with our prior determination,¹⁵ we agree with the Chief Hearing Examiner that APCo's REC-only ARBs are exempt from REC costs of resources procured pursuant to Code §§ 56-585.5 D and 56-585.5 E.

Accordingly, it is so ORDERED and this matter is DISMISSED.

Commissioner Patricia L. West participated in this matter.

⁷ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁸ Unless otherwise noted, where the Commission herein adopts the Chief Hearing Examiner's recommendation, such is based on analysis and rationale therefor as set forth in the Report.

⁹ Comments of the Committee on the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner at 3-7.

¹⁰ Comments of the VML/VACo APCo Steering Committee to the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner at 1.

¹¹ Comments on SDI on Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner at 1.

¹² Comments of Walmart in response to Hearing Examiner's Report at 1.

¹³ Comments of Appalachian Power Company at 3-4.

¹⁴ *Petition of Appalachian Power Company, For approval of its 2023 RPS Plan under § 56-585.5 of the Code of Virginia and related requests*, Case No. PUR-2023-00001, Doc. Con. Cen. No. 230910123, Final Order at 8-10, 13 (Sept. 7, 2023).

¹⁵ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing a proceeding concerning the allocation of RPS-related costs and the determination of certain proxy values for Virginia Electric and Power Company*, Case No. PUR-2021-00156, Doc. Con. Cen. No. 230630007, Final Order at 10 (June 13, 2023).

CASE NO. PUR-2022-00167
JUNE 14, 2023

APPLICATION OF
 VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: 500-230 kV Unity Switching Station, 230 kV Tunstall-Unity Lines #2259 and #2262, 230.36.5 kV Tunstall, Evans Creek, Raines Substations, and 230 kV Substation Interconnect Lines

FINAL ORDER

On October 6, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in Lunenburg and Mecklenburg Counties, Virginia. The Company also identified an alternative location in Brunswick and Mecklenburg Counties for its proposed electric facilities.¹ Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following:

- Tap the Company's future Finneywood-Rawlings 500 kV Line #593 between Structures #593/128 and #593/129 in order to construct a new 500-230 kV switching station ("Unity Switching Station" or "Unity Station") located within existing right-of-way and on property obtained by Dominion in Lunenburg County, Virginia. The proposed Unity Switching Station will be constructed to source three new substations located in the South Hill area of Mecklenburg County.
- Construct two new approximately 11.1-mile 230 kV single circuit lines—Tunstall Unity Lines #2259 and #2262—sourced from the proposed Unity Station to a junction ("Unity Junction") where the proposed lines terminate at the proposed Tunstall Station (collectively, the "Unity Lines"). The Unity Lines will be supported by two side-by-side single circuit weathering steel monopoles and utilize three-phase twin-bundled 768.2 ACSS/TW type conductor with a summer transfer capability of 1,573 megavolt amperes ("MVA"). The proposed Unity Lines will utilize a new 120-foot-wide right-of-way for the entire length of the route.
- Construct two new 230 kV single circuit lines, totaling approximately 7.0 miles in length, which interconnect three new substations beginning from the Unity Junction via a combination of three corridors ("Corridors A, B, and D") (collectively, the "Substation Interconnect Lines"). The Substation Interconnect Lines will be supported primarily by two side-by-side single circuit weathering steel monopoles and utilize three-phase twin-bundled 768.2 ACSS/TW type conductor with a summer transfer capability of 1,573 MVA. The proposed Substation Interconnect Lines will utilize a new 120-foot-wide right-of-way for the entire length of the route.
- Construct three new 230-36.5 kV substations in the South Hill area of Mecklenburg County, Virginia ("Tunstall Substation," "Evans Creek Substation," and "Raines Substation") served by the new Substation Interconnect Lines (collectively, the "Interconnect Substations").
- Conduct system protection upgrades and relay settings at the Company's future Finneywood Switching Station and Rawlings Substation.²

Collectively, the Unity Station, Unity Lines, Substation Interconnect Lines, Interconnect Substations, and related station work are referred to as the "Project." For the first new transmission corridor, the Company identified in the Application an approximately 11.1-mile overhead proposed route ("Unity Route 2"). For the second transmission corridor, the Company identified an approximately 7.0-mile overhead proposed route consisting of Corridor A Route 1, Corridor B Route 1, and Corridor D Route 4 ("Interconnect Proposed Route 1"). Collectively, Unity Route 2 and Interconnect Proposed Route 1 are referred to as the "Proposed Routes." Additionally, the Company identified three viable alternative routes for the Substation Interconnect Lines ("Alternative Routes").³

According to the Application, Dominion proposes the Project in order to provide service requested by a retail electric service customer (the "Customer"), to maintain reliable service for the overall growth in the area, and to comply with mandatory North American Electric Reliability Corporation ("NERC") Reliability Standards.⁴ Dominion further states that the proposed Project is necessary in order to assure that the Company can maintain and improve reliable electric service to the load area surrounding the Company's existing South Hill Substation ("South Hill Load Area") in Mecklenburg County, Virginia.⁵

The Company states that the desired in-service date for the Project is August 1, 2025, and that it will take approximately 25 months for detailed engineering, materials procurement, permitting, real estate, and construction after a final order from the Commission.⁶

¹ See Ex. 2 (Application) at 2 n.1, 5.

² *Id.* at 2-4.

³ *Id.* at 5-6.

⁴ *Id.* at 2.

⁵ *Id.* at 4.

⁶ *Id.* at 7.

To support this schedule, Dominion requests a final order by July 1, 2023.⁷ The Company represents that the estimated conceptual cost of the Project (in 2022 dollars) utilizing the Proposed Routes of the Unity Lines and Substation Interconnect Lines is approximately \$229.1 million, which includes approximately \$110.4 million for transmission-related work, and approximately \$118.7 million for substation-related work.⁸

On November 17, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On December 14, 2022, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained a Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Follow DEQ's recommendations for construction activities to avoid and minimize impacts to wetlands to the maximum extent possible;
- Follow DEQ's recommendations regarding air quality protection, as applicable;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, as applicable;
- Coordinate with the Department of Conservation and Recreation's ("DCR") Division of Natural Heritage ("DNH") to obtain an update on natural heritage information and to discuss their recommendations to protect natural heritage resources, survey for rare plants and develop an invasive species management plan as needed;
- Coordinate with the Department of Historic Resources regarding the recommendation to complete and submit comprehensive cultural resources surveys, along with the recommendation to evaluate identified resources, assess of potential direct/indirect impacts to eligible and listed resources and avoid/minimize/mitigate moderate to severe impacts;
- Coordinate with the Department of Health ("VDH") regarding its recommendations to protect public drinking water sources;
- Coordinate with the Virginia Outdoors Foundation if the project area changes or the project does not start for 24 months;
- Follow the principles and practices of pollution prevention to the maximum extent practicable;
- Limit the use of pesticides and herbicides to the extent practicable;
- Coordinate with the Department of Forestry ("DOF") regarding its recommendation to avoid or minimize the conversion of or impacts to forestland and associated vegetation and to compensate for negative project impacts.
- Coordinate with the Department of Wildlife Resources ("DWR") regarding its recommendations to minimize adverse impacts from linear utility projects and instream work, and conduct mussel surveys as appropriate.⁹

On January 30, 2023, RD Group/2 LLC ("Southern Textile")¹⁰ filed its notice of participation. On March 6, 2023, Southern Textile filed its direct testimony.¹¹ On March 9, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of Dominion's Application. On April 11, 2023, the Company filed rebuttal testimony.

⁷ *Id.*

⁸ *Id.* at 8.

⁹ Ex. 14 (DEQ Report) at 6-7.

¹⁰ According to the testimony of its witness, Southern Textile Services, Inc., operates commercial laundry services on a property ("Property") in South Hill, Virginia that is owned by RD Group/2 LLC. Both companies are under common ownership. Originally, a segment of Interconnect Proposed Route 1 crossed the Property ("Southern Textile Segment"). As stated in Southern Textile's direct testimony, Southern Textile filed its notice of participation in this matter out of concern that the Southern Textile Segment would have detrimental impacts on Southern Textile's current operations and on plans for expansion and growth. Ex. 12 (Struminger Direct) at Summary.

¹¹ On March 3, 2023, three days before Southern Textile filed its direct testimony, Dominion filed a Motion for Leave to File Supplemental Direct Testimony and Withdraw Route Segment and Request for Expedited Treatment ("Supplemental Testimony Motion"). Specifically, Dominion requested leave to withdraw the Southern Textile Segment and replace it with a modified segment ("Modified Segment") that no longer crosses the Property. Supplemental Testimony Motion at 4. The Company also requested leave to file supplemental direct testimony supporting the Modified Segment. *Id.* at 4-5. The supplemental direct testimony noted, among other things, that the total estimated transmission-related conceptual cost for Corridor D Route 4 with the Modified Segment is approximately \$24.8 million—an approximately \$1.1 million increase from the estimate included in the Application. *Id.*, Supplemental Direct Testimony of Company Witness Chloe A. Genova at 3. Dominion also represented that Southern Textile supported the Supplemental Testimony Motion and that Staff took no position on it. *Id.* at 4-5. In its direct testimony, Southern Textile stated that it "strongly supports" the Supplemental Testimony Motion. Ex. 12 (Struminger Direct) at 3. However, due to filing deadlines and concern for the record in this proceeding, Southern Textile's direct testimony still addressed the negative impacts that the Southern Textile Segment would have had. *Id.* at 3-4. On March 6, 2023, the Senior Hearing Examiner issued a ruling granting the Supplemental Testimony Motion.

During this proceeding, two public comments were filed. No persons signed up to testify as a public witness and pursuant to Ordering Paragraph (5) of the Commission's Order for Notice and Hearing, the public witness hearing scheduled for April 18, 2023, was canceled. On April 19, 2023, the Senior Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion, Southern Textile, and Staff participated at the hearing.

On May 11, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report") was issued. In the Report, the Senior Hearing Examiner made the following findings:

1. The Company established the need for the Project consisting of the new Unity Switching Station, two new corridors containing new 230 kV single circuit lines (referred to in this Report as the Substation Sourcing Corridor and the Substation Interconnection Corridor), three new Interconnect Substations (the Tunstall, Evans Creek, and Raines Substations); and associated upgrades and relay settings at the Company's future Finneywood Switching Station and Rawlings Substation;
2. The Unity Option including the construction of the new Unity Switching Station in Lunenburg County, rather than the Heritage Option including the expansion of the Company's existing Heritage Switching Station in Brunswick County, should be approved by the Commission as the preferred method of sourcing the Interconnect Substations;
3. Unity Route 2 and Interconnect Proposed Route 1 constitute the preferred routing alternatives for the Project;
4. The Company reasonably demonstrated that the Project avoids or reasonably minimizes impacts on scenic, historic, and environmental resources to the greatest extent practicable, provided that the Company is required to comply with the conditions specified herein;
5. The Commission should not prohibit the Company's voluntary acquisition of a 160-foot-wide right-of-way between the Tunstall and Evans Creek Substations to accommodate the future installation of a third circuit for the entire length of Corridors A and B (currently constituting part of Interconnect Proposed Route 1);
6. The Company reasonably considered the requirements of the VEJA in its Application;
7. The Project does not represent a hazard to public health or safety;
8. The uncontested recommendations in the DEQ Summary of Findings and Recommendations should be adopted by the Commission as conditions of the Project's approval; and
9. As additional conditions of approval, the Commission should require the Company to:
 - a. Coordinate with DCR-DNH and DWR, if instream work becomes necessary at Meherrin River crossings, regarding compliance with state and federal erosion and sediment control/storm water management laws and regulations and maintenance of forested riparian buffers;
 - b. Educate its construction team with information regarding potentially affected plant species before commencing construction activities and coordinate with DCR if the species is found within the Project's right-of-way;
 - c. Plot and identify wells on the Erosion and Sediment Control Plan consistent with its agreement with VDH for the protection of wells;
 - d. Coordinate with DWR and adhere to requirements associated with threatened and endangered species, through the permit process, if instream work becomes necessary; and
 - e. Continue working with Lunenburg County and its residents to mitigate impacts of the Project, where possible.

The Senior Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed Project as specified; approves the Company's request for a certificate of public convenience and necessity ("CPCN") to authorize construction of the proposed Project as specified; and dismisses the case from the Commission's docket of active cases.¹²

On May 31, 2023, and June 1, 2023, Dominion and Southern Textile, respectively, each filed separate comments on the Report supporting the findings and recommendations contained therein.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

it shall be unlawful for any public utility to construct, enlarge, or acquire . . . any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

¹² Report at 36-38.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

[w]henver the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing right-of-way easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represented that the Project is needed to maintain and improve electric service to customers in the South Hill Load Area, to maintain reliable service for the overall growth in the area, and to comply with mandatory NERC reliability standards.¹³ The Commission agrees with the Senior Hearing Examiner that Dominion has reasonably demonstrated that there is a need to construct the Project.¹⁴

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Project will assure reliable electric power delivery, thereby supporting economic development in the South Hill Load Area, including positive economic impacts associated with the Customer's development of its planned data center Campuses.¹⁵

Rights-of-Way and Routing

After considering the alternatives and weighing the multitude of factors presented in this record, the Commission concludes that Unity Route 2, as adjusted on rebuttal, and Interconnect Proposed Route 1 satisfy the statutory requirements and best serve the total public interest. Unity Route 2, Dominion's preferred routing alternative for the new transmission corridor connecting the Unity Station to the South Hill area in Mecklenburg County, is the shortest, least costly, and generally has the lowest environmental and visual impacts of the routing alternatives considered (including the Heritage Option routing alternatives).¹⁶ For similar reasons, Interconnect Proposed Route 1 is the best configuration for the new transmission corridor interconnecting the three new substations in Mecklenburg County. Interconnect Proposed Route 1—utilizing Corridor A Route 1, Corridor B Route 1, and Corridor D Route 4 (and including the substitution of the Modified Segment)—is shorter, less costly, and has generally lower environmental and visual impacts than the Alternative Routes.¹⁷

Finally, we find that the record in this case indicates that no Company-owned right-of-way can accommodate the Project.¹⁸ Consistent with our rulings in prior cases, we will not prohibit the Company from voluntarily obtaining a 160-foot-wide right-of-way between the Tunstall and Evans Creek Substations to accommodate the future installation of a third circuit for the entire length of Corridors A and B (currently constituting part of Interconnect Proposed Route 1). However, the Company shall not exercise the right to condemnation for this additional right-of-way.

¹³ Ex. 2 (Application) at 2.

¹⁴ Report at 25.

¹⁵ See, e.g., Ex. 13 (Staff Report) at 52.

¹⁶ Report at 26-27; Ex. 13 (Staff Report) at 50. See also Ex. 2 (Application), Appendix at 27 (concluding the Unity Option is preferred to the Heritage Option given the Heritage Option's overall length and the Unity Option's lower impacts to forested areas, wetlands, streams, and number of homes within 500 feet of the various routes); Ex. 15 (Teichert Rebuttal) at 18-19 (maintaining the Unity Route 2 remains the preferred route for the Substation Sourcing Corridor even when considering the adjustment made to accommodate Mr. Hood).

¹⁷ See Report at 27-28; Ex. 13 (Staff Report) at 52. Staff's assessment of the Corridor D Route 4 segment includes the Company's modification removing the Southern Textile Segment and replacing it with the Modified Segment. *Id.* at 20-21.

¹⁸ Ex. 2 (Application), Appendix at 66-67; Ex. 13 (Staff Report) at 23.

Scenic/Historic/Environmental Resources

Pursuant to § 56-46.1 A of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.¹⁹ Further, § 56-46.1 B of the Code requires, as a condition to approval of the Project, that the Commission determine that the corridor or route that any proposed transmission lines are to follow will reasonably minimize adverse impact on the scenic assets, historic districts, and environment of the Project area.²⁰

The Commission finds that the Project satisfies these statutory requirements. The evidence shows that both Unity Route 2 and Interconnect Proposed Route 1 will avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources, and the environment of the area concerned.²¹ Moreover, the Company's compliance with various recommendations from the DEQ Report, as noted below, will provide further assurance of minimal adverse impacts.

DEQ Report

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. As noted, however, there are recommendations included in the DEQ Report for the Commission's consideration.²² Dominion shall comply with all uncontested recommendations included in the DEQ Report. The Company disagreed with eight of these recommendations and sought to clarify two other recommendations.²³

First, the Company requests that the Commission reject the DEQ's Division of Land Protection and Revitalization's ("DLPR") recommendation for the further evaluation of a petroleum release site ("Beane Harold Site") in the vicinity of the Project to determine the exact location, nature, and extent of the release, and the potential impact on the Project.²⁴ The Commission declines to adopt DEQ-DLPR's recommendation, finding that the complaint associated with the Beane Harold Site has been closed; natural attenuation is likely to have occurred given the significant amount of time that has passed since the complaint's closure (over twenty years); and concerns regarding the release are alleviated given the Beane Harold Site's location (being located hydraulically down- or side-gradient of the relevant rights-of-way).²⁵

Second, Dominion requests that the Commission reject DCR-DNH's recommendations that, in order to minimize adverse impacts to the aquatic ecosystem, the Company strictly adhere "to applicable state and local erosion and sediment control/storm water management laws and regulations," maintain "forested riparian buffers along the river and any streams on the property," and "[r]e-coordinate with DCR-DNH and DWR if instream work becomes necessary at the Meherrin River crossings."²⁶ The Commission declines to adopt DCR-DNH's recommendations because they appear duplicative of the DEQ's review and authority, and because that the Project is not currently anticipated to involve instream work.²⁷ Nevertheless, although the Project, as planned, does not entail instream work where Unity Route 2 crosses the Meherrin River, the Commission directs the Company to re-coordinate with DCR-DNH and DWR if instream work becomes necessary at the Meherrin River crossings.

Third, Dominion asks that the Commission reject DCR-DNH's recommendation that the Company conduct a habitat survey to determine whether two rare plant species (Whorled horsebalm and *Nestronia*) "may occur" in the Project area.²⁸ Dominion also asks that the Commission reject DCR's corollary recommendation that the Company conduct a survey for significant communities of these rare plant species both in the Project area, as well as within the C1 and C2 ecological cores identified within the larger study area.²⁹ The Commission declines to adopt DCR-DNH's recommendations because (i) the two identified plant species are not classified as endangered pursuant to a Virginia statute; (ii) conducting the recommended ecological core surveys within the "study area" could potentially involve hundreds of acres, thereby adding additional cost and potentially delaying the construction schedule; and (iii) Dominion does not have permission to work beyond the right-of-way easements where much of the survey area would be located.³⁰

¹⁹ Code § 56-46.1 A.

²⁰ Code § 56-46.1 B.

²¹ See Report at 29-32; see also Ex. 2 (Application), Environmental Routing Study at 237-41.

²² See *supra* at 4-5.

²³ Ex. 22 (Young Rebuttal) at 4-5.

²⁴ Ex. 22 (Young Rebuttal) at 5; see also Ex. 14 (DEQ Report) at 15.

²⁵ Report at 32; see also Ex. 14 (DEQ Report) at 15; Ex. 22 (Young Rebuttal) at 5-6.

²⁶ Ex. 22 (Young Rebuttal) at 7 (quoting Ex. 14 (DEQ Report) at 19).

²⁷ Report at 32; see also Ex. 22 (Young Rebuttal) at 8.

²⁸ Ex. 22 (Young Rebuttal) at 9; see also Ex. 14 (DEQ Report) at 6, 18, 19.

²⁹ Ex. 22 (Young Rebuttal) at 9-10; see also Ex. 14 (DEQ Report) at 19.

³⁰ Report at 33; Ex. 22 (Young Rebuttal) at 9-11.

Instead, as an alternative to these recommendations and consistent with prior transmission line project approvals,³¹ the Commission directs the Company to educate its construction team with information regarding potentially affected plant species before commencing construction activities and to coordinate with DCR if the species is found within the Project's right-of-way.

Fourth, Dominion asks that the Commission reject DCR-DNH's recommendation that the Company avoid or minimize impacts to ecological cores with very high to outstanding ecological integrity and conduct further investigation to estimate direct and indirect impacts to the cores.³² Dominion asserts that this recommendation is unnecessary because, based on the route analysis conducted as part of the Company's Environmental Routing Study, "impacts to core habitats are unavoidable along any of the Project's Proposed or Alternative Routes."³³ However, Dominion represents that it has made efforts to minimize impacts to cores with very high to outstanding ecological integrity, including collocating routes with existing cleared rights-of-way to the extent possible, and keeping the routes along edges of recently cleared land or managed timber areas, which is maintained with prescribed burns and clear cut on a regular basis.³⁴ Further, the Company notes,

when discussing the route placement for the Project with the Counties and local communities impacted in the Project area, avoidance of homes and agricultural lands and the visibility of the transmission line were the greatest concerns that influenced the Project routing To reduce impacts on the Counties and local communities, routes were shifted away from homes and agricultural lands and into forested habitats to create buffers.³⁵

Because the evidence shows impacts to core habitats are unavoidable along any of the Project's Proposed or Alternative routes, and because the Company has demonstrated that its Proposed Routes were designed to minimize, to the extent practicable, impacts to cores with very high to outstanding ecological integrity, while at the same time responding to concerns raised by the impacted Counties and local communities,³⁶ the Commission declines to adopt DCR-DNH's broad recommendation for the Company to avoid or minimize impacts to ecological cores and to further investigate direct and indirect impacts to the cores.

Fifth, Dominion requests that the Commission not adopt DOF's recommendation that the Company avoid, mitigate, or "compensate" for any negative impacts to forests—including fragmentation of several, principally forested, ecological cores.³⁷ The Commission declines to adopt DOF's recommendation given the lack of a legal requirement for one-on-one mitigation and consistent with the Commission's prior rejection of a comparable recommendations.³⁸

Sixth, Dominion requests that the Commission reject DCR-DNH's recommendation that the Company develop and implement an invasive species management plan to be included as part of the maintenance practices for the right-of-way and that the invasive species plan include an invasive species inventory for the Project area.³⁹

³¹ See, e.g., *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: DTC 230 kV Line Loop and DTC Substation*, Case No. PUR-2021-00280, Doc. Con. Cen. No. 270710254, Final Order at 15 (July 7, 2022) ("DTC Final Order"); *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Lanexa-Northern Neck 230 kV Line #224 and New 230 kV Line # 2208*, Case No. PUR-2020-00247, 2021 S.C.C. Ann. Rept. 318, 320, Final Order (Dec. 2, 2021); *Application of Virginia Electric and Power Company, For approval and certification of electric facilities: Fudge Hollow-Low Moor Line #112 and East Mill-Low Moor Line #161 138 kV Transmission Line Partial Rebuild*, Case No. PUR-2018-00139, 2019 S.C.C. Ann. Rept. 264, 267, Final Order (Apr. 23, 2019).

³² Ex. 22 (Young Rebuttal) at 11; *see also* Ex. 14 (DEQ Report) at 19-20.

³³ Ex. 22 (Young Rebuttal) at 11.

³⁴ *Id.* at 11-12.

³⁵ *Id.* at 12.

³⁶ Report at 33; *see also* Ex. 22 (Young Rebuttal) at 11-13.

³⁷ Ex. 22 (Young Rebuttal) at 13-16; *see also* Ex. 14 (DEQ Report) at 7, 24-25.

³⁸ Report at 33; *see also* Ex. 14 (DEQ Report) at 7, 24-25; Ex. 22 (Young Rebuttal) at 13-16 (citing *Petition of Virginia Electric and Power Company, For approval of the RPS Development Plan, approval and certification of the proposed CE-2 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, revision of rate adjustment clause, designated Rider CE, under § 56-585.1 A 6 of the Code of Virginia, and a prudence determination to enter into power purchase agreements pursuant to § 56-585.1:4 of the Code of Virginia*, Case No. PUR-2021-00146, Doc. Con. Cen. No. 220320113, Final Order at 27 (Mar. 15, 2022)).

³⁹ Ex. 22 (Young Rebuttal) at 16; *see also* Ex. 14 (DEQ Report) at 20.

The Commission declines to adopt this recommendation given the Commission's prior rejection of comparable recommendations,⁴⁰ the Company's existing Integrated Vegetative Management Plan ("IVMP"), and Dominion's ongoing negotiations with DCR to develop an addendum to its IVMP, which is being undertaken pursuant to the Commission's directive in Case No. PUR-2021-00272.⁴¹

Seventh, Dominion requests that the Commission reject DEQ's recommendation that the Company consider development of an effective Environmental Management System ("EMS").⁴² The Commission declines to adopt this recommendation given Dominion's existing EMS Manual and the Commission's prior rejection of a comparable recommendation.⁴³

Finally, Dominion requests that the Commission reject DWR's recommendation that the Company conduct significant tree removal and ground-clearing activities outside of the songbird nesting season (March 15 through August 15).⁴⁴ The Commission declines to adopt this recommendation given the Commission's prior rejection of a comparable recommendation in other transmission line cases,⁴⁵ the Project's planned construction schedule, and Dominion's commitment to coordinating with DWR to minimize impacts to songbirds.⁴⁶

As noted, in addition to contesting the foregoing eight recommendations in the DEQ Report, Dominion sought to clarify two additional recommendations. First, in response to VDH's Office of Drinking Water's ("ODW") recommendation for field marking wells within a 1,000-foot radius of the Project,⁴⁷ the Company noted that water wells within 1,000 feet of the Proposed or Alternative Routes will, as a general matter, be located outside of the right-of-way and, thus, beyond the Company's control.⁴⁸ Dominion further noted that it had previously raised this concern in another transmission line proceeding and reached an agreement with VDH-ODW for an alternative approach.⁴⁹

Consequently, the Commission declines to adopt VDH-ODW's recommendation for field marking wells within a 1,000-foot radius of the Project, and instead approves the alternative approach for well protection proposed by the Company, and agreed to by VDH-ODW, involving the plotting and identification of wells on the Erosion and Sediment Control Plan, as it has in prior Commission proceedings.⁵⁰

Second, Dominion responded to several DWR recommendations related to instream work arising from the presence of the federally-listed threatened Atlantic Pigtoe mussel.⁵¹ The Company clarified that it does not expect any instream work during the Project, but nonetheless confirmed that the Company will coordinate with DWR if instream work becomes necessary.⁵² Because the Company does not currently anticipate instream work during the Project, the Commission declines to adopt DWR's recommendations relating to the Atlantic Pigtoe, including a mussel survey and time of year restriction,⁵³ as unnecessary. Nevertheless, the Commission directs Dominion to coordinate with DWR and adhere to requirements associated with threatened and endangered species, through the permit process, if instream work becomes necessary.

⁴⁰ See, e.g., *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Aviator 230 kV Line Loop and Aviator Substation*, Case No. PUR-2022-00012, Final Order at 11-12 (Nov. 28, 2022); *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Nimbus 230 kV Line Loop and Nimbus Substation and 230 kV Farmwell-Nimbus Transmission Line*, Case No. PUR-2022-00027, Doc. Con. Cen. No. 221020230, Final Order at 12 (Oct. 14, 2022); *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: 230 kV Line #293 and 115 kV Line #83 Rebuild Project*, Case No. PUR-2021-00272, Doc. Con. Cen. No. 220850116, Final Order at 9-11 (Aug. 31, 2022); DTC Final Order at 16.

⁴¹ Report at 33-34; see also Ex. 14 (DEQ Report) at 20; Ex. 22 (Young Rebuttal) at 16-18.

⁴² Ex. 22 (Young Rebuttal) at 19; see also Ex. 14 (DEQ Report) at 23.

⁴³ Report at 34; see also Ex. 14 (DEQ Report) at 20; Ex. 22 (Young Rebuttal) at 16-18; *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Allied-Chesterfield 230 kV Transmission Line #2049 Partial Rebuild Project*, Case No. PUR-2020-00239, S.C.C. Ann. Rept. 312, 315, Final Order (Mar. 23, 2021).

⁴⁴ Ex. 22 (Young Rebuttal) at 20-21; see also Ex. 14 (DEQ Report) at 27.

⁴⁵ See *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: 500-230 kV Wishing Star Substation, 500 kV and 230 kV Mars-Wishing Star Lines, 500-230 kV Mars Substation, and Mars 230 kV Loop*, Case No. PUR-2022-00183, Doc. Con. Cen. No. 230410038, Final Order at 10 (Apr. 5, 2023) ("Mars-Wishing Star Order").

⁴⁶ Report at 34; see also Ex. 14 (DEQ Report) at 27; Ex. 22 (Young Rebuttal) at 20-21.

⁴⁷ Ex. 14 (DEQ Report) at 22

⁴⁸ Report at 19; Ex. 22 (Young Rebuttal) at 21.

⁴⁹ Report at 19; Ex. 22 (Young Rebuttal) at 21. The agreement between Dominion and VDH-ODW for an alternative approach is shown in Rebuttal Schedule 2 of Mr. Young's rebuttal testimony.

⁵⁰ Report at 34; Ex. 22 (Young Rebuttal) at 21; Mars-Wishing Star Order at 12.

⁵¹ Ex. 22 (Young Rebuttal) at 22; see also Ex. 14 (DEQ Report) at 27-28.

⁵² Report at 19; Ex. 22 (Young Rebuttal) at 22.

⁵³ See Ex. 14 (DEQ Report) at 27-28.

We further agree with the Senior Hearing Examiner regarding the concerns raised by the Lunenburg Board of Supervisors and direct the Company, consistent with its representation in this case, to continue working with Lunenburg County and its residents to mitigate impacts of the Project, where possible, as a condition of approving the Project.⁵⁴

Environmental Justice

The Virginia Environmental Justice Act ("VEJA") sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."⁵⁵ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁵⁶

The Commission agrees with the Senior Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.⁵⁷

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein, and subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-LUN-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Lunenburg County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00167, cancels Certificate No. ET-92e, issued to Virginia Electric and Power Company in Case No. PUE-1992-00058 on June 16, 1994.

Certificate No. ET-DEV-MEC-2023-B, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Mecklenburg County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00167, cancels Certificate No. ET-DEV-MEC-2023-A, issued to Virginia Electric and Power Company in Case No. PUR-2022-00175 on May 31, 2023.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by August 1, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁵⁴ Report at 35.

⁵⁵ Code § 2.2-235.

⁵⁶ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rep. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 EPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rep. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rep. 190, 195, Final Order (Feb. 1, 2021).

⁵⁷ Report at 35-36.

**CASE NO. PUR-2022-00168
NOVEMBER 29, 2023**

APPLICATION OF
PRINCE GEORGE ELECTRIC COOPERATIVE AND PGEC ENTERPRISES, LLC

For approval of an affiliate arrangement

ORDER GRANTING MOTION

On October 3, 2022, Prince George Electric Cooperative (the "Cooperative") and PGEC Enterprises, LLC ("PGEC Enterprises") (collectively, "Applicants") filed an application for approval of an affiliate arrangement whereby the Cooperative proposed to transfer 26.64 acres of nonutility land ("2022 Land") at its net book value of \$648,337 to PGEC Enterprises and inject a similar amount of cash ("Cash Injection") into PGEC Enterprises. On December 21, 2022, the Commission issued the Order Granting Approval, which approved a modified transaction ("Modified Transaction") to transfer the 2022 Land at its \$1.225 million appraised value to PGEC Enterprises and permit a Cash Injection of up to \$1.225 million into PGEC Enterprises.¹

On September 21, 2023, the Applicants filed a Motion to Accept Revision of Approved Affiliate Transaction ("Motion"). The Applicants state that, subsequent to the 2022 Order, the Cooperative sold a parcel of land near the 2022 Land at a substantial market premium, which indicated to the Cooperative that the 2022 Land's appraisal may significantly understate its actual value.² Consequently, the Cooperative believes that its fiduciary duty requires it to maximize the 2022 Land's value for its member-customers and that the 2022 Land transfer is no longer in the public interest.³

Therefore, the Applicants propose to revise the approved Modified Transaction ("Revised Transaction") by: (i) proceeding with the \$1.225 million Cash Injection into PGEC Enterprises, and (ii) foregoing the 2022 Land Transfer to PGEC Enterprises.⁴ The Commission Staff does not oppose the relief requested in the Motion.

NOW THE COMMISSION, upon consideration of this matter, finds that this case should be reopened for the purpose of considering the Motion, and that the Motion should be granted subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

- 1) This case is reopened for the limited purpose of considering and ruling on the Motion.
- 2) The Motion is granted, and the Revised Transaction is approved subject to the requirements listed in the Appendix to this Order.
- 3) This case is dismissed.

¹ *Application of Prince George Electric Cooperative and PGEC Enterprises, For approval of an affiliate arrangement*, Case No. PUR-2022-00168, 2022 S.C.C. Ann. Rept. 622, Order Granting Approval (Dec. 21, 2022) ("2022 Order").

² Motion at 2.

³ *Id.*

⁴ *Id.* at 3.

APPENDIX

- 1) The Commission approves the Revised Transaction, consisting of the Cooperative's Cash Injection of up to \$1.225 million into PGEC Enterprises, for a period extending 12 months from the effective date of the order in this case. If the Revised Transaction is not consummated by that time, the Commission's approval terminates.
- 2) The Commission's approval shall have no accounting or ratemaking implications.
- 3) The Cooperative shall file a Report of Action ("Report") within 90 days after the consummation of the Revised Transaction. The Report shall include: (a) the PUR-2022-00168 case number; (b) the date of the Revised Transaction; and (c) the accounting journal entries for the Cash Injection as it recorded in the Cooperative's books.
- 4) The Revised Transaction shall be included in the Cooperative's next Annual Report of Affiliate Transactions submitted to the Commission's Director of Utility Accounting and Finance ("UAF Director") on May 1 of each year, subject to administrative extension by the UAF Director. The information shall include: (a) the PUR-2022-00168 case number; (b) a brief description of the Revised Transaction; and (c) the Report filing date.
- 5) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
- 6) The Commission reserves the right to examine the books and records of any affiliate in connection with the approval granted in this case, regardless whether such affiliate is regulated by this Commission.

CASE NO. PUR-2022-00169
APRIL 27, 2023

APPLICATION OF
 EARTHGRID PBC CORPORATION

For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia

FINAL ORDER

On November 4, 2022, EarthGrid PBC Corporation ("EarthGrid" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for certificates of public convenience and necessity ("Certificates") to provide local exchange and interexchange telecommunications services throughout the Commonwealth of Virginia. The Company requested authority to price its interexchange telecommunications services on a competitive basis pursuant to § 56-481.1 of the Code of Virginia ("Code"). The Company also filed a Motion for a Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.¹

On December 13, 2022, the Commission issued an Order for Notice and Comment ("Procedural Order") that, among other things, directed EarthGrid to provide notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to investigate the Application and file a report ("Staff Report"). On February 23, 2023, the Company filed proof of notice and proof of service in accordance with the Procedural Order. No comments or requests for hearing on the Company's Application were filed.

On March 2, 2023, the Commission issued an Order Granting Motion granting EarthGrid's request for additional time to provide the required bond and an extension of the remaining filing deadlines for this proceeding.

On March 21, 2023, Staff filed its Staff Report concluding that the Company's Application is in compliance with the Commission's Rules Governing the Certification and Regulation of Competitive Local Exchange Carriers, 20 VAC 5-417-10 *et seq.* ("Local Rules") and the Rules Governing the Certification of Interexchange Carriers, 20 VAC 5-411-10 *et seq.* ("Interexchange Rules"). Based upon its review of the Company's Application, Staff determined that it would be appropriate to grant Certificates to EarthGrid subject to the following condition: EarthGrid should notify the Division of Public Utility Regulation no less than 30 days prior to the cancellation by the Issuer or lapse of its bond and should provide a replacement bond at that time. Staff recommended that this requirement be maintained until the Commission determines it no longer necessary. On March 22, 2023, EarthGrid filed a letter waiving its opportunity to respond to the Staff Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds it should grant Certificates to EarthGrid. Having considered Code § 56-481.1, the Commission finds that EarthGrid may price its interexchange services competitively. Further, the Commission finds that the Company's Motion is moot; therefore, the Motion should be denied.²

¹ 5 VAC 5-20-10 *et seq.*

² The Commission has not received a request to review the information that the Company designated confidential. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

Accordingly, IT IS ORDERED THAT:

- (1) EarthGrid is hereby granted Certificate No. T-800 to provide local exchange telecommunications services subject to the restrictions set forth in the Local Rules, Code § 56-265.4:4, and the provisions of this Final Order.
- (2) EarthGrid is hereby granted Certificate No. TT-324A to provide interexchange telecommunications services subject to the provisions of the Interexchange Rules, Code § 56-265.4:4, and the provisions of this Final Order.
- (3) Pursuant to Code § 56-481.1, EarthGrid may price its interexchange telecommunications services competitively.
- (4) Prior to providing telecommunications services pursuant to the Certificates granted by this Final Order, the Company shall provide tariffs to the Division of Public Utility Regulation that conform to all applicable Commission rules and regulations. If EarthGrid elects to provide retail services on non-tariffed basis, it shall provide written notification pursuant to Local Rule 20 VAC 5-417-50 A.
- (5) EarthGrid shall notify the Division of Public Utility Regulation no less than thirty (30) days prior to the cancellation or lapse of its bond and shall provide a replacement bond at that time. This requirement shall be maintained until such time as the Commission determines it is no longer necessary.
- (6) The Company's Motion is denied; however, the Commission directs the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (7) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00171
JANUARY 26, 2023**

JOINT APPLICATION OF
INTRADO CORPORATION, and GUARDIAN US HOLDCO LLC

For approval to transfer indirect control of Intrado Safety Communications of Virginia, Inc.

ORDER GRANTING APPROVAL

On December 15, 2022, Intrado Corporation ("Intrado") and Guardian US Holdco LLC ("Guardian") (collectively, "Applicants"),¹ completed the filing of a Joint Application ("Application") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of indirect control of Intrado Safety Communications of Virginia, Inc. ("Intrado Safety"), to Guardian and its parent companies ("Transfer"). The Applicants also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³

Intrado Safety is authorized to provide local exchange and interexchange telecommunications services in Virginia pursuant to its certificates of public convenience and necessity issued by the Commission.⁴

The Applicants assert that Intrado Safety will continue to provide services to their customers in Virginia without any immediate changes to the rates, terms or conditions of service as currently provided.⁵ The Applicants further represent that the proposed Transfer is expected to enhance the ability of Intrado Safety to compete in the telecommunications marketplace.⁶

¹ Stonepeak GP Investors IV (Cayman) LLC; Stonepeak GP Holdings III LP; Stonepeak GP Investors Manager (Cayman) LLC; Michael Dorrell; Matthew Nord; Robert Kalsow-Ramos; Olympus Holdings II, LLC; Olympus Holdings I, LLC; Mount Olympus Holdings, Inc.; Mount Olympus Parent, L.P.; AP VIII Olympus Holdings, L.P.; Apollo Overseas Partners VIII, L.P.; Apollo Investment Fund VIII, L.P.; AP Olympus Co-Invest, L.P.; AP VIII Olympus VoteCo, LLC; Intrado Life and Safety, Inc.; Guardian US Holdco LLC; Guardian US Guarantor LLC; Guardian US Holdings LLC; Stonepeak Guardian Holdings LP; Stonepeak Guardian Upper Holdings LP; Stonepeak Infrastructure Fund IV LP; Stonepeak Infrastructure Fund IV SCSp; Stonepeak Infrastructure Fund III LP; Stonepeak Associates III LLC; Stonepeak Associates IV S.à.r.l.; and Stonepeak Associates IV LLC are also considered Applicants in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See Application of West Safety Communications of Virginia Inc., For amended and reissued certificates of public convenience and necessity to provide local exchange telecommunications services to reflect a company name change, Case No. PUR-2020-00018, 2020 S.C.C. Ann. Rept. 436, Order Reissuing Certificates (Feb. 7, 2020).

⁵ Application at 2.

⁶ *Id.*

Information provided with the Application indicates that Intrado Safety will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of Guardian and its parent companies.⁷

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Applicants' Motion is moot, therefore, the Motion should be denied.⁸

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-88.1 and 56-90, the Applicants hereby are granted approval of the Transfer as described herein.

(2) The Applicants shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.

(3) The Applicants' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(4) This case is dismissed.

⁷ See *id.* at 6 and Exhibits B, C, D, E, and G.

⁸ The Commission held the Applicants' Motion in abeyance and has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

**CASE NO. PUR-2022-00175
MAY 31, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: Butler Farm to Clover 230 kV Line, Butler Farm to Finneywood 230 kV Line and Related Projects

FINAL ORDER

On October 21, 2022, Virginia Electric and Power Company ("Dominion" or the "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric facilities in Charlotte County, Halifax County, and Mecklenburg County, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code"), and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following which is collectively referred to as the "Project":¹

- Construct a new approximately 19.1-mile 230 kilovolt ("kV") single circuit transmission line (the "Butler Farm – Clover Line" or "Line #2281") primarily on new right-of-way. The proposed Butler Farm – Clover Line will extend from the Company's proposed new 230 kV Butler Farm Substation to the Company's existing 500/230 kV Clover Switching Station. The proposed Butler Farm – Clover Line will be constructed primarily with single circuit H-frame weathering steel structures, utilizing three-phase twin-bundled 768.2 ACSS/TW type conductor with a summer transfer capability of 1,573 megavolt amperes ("MVA"). The remainder of the line will be constructed with single circuit weathering steel monopole structures. The Butler Farm – Clover Line will utilize a total of 120 feet of right-of-way, which includes new, existing, and collocated right-of-way. The amount of new right-of-way for this line will vary from 47 feet to 120 feet.
- Construct a new approximately 7.0 mile 230 kV single circuit transmission line (the "Butler Farm – Finneywood Line" or "Line 2256") primarily on new right-of-way. The Butler Farm – Finneywood Line will extend from the Company's proposed new 230 kV Butler Farm Substation to the Company's proposed new 500/230 kV Finneywood Switching Station. The proposed Butler Farm – Finneywood Line will be constructed primarily with single circuit weathering steel monopole structures, utilizing three-phase twin-bundled 768.2 ACSS/TW type conductor with a summer transfer capability of 1,573 MVA. The Butler Farm – Finneywood Line will utilize a total of 120 feet of right-of-way, which includes new, existing, and collocated right-of-way. The amount of new right-of-way for this line will vary from 50 to 107 feet.
- Construct a new 230 kV substation in Mecklenburg County, Virginia (the "Butler Farm Substation").
- Construct a new 500/230 kV switching station in Mecklenburg County, Virginia (the "Finneywood Station").
- Perform minor substation-related work at the Clover Switching Station (the "Clover Station").

¹ Ex. 2 (Application) at 2-3.

According to the Application, Dominion proposes the Project in order to provide service requested by a retail electric service customer (the "Customer"), to maintain reliable service for the overall growth in the area, and to comply with mandatory North American Electric Reliability Corporation ("NERC") Reliability Standards.² Dominion further specifies that the proposed Project is needed to maintain and improve reliable electric service to customers in the load areas surrounding the Company's existing Chase City Substation in Mecklenburg County, Virginia, in compliance with NERC Reliability Standards.³

The Company states the Customer has requested retail electric service from Dominion to support a new data center campus.⁴ This load area where the data center is being developed is currently served by the Chase City Substation.⁵ The Company asserts that if the summation of the data center projects' unserved load (240 MVA) was connected to the existing Chase City Substation, the existing distribution substation equipment would overload.⁶ The Application further states that connecting this Customer's requested load to the Chase City Substation alone would result in (i) substation transformer thermal overloads, and (ii) violation of the Company's transmission system reliability criteria set forth in the Facilities Interconnection Requirement document.⁷ The Company asserts the proposed Project is needed to meet the load requirements of the Customer's planned new development along with the remaining capacity available to support future residential and commercial needs in the community.⁸

The Company states the desired in-service date for the Project is July 1, 2025.⁹ The Company represents the estimated conceptual cost of the Project (in 2022 dollars) is approximately \$214 million, which includes approximately \$92 million for transmission-related work and approximately \$122 million for substation-related work.¹⁰

On December 1, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On January 10, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained a Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Follow DEQ's recommendations for construction activities to avoid and minimize impacts to wetlands to the maximum extent possible;
- Follow DEQ's recommendations regarding air quality protection, as applicable;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, as applicable;
- Coordinate with the Department of Conservation and Recreation's Division of Natural Heritage ("DCR-DNH") to obtain an update on natural heritage information and to discuss their recommendations to protect natural heritage resources and develop an invasive species management plan as needed;
- Coordinate with the Department of Historic Resources ("DHR") regarding the recommendation to complete and submit comprehensive cultural resources surveys, along with the recommendation to evaluate identified resources, assess of potential direct/indirect impacts to eligible and listed resources and avoid/minimize/mitigate moderate to severe impacts;
- Coordinate with the Department of Health regarding its recommendations to protect public drinking water sources;
- Follow the principles and practices of pollution prevention to the maximum extent practicable;

² *Id.* at 2.

³ *Id.* at 3.

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at 3-4.

⁸ *Id.* at 4.

⁹ *Id.* at 5. Dominion requests that the Commission enter a final order by June 1, 2023. *Id.* Should the Commission issue a final order by June 1, 2023, the Company estimates that construction should begin around January 2024 and be completed by July 1, 2025. *Id.*

¹⁰ *Id.* at 6.

- Limit the use of pesticides and herbicides to the extent practicable;
- Coordinate with the Department of Forestry ("DOF") regarding its recommendation to avoid or minimize the conversion of or impacts to forestland and associated vegetation and to compensate for negative project impacts; and
- Coordinate with the Department of Wildlife Resources ("DWR") regarding its recommendations to minimize adverse impacts from linear utility projects and to protect species of greatest conservation need.¹¹

On February 6, 2023, Kess Realty Partners, Inc. ("Kess Realty"), filed a notice of participation. On March 3, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of Dominion's Application. On March 21, 2023, the Company filed rebuttal testimony.

During this proceeding, more than 30 public comments were filed. On April 12, 2023, the Hearing Examiner convened a hearing, as scheduled, using Microsoft Teams to receive the telephonic testimony of two public witnesses.¹² On April 13, 2023, the Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion, Kess Realty, and Staff participated at the hearing.

On May 11, 2023, the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report") was issued. In the Report, the Hearing Examiner made the following findings:

1. The proposed Project is needed to serve a data center campus in Mecklenburg County and to address projected violations of mandatory NERC reliability standards resulting from this new data center's electric load;
2. Construction of the Project supports economic development, regardless of the routes approved by the Commission;
3. The estimated cost of the Project using the Proposed Routes is \$214 million, or \$216 million with Dominion's recommended reroutes. Compared to the latter figure, Alternative Routes 1 or 2 for the proposed Butler Farm – Clover Line would add approximately \$11.4 million or \$14.6 million of cost, respectively. The Alternative Route for the proposed Butler Farm – Finneywood Line would add approximately \$19.9 million of cost;
4. Dominion considered the feasibility of using existing right-of-way, but existing rights-of-way cannot adequately serve the identified need for the Project;
5. The Proposed Routes are shorter, less expensive, and have environmental impacts that, in general, are less than or comparable to the Application's three alternative routes;
6. The Blue Horse Center reroute is a prudent option to address many concerns, raised by members of the local community and beyond, at a relatively modest additional cost;
7. The Alvanos reroute would have a positive impact on multiple existing residences and a historic resource;
8. Most of the environmental impacts of the Jaynes-Rice/Hammond reroute would occur on the Jaynes-Rice/Hammond property. However, given the cost of this reroute and its lack of ancillary benefits, Dominion should obtain from Ms. Jaynes-Rice information to substantiate the location of her home site;
9. Edgerton reroute number one would unreasonably shift the proposed Butler Farm - Clover Line towards existing residences and remove nearly all of the forested land preserved between the proposed right-of-way and existing homes. Edgerton reroute number two is not feasible due to the vertical configuration of existing transmission infrastructure, although Dominion should evaluate in final engineering whether a slight southeastern shift on the Edgerton properties can be accommodated, if acceptable to the landowner;
10. The Proposed Routes – incorporating the Blue Horse Center and Alvanos reroutes; the Jaynes-Rice/Hammond reroute, subject to home site substantiation; and a variation of Edgerton reroute number two, if agreeable to the landowner and consistent with sound final engineering - would avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on scenic assets, historic resources, and environment of the area concerned;
11. The Route Variations would result in different impacts compared to the corresponding segment of the Proposed Routes. For example, the proximity to existing residences and the associated visual impact is a significant environmental disadvantage of the Route Variations – regardless of whether Green Acres Mobile Home Park is an environmental justice community. On the other hand, the Route Variations have an economic development advantage compared to the Proposed Routes. Based on my assessment of all the evidence in this case, Dominion's Proposed Routes are reasonable, would avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with DHR, and environment of the area concerned, and otherwise satisfy the requirements for approval under Virginia law. However, if the Commission weighs the evidence differently – for example, if the Commission assigns greater weight to economic development and/or less weight to the visual impact and proximity of the proposed lines to the Green Acres Mobile Home Park – the record could instead support approval of the Route Variations;

¹¹ Ex. 15 (DEQ Report) at 6.

¹² A third public witness, representing respondent Kess Realty, also signed up to provide public witness testimony. Subsequently, counsel for Kess Realty advised the Commission that this person would not testify as a public witness because Kess Realty would participate as a respondent in this proceeding. Tr. at 9.

12. The Commission should condition any approval in this case on the recommendations of the DEQ Report except the following, which are not supported by the record:
 - a. DCR-DNH's recommendation to avoid or minimize impacts to ecological cores;
 - b. DOF's recommendation to mitigate or compensate for forest clearing;
 - c. DCR-DNH's recommendation related to the development of an invasive species management plan;
 - d. DEQ's recommendation to consider development of an effective environmental management system;
 - e. DWR's recommendation to conduct significant tree removal and ground-clearing activities outside of the primary songbird nesting season; and
 - f. DEQ's Division of Land Protection and Revitalization's ("DEQ-DLPR") recommendation to further evaluate the pollution complaint cases identified by DEQ-DLPR;
13. The Commission should also condition any approval in this case on directives for Dominion to:
 - a. continue to meet with DCR-DNH regarding an invasive species management plan and report the status of such meetings in future transmission Certificate of Public Convenience and Necessity ("CPCN") filings, as previously directed by the Commission;
 - b. coordinate with DWR to: (i) adhere to requirements associated with threatened and endangered species if instream work becomes necessary; and (ii) minimize impacts to songbirds;
 - c. continue coordination with DHR in order to avoid or reasonably minimize adverse impacts to historic resources, to the greatest extent reasonably practicable; and
 - d. ensure that wells on private property are called out on the erosion and sediment control plan(s) for the Project;
14. The record supports a finding that the Project will have a minimal impact on historic resources. However, because Dominion had not obtained DHR's assessment by the close of the record, any Commission approval in this case should be conditioned on no material impact to the Project's costs due to mitigation of such impacts, if any is required by DHR; and
15. Dominion should not be prohibited from voluntarily obtaining an additional 40 feet of right-of-way along the Butler Farm - Finneywood Line, with the understanding that Dominion could not condemn for more than what is needed for the Project.¹³

Accordingly, the Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed Project, including: (a) the new 230 kV Butler Farm – Clover Line, using the Proposed Route incorporating the Blue Horse Center reroute, Alvanos reroute, and Jaynes-Rice/Hammond reroute; (b) the new 230 kV Butler Farm - Finneywood Line, using the Proposed Route incorporating the Blue Horse Center reroute, Jaynes-Rice reroute, and the variation of Edgerton reroute number 2; (c) the new 230 kV Butler Farm Station; (d) the new 500/230 kV Finneywood Station; and (e) associated infrastructure at the existing Clover Station; approves the Company's request for the necessary CPCNs to authorize construction of the proposed Project as specified; and dismiss the case from the Commission's docket of active cases.¹⁴

On May 19, 2023, the Company and Kess Realty each filed separate comments on the Report. The Company stated that it supported the findings and recommendations contained therein.¹⁵ Kess Realty generally supported the findings in the report but asked that the Commission approve use of the Route Variations to minimize the impact on its proposed apartment project.¹⁶

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that CPCNs authorizing the Project should be issued, subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

it shall be unlawful for any public utility to construct, enlarge, or acquire . . . any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

¹³ Report at 58-59.

¹⁴ *Id.* at 59.

¹⁵ Dominion Comments at 4.

¹⁶ Kess Realty Comments at 2.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

whenever the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing right-of-way easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represented that the Project is needed to provide service requested by a retail electric service customer, to maintain reliable service for the overall growth in the area, and to comply with mandatory NERC Reliability Standards.¹⁷ The Commission agrees with the Hearing Examiner that Dominion has reasonably demonstrated that there is a need to construct the Project.¹⁸

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and agrees with the Hearing Examiner that the evidence in this case demonstrates that the Project supports economic development, regardless of the route approved by the Commission.¹⁹

Rights-of-Way and Routing

In making determinations about the routing of a transmission line, "the Commission must balance adverse impacts along with other factors and traditional considerations."²⁰ The Commission must then "decide within the parameters of the statute what best serves the total public interest."²¹ After considering the alternatives and weighing the multitude of factors presented in this record, the Commission concludes that the Proposed Routes, including the reroutes recommended by the Hearing Examiner,²² satisfy the statutory requirements and best serve the total public interest.

As an initial matter, we agree with the Hearing Examiner that three alternative routes have more adverse impacts than the Proposed Routes and should not be approved.²³ For example, the alternatives are significantly more costly, longer, have a greater impact on forested lands and offer fewer collocation opportunities.²⁴

¹⁷ Ex. 2 (Application) at 2.

¹⁸ Report at 35.

¹⁹ *Id.* at 53.

²⁰ *BASF v. State Corp. Com'n*, 289 Va. 375, 395 (2015) (citations and internal quotation marks omitted).

²¹ *Id.*

²² The Commission agrees with the Hearing Examiner that the Proposed Routes should be approved incorporating the Blue Horse Center and Alvanos reroutes; the Jaynes-Rice/Hammond reroute, subject to home site substantiation; and a variation of the Edgerton reroute number two, if agreeable to the landowner and consistent with sound final engineering. Report at 58. We agree with the Hearing Examiner that none of the reroutes would cause either of the Proposed Routes to be "significantly different from the route described in the notice" and therefore would not require additional notice prior to Commission approval. Report at 45 n.208 (further noting that none of the recommended reroutes would shift the Proposed Routes to property that is not already traversed by the Proposed Routes.).

²³ See, e.g., Report at 39-40.

²⁴ See, e.g., Report at 35-36.

In addition to the three alternative routes, Dominion developed the Route Variations,²⁵ each 1.7 miles in length, as a routing option for both proposed lines that would avoid crossing a property over which the Proposed Routes run that is under development for the Chase City Apartment Complex, located on the south side of Highway 92, which is under development by respondent Kess Realty.²⁶ The record reflects that plans for the development include construction of ten apartment buildings, a community center, and various ancillary structures.²⁷ The Report states one planned building is completely within 500 feet of the Butler Farm-Finneywood Proposed Route and parts of three other planned apartment buildings are within 500 feet.²⁸ Kess Realty asserts that the Proposed Routes will impair economic development by impeding its ability to attract tenants and potentially puts the development at risk.²⁹ Regarding the economic development impact, Dominion responds that it is still possible to amend the apartment plans to better accommodate the transmission lines because the apartments have not yet been built.³⁰

The Route Variation for the Butler Farm-Finneywood Line would add 20 more single-family residences to the total number of residences within 500 feet of the centerline, increasing the total from 15 to 35.³¹ The Route Variation for the Butler Farm-Clover Line would add 23 more single-family residences to this count, increasing the total of single-family residences within 500 feet of the centerline from 17 to 40.³² The record reflects that the nearest home in the Green Acres Mobile Home Park, an environmental justice community,³³ would be 75 feet from the edge of the right-of-way for the Route Variations, which is 135 feet from the centerline.³⁴ Of the homes along the Route Variations that are not in the Green Acres Mobile Home Park, the closest is approximately 150 feet west of the centerline.³⁵

We agree with the Hearing Examiner that the Proposed Routes largely avoid existing residences and offer greater separation from potential residences at the planned Chase City Apartment Complex than the Route Variations offer existing residences.³⁶ In addition, the Butler Farm-Clover Route Variation would require clearing of more forested lands than the Proposed Route and would have a greater impact on higher value forested wetlands than the Proposed Route.³⁷ The Butler Farm-Clover Route Variation would also cross Highway 92 in an area of heavy commercial development and be located adjacent to several commercial businesses.³⁸

In summary, we have carefully considered and weighed the impact of selecting the Proposed Routes on, among other things, the planned Chase City Apartment Complex, but find that the adverse impacts are comparatively less than the adverse impacts of the Route Variations, including the adverse impact on existing residences, including an environmental justice community; on commercial development; and on the environment. No single factor was dispositive in our analysis. Based on the foregoing, the Commission concludes that the Proposed Routes best meet the statutory requirements and best serve the total public interest.

Finally, we find that the record in this case indicates that no Company-owned right-of-way can accommodate the Project.³⁹ Consistent with our rulings in prior cases, we will not prohibit the Company from voluntarily obtaining an additional 40 feet of right-of-way for the entirety of the Butler Farm – Finneywood Clover Line and for the segment of the corridor where the Butler Farm – Clover Line and the Butler Farm – Finneywood Line collocate to accommodate installation of a potential third circuit in the same corridor in the future.⁴⁰ However, the Company shall not exercise the right to condemnation for this additional 40 feet of right-of-way.

²⁵ The Butler Farm-Finneywood Route Variation follows the same alignment as Butler Farm-Clover Route Variation for the entirety of the route. According to Dominion, if both Route Variations are selected for the Project, the centerlines of the two routes would be offset by 40 feet, with Butler Farm-Finneywood Route Variation to the west of the Butler Farm-Clover Route Variation. Ex. 2 (Application), Environmental Routing Study, Section 2.4.2.3.

²⁶ See, e.g., Report at 45-46.

²⁷ See, e.g., Report at 45. Further, the property was rezoned Residential R-2 by the Mecklenburg Board of Supervisors in March of 2022. *Id.*

²⁸ See, e.g., Report at 51. One additional planned building on the complex is also within 500 feet of the proposed line, which appears to be a clubhouse. *Id.*

²⁹ See, e.g., Report at 53 n. 252 (citing Kess Realty's Post-Hearing Brief at 6-9).

³⁰ See, e.g., Dominion's Post-Hearing Brief at 20.

³¹ See, e.g., Report at 49.

³² See *id.* These incremental increases for the Route Variations involve many of the same residences, as the proposed lines would be collocated in this area. *Id.*

³³ According to Dominion, Green Acres Mobile Home Park has 84 existing residences and is defined as an environmental justice community for populations of color, low income, and less than high school education. Tr. at 89 (Teichert).

³⁴ See, e.g., Report at 52.

³⁵ *Id.*

³⁶ Report at 53.

³⁷ Ex. 19 (Teichert Rebuttal) at 8; Ex. 2 (Application), Environmental Routing Study, Section 6.3.1.

³⁸ Ex. 19 (Teichert Rebuttal) at 8.

³⁹ See, e.g., Report at 55.

⁴⁰ See, e.g., Ex. 2 (Application) at 3 n.3; Report at 56-57; *Application of Virginia Electric and Power Company, For approval and certification of electric facilities: Evergreen Mills 230 kV Line Loops and Evergreen Mills Switching Station*, Case No. PUR-2019-00191, 2020 S.C.C. Ann Rept. 357, 360, Final Order (May 22, 2020).

Impact on Scenic Assets and Historic Districts

The Commission finds that construction of the Project would avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with DHR, and the environment of the area concerned, as required by § 56-46.1 B of the Code, subject to the recommendations provided in the following section addressing the environmental impact of the line.⁴¹ Because Dominion has not obtained DHR's assessment by the close of the record, the Hearing Examiner recommended any Commission approval in this case should be conditioned on no material impact to the Project's costs due to mitigation of such impacts, if any is required by DHR.⁴² We agree.⁴³

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.⁴⁴

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.⁴⁵ The Company disagreed with six of those recommendations and offered clarifications to two other recommendations.⁴⁶ First, the Company requests that the Commission reject DEQ-DLPR's recommendation that further evaluation of pollution complaint cases identified by DEQ-DLPR is warranted,⁴⁷ as such evaluation has already occurred.⁴⁸ The Commission agrees with the Hearing Examiner that further evaluation of the two petroleum release sites is unnecessary based on Dominion's representation that such evaluation has already occurred.⁴⁹

Next, the Company requests that the Commission reject (1) the recommendation by DCR-DNH to avoid or minimize impacts to ecological cores; (2) the recommendation by DOF to mitigate or compensate for forest clearing; (3) the recommendation by DCR-DNH related to the development of an invasive species management plan and (4) the recommendation by DEQ to consider development of an effective environmental management system.⁵⁰ Dominion noted that the Commission has previously rejected similar recommendations in previous cases.⁵¹ The Commission agrees with the Hearing Examiner that the record herein supports the same result in this case and declines to adopt these recommendations from the DEQ Report, although we direct Dominion to continue to meet with DCR, as previously directed by the Commission, and report the status of such meetings in future transmission CPCN filings.⁵²

Finally, the Company requests that the Commission reject DWR's recommendation that the Company conduct significant tree removal and ground clearing activities outside of the primary songbird nesting season of March 15 through August 15.⁵³ The Company states that it strongly opposes this time of year restriction ("TOYR") for this Project.⁵⁴ Dominion says that it actively tries to minimize impacts to forested habitat that is utilized for songbird nesting and complete work outside of the TOYR.

⁴¹ Report at 59.

⁴² *Id.*

⁴³ Dominion states in its comments on the Hearing Examiner's Report that "[i]n a letter dated May 12, 2023 sent to the Company, DCR [sic] concurred with the Company that there will be no more than a minimal impact on any of the identified resources from the Project. As such, the Company does not anticipate additional costs related to mitigation regarding historic resources." Dominion Comments at 6.

⁴⁴ Code § 56-46.1 A.

⁴⁵ Ex. 15 (DEQ Report) at 8-10, 15-16, 18-21, 23-24, and 26-28.

⁴⁶ Ex. 16 (Young Rebuttal) at 4.

⁴⁷ Ex. 15 (DEQ Report) at 15.

⁴⁸ Ex. 16 (Young Rebuttal) at 4-5.

⁴⁹ *See*, Report at 56.

⁵⁰ Ex. 15 (DEQ Report) at 6, 18, 18-19 and 22-24.

⁵¹ Ex. 16 (Young Rebuttal) at 8, 12-13.

⁵² *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: 230 kV Line #293 and 115 kV Line #83 Rebuild Project*, Case No. PUR-2021-00272, Doc. Con. Cen. No. 220850116, Final Order at 10-11 (Aug. 31, 2022).

⁵³ Ex. 15 (DEQ Report) at 26.

⁵⁴ Ex. 16 (Young Rebuttal) at 14.

The Company further states that it plans to actively push to obtain all permits and begin construction of the Project upon the Commission's decision in this proceeding. As the construction of the transmission line is going to take a minimum of one year to complete, it will necessarily overlap with this TOYR, and delay the Project's schedule by three months. Dominion concludes that, based on the schedule and timing of the Project, such a delay could jeopardize the Company's ability to meet the Customer's requested in-service date and has a high potential to increase Project costs.⁵⁵

We agree with the Hearing Examiner and decline to adopt DEQ's proposed TOYR restriction, based on the demonstrated need for the Project and its compressed construction timeline. Dominion notes that it "is committed to coordinating directly with DWR to minimize impacts to songbirds while accomplishing project needs,"⁵⁶ and the Commission directs the Company to do so.

The DEQ Report noted that the South Meherrin River has been designated a Threatened and Endangered Species Water due to the presence of the federally-listed threatened Atlantic Pigtoe; that Butcher Creek, Bluestone Creek, and several tributaries have been designated Threatened and Endangered Species Waters due to the presence of state-listed threatened Whitemouth Shiners; and that Roanoke Creek has been designated Threatened and Endangered Species Water due to the presence of state-listed threatened Carolina Darters.⁵⁷ The Company seeks clarification regarding this recommendation, stating that while it does not expect any instream work for the Project, it will coordinate with DWR and adhere to requirements associated with threatened and endangered species if instream work becomes necessary.⁵⁸

The Commission accepts Dominion's clarification and directs the Company to coordinate with DWR and adhere to the requirements associated with the Threatened and Endangered Species through the permitting process.⁵⁹

The DEQ Report further recommended that the Company field mark water wells within a 1,000-foot radius of the Project.⁶⁰ Dominion seeks to clarify that because such wells will be outside of the right-of-way, "the Company does not have the ability or right to field mark the wells on private property . . ."⁶¹ Dominion offers an alternative method of well protection, including plotting and calling out the wells on the Project's Erosion & Sediment Control Plan, that has been agreed to by the Virginia Department of Health, Office of Drinking Water and approved in other cases by the Commission.⁶² The Commission finds the alternative method of well protection proposed by the Company acceptable and directs that it be adopted for this Project.

Environmental Justice

The Virginia Environmental Justice Act ("VEJA") sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."⁶³ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁶⁴

The Commission agrees with the Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.⁶⁵ In addition, as discussed above, the Commission considered, along with the multitude of factors presented in this record, the impact of the proposed lines on the Green Acres Mobile Home Park, an environmental justice community, in connection with its routing determination herein.

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ Ex. 15 (DEQ Report) at 25-26.

⁵⁸ Ex. 16 (Young Rebuttal) at 15.

⁵⁹ Report at 56.

⁶⁰ Ex. 15 (DEQ Report) at 21.

⁶¹ Ex. 16 (Young Rebuttal) at 15.

⁶² *Id.* at 15-16; *see, e.g., Application of Virginia Electric and Power Company For approval and certification of the Coastal Virginia Offshore Wind Commercial Project and Rider Offshore Wind, pursuant to § 56-58.1:11, §56-46.1, § 56-265.1 et seq., and § 56-585.1 A 6 of the Code of Virginia, PUR-2021-00142, Doc. Con. Cen. No. 220820117, Final Order at 36-37 (Aug. 5, 2022) and Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities: 230 kV Lines #2113 and #2154 Transmission Line Rebuilds and Related Projects, Case No. PUR-2021-00010, 2021 S.C.C. Ann. Rept. 384, 388, Final Order (Sept. 15, 2021).*

⁶³ Code § 2.2-235.

⁶⁴ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rept. 368, 372, Final Order (Sept. 9, 2021); Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, 252, Final Order (Apr. 30, 2021); Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq., Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rept. 190, 195, Final Order (Feb. 1, 2021).*

⁶⁵ Report at 47.

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein, subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCNs to Dominion:

Certificate No. ET-DEV-CHA-2023-A which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Charlotte County, all as shown on the detailed map attached to the Certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00175; Certificate No. ET-DEV-CHA-2023-A cancels Certificate No. ET 72d issued to Virginia Electric and Power Company on June 16, 1994 in Case No. PUE-1992-00058.

Certificate No. ET-DEV-HAL-2023-A which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Halifax County, all as shown on the detailed map attached to the Certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00175; Certificate No. ET-DEV-HAL-2023-A cancels Certificate No. ET 84k issued to Virginia Electric and Power Company on June 16, 1994 in Case No. PUE-1992-00058.

Certificate No. ET-84k authorizing Virginia Electric and Power Company and Old Dominion Electric Cooperative to operate an electric generating facility in Halifax County, is hereby canceled and shall be reissued as Certificate No. EG-DEV/ODEC-HAL-2023-A.

Certificate No. ET-DEV-MEC-2023-A which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Mecklenburg County, all as shown on the detailed map attached to the Certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00175; Certificate No. ET-DEV-MEC-2023-A cancels Certificate No. ET-DEV-MEC-2022-A issued to Virginia Electric and Power Company on February 22, 2022 in Case No. PUR-2021-00137

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCNs issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by July 1, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2022-00179 SEPTEMBER 18, 2023

APPLICATION OF
CHESTER SOLAR TECHNOLOGY PARK, LLC

For certificates of public convenience and necessity for a solar generating facility and associated interconnection facilities

FINAL ORDER

On October 26, 2022, pursuant to §§ 56-46.1, 56-265.2, and 56-580 D of the Code of Virginia ("Code"), and the State Corporation Commission's ("Commission") Filing Requirements in Support of Applications for Authority to Construct and Operate an Electric Generating Facility,¹ Chester Solar Technology Park, LLC ("Chester Solar" or "Company") filed an application ("Application") and supporting documents for certificates of public convenience and necessity ("CPCNs") with the Commission for the construction, ownership, and operation of: (i) solar generating facilities and associated facilities, lines and equipment totaling up to 160 megawatts alternating current ("Solar Facilities") together with (a) a substation and other electrical facilities located on the Solar Facilities site by which solar power will be stepped up from 34.5 kilovolts ("kV") to 115 kV ("Collection Substation"), and (b) two 34.5 kV interconnection yards located on the Solar Facilities site ("Interconnection Yards"); and (ii) a 115 kV overhead generation tie line and associated facilities (together with the Solar Facilities, Collection Substation, and Interconnection Yards, the "Project") extending from the Collection Substation to interconnect the Solar Facilities to the transmission grid at a point of interconnection with transmission facilities of Virginia Electric and Power Company ("Dominion").²

¹ 20 VAC 5-302-10 *et seq.*

² Ex. 2 (Application) at 1.

On November 17, 2022, the Commission issued an Order for Notice and Hearing that, among other things: directed Chester Solar to provide public notice of its Application; scheduled public witness and evidentiary hearings for the purpose of receiving testimony from public witnesses and evidence on the Application; provided interested persons an opportunity to file written comments on the Application or participate as respondents in this proceeding; directed the Commission's Staff ("Staff") to investigate the Application and file testimony with the results of the investigation; and assigned this case to a Hearing Examiner to conduct all further proceedings in this matter and to file a report.

On January 6, 2023, Northern Virginia Electric Cooperative filed a Notice of Participation.

Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On April 25, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ.³ The DEQ Report provides general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contains the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

1. Conduct an on-site delineation of all wetlands and stream crossings within the Project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
2. Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable;
3. Coordinate with the Department of Conservation and Recreation's ("DCR") Division of Natural Heritage ("DNH") on its recommendation to conduct a survey of natural heritage resources on the project site, which contains one of Virginia's Essential Conservation Sites that is considered irreplaceable for achieving statewide biodiversity goals and the last known population of a rare plant in Virginia, so DCR can offer specific protection recommendations. DCR biologists are willing to conduct inventory surveys for natural heritage resources at no charge to the applicant given the significance of the site;
4. Coordinate with DCR DNH on its recommendations for an invasive species management plan, avoiding and mitigating impacts to ecological cores, and project updates;
5. Coordinate with the Virginia Department of Forestry ("VDOF") regarding its recommendations to compensate for unavoidable removal, conversion, or other impacts to forest vegetation, including areas with a Very High or Outstanding Conservation Value, by establishing new trees, forest, or forest vegetation on site, if possible, and if not, then off-site in the general vicinity of the project;
6. Coordinate with VDOF regarding its recommendations to reduce impacts to trees and forest vegetation, including minimizing edge in remaining forest fragments and retaining natural forested corridors that allow movement of wildlife between remaining forests;
7. Coordinate with the Department of Wildlife Resources ("DWR") regarding its recommendations on forest fragmentation, the protection of wildlife resources (including documenting wildlife travel corridors and fencing options), DWR Solar Energy Facility Guidance and other recommendations;
8. Coordinate with the Virginia Outdoors Foundation for additional review if necessary;
9. Coordinate with the Department of Historic Resources ("DHR") regarding its recommendations to protect historic and archaeological resources;
10. Follow the principles and practices of pollution prevention to the maximum extent practicable; and
11. Limit the use of pesticides and herbicides to the extent practicable.⁴

On May 8, 2023, DCR filed additional comments regarding, among other things, the identification and protection of the rare plant species within the Project area ("May 8 DCR Update"). Staff filed testimony on May 8, 2023. Chester Solar filed rebuttal testimony on May 23, 2023. The Commission received over 1,400 public comments on the Application.

On February 28, 2023, a telephonic hearing to receive testimony from public witnesses was convened during which six public witnesses provided testimony. On May 31, 2023, the Hearing Examiner convened an evidentiary hearing to receive testimony and evidence on the Application. Chester Solar, Northern Virginia Electric Cooperative, and Staff participated in the hearing. At this hearing, four additional public witnesses also provided testimony.

On July 13, 2023, the Hearing Examiner issued the Report of M. Renae Carter, Hearing Examiner ("Report"). The Report contained the following findings:⁵

1. The Project will have no adverse effect on reliability of electric service provided by a regulated utility in Virginia, provided that standard Small Generation Interconnection Agreements for the interconnections with Dominion's Harrowgate and Tyler Substations are completed and filed with the Commission.

³ See Ex. 8 (DEQ Report).

⁴ *Id.* at 6-7.

⁵ Report at 53-54.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

2. The Project will have no material adverse effect upon the rates paid by customers of any regulated public utility in the Commonwealth.
3. Any CPCNs issued for the Project should not be withheld pending completion of the rare plant survey and receipt by the Commission of DCR's comments thereon.
4. Any CPCNs for the Project should be conditioned on Chester Solar:
 - i. Adhering to the uncontested recommendations in the DEQ Report;
 - ii. Consulting with DHR on grammatical edits to the interpretive sign for the Seaboard Airline Railroad Corridor and installing the sign within six months of the Solar Facility's energization;
 - iii. Implementing the avoidance plan for Site 44CF0881;
 - iv. Conducting the treatment plan to mitigate impact to Site 44CF0879 as proposed by DHR;
 - v. Notifying DWR and coordinating with the agency on tree removal and ground clearing activity that extends into the March 15 through August 15 timeframe;
 - vi. Consulting with DWR on Project fencing height;
 - vii. Performing the rare plant survey and sharing the survey results, along with the draft vegetation management plan, with DCR for review and comment at least 90 days prior to the start of Project construction, consulting with the agency on its comments thereto, and incorporating the agency's comments, to the extent reasonably practicable, in the final vegetation management plan;
 - viii. Performing the rare plant survey throughout the Project area over multiple months during the plants' growing season and during times when the target species are blooming, which survey should document non-targeted rare species, if found, in addition to the ten rare species identified in the May 8 DCR Update;
 - ix. Avoiding rare plant species where reasonably practicable to do so and relocating and/or replanting rare plants only as a last resort, coordinating with DCR on any relocation and/or replanting plans;
 - x. If relocation and/or collecting seeds for replanting is necessary, performing such task(s) under the management of an individual who is qualified or has been trained in the transplanting of sensitive species and documenting, in the Company's vegetation management plan for DCR's review, any plan to relocate or collect seeds to be replanted;
 - xi. Developing an invasive species management plan including invasive species of concern on DCR's most recent invasive species list and including an evaluation of the potential to improve habitats in buffer areas and solar array areas by using pollinator species native to the Commonwealth;
 - xii. Obtaining all environmental permits and approvals that are necessary to construct and operate the Project; and
 - xiii. Obtaining an amended Conditional Use Permit or a second Conditional Use Permit from Chesterfield County for all pertinent portions of the Project.
5. Requiring Chester Solar to document wildlife travel corridors and observed passage before construction begins would unreasonably burden the Project.
6. It is not reasonable to require the Company to comply with DCR's and VDOP's forest mitigation recommendations.
7. The Project provides economic benefits to Chesterfield County and the Commonwealth, supports the economic and job creation objectives of the Commonwealth Clean Energy Policy, and may improve service reliability in the local area.
8. Chester Solar has considered and addressed environmental justice concerns, and the Project is unlikely to have significant impacts to environmental justice communities.
9. The Project is not otherwise contrary to the public interest, pursuant to Code §§ 56-265.2 B and 56-580 D, provided any CPCNs are issued subject to the conditions in Finding (4) and conditioned upon an appropriate sunset provision.
10. A five-year sunset provision for any CPCNs the Commission issues for the Project is reasonable.

Staff and Chester Solar filed comments on the Report on August 2 and August 3, 2023, respectively.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:

Accordingly, I RECOMMEND the Commission issue an Order that:

1. ADOPTS the findings and recommendations in this Report;
2. APPROVES the Project subject to the conditions described herein;
3. GRANTS Chester Solar generation and transmission CPCNs for the Project, conditioned upon the environmental and Conditional Use Permit requirements listed above and conditioned upon a sunset of five years from the date of the Commission final order granting such CPCNs;
4. GRANTS the waivers requested in the Application as discussed above;
5. GRANTS Chester Solar an exemption from Title 56, Chapter 10; and
6. REQUIRES the Company to continue any public engagement that is part of the Company's pursuit of a second Conditional Use Permit or an amendment to its current Conditional Use Permit with Chesterfield County for the Project.⁶

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein.

The Commission recognizes the large volume of public comments that overwhelmingly expressed concern for the rare plants historically found in the Project area and support for the protection of these rare plant species. Chester Solar is required to comply with all applicable environmental laws. The DEQ Report includes additional recommendations for the Commission's consideration that are "in addition to requirements of federal, state or local law or regulations."⁷ In this regard, Code § 56-46.1 A directs the Commission to "consider the effect of the facility on the environment" and impose any environmental conditions it finds "desirable or necessary to minimize adverse environmental impact." In consideration of the DEQ Report's recommendations, including those of DCR, the Hearing Examiner recommended certain conditions be imposed to protect these rare plant species, including that:

[A]ny CPCNs issued for the Project should be conditioned on a requirement that the Company: perform the rare plant survey and share the survey results, along with the draft vegetation management plan, with DCR for review and comment at least 90 days prior to the start of Project construction, consult with DCR on its comments thereto, and incorporate DCR's comments, to the extent practicable, in the final vegetation management plan. In addition, Chester Solar should be required to avoid rare plant species where reasonably practicable to do so and should relocate and/or replant rare plants only as a last resort, coordinating with DCR on relocation and/or replanting plans.⁸

Chester Solar supports these recommendations.⁹ The Commission agrees these conditions are "desirable or necessary to minimize adverse environmental impact" and finds that the public convenience and necessity require the issuance of the CPCNs in this case should be conditioned on the Company's adherence thereto.

The Commission further directs Chester Solar to file, in this docket, periodic updates on the status of the Project in relation to the rare plant species, including, but not necessarily limited to, the requirements to: (i) perform the rare plant survey and coordinate with DCR on the results thereto; (ii) develop a final vegetation management plan in consultation with DCR; (iii) avoid rare plant species where reasonably practicable to do so and relocate and/or replant rare plants only as a last resort in coordination with DCR on any relocation and/or replanting plans; and (iv) to perform any such relocation and/or collection of seeds for replanting under the management of an individual who is qualified or has been trained in the transplanting of sensitive species and to document, in the Company's vegetation management plan for DCR's review, any plan to relocate or collect seeds to be replanted.

Lastly, the Commission emphasizes that the Company has made commitments regarding protection of these rare plants, including to consult with DCR and to incorporate DCR's comments into the Company's final vegetation management plan to the extent reasonably practicable.¹⁰

⁶ *Id.* at 54-55. The Hearing Examiner also provides an alternative recommendation if the Commission declines to issue any CPCNs until after the completion of the rare plant survey, DCR's review thereof and their submission of comments thereon to the Commission. Report at 55. As the Commission adopts the Hearing Examiner's primary recommendation, it is unnecessary to address this alternative recommendation.

⁷ Ex. 8 (DEQ Report) at 6.

⁸ Report at 47.

⁹ See Comments and Exceptions of Chester Solar Technology Park, LLC to the Report of M. Renae Carter, Hearing Examiner at 3.

¹⁰ See *id.*

Further, the Company has committed to "adjusting the Project footprint to avoid rare plant species if such can be accomplished without seriously affecting the size and the economics of the Project."¹¹ The Commission expects the Company to abide by these important commitments.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Subject to the findings and requirements set forth above, Chester Solar is granted the CPCNs as follows:

a) Generation: EG-CHSTR-CHE-2023-A

b) Transmission: ET-CHSTR-CHE-2023-A

(4) The Company shall forthwith work with Staff to file electronic maps of the Project for certification. The electronic maps shall include the boundaries of the Project; the utility point of interconnection; county designations; geographic identifiers (road names, waterways, etc.); and the Global Positioning System coordinates of the Project. The electronic maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, by email at mike.cizenski@scc.virginia.gov.

(5) Beginning November 1, 2023, and continuing bimonthly (*i.e.*, every other month), Chester Solar shall file a status update as provided herein.

(6) This matter is continued.

Commissioner Patricia L. West participated in this matter.

¹¹ *Id.* at 5.

CASE NO. PUR-2022-00180 JUNE 15, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: Federal Grant Opportunities under The Infrastructure Investment and Jobs Act and The Inflation Reduction Act

ORDER DIRECTING BIENNIAL REPORTING

On November 3, 2022, the State Corporation Commission ("Commission") issued an Order Directing Comments in this matter. The Commission recognized the passage of the federal Infrastructure Investment and Jobs Act, H.R. 3684, 117th Cong. (2021) ("IIJA") and its authorization of significant investments of federal funds in the nation's utility infrastructure. The Commission directed Virginia's jurisdictional investor-owned electric utilities and electric cooperatives to file comments, on or before January 5, 2023, addressing (i) potential IIJA funding opportunities that may assist them in providing utility service in the Commonwealth, (ii) actions such utilities can take or have already taken to access such funding opportunities, including the status of any such funding applications, and (iii) Commission actions or proceedings that may assist or facilitate utilities' access to these funding opportunities. The Commission further invited other interested parties and Commission Staff ("Staff") to file comments addressing the enumerated items as well as the comments filed by the investor-owned electric utilities and electric cooperatives on or before February 2, 2023. Lastly, the Commission invited the investor-owned electric utilities and electric cooperatives to file reply comments addressing any comments filed by any other electric utility or electric cooperative, any interested party or Staff on or before February 23, 2023. On January 5, 2023, comments were received from Appalachian Power Company ("APCo"), Virginia Electric and Power Company ("Dominion"), Kentucky Utilities Company d/b/a Old Dominion Power Company, and the Virginia, Maryland & Delaware Association of Electric Cooperatives ("Association").¹ ChargePoint, Inc., the Southern Environmental Law Center ("SELC"), Advanced Energy United ("AEU"), the Sierra Club and Natural Resources Defense Council jointly, and Staff subsequently filed comments. On February 23, 2023, Dominion filed reply comments.

NOW THE COMMISSION, having considered this matter is of the opinion and finds as follows.

Dominion, APCo, KU and the Association each explained that their efforts to review, assess and secure federal funding under the IIJA are on-going.²

¹ The Association filed comments on behalf of the following: A&N Electric Cooperative, BARC Electric Cooperative, Central Virginia Electric Cooperative, Community Electric Cooperative, Craig-Botetourt Electric Cooperative, Mecklenburg Electric Cooperative, Northern Neck Electric Cooperative, Northern Virginia Electric Cooperative, Prince George Electric Cooperative, Powell Valley Electric Cooperative, Rappahannock Electric Cooperative, Shenandoah Valley Electric Cooperative, and Southside Electric Cooperative.

² Dominion Comments at 2; APCo Comments at 3-4; KU Comments at 1-2; Association Comments at 5-6.

The Commission finds that continuing ongoing reporting in this docket by Virginia's jurisdictional investor-owned electric utilities and electric cooperatives ("Reporting Utilities") will assist the Commission and the public in, among other things, understanding and monitoring the available opportunities and challenges associated with obtaining federal funding and the timing of expected filings. The Commission does not intend for this proceeding to supplant ongoing or future adjudications and further finds that funding opportunities are appropriately raised in the context of other proceedings.³

The Commission next finds it appropriate to include within the scope of this proceeding consideration of federal funding opportunities under the Inflation Reduction Act, H.R. 5376, 117th Cong. (2022) ("IRA").

Reporting shall include at least the following, to be filed biannually on September 1 and March 1 and continuing until all applicable funding opportunities under the IJJA and IRA are closed to applications or further order of the Commission:

1. Funding for which the Reporting Utilities have applied, noting (i) the applicable section of the IJJA or IRA, (ii) the purpose for which the funding is intended to be used, (iii) whether the funding is intended to offset costs to customers and funding implications on future rate cases, (iv) the status of funding applications, and (v) conditions that must be met to obtain funding.
2. Funding opportunities identified for potential application through the IJJA or IRA, noting the anticipated timeline for applying for such funding, and whether any significant obstacles have been identified. To the extent known, identify (i) the purpose for which the funding would be used, (ii) whether the funding would offset costs to customers and funding implications on future rate cases, and (iii) conditions that must be met to obtain funding.
3. A list of ongoing or upcoming Commission proceedings in which the utility reasonably knows or anticipates IJJA or IRA funding is implicated, and whether expedited or revised Commission processes are anticipated.
4. How the utilities are addressing equity and environmental justice in the context of the IJJA and IRA funding opportunities.⁴

Several comments filed herein emphasized the need for the Commission to consider cost recovery of cost sharing expenses incurred for IJJA grant projects, because federal funding is likely to supply only a portion of the funds for a given project.⁵ In addition, some commenters requested that the Commission consider such requests on a streamlined or expedited basis.⁶ The Commission emphasizes that all cost recovery determinations are subject to review for reasonableness and prudence and will be evaluated under applicable statutory standards in separate appropriate proceedings. The Commission is duty-bound to ensure costs borne by customers are reasonable, prudent, and otherwise meet the applicable statutory standards for approval. If expedited consideration is requested, the Commission will nonetheless work to rule expeditiously on any cost recovery requests related to IJJA or IRA federal funding.

SELCO asserted that some of APCo's and Dominion's previously approved projects may be eligible for funding and recommended the Commission direct the utilities "to provide a full accounting of potentially available IJJA funding for already approved projects (including, but not limited to, their grid transformation plans), and to diligently pursue such funding, with regular reports back to the Commission on the status of those efforts."⁷ We agree and direct Dominion and APCo to address the status of their efforts to obtain funding under the IJJA and IRA for previously approved projects in the biannual reporting directed herein. In addition, such efforts may be raised in other appropriate Commission proceedings, such as the utilities' grid transformation plan-related cases, their annual renewable portfolio standard filings under Code § 56-585.5 D 4, or other appropriate cases.

ACCORDINGLY, it is so ORDERED and this matter is CONTINUED.

Commissioner Patricia L. West participated in this matter.

³ Requests for substantive Commission approvals should be filed in a separate appropriate proceeding.

⁴ See, e.g., SELCO Comments at 8-9.

⁵ See, e.g., APCo Comments at 8; Staff Comments at 2; AEU Comments at 3, 5.

⁶ See, e.g., APCo Comments at 8; AEU Comments at 3.

⁷ SELCO Comments at 13.

**CASE NO. PUR-2022-00182
OCTOBER 26, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For an Annual Informational Filing

FINAL ORDER

On October 21, 2022, Virginia-American Water Company ("VAWC" or "Company") filed a Motion to Delay Filing and for Partial Waiver of Filing Requirements ("Motion") to delay filing its Annual Informational Filing ("AIF") for the year ending June 30, 2022 ("2022 AIF") until 60 days after the Commission issued its final order in Case No. PUR-2021-00255 ("2021 Rate Case") and seeking a waiver from filing certain specific schedules.¹ The Commission docketed this matter and granted the Motion on October 27, 2022. Subsequently, the Commission issued a Final Order in the 2021 Rate Case on April 24, 2023.² On June 21, 2023, VAWC filed its 2022 AIF.

On August 29, 2023, the Staff of the Commission ("Staff") filed its Report ("Staff Report") on VAWC's 2022 AIF. Staff noted the only regulatory asset reported by the Company on its books is a COVID-19 regulatory asset balance of \$673,689 as of the end of the test year, before consideration of the \$123,286 write-off required by the Commission in the 2021 Final Order.³ According to Staff, the 2021 Final Order required the following regulatory asset write-offs: (i) Depreciation Reserve Deficiency of \$362,630; (ii) Other Post-Employment Benefits Implementation Deferral of \$42,837; and (iii) COVID-19 Deferral of \$123,286. Staff confirmed that the Company completed recording these write-offs on its books in May 2023.⁴

Staff's analysis showed the Company's June 2022 earnings test returns on equity ("ROE") was 6.20% for the wastewater operations and 9.01% for water operations,⁵ which is below the composite authorized ROE of 9.62%.⁶ As a result, Staff recommends no further write-off of the COVID-19 regulatory asset at this time.⁷

Staff noted that the Commission required a \$419,803 refund of Water and Wastewater Infrastructure Surcharge ("WWISC") billings, plus interest, in its 2021 Final Order.⁸ Staff confirmed that the Company refunded that amount, along with \$40,046 of interest, in June 2023.⁹ Per Staff, the Company also incurred \$1,737 of costs to implement the refunds and recorded such amounts to an above-the-line account.¹⁰ Staff stated that while the interest charges complied with the 2021 Final Order, the costs of making the refund did not, and recommended that the Company be directed to record an entry to reclassify that amount to a below-the-line account to preclude the refund costs from being recovered in rates.¹¹

On October 13, 2023, VAWC filed a response to the Staff Report. In its response, the Company stated that "while it does not necessarily agree with every aspect of Staff's analysis or adjustments, it concurs with the Staff's conclusion that no further write-off of regulatory assets is appropriate and does not object to the Staff's conclusions regarding the refund of WWISC revenues based on the Commission's decision in [the 2021 Rate Case]."¹²

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that no further write-off of the Company's COVID-19 regulatory asset is appropriate at this time. The Commission further finds that recording to an above-the-line account of the \$1,737 of costs incurred by VAWC to implement the required WWISC refunds did not comply with the 2021 Final Order. The Company is directed to record an entry to reclassify that amount to a below-the-line account to preclude the refund costs from being recovered in rates.

¹ Motion at 1.

² See *Virginia-American Water Company, For a general increase in rates*, Case No. PUR-2021-00255, Doc. Con. Cen. No. 230430212, Final Order (Apr. 24, 2023) ("2021 Final Order").

³ Staff Report at 2.

⁴ *Id.* at 4.

⁵ Staff Report at 6.

⁶ *Id.* at 3 & 6.

⁷ *Id.* at 6.

⁸ *Id.* at 5, *citing* 2021 Final Order at 11.

⁹ Staff Report at 5.

¹⁰ *Id.*

¹¹ *Id.*

¹² VAWC Response at 1.

Accordingly, IT IS ORDERED THAT:

(1) The Company shall record an entry on its books to reclassify the \$1,737 of costs incurred by VAWC to implement the required WWISC refunds to a below-the-line account to preclude these refund costs from being recovered in rates.

(2) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2022-00183
APRIL 5, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: 500-230 kV Wishing Star Substation, 500 kV and 230 kV Mars-Wishing Star Lines, 500-230 kV Mars Substation, and Mars 230 kV Loop

FINAL ORDER

On October 27, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in Loudoun County, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following, which is collectively referred to as the "Project":¹

- Construct a new 500-230 kilovolt ("kV") substation in Loudoun County, Virginia, within existing Company-owned right-of-way ("ROW") and on property obtained by the Company ("Wishing Star Substation"). The 500-230 kV source to the Wishing Star Substation will be created by cutting the Company's existing 500 kV Brambleton-Mosby Lines #546 and #590 into the Wishing Star Substation at Structures #546/26 and #590/1893 just south of the Company's existing Brambleton Substation. The tie-in of Lines #546 and #590 to the Wishing Star Substation will result in (i) 500 kV Brambleton-Wishing Star Line #589, (ii) 500 kV Brambleton-Wishing Star Line #501, (iii) Mosby-Wishing Star Line #546, and (iv) Mosby-Wishing Star Line #590.
- Construct a new approximately 3.55-mile overhead 500 kV single circuit transmission line with a 230 kV single circuit transmission line underbuilt on predominantly new ROW. The new transmission lines will originate at the 500 kV and 230 kV buses of the proposed Wishing Star Substation and continue east to the proposed 500-230 kV Mars Substation, resulting in (i) 500 kV Mars-Wishing Star Line #527, and (ii) 230 kV Mars-Wishing Star Line #2291 ("Mars-Wishing Star Lines"). From the proposed Wishing Star Line Substation, the Mars-Wishing Star Lines will extend generally east to the proposed Mars Substation, where the Mars-Wishing Star Lines will terminate. The proposed Mars-Wishing Star Lines will be constructed on new ROW predominantly 150 feet in width (approximately 2.67 miles of the 3.55-mile total length) to support a 5/2 configuration primarily on dulled galvanized steel double circuit three-pole or two-pole H-frame structures. The new 500 kV line will utilize three-phase triple-bundled 1351.1 ACSR conductors with a summer transfer capability of 4,357 megavolt amperes ("MVA"); the new 230 kV line will utilize three-phase twin-bundled 768.2 trapezoidal aluminum conductor steel supported type conductor with a summer transfer capability of 1,573 MVA.
- Construct a new 500-230 kV substation in Loudoun County, Virginia, on property obtained by the Company ("Mars Substation").
- Construct two new approximately 0.57-mile overhead 230 kV double circuit lines on two sets of double circuit structures from Mars Substation to cut in locations on the Company's existing 230 kV Cabin Run-Shellhorn Road Line #2095 and 230 kV Poland Road-Shellhorn Road Line #2137, between Structures #2095/72 / #2137/82 and #2095/73 / #2137/83 resulting in (i) 230 kV Cabin Run-Mars Line #2287, (ii) 230 kV Celestial-Mars Line #2261, (iii) 230 kV Mars-Shellhorn Road Line #2095, and (iv) 230 kV Mars-Sojourner Line #2292 ("Mars 230 kV Loop"). Where the Mars 230 kV Loop cuts into Lines #2095 and #2137, two new two-pole double circuit structures will be installed within existing ROW in order to loop the new lines into the Mars Substation and then back to the existing Lines #2095/#2137 corridor. While the cut-in location is within existing ROW, the proposed Mars 230 kV Loop will be constructed on new 160-foot-wide ROW supported by a combination of dulled galvanized steel double circuit monopoles and two-pole structures situated side-by-side in the ROW and will utilize three-phase twin-bundled 768.2 ACSS/TW type conductor with a summer transfer capability of 1,573 MVA.
- Conduct line protection upgrades at the Company's existing remote end substations, including the Company's existing Brambleton, Cabin Run, Mosby, and Shellhorn Road Substations, as well as the future Celestial and Sojourner Substations.

According to the Application, Dominion proposes the Project to maintain and improve electric service to customers in the eastern Loudoun load area ("Eastern Loudoun Load Area"), which is generally to the north and west of the Dulles Airport and is inclusive of Data Center Alley; to address significant load growth in the Eastern Loudoun Load Area; and to resolve identified North American Electric Reliability Corporation ("NERC") reliability violations.²

¹ Ex. 2 (Application) at 2-4.

² *Id.* at 5.

The Company states that, as of the filing of its Application, the Eastern Loudoun Load Area is inclusive of approximately 21 locations where load is being served.³ The Company further asserts that, if not relieved by the proposed Project combined with others proposed or planned in the near term, the identified reliability violations will severely impact the transmission system's ability to provide reliable service to Dominion's customers in the Eastern Loudoun Load Area.⁴

The Company states the desired in-service date for the proposed Project is December 31, 2025, and due to the immediate need for this proposed Project, the PJM required in-service date is June 1, 2025.⁵ The Company represents the estimated conceptual costs of the proposed Project (in 2022 dollars) is approximately \$715.7 million, which includes approximately \$157.2 million for transmission-related work and approximately \$558.5 million for substation-related work.⁶

On December 2, 2022, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On January 23, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained a Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Conduct an on-site delineation of wetlands and streams within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
- Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable;
- Coordinate with the Department of Conservation and Recreation for updates to the Biotics Data System database (if the scope of the project changes or six months passes before the project is implemented);
- Coordinate with the Department of Wildlife Resources ("DWR") regarding its recommendations on the protection of the Wood turtle, species of greatest conservation needs, and the general protection of wildlife resources;
- Coordinate with the Virginia Outdoors Foundation should the project change or if construction does not begin within 24 months;
- Employ best management practices for the protection of water supply sources;
- Limit the use of pesticides and herbicides to the extent practicable.⁷

On December 22, 2022, Brambleton Group, LLC ("Brambleton"), filed its notice of participation. On January 12, 2023, the Data Center Coalition ("DCC") filed its notice of participation. On January 27, 2023, Brambleton filed its direct testimony. On January 30, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of Dominion's Application. On February 13, 2023, the Company filed rebuttal testimony.

During this proceeding, four public comments were filed.⁸ No persons signed up to testify as a public witness and pursuant to Ordering Paragraph (5) of the Commission's Order for Notice and Hearing, the public witness hearing scheduled for February 27, 2023, was canceled. On February 28, 2023, the Senior Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion, Brambleton, DCC, and Staff participated at the hearing.

On March 6, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued. In the Report, the Chief Hearing Examiner made the following findings and recommendations:

³ *Id.*

⁴ *Id.*

⁵ *Id.* at 7.

⁶ *Id.* at 8.

⁷ Ex. 10 (DEQ Report) at 7.

⁸ Although Ms. Shepherd submitted her written comments to the Commission after the deadline to submit public comments had passed, Dominion did not object to the comments being filed out of time. The Commission has considered Ms. Shepherd's comments and the Company's response thereto.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

1. The Company demonstrated the need for its proposed Project and has reasonably demonstrated that the Project avoids or reasonably minimizes the impact on existing residences, scenic assets, historic resources, and the environment;
2. The Company's Application does not appear to adversely impact any goal established by the Virginia Environmental Justice Act;⁹ and
3. With the exception of recommendations concerning: (i) tree and ground clearing outside of songbird nesting period or March 15 through August 15; (ii) stormwater management and consultation with Loudoun County; (iii) clarification regarding Northern Long-Eared Bat ("NLEB") management with the U.S. Fish and Wildlife Service ("USFWS"); and (iv) clarification regarding field verification of well locations; the recommendations in the DEQ Report should be adopted by the Commission as conditions of approval.¹⁰

Accordingly, the Chief Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed Project as specified; approves the Company's request for a certificate of public convenience and necessity ("CPCN") to authorize construction of the proposed Project as specified; and dismiss the case from the Commission's docket of active cases.¹¹

On March 13, 2023, DCC and Dominion each filed separate comments on the Report supporting the findings and recommendations contained therein.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

it shall be unlawful for any public utility to construct, enlarge, or acquire . . . any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

whenever the Commission is required to approve the construction of any electrical facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing ROW easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of ROW, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represented that the Project is needed to maintain and improve electric service to customers in the Eastern Loudoun Load Area, to address significant load growth in the Eastern Loudoun Load Area, and to resolve identified NERC reliability violations.¹²

⁹ Code § 2.2-234 *et seq.*

¹⁰ Report at 33.

¹¹ *Id.* at 34.

¹² Ex. 2 (Application) at 5.

The Commission agrees with the Chief Hearing Examiner that Dominion has reasonably demonstrated that there is a need to construct the Project.¹³

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Project would support economic growth in the Commonwealth by continuing to provide reliable electric service.¹⁴

Rights-of-Way and Routing

After considering the alternatives and weighing the multitude of factors presented in this record, the Commission concludes that the Proposed Route satisfies the statutory requirements and best serves the total public interest. The Proposed Route is the shortest of all the routes considered and would utilize the most existing Company-owned ROW.¹⁵

Impact on Scenic Assets and Historic Districts

The Commission finds that the Project will avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Virginia Department of Historical Resources, and the environment of the area concerned, as required by § 56-46.1 B of the Code. The record reflects, for example, that the Project would traverse through Loudoun County in an area that is characterized by undeveloped industrial and commercial land, existing transmission line ROWs, the Broad Run riparian area and open space proffers, Dulles Airport, and Virginia Department of Transportation ROWs.¹⁶

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.¹⁷

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.¹⁸ The Company disagreed with two of those recommendations and offered clarifications to two other recommendations.¹⁹ First, the Company requests that the Commission reject DWR's recommendation to conduct significant tree removal and ground-clearing activities outside of the primary songbird nesting season of March 15 through August 15²⁰ because it would likely impact the Company's ability to complete the Project on time.²¹ Dominion represents that construction of the Project is planned to start in June 2023 in order to meet the desired in-service date of December 31, 2025.²² The Company further represents that, although it "is committed to coordinating directly with DWR to minimize impacts to songbirds while accomplishing Project needs," DWR's recommendation would delay tree removal and ground clearing, the first step in the construction process, by at least two months.²³

Based on the need for this Project and the compressed time schedule for completing it, the Commission does not adopt a requirement that Dominion conduct significant tree removal and ground-clearing activities outside of the primary songbird nesting season of March 15 through August 15.²⁴ Instead, the Company will coordinate with DWR to minimize impacts to songbirds.²⁵

¹³ Report at 33.

¹⁴ Ex. 9 (Staff Report) at 42.

¹⁵ Ex. 2 (Application) at 6-7.

¹⁶ Ex. 9 (Staff Report) at 31; Ex. 2 (Application), Appendix at 79.

¹⁷ Code § 56-46.1 A.

¹⁸ Ex. 10 (DEQ Report) at 7, 9-10, 14, 17-21, 23-25.

¹⁹ Ex. 13 (Young Rebuttal) at 4.

²⁰ Ex. 10 (DEQ Report) at 7, 19-21.

²¹ Ex. 13 (Young Rebuttal) at 4-5.

²² *Id.* at 5.

²³ *Id.*

²⁴ Report at 32.

²⁵ *Id.*

Next, the Company requests that the Commission reject the direction that the Company direct specific questions regarding the Stormwater Management ("SWM") Program requirements to Loudoun County Building and Development.²⁶ Dominion objects to the recommendation in the DEQ Report directing the Company to raise SWM Program-related questions with a Loudoun County representative.²⁷ Dominion argues that DEQ is the Virginia SWM Program authority for the Company's transmission projects, and therefore that all matters pertaining to Erosion & Sediment Control and SWM should be handled by DEQ and not locally by the county.²⁸

Based on Dominion's representations, the Commission agrees with the Hearing Examiner and finds that the Company should direct all SWM Program questions to DEQ; however, this directive shall not prevent DEQ and/or the Company from working with Loudoun County representatives on SWM issues.²⁹

The DEQ Report found that the Project area could potentially include habitat for the NLEB, which are listed as a "threatened species" under the Endangered Species Act ("ESA").³⁰ Consequently, the DEQ Report directed that "Dominion must coordinate with [the USFWS] regarding impacts to the NLEB population resulting from the Project"³¹ A necessary aspect of this coordination with USFWS is that the Company must adhere to the "ESA 4(d) Rule," a specific set of protections that the ESA provides to the NLEB due to its listing as a threatened species.³²

As to the DEQ Report's recommendation that the Company coordinate with USFWS regarding impacts to the NLEB population resulting from the Project, Dominion seeks to clarify that the Company anticipates that on April 1, 2023, USFWS will "up-list" the NLEB from threatened to endangered, at which point the ESA 4(d) Rule will no longer be applicable.³³ Nevertheless, Dominion represents that the Project is not located within a 0.25-mile radius or within a 5.5-mile hibernaculum buffer of a known NLEB habitat, which makes the Project "less likely to have significant impacts on the NLEB."³⁴

The Commission accepts Dominion's clarification and directs the Company to coordinate with the required agencies through the permitting process and based on that coordination adhere to the requirements that allow the Project to move forward while minimizing impacts on the NLEB.³⁵

The DEQ Report further recommended that the Company field mark water wells within a 1,000-foot radius of the Project.³⁶ Dominion seeks to clarify that because such wells will be outside of the ROW, "the Company does not have the ability or right to field mark the wells on private property"³⁷ Dominion offers an alternative method of well protection, including plotting and calling out the wells on the Project's Erosion & Sediment Control Plan, that has been agreed to by Virginia Department of Health, Office of Drinking Water and approved in other cases by the Commission.³⁸ The Commission finds the alternative method of well protection proposed by the Company acceptable and directs that it be adopted for this Project.

Environmental Justice

The Virginia Environmental Justice Act ("VEJA") sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."³⁹

²⁶ Ex. 10 (DEQ Report) at 26.

²⁷ Ex. 13 (Young Rebuttal) at 6.

²⁸ *Id.*

²⁹ Report at 32.

³⁰ Ex. 10 (DEQ Report) at 19. *See also* Endangered Species Act, 16 U.S.C. § 1531 *et seq.* (1973).

³¹ Ex. 10 (DEQ Report) at 19.

³² *See id.*; Ex. 13 (Young Rebuttal) at 7. *See also* Endangered Species Act § 4(d), 16 U.S.C. § 1533(d).

³³ Ex. 13 (Young Rebuttal) at 7.

³⁴ *Id.*

³⁵ Report at 33.

³⁶ Ex. 10 (DEQ Report) at 24.

³⁷ Ex. 13 (Young Rebuttal) at 7-8.

³⁸ *Id.* at 8; *see, e.g., Application of Virginia Electric and Power Company For approval and certification of the Coastal Virginia Offshore Wind Commercial Project and Rider Offshore Wind, pursuant to § 56-58.1:11, §56-46.1, § 56-265.1 et seq., and § 56-585.1 A 6 of the Code of Virginia, PUR-2021-00142, Doc. Con. Cen. No. 220820117, Final Order at 36-37 (Aug. 5, 2022) and Application of Virginia Electric and Power Company For approval and certification of electric transmission facilities: 230 kV Lines #2113 and #2154 Transmission Line Rebuilds and Related Projects, Case No. PUR-2021-00010, 2021 S.C.C. Ann. Rep. 384, 388.*

³⁹ Code § 2.2-235.

As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁴⁰

The Commission agrees with the Chief Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.⁴¹

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein, subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-LDN-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Loudoun County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00183, cancels Certificate No. ET-DEV-LDN-2022-E, issued to Virginia Electric and Power Company in Case No. PUR-2022-00012 on November 28, 2022.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by December 31, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁴⁰ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rep. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 EPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rep. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rep. 190, 195, Final Order (Feb. 1, 2021).

⁴¹ Report at 22, 33.

CASE NO. PUR-2022-00183 AUGUST 22, 2023

APPLICATION OF VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: 500-230 kV Wishing Star Substation, 500 kV and 230 kV Mars-Wishing Star Lines, 500-230 kV Mars Substation, and Mars 230 kV Loop

ORDER GRANTING MOTION TO ADJUST ROUTE

On October 27, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of certain electric transmission facilities in Loudoun County, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.* The Commission issued an Order for Notice and Hearing on December 2, 2022, which, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter.

On February 28, 2023, the Chief Hearing Examiner convened the evidentiary hearing in the Commission's courtroom.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On March 6, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued. In the Report, the Chief Hearing Examiner made the following findings and recommendations:

1. The Company demonstrated the need for its proposed Project and has reasonably demonstrated that the Project avoids or reasonably minimizes the impact on existing residences, scenic assets, historic resources, and the environment;
2. The Company's Application does not appear to adversely impact any goal established by the Virginia Environmental Justice Act;¹ and
3. With the exception of recommendations concerning: (i) tree and ground clearing outside of songbird nesting period or March 15 through August 15; (ii) stormwater management and consultation with Loudoun County; (iii) clarification regarding Northern Long-Eared Bat management with the U.S. Fish and Wildlife Service; and (iv) clarification regarding field verification of well locations; the recommendations in the Department of Environmental Quality Report should be adopted by the Commission as conditions of approval.²

Accordingly, the Chief Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed facilities as specified; approves the Company's request for a certificate of public convenience and necessity ("CPCN") to authorize construction of the proposed facilities as specified; and dismisses the case from the Commission's docket of active cases.³

On April 5, 2023, the Commission entered its Final Order granting a CPCN authorizing Dominion to construct the proposed facilities subject to certain findings and conditions contained therein and dismissing the case. The Commission approved Route 5, the Company's proposed route in this proceeding.

On August 11, 2023, the Company filed an Unopposed Motion of Virginia Electric and Power Company to Accept Route Shift and for Expedited Treatment ("Unopposed Motion"), requesting the Commission to re-open the record herein "for the limited purpose of accepting a two-span shift to one of the routes approved... and for expedited treatment."⁴ The Company explains that the Northern Virginia Electric Cooperative ("NOVEC") informed the Company that the approved route "would conflict with the proposed location of NOVEC's future substation" needed to serve a future data center development.⁵ As described in the Unopposed Motion, the Company proposes "to shift the alignment of the Commission-approved Route 5 along a two-span segment to align with Route 6 for approximately 0.2 mile before rejoining Route 5," referred to as the Route 5-Route 6 Hybrid route.⁶

The Unopposed Motion states that the Staff and all other parties to this case authorized Dominion to represent that they do not oppose the granting of the Unopposed Motion, and further contains exhibits conferring the consent of both NOVEC and the only impacted landowner to the adjustment.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that granting the Unopposed Motion is consistent with the public interest.

Accordingly, IT IS ORDERED THAT:

- (1) This proceeding is reopened for the limited purpose of considering the Unopposed Motion.
 - (2) The Unopposed Motion is granted and the Route 5-Route 6 Hybrid route, as described therein, is approved.
 - (3) Within thirty (30) days from the date of this Order, the Company shall provide to the Commission's Division of Public Utility Regulation a revised electronic map for the Certificate Number that shows the two-span shift approved herein to the routing of the transmission line approved in the Final Order issued herein on April 5, 2023. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@sc.virginia.gov.
 - (4) Upon receiving the maps directed in Ordering Paragraph (3), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN with the revised maps attached.
 - (5) All other provisions of the Commission's Final Order shall remain in full force and effect.
 - (6) This matter is dismissed.
- Commissioner Patricia L. West participated in this matter.

¹ Code § 2.2-234 *et seq.*

² Report at 33.

³ *Id.* at 34.

⁴ Unopposed Motion at 1.

⁵ *Id.* at 4.

⁶ *Id.* at 4-5.

⁷ *Id.* at 9, Attachments 6 and 7. The Unopposed Motion was further supported and verified by the Strategic Advisor for the Project on behalf of the Company.

**CASE NO. PUR-2022-00184
JANUARY 25, 2023**

APPLICATION OF
INFINITI ENERGY, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On October 24, 2022, Infiniti Energy, LLC ("Infiniti" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia ("Code").¹

The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").²

On November 29, 2022, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before December 9, 2022, and to file proof of service on or before December 16, 2022. On December 8, 2022, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before December 30, 2022. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before January 6, 2023. On January 6, 2023, Staff filed its Report.

The Procedural Order further provided that Infiniti may file any response to the Report on or before January 13, 2023. Infiniti filed a response on January 13, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Infiniti's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Infiniti is hereby granted license No. SS-25 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ The Company provided Staff with supplemental information on November 7, 2022, to complete the Application.

² 20 VAC 5-340-10 *et seq.*

**CASE NO. PUR-2022-00187
JULY 7, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider OSW, Coastal Virginia Offshore Wind Commercial Project, for the Rate Year commencing September 1, 2023

FINAL ORDER

On November 1, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an annual update with respect to the Company's rate adjustment clause, designated Rider Offshore Wind ("Rider OSW"), pursuant to Code § 56-585.1 A 6 ("Application"). Through its Application, the Company seeks to inform the Commission of the status of the Coastal Virginia Offshore Wind Commercial Project ("Project") and to recover costs associated with the Project.¹

¹ Ex. 2 (Application) at 1, 4.

In Case No. PUR-2021-00142, the Commission, among other things, approved the Company's request for approval of Rider OSW for recovery of costs associated with the Project.² The Commission further directed the Company to file annual Rider OSW update proceedings on or before November 1 of each year.³

In this proceeding, Dominion stated the Project is proceeding on time and on budget, consistent with the timelines and estimates the Company provided in Case No. PUR-2021-00142.⁴ The Company represents that the total Project cost forecast remains \$9.8 billion, including approximately \$1.4 billion of combined transmission costs.⁵

In its Application, Dominion requested approval of a total revenue requirement for Rider OSW of approximately \$271 million for the rate year commencing September 1, 2023, and extending through August 31, 2024 ("Rate Year").⁶

On December 2, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed this matter; directed Dominion to provide public notice of its Application; scheduled hearings for the purpose of receiving testimony from public witnesses and evidence on the Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by Appalachian Voices, the Virginia Committee for Fair Utility Rates, and the Office of the Attorney General's Division of Consumer Counsel. Staff filed testimony on April 12, 2023. Dominion filed rebuttal testimony on April 26, 2023. The Commission received one public comment in this case.

The public witness hearing was scheduled to convene telephonically on May 9, 2023, but was canceled because no public witnesses signed up to testify.⁷ The evidentiary hearing was convened on May 10, 2023.

On May 22, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report") was issued. In the Report, the Hearing Examiner made the following findings:

- (i) Approval of an updated Rider OSW with a revenue requirement of \$270.995 million is reasonable;
- (ii) For purposes of this proceeding, Rider OSW rates should be designed to recover the approved revenue requirement based on the allocation and rate design methodology presented by the Company;
- (iii) The Company should be directed to provide two long-term bill analyses with future Rider OSW applications: one analysis utilizing the Company's methodology and the other utilizing Staff's methodology;
- (iv) In addition to its 30-year base case LCOE calculation with the most current assumptions, the Company should be directed to provide two additional sensitivities in its next Rider OSW filing: one sensitivity utilizing a 25-year life expectancy for the Project and another using a 35-year life expectancy for the Project; and
- (v) The Company should be directed to comply with Staff's uncontested recommendations.⁸

The Hearing Examiner recommended that the Commission adopt the above findings, approve the updated Rider OSW rates recommended in the Report, and dismiss the case from the Commission's docket of active cases.⁹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Hearing Examiner's Report should be adopted. We agree that the record supports a Rider OSW revenue requirement of \$270.995 million for service rendered during the Rate Year. We further agree with the Hearing Examiner that the Company should be directed to provide two long-term bill analyses with future OSW applications using the Company's methodology and the Staff's methodology, respectively, and that the Company should provide two additional sensitivities regarding the levelized cost of energy of the Project based on 25-year and 35-year life expectancy, respectively, of the Project.

² *Application of Virginia Electric and Power Company, For approval and certification of the Coastal Virginia Offshore Wind Commercial Project and Rider Offshore Wind, pursuant to § 56-585.1:11, § 56-46.1, § 56-265.1 et seq., and § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2021-00142, Doc. Con. Cen. No. 220820117, Final Order (Aug. 5, 2022).

³ *Id.* at 12.

⁴ Ex. 2 (Application) at 5.

⁵ *Id.*

⁶ *Id.* at 4, 8.

⁷ Tr. 7-8.

⁸ Report at 16.

⁹ *Id.* No participant filed comments opposing any of the findings or recommendations contained in the Report.

In granting this approval which will result in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Hearing Examiner's Report are adopted as set forth herein.
- (2) Rider OSW is approved as described herein with a revenue requirement in the amount of \$270.995 million for the Rate Year.
- (3) Rider OSW shall be effective for usage on and after September 1, 2023.

(4) The Company forthwith shall file a revised Rider OSW and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (5) The Company shall file its next Rider OSW application on or before November 1, 2023.
- (6) This case is dismissed. Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00191
JANUARY 17, 2023**

APPLICATION OF
STANDARD SOLAR, INC.

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On November 1, 2022, Standard Solar, Inc. ("Standard" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On November 17, 2022, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before November 30, 2022, and to file proof of service on or before December 5, 2022. On November 29, 2022, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before December 12, 2022. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before December 19, 2022. On December 21, 2022, Staff filed its Report.

The Procedural Order further provided that Standard may file any response to the Report on or before January 5, 2023. Standard filed a response on December 22, 2022.

NOW THE COMMISSION, upon consideration of this matter, finds that Standard's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Standard is hereby granted license No. SS-24 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00193
JANUARY 25, 2023**

APPLICATION OF
VESTA SOLUTIONS OF VIRGINIA, INC.,

For cancellation and reissuance of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect a company name change

ORDER REISSUING CERTIFICATES

On November 2, 2022, Vesta Solutions of Virginia, Inc., ("Vesta Solutions" or "Company") filed an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to Vesta Solutions¹ be cancelled and reissued to reflect a company name change ("Application"). The Company submitted proof of its name change to Motorola Solutions Connectivity of Virginia, Inc.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the name of Vesta Solutions should be cancelled and reissued in the name of Motorola Solutions Connectivity of Virginia, Inc.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2022-00193.
- (2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-747a, heretofore issued to Vesta Solutions is hereby cancelled and shall be reissued as T-747b in the name of Motorola Solutions Connectivity of Virginia, Inc.
- (3) The certificate of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, Certificate No. TT-293B, heretofore issued to Vesta Solutions is hereby cancelled and shall be reissued as TT-293C in the name of Motorola Solutions Connectivity of Virginia, Inc.
- (4) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of Vesta Solutions shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.
- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ See *Application of Airbus DS Communications of Virginia, Inc., For amended and reissued certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect a company name change*, Case No. PUR-2018-00047, 2018 S.C.C. Ann. Rept. 396, Order Reissuing Certificate (May 29, 2018) (related to name change from Airbus DS Communications of Virginia, Inc., to Vesta Solutions of Virginia, Inc.).

**CASE NO. PUR-2022-00195
APRIL 7, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For Tariff Revisions to General Service Provision No. 14 of its Virginia Tariff Va. S.C.C. No. 9

ORDER ON TARIFF REVISIONS

On November 9, 2022, Washington Gas Light Company ("WGL" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Rule 80 of the Commission's Rules of Practice and Procedure ("Rules of Practice"),¹ requesting approval for a tariff revision to its General Service Provision ("GSP") No. 14 (Economic Evaluation of Facilities Extensions) ("Proposed Revision").² Per WGL, the Proposed Revision would change the inflation factor in the economic model (as described in GSP No. 14) used by the Company to compute project revenues for future periods in the economic evaluation of customer-requested line extensions.³ This revision would replace WGL's current factor, which is based on the most recent 12-month ended Consumer Price Index for All Urban Customers ("CPI-U"), with the most recently available Survey of Professional Forecasters 10-Year Inflation Forecast as published by the Philadelphia Federal Reserve ("Proposed Method").⁴

¹ 5 VAC 5-20-10 *et seq.*

² Application at 1.

³ *Id.*

⁴ *Id.* at 1-2.

In its Application, WGL also requested that the Commission determine the applicability of a tax gross up for state and local government entities regarding GSP Nos. 14 and 15 (Relocation or Alteration of Company-Owned Facilities) of the tariff ("Tax Gross Up Determination").

On December 2, 2022, the Commission issued its Order for Notice and Comment, that, among other things, found the matter should be docketed; directed the Company to provide public notice of its Application; provided interested persons an opportunity to request a hearing; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; and directed Commission Staff ("Staff") to investigate the Application and file a report containing its findings and recommendations thereon. Further, the Commission granted WGL authority to implement its Proposed Revision to GSP No. 14 on an interim basis, effective for all jobs created on and after the date of the Order for Notice and Comment, subject to the Commission's final order in this proceeding.

No comments, notices of participation, or requests for hearing were filed in this proceeding.

On March 10, 2023, Staff filed its Staff Report on the Application. Therein, Staff recommended as follows:⁵

1. Staff does not oppose the Company's methodology change from the CPI-U method to the Survey of Professional Forecasters 10-Year Inflation Forecast published by the Philadelphia Federal Reserve, given that the latter appears to provide more stability over time.
2. Should the Commission approve the Company's Proposed Method, Staff does not oppose the Company's proposed tariff revisions as described on pages 7 and 8 of the Application.
3. Having concluded that this matter is a policy decision for the Commission's determination, Staff did not take a position on either option presented by WGL on the Tax Gross Up Determination affecting state and local government entities for GSP Nos. 14 and 15.
4. Should the Commission determine it is reasonable for state and local government entities to include an income tax gross up amount in their Contributions to the Company, Staff does not oppose the proposed tariff language provided by WGL in response to Staff Interrogatory No. 2-13.

On March 14, 2023, WGL filed a response to the Staff Report, in which the Company agreed with Staff's recommendations.⁶

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that WGL's Proposed Method and accompanying Proposed Revision to GSP No. 14 are reasonable and should be approved.

The Commission further finds that it remains reasonable for WGL's charge for the cost of relocation, alteration, or extension of facilities for a specific customer to be grossed up to account for income taxes that the Company must pay to the Internal Revenue Service as a result of the contributions in aid of construction ("CIAC") caused by that customer. Further in this regard, if the Company chooses *not* to gross up this customer-specific CIAC for income taxes, then any tax expense associated therewith shall not be included in Virginia jurisdictional rates paid by WGL's other customers.⁷

Based on these findings, the Commission orders WGL to include the following provision in GSP Nos. 14 and 15: "Contributions in aid of construction (CIAC) may be grossed up for income taxes. Any tax expense associated with such CIAC that is not so grossed up shall not be included in Virginia rates regulated by the Commission."

Accordingly, IT IS SO ORDERED, and this matter is DISMISSED.

Commissioner Patricia L. West participated in this matter.

⁵ Staff Report at 11.

⁶ WGL Response at 2.

⁷ The directives herein apply prospectively, and thus do not speak to any gross up for taxes that may previously have been omitted by the Company and treated as a deferred tax asset.

**CASE NO. PUR-2022-00196
SEPTEMBER 8, 2023**

APPLICATION OF
SOUTHWESTERN VIRGINIA GAS COMPANY

For a general increase in rates

FINAL ORDER

On November 16, 2022, Southwestern Virginia Gas Company ("SVG" or "Company") filed with the State Corporation Commission ("Commission"), pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities,¹ an application requesting authority to increase its rates and charges, and to revise other terms and conditions applicable to its gas service ("Application").

On December 14, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Company's Application; established a procedural schedule; required the Company to provide public notice of its Application; allowed interested persons an opportunity to comment on the Application or to participate in this proceeding as a respondent; directed Commission Staff ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; permitted the Company to implement its proposed rates, charges, and terms and conditions on an interim basis, subject to refund with interest, for bills rendered on and after March 31, 2023; and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

On June 9, 2023, Staff filed testimony. On June 30, 2023, SVG filed rebuttal testimony. No comments were received in this proceeding.

The public witness hearing scheduled for July 18, 2023, was cancelled because no one signed up to testify.

On July 18, 2023, SVG and Staff filed a Joint Motion to Accept Stipulation and Revise Interim Rates, and a Stipulation ("Joint Motion" and "Stipulation") agreeing to resolve the substantive case issues as follows²:

1. **Revenue Requirement:** The total incremental non-gas revenue requirement is \$825,000, effective for bills rendered on and after March 31, 2023. This represents a settlement as to a specific revenue number but not as to a specific return on equity ("ROE"), specific accounting adjustments, or specific ratemaking methodologies at issue unless otherwise set forth herein.

2. **Capital Structure:**

a. The following capital structure should be used to set rates in any non-base rate proceeding until the Company next seeks to change its base rates:

Component	Net amount Outstanding	Weight	Cost Rate	Weighted Cost
Short-term debt	\$61,538	0.454%	7.492%	0.034%
Long-term debt	\$6,903,028	50.886%	6.492%	3.303%
Preferred Stock	\$50,000	0.369%	6.000%	0.022%
Common Equity	\$6,551,130	48.292%	9.900%	4.781%
Total Capitalization	\$13,565,696	100.000%		
			WACC:	8.140%

b. For purposes of settlement, the revenue requirement in any rate application or any rate filing, other than an application for a change in base rates, will be calculated using the overall weighted average cost of capital, as shown above using a 9.9% ROE, effective April 1, 2023. In Annual informational Filings prior to the Company's next base rate case, subsequent test year capital structures should be consistent with Staff's recommended methodology and incorporate a 9.9% ROE. The 9.9% ROE will also be used in earnings test analyses beginning April 2023, and in the Company's proposed revenue requirement in expedited rate cases.

3. **COVID-19 Regulatory Asset:** The COVID-19 Regulatory Asset balance of \$47,972 as of June 30, 2022, should be amortized over a three-year period beginning April 1, 2023.

4. **Deferral of Depreciation:** The Company will establish a deferral of depreciation expense associated with the portion of the investment to serve Commonwealth Crossing Business Centre ("CCBC") funded by the advances from Henry County. Depreciation expense on

¹ 20 VAC 5-201-10 *et seq.*

² Ex. 11 (Joint Motion and Stipulation).

investment funded by the Henry County advances should only be recognized by SVG consistent with repayment of the advances to Henry County. The Company may defer depreciation on investment currently funded by Henry County advances for up to five years or the next rate case, whichever is sooner. To the extent the Company does not file for a base rate increase in the next five years, it will file a status report at the end of year five, from the date of interim rates in this case identifying the deferral amount and new customer load at CCBC. In either such filing, the Company may address recovery of the deferral from customers.

5. Terms and Conditions: The Company's proposed changes to its terms and conditions, other than the proposed change to the Reconnection Policy, which was withdrawn by SVG, are reasonable and should be approved.

6. Class Cost of Service Study: The Company will review and update its Class Cost of Service ("COS") study methodology prior to its next base rate case. Specifically, SVG shall conduct a detailed review of its Class COS study to place emphasis on properly identifying, categorizing, and assigning plant investments to the various rate classes. Whenever possible, SVG should directly assign revenues, expenses, and rate base items to specific rate classes, as opposed to allocating such items. Staff will work with the Company to assist in developing a more comprehensive and detailed Class COS study in SVG's next base rate proceeding.

7. Rate Design: Rates established in this proceeding will be calculated using the revenue apportionment identified in Attachment A, and the revenue requirement specified in Paragraph (1). Resulting rates will be developed as shown in Attachment A. An illustrative calculation of the impact on average monthly customer bills by rate class is shown in Attachment B.

a. Revenue Apportionment: Agreed revenue requirement will be applied as an equal percentage increase for each class as shown in Attachment A.

b. Customer Charges:

i. Schedule A: \$12.00

ii. Schedule B: \$17.00

iii. Schedule C: \$53.00

iv. Schedule T: \$245.00

8. Interim Rates: The Company may adjust its interim rates to reflect the proposed terms of this Stipulation for bills rendered on and after July 31, 2023.

The public evidentiary hearing was convened on July 19, 2023. SVG and Staff participated in the hearing.

In a Bench Ruling, the Hearing Examiner granted the Joint Motion.³ The Hearing Examiner found that the Stipulation is fair, reasonable, in the public interest, and is supported by the record in this proceeding, and he recommended that the Commission adopt the Stipulation.⁴ Additionally, the Company was granted approval to revise its interim rates to reflect the Stipulated Rates for bills rendered on and after July 31, 2023, pending issuance of a Final Order by the Commission in this proceeding.⁵

By Hearing Examiner's Ruling entered on July 24, 2023, the Bench Ruling was memorialized.

On August 4, 2023, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report") was issued in this case. In the Report, the Hearing Examiner reiterated his finding "that the Stipulation is fair, reasonable, in the public interest, and is supported by the record in this proceeding."⁶

On August 11, 2023, SVG filed comments on the Report supporting the findings and recommendations contained therein.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁷

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations⁸:

³ Tr. at 16.

⁴ *Id.*

⁵ *Id.*

⁶ Report at 21.

⁷ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444,454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁸ Report at 21.

Accordingly, I **RECOMMEND** the Commission enter an order that:

- (1) **ADOPTS** the findings in this Report;
- (2) **ADOPTS** the Stipulation;
- (3) **APPROVES** a total incremental non-gas revenue requirement of \$825,000 and a capital structure including an ROE of 9.9% for use in future proceedings until the Company files its next base rate case;
- (4) **APPROVES** the stipulated revenue allocation and rate design, including the agreed-upon customer charges; and
- (5) **DISMISSES** this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's rulings, findings, and recommendations are supported by the law and evidence and are adopted herein. In so concluding, the Commission approves the Stipulation.

In granting this approval, the Commission notes its awareness of the economic pressures that are impacting all utility customers. The Commission further notes in this regard that the Commission last approved an increase to the Company's non-gas base revenues in 2013.⁹ We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations as set forth herein.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) The Stipulation is hereby adopted and approved.
- (4) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis beginning March 31, 2023. SVG shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: sec.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.
- (5) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund beginning March 31, 2023, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below, within ninety (90) days of the issuance of this Final Order.
- (6) Interest upon the ordered refunds shall be computed from the date payments of monthly bills were due to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly, using the average prime rate values published in the Federal Reserve Bulletin or in the Federal Reserve's Selected Interest Rates (Statistical Release H. 15) for the three (3) months of the preceding calendar quarter.
- (7) The refunds ordered herein may be credited to the current customers' accounts. Refunds to former customers shall be made by check mailed to the last known address of such customers when the refund amount is \$1 or more. The Company may offset the credit or refund to the extent of any undisputed outstanding balance for the current or former customer. No offset shall be permitted against any disputed portion of an outstanding balance. The Company may retain refunds to former customers when such refund is less than \$1; however, such refunds shall be promptly made upon request. All unclaimed refunds shall be subject to Code § 55.1-2512.
- (8) Within sixty (60) days of completing the refunds ordered herein, the Company shall deliver to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, a report showing that all refunds have been made pursuant to this Final Order and detailing the costs incurred in effecting such refunds and the accounts charged.
- (9) The Company shall bear all costs incurred in effecting the refunds ordered herein.
- (10) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁹ Ex. 2 (Application) at 1. See *Application of Southwestern Virginia Gas Company, For an expedited rate increase in rates*, Case No. PUE-2012-00076, 2013 S.C.C. Ann. Rept. 280, Final Order (July 22, 2013).

**CASE NO. PUR-2022-00197
JUNE 7, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: 230 kV Altair Loop and Altair Switching Station

FINAL ORDER

On November 17, 2022, Virginia Electric and Power Company ("Dominion" or the "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric facilities in Loudoun County, Virginia.¹ Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code"), and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Specifically, Dominion proposes to complete the following, which is collectively referred to as the "Project":²

- Construct two new approximately 1.66-mile 230 kilovolt ("kV") single circuit lines on new right-of-way by cutting 230 kV Belmont-Brambleton Line #201 between Structure #201/52 and #201/53 south of Belmont Switching Station ("Belmont Station"), resulting in (i) 230 kV Altair-Brambleton Line #201, and (ii) 230 kV Altair-Belmont Line #2263 ("Altair Loop"). From the cut-in location, the Altair Loop will extend to the Company's proposed new 230 kV Altair Switching Station adjacent to Northern Virginia Electric Cooperative's ("NOVEC") future Altair Delivery Point ("DP"). While the cut-in location is within existing right-of-way, the proposed Altair Loop will be constructed on new 120-foot-wide right-of-way for the majority of the 1.66-mile route (approximately 1.55 miles) supported primarily by two side-by-side single circuit weathering steel monopoles. Approximately 0.06 mile of the Altair Loop will be constructed on new 200-foot-wide right-of-way, supported by single circuit weathering steel H-frame structures. The remaining 0.05 mile of the route will be located either within the Altair Switching Station or within the Company's existing Line #201 right-of-way.
- Construct a new 230 kV delivery point switching station in Loudoun County, Virginia (the "Altair Switching Station" or "Altair Station"), which will provide interconnection to NOVEC's future Altair DP; and
- Perform minor related work at the Belmont Station and Brambleton Substation.

In its Application, Dominion asserted the proposed Project is necessary to assure that it can provide requested service to NOVEC's Altair DP for its data center customer in Loudoun County, maintain reliable electric service for overall load growth in the Project area, and comply with mandatory North American Electric Reliability Corporation ("NERC") Reliability Standards for transmission facilities and the Company's mandatory planning criteria.³

In the Application, the Company identified an approximately 1.66-mile proposed overhead route for the Altair Loop ("Route 1") and one approximately 1.52-mile overhead alternative route ("Route 2").⁴ In its Application, the Company stated the desired in-service date for the proposed Project is September 1, 2024.⁵

On December 9, 2022, the Commission issued an Order for Notice and Hearing ("Procedural Order") that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter and to file a final report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.⁶ On February 6, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provides a list of permits needed for the Project.⁷ The DEQ Report also provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

¹ Ex. 2 (Application) at 2.

² *Id.* at 2-3.

³ *Id.* at 3.

⁴ *Id.* at 4.

⁵ *Id.*

⁶ Letter from Kati K. Dean, State Corporation Commission, dated November 30, 2022, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2022-00197; Letter from Kati K. Dean, State Corporation Commission, dated November 30, 2022, to Bettina Hayfield, Department of Environmental Quality, filed in Case No. PUR-2022-00197.

⁷ Ex. 25 (DEQ Report) at 3-5.

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- Conduct an on-site delineation of all wetlands and stream crossings within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
- Follow DEQ's recommendations regarding air quality protection, as applicable;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable;
- Coordinate with the Department of Conservation and Recreation's ("DCR") Division of Natural Heritage ("DCR-DNH") on its recommendations to protect ecological cores, develop an invasive species plan, enhance right-of-way restoration and maintenance practices, and coordinate on project updates;
- Coordinate with the Department of Wildlife Resources ("DWR") on its recommendations to protect wildlife resources;
- Contact the Virginia Outdoors Foundation for additional review if the project area changes or if this project does not begin within 24 months;
- Coordinate with the Department of Historic Resources regarding its recommendations to protect historic and archaeological resources;
- Coordinate with the Virginia Department of Health, as necessary, regarding its recommendation to protect water supplies;
- Follow the principles and practices of pollution prevention to the maximum extent practicable; and
- Limit the use of pesticides and herbicides to the extent practicable.⁸

On December 9, 2022, Cammack Brothers, LLC ("Cammack Brothers") filed a notice of participation. On January 30, 2023, Cammack Brothers filed its direct testimony. On February 13, 2023, Staff filed testimony along with an attached report summarizing the results of its investigation of Dominion's Application. On February 27, 2023, the Company filed rebuttal testimony.

Because no public witnesses signed up to testify, the public witness portion of the hearing on March 14, 2023, was not convened. Similarly, no written comments were filed relative to the Application.

On March 15, 2023, the Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion, Cammack Brothers, and Staff participated at the hearing.

On April 3, 2023, Dominion, Cammack Brothers, and Staff each submitted a post-hearing brief. On April 19, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report"), was issued. In the Report, the Hearing Examiner made the following findings and recommendations:⁹

1. The Company demonstrated the need for its proposed Project;
2. The Project's cost is reasonable;
3. Because it would have an impact on (1) the Sycolin General Store and Post Office; (2) a planned Loudoun County Park; (3) upgrades and siting of Loudoun Water's facilities and associated easement; and (4) the Sycolin Road expansion project, the Hearing Examiner does not recommend approval of Route 3.¹⁰
4. Route 2 should not be excluded from consideration because of asserted economic harm to JK Land Holdings II, LLC ("JKLH") or asserted impacts to JKLH's ability to develop the North Tract;
5. The environmental impacts between Routes 1 and 2, including impacts on forested land, are not substantially different;
6. Collocation is not a significant differentiating factor between Routes 1 and 2;
7. To the extent the Company's plans require a wider right-of-way because of height restrictions associated with a future precision approach for Runway 35 at the Leesburg Executive Airport, the Hearing Examiner recommends the Commission direct the Company to confirm whether such plans actually exist;

⁸ *Id.* at 6-7.

⁹ Report at 39-40.

¹⁰ In its direct testimony, the Cammack Brothers recommended that the Commission direct Dominion to construct the Project along Route 3. Ex. 16 (Collins Direct) at 30. Route 3 is described in the Application as one of seven routes that Dominion considered, but ultimately rejected prior to the filing of the Application, and which Dominion noted was not proposed for notice or the Commission's consideration in this proceeding. Ex. 33 (Thornton Rebuttal) at 16; Rebuttal Schedule 3.

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8. Should the Commission choose to consider the impacts Route 2 might have on a potential third circuit, Route 2 should not be excluded from consideration in this case based on the potential third circuit;
9. The visual impacts of Route 1 are substantially greater than the visual impacts of Route 2;
10. Route 2 would reasonably minimize adverse impacts to scenic areas, historic districts, and the environment of the area concerned, as required by § 56-46.1 of the Code. Further, Route 2 reasonably minimizes the potential adverse impacts to the affected property owner. Therefore, the Hearing Examiner recommends approval of Route 2 for the Project;
11. The combination of single-circuit and double circuit monopoles ("SCDC Configuration") recommended by Cammack Brothers witness Collins¹¹ would cost less and require less right-of-way. The Company should not be prohibited from utilizing the SCDC Configuration recommended by Mr. Collins;
12. The Company has established a need for a new right-of-way, and the Hearing Examiner recommends approval of the right-of-way associated with Route 2;
13. The Company should not be prohibited from voluntarily obtaining the additional right-of-way along the selected route with the understanding that the Company could not condemn for more than the proposed right-of-way needed for the Project;
14. The Project using Route 2 will avoid or reasonably minimize, to the greatest extent reasonably practicable, the impact on the environment, scenic assets, and historic resources;
15. The uncontested recommendations in the DEQ Report should be adopted by the Commission as conditions of approval;
16. The Company should be directed to follow: its standard best management practices and the recommendations set forth by DEQ's Division of Land Protection and Revitalization should it discover any previously unidentified contaminated sites during construction; cross any wetlands or streams in a manner as perpendicular as possible; avoid impacts to the extent possible, but where unavoidable, the Company should be directed to coordinate with DEQ and the U.S. Army Corps of Engineers to ensure mitigation fulfills the permit requirements;
17. The Project will not adversely impact the health and safety of the persons in the concerned [area];
18. The Project does not adversely impact any goal established by the Virginia Environmental Justice Act ("VEJA");¹²
19. The Project will ensure the Company's continued bulk electric power delivery, thereby supporting economic development in Loudoun County, including positive impacts associated with construction and operations of NOVEC's Altair data center customer; and
20. The Commission should approve the Company's proposed in-service target date of September 1, 2024.

Accordingly, the Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; grants the Company's Application to construct the proposed facilities as specified above; approves the Company's request for a Certificate of Public Convenience and Necessity ("CPCN") to authorize construction of the proposed facilities as specified above; and dismisses the case from the Commission's docket of active cases.¹³

On May 1, 2023, Dominion, Cammack Brothers, and Staff each filed separate comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code. Section 56-265.2 A 1 of the Code provides the following:

[I]t shall be unlawful for any public utility to construct, enlarge, or acquire . . . any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

¹¹ Ex. 16 (Collins Direct) at 17, 21; Tr. at 197.

¹² Code § 2.2-234 *et. seq.*

¹³ Report at 40.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

[w]henver the Commission is required to approve the construction of any electrical utility facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact . . . In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted . . . Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing right-of-way easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represented that the proposed Project is necessary to assure that it can provide requested service to NOVEC's Altair DP for its data center customer in Loudoun County, maintain reliable electric service for overall load growth in the Project area, and comply with mandatory NERC Reliability Standards for transmission facilities and the Company's mandatory planning criteria.¹⁴

Staff concluded that Dominion reasonably demonstrated that the proposed Project is needed.¹⁵ The Commission agrees with the Hearing Examiner that the Company has reasonably demonstrated the requisite need for the Project.¹⁶

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Project would support economic growth in the Commonwealth by continuing to provide reliable electric service.¹⁷

Rights-of-Way and Routing

In making determinations about the routing of a transmission line, "the Commission must balance adverse impacts along with other factors and traditional considerations."¹⁸ The Commission must then "decide within the parameters of the statute what best serves the total public interest."¹⁹ After considering the alternatives and weighing the multitude of factors presented in this record, the Commission agrees with the analysis and conclusions in the Hearing Examiner's Report²⁰ regarding the route and concludes that Route 2 satisfies the statutory requirements and best serves the total public interest.

We further find that the record in this case indicates that no Company-owned right-of-way can accommodate the Project.²¹

¹⁴ Ex. 2 (Application) at 3.

¹⁵ Ex. 24 (Staff Report) at 27.

¹⁶ Report at 24.

¹⁷ Ex. 24 (Staff Report) at 25.

¹⁸ *BASF v. State Corp. Com'n*, 289 Va. 375, 395 (2015) (citations and internal quotation marks omitted). The Commission is not bound by the recommendations of the Hearing Examiner which are advisory in nature. *Northern Virginia Elec. Coop. v. Virginia Elec. & Power Co.*, 265 Va. 363, 368, 372 (2003) (The Court noted that the Commission rejected the Hearing Examiner's recommendations, and the Court affirmed the Commission's order "[f]inding that the [Commission's] decision is supported by the law and the evidence . . .").

¹⁹ *BASF v. State Corp. Com'n*, 289 Va. 375, 395 (2015).

²⁰ See, e.g., Report at 24-36, 39-40.

²¹ See Ex. 2 (Application), Appendix at 42.

Consistent with our rulings in prior cases and as recommended by the Hearing Examiner,²² we will not prohibit the Company from obtaining the full right-of-way necessary to accommodate installation of a third circuit within the Route 2 right-of-way corridor.²³ However, the Company shall not exercise the right to condemnation for more than necessary to accommodate the Project approved herein. We further agree with the Hearing Examiner that "[i]f it becomes apparent as the Company works with the Altair and Greenlin Park developers that the [single circuit/double circuit configuration ("SCDC Configuration")] is a solution for both projects, the Company should not be prohibited from constructing Route 2 using the SCDC Configuration."²⁴ Accordingly, the Company is not prohibited from constructing Route 2 using the SCDC Configuration.

Impact on Scenic Assets and Historic Districts

The Project would traverse approximately 1.52 miles through Loudoun County in an area that is largely characterized by agricultural land, undeveloped forested and open land for planned and potential future data center and industrial development, and Virginia Department of Transportation right-of-way. The area traversed by Route 2 is surrounded by the Leesburg Executive Airport, Loudoun County-owned land, agricultural land, planned industrial/commercial development, low density residential, and scattered light industrial land uses.²⁵ The Commission finds that construction of the Project would avoid or reasonably minimize adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with DHR, and the environment of the area concerned, as required by § 56-46.1 B of the Code, subject to the recommendations provided in the following section.

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.²⁶

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.²⁷ The Company disagreed with four of those recommendations and offered clarifications to three other recommendations.²⁸

First, the Company requested the Commission reject DCR-DNH's recommendation to develop a separate invasive species management plan ("ISMP")²⁹ because it is unnecessarily duplicative and could potentially lead to significant project cost increases and construction delays.³⁰ The Company stated that it already has an Integrated Vegetation Management Plan ("IVMP") in place that utilizes mechanical, chemical, and cultural methods for controlling vegetation, including invasive species.³¹ The Company also explained that its IVMP is consistent with the standards for utility rights-of-way developed by the American National Standards Institute, as well as the NERC Vegetation Management Standards, for all regions in the Company's service territory.³² Furthermore, the Company cited numerous cases in which the Commission has rejected this recommendation.³³

Nevertheless, and in accordance with the Chief Hearing Examiner's recommendation in Case No. PUR-2021-00272, the Company represents that it met with DCR representatives on August 23, 2022 and again in February 2023 in an attempt to come to a mutual agreement regarding its IVMP moving forward.³⁴ Dominion further states that it is actively compiling an addendum draft of its IVMP to provide to DCR for review and continued discussions.³⁵

²² Report at 36-37. This permission is conditioned upon the Company not recovering any costs associated with such right-of-way, until such time as a CPCN for the third circuit is obtained. *Id.* at 37.

²³ See, e.g., *Application of Virginia Electric and Power Company, For approval and certification of electric facilities: Evergreen Mills 230 kV Line Loops and Evergreen Mills Switching Station*, Case No. PUR-2019-00191, 2020 S.C.C. Ann Rept. 357, 360, Final Order (May 22, 2020).

²⁴ Report at 36.

²⁵ Ex. 24 (Staff Report) at 16.

²⁶ Code § 56-46.1 A.

²⁷ Ex. 25 (DEQ Report) at 6-7.

²⁸ Ex. 32 (Young Rebuttal) at 2-3.

²⁹ Ex. 25 (DEQ Report) at 17.

³⁰ Ex. 32 (Young Rebuttal) at 3.

³¹ *Id.*

³² *Id.* at 3-4.

³³ *Id.* at 5 & n.2.

³⁴ *Id.* at 5.

³⁵ *Id.*

Dominion states that once all discussions are complete and the addendum is final, the Company will report on the results of its communications with DCR in future transmission CPCN filings.³⁶ In this case, the Hearing Examiner found that DCR-DNH's recommendation for the development and implementation of an invasive species management plan should be rejected as unnecessarily duplicative given the Company's existing IVMP.³⁷ The Commission agrees with the Hearing Examiner and declines to adopt DCR-DNH's recommendation regarding an ISMP.

Second, Dominion requested that the Commission reject DCR-DNH's recommendation for the Company to follow enhanced planned right-of-way restoration and maintenance practices,³⁸ to the extent they require the Company to do more than provided for in the Company's existing IVMP, because it is duplicative and potentially costly.³⁹ The Company stated that its existing IVMP is comprehensive and robust and addresses revegetation and maintenance of transmission rights-of-way.⁴⁰ The Hearing Examiner found that DCR-DNH's recommendation for the Company to follow enhanced planned right-of-way restoration and maintenance practices should be rejected as unnecessarily duplicative given the Company's existing IVMP.⁴¹ The Commission agrees with the Hearing Examiner and declines to adopt DCR-DNH's recommendation for the Company to follow enhanced planned right-of-way restoration and maintenance practices.

Third, Dominion requested that the Commission reject DWR's recommendations regarding erosion and sediment control, stormwater management, and the use of organic matting to reduce impacts to wildlife.⁴² The Company states that these recommendations are duplicative and unnecessary, and explains it will have an erosion and sediment control and stormwater management plan in place prior to the start of construction.⁴³ The Company further states that it is an Annual Standards and Specifications holder for Erosion and Sediment Control and Stormwater Management for Construction and Maintenance of linear electric transmission facilities under the authority of the DEQ, and work will be performed consistent therewith.⁴⁴ Additionally, the Company states that it uses matting consistent with the standards approved by DEQ under the Annual Standards and Specifications, and that it administers, implements, and complies with the requirements set forth within the Annual Standards and Specifications as approved by DEQ.⁴⁵ Therefore, the Company requests the Commission reject these recommendations as they are duplicative of the DEQ's review and authority.⁴⁶ The Hearing Examiner found that DWR's recommendation regarding erosion and sediment control, stormwater management, and use of organic matting is unnecessary for the reasons stated by the Company.⁴⁷ The Commission agrees with the Hearing Examiner and declines to adopt DWR's recommendation regarding erosion and sediment control, stormwater management, and use of organic matting.

Fourth, Dominion requested that the Commission reject DEQ's recommendation to consider development of an effective Environmental Management System ("EMS").⁴⁸ The Company asserted that it "already has a comprehensive EMS Manual in place that ensures the Company is committed to complying with environmental laws and regulations."⁴⁹ We find that Dominion's existing EMS achieves the purpose of this recommendation.⁵⁰ The Commission agrees with the Hearing Examiner that this recommendation should be rejected.⁵¹

³⁶ *Id.*

³⁷ Report at 37.

³⁸ Ex. 25 (DEQ Report) at 17.

³⁹ Ex. 32 (Young Rebuttal) at 6.

⁴⁰ *Id.*

⁴¹ Report at 37.

⁴² Ex. 25 (DEQ Report) at 18-19.

⁴³ Ex. 32 (Young Rebuttal) at 7.

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ Report at 37.

⁴⁸ Ex. 32 (Young Rebuttal) at 7.

⁴⁹ *Id.* at 7-8.

⁵⁰ The Commission has made similar rulings in prior proceedings. See, e.g., *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Allied-Chesterfield 230 kV Transmission Line #2049 Partial Rebuild Project*, Case No. PUR-2020-00239, 2021 S.C.C. Ann. Rpt. 312, 315, Final Order (Mar. 23, 2021).

⁵¹ Report at 38.

The Company also sought to clarify three additional recommendations from the DEQ Report. First, as to the comment by DEQ that the Project may require a VAG83 permit for contaminated sites,⁵² Dominion states that a VAG83 permit is not anticipated for the Project.⁵³ However, the Company states that if it discovers any previously unidentified contaminated sites during construction, it will follow its standard best management practices and the recommendations set forth by the Virginia Division of Land Protection and Revitalization in Section 5(d) of the DEQ Report.⁵⁴ The Commission accepts this clarification.

Second, as to the recommendation by DWR that the Company maintain naturally vegetated buffers of at least 100 feet surrounding wetlands and streams,⁵⁵ the Company states that it designed the Project routes to minimize impacts to wetlands and streams to the extent possible.⁵⁶ The Company states that although it cannot maintain the recommended 100-foot buffer at locations where the Project crosses wetlands or streams, the Project will cross them in a manner as perpendicular as possible.⁵⁷ The Company further states that Routes 1 and 2 will not parallel any wetlands or streams, and therefore will not impact any buffers aside from the crossing locations.⁵⁸ The Commission accepts this clarification.

Third, as to DWR's comment that it generally does not support proposals to mitigate wetland impacts through construction of stormwater management ponds or the creation of in-stream stormwater management ponds,⁵⁹ the Company clarifies that it has not proposed to construct stormwater management ponds as mitigation measures for this Project.⁶⁰ The Company further states that if impacts require mitigation, the Company will coordinate with DEQ and the U.S. Army Corps of Engineers to ensure mitigation fulfills the permit requirements.⁶¹ The Commission accepts this clarification.

The Commission further finds that Dominion shall be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project.

Environmental Justice

The VEJA sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."⁶² As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁶³

The Commission agrees with the Hearing Examiner that the Company reasonably considered the requirements of the VEJA in its Application.⁶⁴

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.

⁵² Ex. 25 (DEQ Report) at 12.

⁵³ Ex. 32 (Young Rebuttal) at 8.

⁵⁴ *Id.* at 8-9; *see also* Ex. 25 (DEQ Report) at 15.

⁵⁵ Ex. 25 (DEQ Report) at 18.

⁵⁶ Ex. 32 (Young Rebuttal) at 9.

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ Ex. 25 (DEQ Report) at 18.

⁶⁰ Ex. 32 (Young Rebuttal) at 9.

⁶¹ *Id.* at 9-10.

⁶² Code § 2.2-235.

⁶³ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rept. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 EPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rept. 190, 195, Final Order (Feb. 1, 2021).

⁶⁴ Report at 38.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein, subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-LDN-2023-B, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Loudoun County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00197, cancels Certificate No. ET DEV-LDN-2023-A, issued to Virginia Electric and Power Company in Case No. PUR-2022-00183 on April 5, 2023.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by September 1, 2024. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2022-00198 OCTOBER 23, 2023

APPLICATION OF VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: Cirrus – Keyser 230 kV Loop and Related Projects

FINAL ORDER

On November 21, 2022,¹ Virginia Electric and Power Company ("Dominion" or the "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric facilities in Culpeper County, Virginia.² Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code"), and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following which is collectively referred to as the "Project":³

- Construct a new, approximately 5.2-mile overhead 230 kV double circuit transmission line-loop. This 5.2 mile line-loop would be built entirely on the existing 100-foot-wide right-of-way ("ROW") and will result in three separate lines: (i) 230 kV Gordonsville-Cirrus Line #2199, (ii) 230 kV Cirrus-Keyser Line #2278, and (iii) 230 kV Keyser-Germanna Line #2276 (collectively, the "Cirrus-Keyser 230 kV Loop").
- Remove a portion of one existing 115 kV double circuit transmission line (Line #2 and Line #70) located entirely within the existing ROW between existing Structures #2/1201-1253 and Structures #70/53-1 and install a new, overhead single circuit 115 kV line which will require an additional 25 feet of permanent ROW from the edge of the existing 100 feet of ROW for approximately 0.02-miles from proposed Structure #2/486A to proposed Structure #2/486B to connect Lines #2 and #70 at the Mountain Run Junction.
- Construct two overhead 230 kV transmission lines, Line #2283 and Line #2284. Line #2283 will be 0.15 miles in length, and Line #2284 will be 0.10 miles in length. Both will be built in new ROW provided by a certain Rappahannock Electric Cooperative ("REC") data center customer ("REC Customer") and will run from the proposed Keyser Switching Station ("Keyser Station") to the existing REC Mountain Run Substation ("Mountain Run Substation" or "Mountain Run 1 and 2").
- Construct two overhead 230 kV transmission lines, Line #2288 and Line #2289, approximately 0.01-miles in length. Lines #2288 and #2289 will run from the proposed Cirrus Switching Station ("Cirrus Station") to the proposed REC Mountain Run 3 Substation ("Mountain Run 3 Substation") and will not require any new ROW.

¹ The Company filed an errata page to the Application on August 16, 2023.

² Exhibit 2 (Application) at 2.

³ *Id.* at 2-3 and Appendix at 5-6.

- Build a new section of overhead 115 kV single circuit transmission line (Line #70), approximately 0.07-miles in length in new ROW provided by the REC Customer. This new section of Line #70 will run from the proposed Cirrus Station to existing Structure #70/1255.
- Construct two new 230 kV switching stations located along Frank Turnage Drive, the Cirrus Station and the Keyser Station, on land purchased by the Company from the REC Customer.
- Update line protection settings at the Company's existing Remington, Germanna, Gordonsville, Oak Green, and Culpeper Substations.

On December 20, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application or participate in the proceeding as a respondent by filing a notice of participation; scheduled public witness and evidentiary hearings; directed the Staff of the Commission ("Staff") to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter and to file a final report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.⁴ On January 27, 2023, DEQ filed its report on Dominion's Application ("DEQ Report"), which includes the Wetland Impact Consultation provided by DEQ's Office of Wetlands and Stream Protection.

On July 28, 2023, Staff filed its report, and on August 11, 2023, the Company filed its rebuttal testimony.

One public comment was filed in this case. Because no public witnesses signed up to testify, the public witness portion of the hearing on August 29, 2023, was not convened. On August 30, 2023, the Hearing Examiner convened the evidentiary hearing in the Commission's courtroom. Dominion and Staff participated at the hearing. The Culpeper County Board of Supervisors filed a Notice of Participation in the case, but was excused from the evidentiary hearing.⁵

On September 14, 2023, the Hearing Examiner issued the Report of M. Renae Carter, Hearing Examiner ("Report"). In the Report, the Hearing Examiner made the following findings:⁶

- (1) The Project is needed so the Company can continue to provide reliable electric service in the Project area, including supplying new data center load, and comply with North American Electric Reliability Corporation Reliability Standards and with the Company's transmission planning criteria.
- (2) The record supports the Company's plan to construct and energize the temporary 115 kV line to meet area demands and prevent additional outages during Project construction.
- (3) The record supports the proposal to construct the Cirrus and Keyser Stations to accommodate future load growth expected to materialize between 2026 and 2030.
- (4) Anticipated load reductions from demand-side management will not obviate the need for the Project.
- (5) The Project supports economic development in Culpeper County, Virginia.
- (6) The Company has reasonably considered the feasibility of locating Project facilities on existing rights-of-way, as required by law.
- (7) The Project avoids or reasonably minimizes adverse impacts to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Human Resources, and environment of the area concerned.
- (8) The recommendation that Dominion develop a separate Project-related invasive species management plan is duplicative and unwarranted.
- (9) Dominion should be required to comply with the uncontested summary recommendations of the Department of Environmental Quality Report.
- (10) There are no feasible alternatives to the Project.
- (11) The Project does not represent a hazard to public health or safety.
- (12) The Company has reasonably addressed the impact of the Project on aviation resources.
- (13) The Company reasonably considered the requirements of the Virginia Environmental Justice Act in its Application.

On September 26, 2023, Dominion filed comments on the Report, and on September 28, 2023, Staff filed comments on the Report.

⁴ Letter from Kati K. Dean, Esquire, State Corporation Commission, dated November 29, 2022, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2022-00198; Letter from Kati K. Dean, Esquire, State Corporation Commission, dated November 29, 2022, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2022-00198.

⁵ Tr. at 6.

⁶ Report at 23-24.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner recommended the Commission enter an Order that:⁷

- (1) *ADOPTS* the findings and recommendations contained in the Report;
- (2) *ISSUES* a certificate of public convenience and necessity to the Company to construct and operate the Project; and
- (4) *DISMISSES* this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and evidence, have a rational basis, and are adopted herein. The Commission finds that the public convenience and necessity requires the construction of the Project and that a certificate of public convenience and necessity ("CPCN") authorizing the Project should be issued subject to the recommended findings and conditions contained in the Report.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.
- (4) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Project is granted as provided for herein.
- (5) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-CUL-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Culpeper County, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2022-00198, cancels Certificate No. ET-74f, issued to Virginia Electric and Power Company in Case No. PUE-2015-00117 on August 9, 2017.
- (6) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.
- (7) Upon receiving the maps directed in Ordering Paragraph (6), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (5) with the maps attached.
- (8) The Project approved herein must be constructed and in service by December 30, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.
- (9) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

⁷ *Id.* at 24.

**CASE NO. PUR-2022-00199
JANUARY 26, 2023**

APPLICATION OF
OPTION ONE ENERGY, LLC

For a license to conduct business as a competitive service provider

ORDER GRANTING LICENSE

On November 22, 2022, Option One Energy, LLC ("Option One" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a competitive service provider. Option One seeks authority to provide retail electric and natural gas aggregation services to eligible commercial, industrial, governmental, and residential customers throughout Virginia. In its Application, the Company attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").

On December 1, 2022, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon the utilities listed in Attachment A to the Procedural Order on or before December 9, 2022, and to file proof of service on or before December 16, 2022. On December 5, 2022, the Company filed its proof of service.

The Procedural Order also directed any comments in the matter be filed with the Clerk of the Commission on or before December 22, 2022. No comments were filed in the case. The Staff filed its Report on January 6, 2023, which summarized Option One's proposal and evaluated its financial condition and technical fitness. Based on its review of the Application, Staff recommended that Option One be granted a license to conduct business as an electric and natural gas aggregator to eligible commercial, industrial, governmental, and residential customers throughout Virginia.

NOW THE COMMISSION, upon consideration of the Application, the case record, and applicable law, finds that Option One's Application for a license to provide competitive electric and natural gas aggregation services should be granted, subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Option One is hereby granted license No. A-128 to provide electric and natural gas aggregation services to eligible commercial, industrial, governmental, and residential customers throughout Virginia. This license to act as a competitive service provider is granted subject to the provisions of the Retail Access Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

CASE NO. PUR-2022-00202 JULY 7, 2023

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of a rate adjustment clause, designated Rider PPA, under § 56-585.1 A 5 d of the Code of Virginia, for the Rate Year commencing September 1, 2023

FINAL ORDER

On December 1, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to Code § 56-585.1 A 5 d for approval of its annual update filing with respect to Rider PPA to recover projected and actual costs associated with certain power purchase agreements ("PPAs") for the energy, capacity, ancillary services, and renewable energy certificates owned by third parties.¹

Specifically, the Company seeks cost recovery related to PPAs approved by the Commission in Case No. PUR-2020-00134 ("CE-1 PPAs"), Case No. PUR-2021-00146 ("CE-2 PPAs"), and PPAs approved in Case No. PUR-2022-00124 that will enter commercial operations during the rate year ("Rate Year") in this proceeding ("CE-3 PPAs").² In total, Dominion has incorporated costs associated with six CE-1 PPAs, 17 CE-2 PPAs, and seven CE-3 PPAs that are scheduled to be operational on or before August 31, 2024.³

In this proceeding, Dominion asks the Commission to approve Rider PPA for the Rate Year beginning September 1, 2023, and ending August 31, 2024.⁴ In its Petition, the Company requested approval of a total revenue requirement of (\$22,045,000) for recovery in Rider PPA for the Rate Year, representing a net credit to customers.⁵

¹ Ex. 2 (Petition) at 1.

² *Id.* See also *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, Final Order (Apr. 30, 2021); *Petition of Virginia Electric and Power Company, For approval of the RPS Development Plan, approval and certification of the proposed CE-2 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, revision of rate adjustment clause, designated Rider CE, under § 56-585.1 A 6 of the Code of Virginia, and a prudence determination to enter into power purchase agreements pursuant to § 56-585.1:4 of the Code of Virginia*, Case No. PUR-2021-00146, Doc. Con. Cen. No. 220320113, Final Order (Mar. 15, 2022); *Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2022-00124, Doc. Con. Cen. No. 230430025, Final Order (Apr. 14, 2023).

³ Ex. 2 (Petition) at 5.

⁴ *Id.*

⁵ *Id.* at 6.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On December 15, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed this matter; directed Dominion to provide public notice of its Petition; scheduled hearings for the purpose of receiving testimony from public witnesses and evidence on the Petition; provided interested persons an opportunity to file comments on the Petition or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by the Virginia Committee for Fair Utility Rates and the Office of the Attorney General's Division of Consumer Counsel. Staff filed testimony on April 19, 2023. On May 3, 2023, Dominion filed a letter in lieu of rebuttal testimony. The Commission received one public written comment in this case.

The public witness hearing was scheduled to convene telephonically on May 23, 2023, but was canceled because no public witnesses signed up to testify.⁶ The evidentiary hearing was convened on May 24, 2023.

On June 2, 2023, the Report of M. Renae Carter, Hearing Examiner ("Report") was issued. In the Report, the Hearing Examiner made the following findings:

- (i) The Rider PPA revenue requirement of (\$22,043,063), as updated by Staff and agreed to by the Company, meets the standard of Code § 56-585.1 A 5 d in that it is designed to recover projected and actual costs to comply with the RPS Program requirements of Code § 56-585.5 that the Company cannot otherwise recover under Code § 56-585.1 A 6; these costs are reasonable and prudent pursuant to Code § 56-585.1 D; and the revenue requirement should be approved;
- (ii) The capital structure and cost of capital proposals for the Rider PPA Projected Cost Recovery Factor, as agreed upon by the Company and Staff, are reasonable;
- (iii) The avoided capacity cost proxy value and REC proxy value used in the Petition are reasonable for use in this case; and
- (iv) The Company's proposed Rider PPA cost allocations and rate design are reasonable.⁷

The Hearing Examiner recommended that the Commission adopt the above findings; approve the updated Rider PPA for the Rate Year commencing September 1, 2023, for recovery of projected and actual costs related to the CE-1 PPAs, the CE-2 PPAs, and certain of the CE-3 PPAs, with a revenue requirement of (\$22,043,063); and dismiss the case from the Commission's docket of active cases.⁸

On June 16, 2023, Staff and the Company filed separate comments agreeing with the findings and recommendations of the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Hearing Examiner's Report should be adopted. We agree that the record supports a Rider PPA revenue requirement of (\$22,043,063) for service rendered during the Rate Year.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations in the Hearing Examiner's Report are adopted as set forth herein.
- (2) Rider PPA is approved as described herein with a revenue requirement in the amount of (\$22,043,063) for the Rate Year.
- (3) Rider PPA shall be effective for usage on and after September 1, 2023.
- (4) The Company forthwith shall file a revised Rider PPA and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (5) The Company shall file its next Rider PPA petition on or before December 1, 2023.
- (6) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ Tr. 6.

⁷ Report at 12.

⁸ *Id.* at 12-13.

**CASE NO. PUR-2022-00203
JUNE 12, 2023**

JOINT PETITION OF
MASSANUTTEN PUBLIC SERVICE CORPORATION, CORIX INFRASTRUCTURE, INC., CORIX INFRASTRUCTURE (US) INC., IIF
SUBWAY INVESTMENT LP, SW MERGER ACQUISITION CORP., and SOUTHWEST WATER COMPANY

For Approval of Change in Control under Chapter 5 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On December 22, 2022, Massanutten Public Service Corporation ("Massanutten" or "Company"), along with Corix Infrastructure, Inc. ("CII"), Corix Infrastructure (US) Inc. ("Corix US"), IIF Subway Investment LP ("IIF Subway"), SW Merger Acquisition Corp. ("SWMAC"), and SouthWest Water Company ("SouthWest") (collectively, "Joint Petitioners"),¹ pursuant to Chapter 5 of Title 56 of the Code of Virginia ("Code"),² completed the filing with the State Corporation Commission ("Commission") of a Joint Petition for approval of a change in control resulting from a merger involving the Company's indirect parent company, Corix US, and SWMAC ("Transfer").³

In their Joint Petition, Joint Petitioners state that on August 26, 2022, CII and Corix US entered into a transaction agreement ("Transaction Agreement") with IIF Subway, SWMAC and SouthWest, providing a framework for combining CII's water, wastewater, and related businesses with the water and wastewater businesses owned by SWMAC.⁴

Joint Petitioners provide that upon completion of the Transfer, CII and an affiliate or affiliates of CII will own 50% of Corix US, and SWMAC Holdco, an entity to be formed by SWMAC's shareholders before closing, will own the other 50% of Corix US.⁵ Corix US will then indirectly own and control all the CII water, wastewater, and related businesses, and the SWMAC water and wastewater businesses, including Massanutten.⁶

Joint Petitioners represent that the Transfer takes place well above the utility operating company level, does not involve the transfer of the Massanutten's stock or its assets, and that no stock or assets of the Company will be pledged or encumbered as a result.⁷ Moreover, Joint Petitioners assert that Massanutten's rates and terms and conditions of service that are in effect currently will not change as a result of these higher-level merger activities.⁸ Joint Petitioners further assert that over time, the Transfer may lead to lower costs and thereby help Massanutten keep its water and wastewater rates lower than they otherwise would have been without the Transfer.⁹ Finally, Joint Petitioners state that, until Massanutten enters into a new affiliate interest agreement pursuant to Chapter 4 of Title 56 of the Code¹⁰ at some point post-closing, the Company will continue to use its existing affiliate interest agreement for allocation of corporate shared services costs.¹¹

On January 27, 2023, the Commission issued an Order for Notice and Comment, which docketed the matter as Case No. PUR-2022-00203, directed Joint Petitioners to provide public notice of the Joint Petition and file proof of service no later than February 28, 2023; provided interested persons an opportunity to participate as a respondent in the proceeding, to file comments on the Joint Petition and to request a hearing on the matter no later than March 14, 2023; and directed the Commission Staff ("Staff") to investigate the Joint Petition and file a report containing Staff's findings and recommendations ("Staff Report") no later than March 28, 2023. On February 10, 2023, the Joint Petitioners filed proof of publication and notice. On February 14, 2023, the Joint Petitioners filed proof of service.

¹ On November 28, 2022, the Joint Petitioners filed their Joint Petition. On December 9, 2022, Commission Staff sent a written request to the Joint Petitioners, requesting additional information required by Code §§ 56-88.1 and 56-90. On December 22, 2022, the Joint Petitioners supplemented their Joint Petition with the requested information, which completed their Joint Petition.

² Code § 56-88 *et seq.*

³ The Joint Petitioners also filed a Motion for Protective Ruling Governing Confidential Information and the Treatment of Extraordinarily Sensitive Information in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure (5 VAC 5-20-10 *et seq.*), which was granted by the Hearing Examiner on January 31, 2023.

⁴ Joint Petition at 6.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at 7.

⁸ *Id.* at 9.

⁹ *Id.* at 9-10.

¹⁰ Code § 56-76 *et seq.*

¹¹ Joint Petition at 12.

On March 8, 2023, the Board of Supervisors for Rockingham County and the Board of the Massanutten Water and Sewer Authority ("Respondents") jointly filed their notice of participation.¹² No requests for hearing or comments were filed in this case. On March 28, 2023, Staff filed its Staff Report and concluded that, based on the Joint Petitioners' representations and Staff's review of the Joint Petition, adequate service to the public at just and reasonable rates will not be impaired or jeopardized by the Transfer.¹³ Therefore, Staff recommended that the Transfer should be approved subject to the requirements listed in Appendix A to the Staff Report, which are necessary to protect the public interest.¹⁴

On April 4, 2023, Joint Petitioners filed their response ("Response") to the Staff Report in which Joint Petitioners supported Staff's recommendations for approval of the transfer of control of the Company but requested limited modifications to two recommendations.¹⁵ First, Joint Petitioners requested an amendment to Staff's recommendation number three, to allow for the extension of interim deadline dates of the Transaction Agreement (which would not be extended beyond closing), with written notice of all such interim deadline date extensions, and an extension of the time to close the Transfer of up to 60 days.¹⁶ Second, Joint Petitioners requested an amendment to Staff's recommendation number four, to limit the duration of time for the Company to track and quantify the benefits of the Transfer to a period of five years.¹⁷ Finally, Joint Petitioners represented in their Response that Staff does not oppose the proposed amendments.¹⁸

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through the Staff Report, and having considered the Joint Petitioners' Response thereon, is of the opinion and finds that the proposed Transfer will not impair or jeopardize adequate service to the public at just and reasonable rates and is approved subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-88.1 and 56-90, the Joint Petitioners are granted approval of the proposed Transfer as described herein, subject to the requirements listed in the Appendix attached to this Order.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹² On March 27, 2023, the Joint Petitioners filed an Objection to and Motion to Quash ("Motion to Quash") the First Set of Discovery from Respondents. The Hearing Examiner held the Motion to Quash in abeyance pending a request for a scheduling order. As no scheduling changes were requested, the Motion to Quash was granted by operation of the Hearing Examiner's April 10, 2023 ruling.

¹³ Staff Report at 6.

¹⁴ *Id.*

¹⁵ Joint Petitioners' Response to Staff Report at 2.

¹⁶ *Id.* at 2-3.

¹⁷ *Id.* at 3.

¹⁸ *Id.*

APPENDIX

(1) Pursuant to Code §§ 56-89 and 56-90, the Commission should approve the proposed Transfer subject to the requirements below.

(2) The Commission's approval shall have no accounting or ratemaking implications.

(3) The Commission's approval shall be contingent upon closing the Transfer pursuant to the terms and conditions ("Terms") of the Transaction Agreement reviewed by this Commission. No changes to the Terms of the Transaction Agreement shall be made before or at closing, other than interim deadline dates, which will not be extended beyond closing, and an extension of time to close the transaction of up to sixty (60) days, without prior Commission approval. Written notice of such extensions shall be provided to the Director of the Division of Utility Accounting and Finance within five (5) days of each extension.

(4) For a period of five (5) years following the effective date of the Transfer, Massanutten shall be required to track and quantify all the benefits (both qualitative and quantitative) customers in its service territory are receiving under its new ownership.

(5) Within ninety (90) days of completing the proposed Transfer, Massanutten shall file a Report of Action ("Report") with the Commission. Included in the Report shall be the effective date of the Transfer.

(6) The Commission directs that:

- (a) The quality of service in Massanutten's service territory shall not deteriorate due to a lack of maintenance or capital investment;
- (b) The quality of service in Massanutten's service territory shall not deteriorate due to a reduction in the number of employees providing services; and
- (c) Massanutten shall continue to maintain a high degree of cooperation with Staff and shall continue to take all action necessary to ensure Massanutten's timely response to Staff inquiries with regard to its provision of water and wastewater service in Virginia.

**CASE NO. PUR-2022-00205
DECEMBER 19, 2023**

APPLICATION OF
ROANOKE GAS COMPANY

For an expedited increase in rates

FINAL ORDER

On December 2, 2022, Roanoke Gas Company ("Roanoke Gas" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for an expedited increase in its rates and charges pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Gas and Water Utilities, 20 VAC 5-201-10, *et. seq.*¹

On December 21, 2022, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Application; established a procedural schedule, including scheduling a public hearing on the Application; provided an opportunity for interested persons to file comments on the Application or to participate in the proceeding as a respondent; permitted the Company to implement its proposed rates and terms and conditions of service on an interim basis, subject to refund, effective on January 1, 2023; and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

No notices of participation were filed in this case.² The Commission's Staff ("Staff") filed testimony on August 23, 2023. On September 13, 2023, in lieu of rebuttal testimony, Roanoke Gas, together with Staff, filed a Joint Motion to Accept Stipulation and Revise Interim Rates ("Motion"), together with a Proposed Stipulation ("Stipulation"). According to its terms, the Stipulation resolves all of the outstanding issues between Roanoke Gas and Staff related to the Application and provides, in pertinent part:³

1. **Revenue Requirement:** The total incremental non-gas revenue requirement is \$7.45 million, effective for bills rendered on and after January 1, 2023, inclusive of the roll-in of \$33.07 million of net SAVE investment as of December 31, 2022. This revenue requirement increase represents a settlement as to a specific revenue requirement increase but not to specific accounting adjustments or specific ratemaking methodologies at issue, unless otherwise set forth herein.
2. **Capital Structure:** Effective January 1, 2023, the capital structure and cost rates proposed by Staff witness Hunt as shown below from Table 3 of page 14 of his testimony, will be used to set rates in any non-base rate proceeding until the Company seeks to change its base rates. In Annual Informational Filings, subsequent test year capital structures should be consistent with Staff's recommended methodology, including the unamortized Investment Tax Credit.

**Roanoke Gas Company
Going-Forward Capital Structure and Cost of Capital
Inclusive of Investment Tax Credits (ITC)
For the Rate Year Beginning January 1, 2023
Actual as of 12/31/2022**

<u>Component</u>	<u>Net Amount Outstanding</u>	<u>Weight</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Short-Term Debt	\$4,400,243	2.154%	6.067%	0.131%
Long-Term Debt	\$81,944,007	40.122%	3.798%	1.524%
ITC	\$1,892,164	0.926%	7.104%	0.066%
Common Equity	\$115,999,424	56.797%	9.440%	5.362%
Total Capitalization	\$204,235,839	100%		7.082%

3. **Earnings Test:** The results of the 2022 earnings test demonstrate that the Company's earned return on equity for the 2022 Test Year (October 1, 2021 - September 30, 2022) was 9.48%. Since there are no deferrals that qualify as a regulatory asset in this case, and there is no Eligible Safety Activity Costs ("ESAC") on the books, no further action is needed.

¹ The Company filed its Application on December 2, 2022. On December 13, 2022, Roanoke Gas filed supplemental information to complete its Application.

² The Commission received public comments on the Application.

³ Ex. 7 (Stipulation).

4. **ESAC:** The Company agrees to Staff's proposed calendar year 2023 ESAC baseline of \$939,565 and Staff's findings on eligible ESAC programs. In particular, the Company agrees that the transmission related portions of the Line Locating, SMS Safety Culture, Operator Qualification Training, and Public Awareness programs are not ESAC eligible and that such transmission related costs should be excluded from future ESAC deferrals using the method as proposed by the Company and accepted by Staff.
5. **R&D Tax Credits:** The Company will immediately cease amortizing the Research and Development ("R&D") tax credits and associated deferred tax consultant costs. Within 90 days of final resolution of audited income tax returns for tax years 2018-2021 and receipt of the cash from claimed R&D tax credits, the Company will pass along the benefit of the R&D tax credits, net of deferred R&D tax consulting fees, on its books as of July 31, 2023, through a sur-credit over a period no longer than 12 months.
6. **Consolidated Tax Agreement:** The Company agrees to develop and file for approval of a consolidated tax agreement within 120 days of a Final Order in this proceeding.
7. **Class Cost of Service (CCOS) Study:** In the next base rate proceeding, the Company's filed CCOS Study will (i) allocate fully adjusted gas costs to the customer classes according to directly assigned test year gas costs and (ii) separately track and present fuel revenues for each customer class.
8. **Meter Cost Allocator:** For purposes of this proceeding and future base rate proceedings, the Company will allocate the cost of meters and other meter-related costs to each customer class using the meter cost allocator methodology contained in Company witness Gregory Abbott's direct testimony.
9. **Services Cost Allocator:** The Company will collect and track installation costs for new service installations by customer class and vintage. New service installation costs for the GS-1 and GS-2 customer classes will be collected and tracked separately. The Company will allocate the costs of services to each customer class using a cost-weighted service cost allocator in its next base rate proceeding.
10. **Allocations:** The Company agrees to file allocations on a test year average for Schedule 40A beginning with its next Annual Informational Filing or base rate proceeding, whichever is first.
11. **Revenue Apportionment:** The Rates established in this proceeding will be calculated using the revenue apportionment identified in Attachment A [to the Stipulation], and the revenue requirement specified in Paragraph (1).
12. **Rate Design:** The final rates will be developed as shown in Attachment A [to the Stipulation]. An illustrative calculation of the impact on average monthly customer bills by rate class is shown in Attachment B [to the Stipulation]. The fixed charges for each customer shall be as follows:

Rate Schedule	Customer Charge
Residential	\$ 17.00
GS-1	\$ 29.00
GS-2	\$ 85.00
ISS	\$ 900.00
ITS	\$ 1,000.00
IFSS	\$ 1,000.00
IFTS	\$ 1,000.00

The Company will implement a 4th tail block rate to the ITS rate class as proposed by the Company in the direct testimony of Company witness Gregory Abbott. The Company will collect and separately track any new or increased capital and operating expenditures incurred by the Company to serve (i) any new customer(s) that is expected to have sufficient volumes to reach the 4th block [of Schedule ITS] or (ii) any existing customer(s) that expands its operations and would result in reaching the 4th block [of Schedule ITS]. The Company will provide such cost and revenue data in its next filed base rate case.

13. **Interim Rates:** The Company may adjust its interim rates to reflect the proposed terms of this Stipulation for bills rendered on and after October 1, 2023.
14. **Refunds:** The Company will refund with interest and pursuant to such terms and conditions as specified by the Commission's Final Order in this proceeding.

The Motion included a request that the Hearing Examiner issue a ruling, prior to the evidentiary hearing in this proceeding, permitting the Company to revise its interim rates to reflect the rates provided for in the Stipulation for bills rendered on and after October 1, 2023, pending issuance of a Final Order by the Commission in this proceeding. On September 19, 2023, the Hearing Examiner granted this request.

The hearing for the receipt of public witness testimony was canceled after no one signed up to testify. The public evidentiary hearing was convened on October 4, 2023. On November 6, 2023, the Report of C. Mitch Burton, Jr., Hearing Examiner ("Report") was issued.

In his Report, the Hearing Examiner found that:⁴

- (1) The Proposed Stipulation presented by Roanoke Gas and Staff offers a fair and reasonable resolution of all issues in this proceeding, except that Commission approval of the proposed change to Schedule ITS should be conditioned on: (a) the Company's representation that any upstream capital improvements required to serve new industrial customers projected to use the fourth block rate in Schedule ITS will be subject to an economic evaluation test and any excess expenditures will be collected from the new customer as a contribution in aid of construction; and (b) a requirement for Roanoke Gas to study and report on information, as detailed above, regarding the fourth block rate in Schedule ITS.
- (2) It is reasonable to use the stipulated [return on equity] of 9.44% as the "the mid-point of the rate of return on equity range" for purposes of implementing § 56-235.10.

Roanoke Gas and Staff filed comments on the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁵

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:⁶

Accordingly, I RECOMMEND the Commission enter an order that:

- (1) **ADOPTS** the findings and recommendations in this Report;
- (2) **APPROVES** the Proposed Stipulation, with such approval conditioned on Roanoke Gas's representation that any upstream capital improvements required to serve new industrial customers projected to use the fourth block rate in Schedule ITS will be subject to an economic evaluation test and any excess expenditures will be collected from the new customer as a contribution in aid of construction;
- (3) **DIRECTS** Roanoke Gas to track and report in its next rate case application:

Any new or increased capital and operating expenditures incurred by the Company to serve (i) any new customer(s) that is expected to have sufficient volumes to reach the fourth block or (ii) any existing customer(s) that expands its operations and would result in reaching the fourth block;

A study of the actual historical impact and projected estimated impact that service provided under the fourth block rate of Schedule ITS has had, or will have, on total company revenues, total company expenses, and on the return on rate base for the Schedule ITS rate class;

Analysis demonstrating how the Company determined an appropriate per term rate for the fourth block of Schedule ITS;

A study describing in detail the rate impact that continuation of Schedule ITS, with the fourth block rate, could potentially have on the Company's other rate classes. The Company should explain any efforts to ensure that other customers will be protected from bearing any increased rates as a result of the continuation of the fourth block rate in Schedule ITS; and

Any additional analysis that the Company wishes to present demonstrating whether continuation of the fourth block rate in Schedule ITS is beneficial for its customers;

- (4) **DIRECTS** Roanoke Gas to provide customer refunds of recoveries under interim rates exceeding the rates approved herein, with interest; and
- (5) **DISMISSES** this case from the Commission's docket of active cases.

⁴ Report at 38.

⁵ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444,454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁶ Report at 38-39.

In its comments to the Hearing Examiner's Report, Roanoke Gas requests that "the Commission not adopt the Hearing Examiner's additional recommendations regarding conditions beyond the terms of the Stipulation regarding approval of the Company's proposed changes to Schedule ITS."⁷ Roanoke Gas asserts, *inter alia*, that its "proposed change to Schedule ITS is not an 'economic development' rate in the sense that it provides a discounted rate that impacts the Company's ability to recover the costs of providing service to customers under the rate schedule."⁸ Regarding the recommended economic evaluation test, Roanoke Gas states that such requirement "is already contained in the Company's Commission-approved tariff [and] a separate condition creates the potential for conflicts between any Commission order in this proceeding . . . and the language of the Company's tariff."⁹ Lastly, Roanoke Gas asserts the studies recommended by the Hearing Examiner are unnecessary because "the design of Schedule ITS . . . allows the Company to recover its cost of service without any possibility of a subsidy flowing to customers with usage under the fourth rate block . . ."¹⁰ Roanoke Gas states that it "will, to the extent possible, include all new or expanded customers on its system in future rate cases so the Commission can review the cost of serving these customers and ensure that rates are sufficient as it does in any rate proceeding."¹¹ The Company notes that:

based on ongoing inflationary pressure and other considerations, the Company currently intends to file a general rate case in early 2024 [and] anticipates the filing reflecting only a relatively small amount of usage subject to the fourth rate block by a single existing customer, further reducing the usefulness of additional studies suggested by the Hearing Examiner.¹²

In consideration of the foregoing, the Commission will not impose the additional conditions recommended by the Hearing Examiner regarding Schedule ITS at this time based on the facts and circumstances in this case including, but not limited to, the existing language in the Company's tariff regarding the economic evaluation of extensions of service;¹³ the design of the fourth block for Schedule ITS to avoid subsidies; and the Company's anticipated filing of a new rate case in early 2024. In this regard, we find sufficient, at this time, the Stipulation's provision that Roanoke Gas:

. . . will collect and separately track any new or increased capital and operating expenditures incurred by the Company to serve (i) any new customer(s) that is expected to have sufficient volumes to reach the 4th block [of Schedule ITS] or (ii) any existing customer(s) that expands its operations and would result in reaching the 4th block [of Schedule ITS].¹⁴

Nothing herein, however, prevents any party or Staff from raising the same or similar issues in future cases.

Finally, the Commission notes that Roanoke Gas initially proposed a rate increase of \$8.55 million, which was placed into effect on an interim basis and subject to refund effective January 1, 2023.¹⁵

Under the approved Stipulation, the Commission approves a \$7.45 million rate increase,¹⁶ which has been in effect on an interim basis since October 1, 2023, and directs Roanoke Gas to issue refunds to the extent interim rates were higher than the rates fixed herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations except as discussed herein.
- (2) The Stipulation is hereby approved.
- (3) The rates and charges approved herein are fixed and substituted for the rates and terms and conditions of service that the Company placed into effect on an interim basis initially effective January 1, 2023, and subsequently further modified effective October 1, 2023. Roanoke Gas shall forthwith file revised tariff sheets incorporating the findings herein on rates and charges and terms and conditions of service with the Clerk of the Commission and the Commission's Division of Public Utility Regulation. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information. Refunds of interim rates shall be made as required below.
- (4) The Company shall recalculate, using the rates and charges approved herein, each bill it rendered that used, in whole or in part, the rates and charges that took effect on an interim basis and subject to refund initially effective January 1, 2023, and subsequently further modified effective October 1, 2023, and where application of the new rates results in a reduced bill, refund the difference with interest as set out below within ninety (90) days of the issuance of this Final Order.

⁷ Roanoke Gas's Comments on Hearing Examiner's Report at 7.

⁸ *Id.* at 3.

⁹ *Id.* at 4.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.* at 4-5.

¹³ See Roanoke Gas Company Terms and Conditions of Service, Section 7 (*Installation of Distribution Facilities*).

¹⁴ Ex. 7 (Stipulation) at ¶ 12.

¹⁵ Ex. 2 (Application) at 3.

¹⁶ Report at 1; Ex. 7 (Stipulation).

(5) Interest upon the ordered refunds shall be computed from the date payments of monthly bills were due to the date each refund is made at the average prime rate for each calendar quarter, compounded quarterly, using the average prime rate values published in the Federal Reserve Bulletin or in the Federal Reserve's Selected Interest Rates (Statistical Release H. 15) for the three (3) months of the preceding calendar quarter.

(6) The refunds ordered herein may be credited to the current customers' accounts. Refunds to former customers shall be made by check mailed to the last known address of such customers when the refund amount is \$1 or more. The Company may offset the credit or refund to the extent of any undisputed outstanding balance for the current or former customer. No offset shall be permitted against any disputed portion of an outstanding balance. The Company may retain refunds to former customers when such refund is less than \$1; however, such refunds shall be promptly made upon request. All unclaimed refunds shall be subject to Code § 55-210.6:2.

(7) Within sixty (60) days of completing the refunds ordered herein, the Company shall deliver to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance a report showing that all refunds have been made pursuant to this Final Order and detailing the costs incurred in effecting such refunds and the accounts charged.

(8) The Company shall bear all costs incurred in effecting the refunds ordered herein.

(9) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

CASE NO. PUR-2022-00208 JULY 31, 2023

PETITION OF VIRGINIA ELECTRIC AND POWER COMPANY

For revision of a rate adjustment clause, designated Rider RPS, under § 56-585.1 A 5 d of the Code of Virginia for the Rate Year commencing September 1, 2023

FINAL ORDER

On December 8, 2022, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") a petition ("Petition") for revision of a rate adjustment clause, designated Rider RPS, pursuant to § 56-585.1 A 5 d of the Code of Virginia ("Code") and the directive contained in Ordering Paragraph (7) of the Final Order issued by the Commission on June 30, 2022, in Case No. PUR-2021-00282.¹ Through its Petition, Dominion seeks to recover projected and actual costs related to compliance with the mandatory renewable energy portfolio standard program established in the Virginia Clean Economy Act.² In this proceeding, Dominion has asked the Commission to approve Rider RPS for the rate year beginning September 1, 2023 and ending August 31, 2024 ("Rate Year").³

On January 17, 2023, the Commission issued an Order for Notice and Hearing in this proceeding that, among other things, docketed the Petition; scheduled public hearings on the Petition; required Dominion to publish notice of its Petition; gave interested persons the opportunity to comment on, or participate in, the proceeding; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by Direct Energy Business, LLC and Direct Energy Services, LLC (collectively, "Direct Energy") and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel").

On March 7, 2023, Direct Energy filed testimony. Commission Staff ("Staff") filed testimony on March 21, 2023, and the Company filed its Rebuttal Testimony on April 4, 2023. The Commission received one written comment from an interested person regarding the Petition.

The evidentiary hearing was convened on April 18, 2023. Dominion, Direct Energy, Consumer Counsel, and Staff participated in the hearing.

On May 23, 2023, the Chief Hearing Examiner issued the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report"). In his Report, the Chief Hearing Examiner recommended that the Commission approve a total Rider RPS revenue requirement for the Rate Year of \$95,858,786, which produces a Rider RPS rate of \$0.001316 per kilowatt hour.⁴ The Chief Hearing Examiner further found that the Commission should direct the Company to file a mechanism for netting the benefits of shopping customer RECs, including applicable tariff language, in the Company's next Rider RPS proceeding.⁵

¹ *Petition of Virginia Electric and Power Company, For approval of a rate adjustment clause, designated Rider RPS, under § 56-585.1 A 5 d of the Code of Virginia*, Case No. PUR-2021-00282, Doc. Con. Cen. No. 220660027, Final Order (June 30, 2022).

² Exhibit ("Ex.") 2 (Petition) at 1. *See also* 2020 Va. Acts chs. 1193, 1194.

³ Ex. 2 at 4.

⁴ Report at 19.

⁵ *Id.*

The Chief Hearing Examiner noted that, because of the statutory deadline for the setting of Rider RPS rates, a decision in the RPS Proxy Case at this stage of this Rider RPS proceeding would not provide Staff and the parties sufficient time to present and litigate an alternative mechanism for netting the benefits of shopping customer RECs.⁶ The Chief Hearing Examiner accordingly recommended that the Commission adopt the Company's proposed cost allocation and rate design as a placeholder, subject to true-up.⁷

The Chief Hearing Examiner recommended that the Commission enter an order adopting the findings in the Report, approving the updated Rider RPS consistent with the recommendations in the Report, and dismissing this case from the Commission's docket of active cases.⁸

On June 13, 2023, the Company, Direct Energy, Consumer Counsel, and Staff filed comments to the Hearing Examiner's Report.

NOW THE COMMISSION, upon consideration of this matter, adopts the findings and recommendations set forth in the Chief Hearing Examiner's Report and finds that a total revenue requirement for Rider RPS of \$95,858,786 for the Rate Year should be approved. In doing so, the Commission adopts the Chief Hearing Examiner's recommendation regarding the mechanism for netting the benefits of shopping customer RECs,⁹ as supported by Staff,¹⁰ Consumer Counsel,¹¹ and Dominion¹² and direct the Company to file a mechanism for netting the benefits of shopping customer RECs, including applicable tariff language, in the Company's next Rider RPS proceeding. As also recommended by the Chief Hearing Examiner, we further adopt the Company's proposed cost allocation and rate design for Rider RPS as a placeholder. Such placeholder cost allocation and rate design – again as recommended by the Chief Hearing Examiner¹³ – is expressly ordered herein to be subject to true-up in one or more future proceedings.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are hereby adopted.
- (2) Rider RPS is approved herein with a Rate Year revenue requirement of \$95,858,786.
- (3) Rider RPS, as approved herein, shall be effective for service rendered on and after September 1, 2023.

(4) The Company forthwith shall file a revised Rider RPS and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 18.

⁷ *Id.* at 18-19.

⁸ *Id.* at 19.

⁹ *Id.* at 18-19.

¹⁰ Staff's Comments at 1.

¹¹ Consumer Counsel Comments at 2.

¹² Dominion Comments at 1.

¹³ Report at 18-19.

**CASE NO. PUR-2022-00210
AUGUST 4, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of its 2022 DSM Update pursuant to § 56-585.1 A 5 of the Code of Virginia

FINAL ORDER

On December 13, 2022, Virginia Electric and Power Company ("Dominion" or "Company") made a filing pursuant to § 56-585.1 A 5 of the Code of Virginia ("Code"), the Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Electric Utilities¹ of the State Corporation Commission ("Commission"), the Commission's Rules Governing Utility Promotional Allowances,² the Commission's Rules Governing Cost/Benefit Measures Required for Demand-Side Management Programs,³ the Commission's Rules Governing the Evaluation, Measurement, and Verification of the Effects of Utility-Sponsored Demand-Side Management Programs,⁴ and the directive contained in Ordering Paragraph (4) of the Commission's August 10, 2022 Final Order in Case No. PUR-2021-00247.⁵ Specifically, Dominion filed with the Commission an application requesting: (1) approval to implement new demand-side management programs (individually, "DSM Program," or "program" and collectively with other DSM Programs, the "DSM Portfolio"), which includes new DSM Programs to supplement the overall DSM Portfolio, new DSM Program Bundles ("Program Bundles"), as well as associated requests for additional funding; and (2) approval of an annual update to continue the rate adjustment clauses designated Riders C1A, C2A, C3A, and C4A (collectively, the "Application").⁶

In its Application, the Company requests approval to implement the following new DSM Programs as the Company's "Phase XI" programs, which include "energy efficiency" ("EE") and "demand response" ("DR") DSM Programs, as these terms are defined by Code § 56-576.⁷

- Residential Customer Engagement (EE);
- Residential Energy Efficient Products Marketplace (EE);
- Residential Peak Time Rebate (DR);
- Non-residential Custom (EE); and
- Residential Electric Vehicle Telematics (Pilot).

The Company also seeks approval of the following four new Program Bundles:⁸

- Residential Income and Age Qualifying ("IAQ") Bundle (EE);
- Non-residential IAQ Bundle (EE);
- Non-residential Prescriptive Bundle (EE); and
- Residential Home Retrofit Bundle.⁹

¹ 20 VAC 5-204-5 *et seq.*

² 20 VAC 5-303-10 *et seq.*

³ 20 VAC 5-304-10 *et seq.*

⁴ 20 VAC 5-318-10 *et seq.*

⁵ *Petition of Virginia Electric and Power Company, For approval of its 2021 DSM Update pursuant to § 56-585.1 A 5 of the Code of Virginia, Case No. PUR-2021-00247, Doc. Con. Cen. No. 220830003, Final Order (Aug. 10, 2022) ("2021 DSM Order").*

⁶ Ex. 2 (Application) at 1-2.

⁷ *Id.* at 7.

⁸ The Company states that the Commission approved the Company's proposed reorganization and consolidation of its DSM Portfolio, consistent with the Company's Long-Term Plan, in the 2021 DSM Order. Ex. 3 (Frost Direct) at 10. The Company asserts that the reorganization and streamlining of programs will help improve budget management, produce more comprehensive participation options, offer more comprehensive programs, expand outreach to residential customers and large non-residential customers and thus enhance performance and energy savings. *Id.*

⁹ Ex. 2 (Application) at 7. Should the Commission approve the requested Program Bundles for existing DSM Programs, the Company requests that the Commission close the following currently approved programs at the end of 2023: Phase VII Residential Home Energy Assessment Program (EE), Phase VII Non-residential Window Film Program (EE), Phase VII Non-residential Small Manufacturing Program (EE), Phase VII Non-residential Heating and Cooling Efficiency Program (EE), Phase VII Residential Appliance Recycling Program (EE), Phase VII Non-residential Office Program (EE), and Phase VIII HB 2789 (Heating and Cooling/Health and Safety) (EE). Ex. 4 (Hubbard Direct) at 6.

Dominion proposes an aggregate total cost cap for the Phase XI programs in the amount of approximately \$149.5 million.¹⁰ Additionally, the Company requests the ability to exceed the spending cap by no more than 15%.¹¹

The Company requests, through revised Riders C1A, C2A, and C3A, recovery of projected costs for September 1, 2023 through August 31, 2024 ("2023 Rate Year") associated with DSM Programs previously approved by the Commission in Case No. PUE-2011-00093 (Phase II),¹² Case No. PUE-2013-00072 (Phase III),¹³ Case No. PUE-2014-00071 (Phase IV),¹⁴ Case No. PUE-2015-00089 (Phase V),¹⁵ and Case No. PUE-2016-00111 (Phase VI),¹⁶ in addition to projected 2023 Rate Year financing costs on the Actual Cost True-Up Factor deferred balances associated with the DSM Programs approved in Case No. PUR-2018-00168 (Phase VII)¹⁷ and Case No. PUR-2019-00201 (Phase VIII).¹⁸ ¹⁹ Additionally, the Company requests, through recently approved Rider C4A, to recover the projected 2023 Rate Year costs for applicable DSM Programs in Phases VII and VIII, applicable DSM Programs approved in Case No. PUR-2020-00274 (Phase IX)²⁰ and Case No. PUR-2021-00247 (Phase X),²¹ as well as for applicable DSM Programs in Phase XI, including the proposed Program Bundles.²²

The two key components of the proposed Riders C1A, C2A, C3A and C4A are the projected revenue requirement, which incorporates operating expenses for all programs and capital costs (including amortization expense) related to the Phase X - Voltage Optimization Program that are projected to be incurred during the 2023 Rate Year, and a monthly true-up adjustment, which compares actual costs for the calendar year 2021 true-up period to the actual revenues collected during the same period.²³ In the Application, Dominion requests the following:²⁴

Rider	Total Revenue Requirement	Projected Revenue Requirement	True-Up Adjustment
C1A	\$4,383,070	\$7,081,465	(\$2,698,395)
C2A	(\$1,270,085)	(\$35,633)	(\$1,234,452)
C3A	(\$13,485,150)	(\$399,888)	(\$13,085,262)
C4A	\$117,814,669	\$113,903,940	\$3,910,729
Combined	\$107,442,503		

¹⁰ Ex. 2 (Application) at 10.

¹¹ *Id.*

¹² *Application 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-2011-00093, 2012 S.C.C. Ann. Rept. 298, Order (Apr. 30, 2012).

¹³ *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-2013-00072, 2014 S.C.C. Ann. Rept. 289, Final Order (Apr. 29, 2014).

¹⁴ *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, 2015 S.C.C. Ann. Rept. 230, Final Order (Apr. 24, 2015).

¹⁵ *Petition of Virginia Electric and Power Company, For approval to implement new demand-side management programs, for approval to continue a demand-side management program, and for approval of two updated rate adjustment clauses pursuant to § 56-585.1 A 5 of the Code of Virginia*, Case No. PUE-2015-00089, 2016 S.C.C. Ann. Rept. 275, Final Order (Apr. 19, 2016).

¹⁶ *Petition of Virginia Electric and Power Company, For approval to implement new, and to extend existing, 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-2016-00111, 2017 S.C.C. Ann. Rept. 384, Final Order (June 1, 2017).

¹⁷ *Petition of Virginia Electric and Power Company, For approval to implement 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. PUR-2018-00168, 2019 S.C.C. Ann. Rept. 285, Order Approving Programs and Rate Adjustment Clauses (May 2, 2019).

¹⁸ *Petition of Virginia Electric and Power Company, For approval of its 2019 DSM Update pursuant to § 56-585.1 A 5 of the Code of Virginia*, Case No. PUR-2019-00201, 2020 S.C.C. Ann. Rept. 368, Final Order (July 30, 2020).

¹⁹ Ex. 7 (Wooldridge Direct) at 2-3.

²⁰ *Petition of Virginia Electric and Power Company, For approval of its 2020 DSM Update pursuant to § 56-585.1 A 5 of the Code of Virginia*, Case No. PUR-2020-00274, 2021 S.C.C. Ann. Rept. 350, Final Order (Sept. 7, 2021) ("2020 Final Order").

²¹ *See* 2021 DSM Order.

²² Ex. 7 (Wooldridge Direct) at 3 and 3 n.1.

²³ *Id.* at 5-6.

²⁴ Ex. 2 (Application) at 13.

Dominion also seeks to expand the eligibility of the DSM Phase IX Agricultural Program.²⁵ Specifically, the Company requests Commission approval to offer the DSM Phase IX Agricultural Program to its residential customers, in addition to non-residential customers.²⁶

Dominion states that the Company has complied with the Commission directives and filing requirements relevant to this instant filing, specifically the Commission's directives in its Final Order in the Company's Evaluation, Measurement, and Verification ("EM&V") proceeding, Case No. PUR-2020-00156.²⁷ The Company requests Commission approval of Phase XI Program EM&V Plans.²⁸

On January 24, 2023, the Commission issued an Order for Notice and Hearing that, among other things, directed Dominion to provide notice of its Application, provided interested persons the opportunity to comment or participate in the proceeding, directed Staff to investigate the Application, scheduled public hearings on the Company's Application, and assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The following entities filed notices of participation: Appalachian Voices; the Virginia Energy Efficiency Council ("VAEEC"); and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel").

On March 29, 2023, Appalachian Voices and the VAEEC each filed testimony. On April 19, 2023, Staff filed the testimony of its witnesses. On May 3, 2023, Dominion filed the rebuttal testimony of its witnesses.

On May 16, 2023, a public witness hearing was convened before Senior Hearing Examiner Michael D. Thomas. One public witness testified.²⁹ On May 17, 2023, an evidentiary hearing was convened. Dominion, Appalachian Voices, VAEEC, Consumer Counsel and Staff participated at the hearing.

On June 16, 2023, the Senior Hearing Examiner issued a thorough, detailed Report, which summarized and analyzed the evidence and issues in this proceeding. Based thereon, the Senior Hearing Examiner made the following findings and recommendations for the Commission's consideration:³⁰

1. Approve the Company's proposed Phase XI Programs and Program Bundles effective January 1, 2024;
2. Approve the closure of the following energy-efficiency programs effective December 31, 2023: Phase VII Residential Home Energy Assessment Program, Phase VII Non-Residential Window Film Program, Phase VII Non-Residential Small Manufacturing Program, Phase VII Non-Residential Heating and Cooling Efficiency Program, Phase VII Residential Appliance Recycling Program, Phase VII Non-Residential Office Program, and Phase VIII HB 2789 (Heating & Cooling/Health & Safety);
3. Approve the Company's proposed aggregate cost cap of \$149.5 million for the Phase XI Programs and Program Bundles, including a 15% variance allowance (5% for the Residential Home Retrofit Bundle and the Non-Residential Prescriptive Bundle), which excludes margins;
4. Approve the Company's request to operate the proposed Phase XI Programs and Program Bundles without a predetermined closure date;
5. Approve the Company's request to expand eligibility of the Phase IX Agricultural Program to its residential customers;
6. Approve the Company's proposed September 1, 2023, through August 31, 2024, Rate Year;
7. Approve a total revenue requirement of \$107,442,503 consisting of a Projected Factor of \$120,549,884 and a True-Up Factor of (\$13,107,380);
8. Approve the Company's proposed revenue requirement cost allocation and rate design methodologies used to develop the proposed Riders;
9. Approve the Company's proposed Riders C1A, C2A, C3A, and C4A;
10. Approve the Company's EM&V Plans for the Phase XI Programs and Program Bundles;
11. Approve the Company's cost/benefit scores for the Phase XI Programs and Program Bundles and the going forward cost/benefit scores for existing programs;

²⁵ Ex. 4 (Hubbard Direct) at 5.

²⁶ *Id.*

²⁷ Ex. 2 (Application) at 5; Ex. 10 (Feng Direct) at 4-5. See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of baseline determination, methodologies for evaluation, measurement, and verification of existing demand-side management programs, and the consideration of a standardized presentation of summary data for Virginia Electric and Power Company*, Case No. PUR-2020-00156, 2021 S.C.C. Ann. Rept. 260, Final Order (Oct. 27, 2021).

²⁸ Ex. 2 (Application) at 19. See Ex. 10 (Feng Direct) at Appendix B for the "Proposed DSM Phase XI Programs Evaluation, Measurement, and Verification (EM&V) Plans for Virginia Electric and Power Company (Dominion Energy)."

²⁹ The Commission also received written public comments on the Application.

³⁰ Report at 92-94.

12. Refer the issues regarding how the cost-effectiveness of DSM Programs is currently measured, including: (i) how the Inflation Reduction Act will reduce the cost of some DSM Programs; (ii) how the inclusion of non-energy benefits (*e.g.*, the social cost of carbon) can better quantify the benefits for all programs and bundles; and (iii) how building codes impact the measurement of cost-effectiveness of DSM Programs, to the Stakeholder Group and require a report from the Company on these issues in next year's DSM case;
13. Direct the Company to include the same health and safety measures in both the Residential and Non-Residential IAQ Bundles;
14. Approve the Residential and Non-Residential IAQ Bundles;
15. Approve the Company's request to remove the replacement-in-kind modeling assumption used in calculating the DSM cost/benefit results for incremental DSM measures and programs;
16. Adopt the Company's commitment to continue monitoring its cost per participant for the active programs included in future true-ups and provide updates to this analysis in its annual energy-efficiency filings with the Commission;
17. Approve the Company's internal audit procedures;
18. Approve the Company's proposed capital structure and cost of capital;
19. Either require the Company to prepare a Project Management Plan and Risk Management Strategy consistent with [the 2020 Final Order], or require the Company to provide a Project Management Report as part of its annual DSM filing detailing what tasks were completed in the last twelve months, what tasks will be completed in the next twelve months, and what tasks remain to be completed to fully implement the [Long-Term Plan ("LTP")];
20. Require a [Residential Building Energy Analyst ("RBEA")] license for any person who performs an inspection, investigation, survey, assessment, or audit of a dwelling to evaluate, measure or quantify its energy consumption and efficiency, and provides recommendations to the homeowner to reduce energy consumption and improve efficiency of the dwelling as part of the Home Retrofit Bundle;
21. Approve the Company's request to eliminate the requirement for [Building Performance Institute ("BPI")] certification for the HVAC Tune-Up, HVAC Upgrade, Smart Thermostat, Central Home Energy Management System, ECM Fan Motor, Heat Pump, Water Heater, and Cool Roof measures in the Home Retrofit Bundle;
22. Defer ruling on the issue of "net" and "gross" savings until next year's DSM case where the impact of free riders, spillover, market effects, and snapback may be determined on the appropriate evidentiary record;
23. Deny [Appalachian Voices'] request to "front-load" program spending;
24. Refer the issue of dual-fuel customers to the Stakeholder Group and require a report from the Company on the issue in next year's DSM case;
25. Refer the issue of the LTP and DSM Program consolidation to the Stakeholder Group and require a report from the Company on the issue in next year's DSM case; and
26. Refer the issue of leveraging the functionalities of [Advanced Metering Infrastructure], including geo-targeting, in demand-response programs to the Stakeholder Group and require a report from the Company on the issue in next year's DSM case.

The Senior Hearing Examiner then recommended that the Commission enter an order that:

1. Adopts the findings and recommendations in the Report;
2. Approves the proposed Phase XI Programs and Program Bundles effective January 1, 2024;
3. Approves a total revenue requirement of \$107,442,503 consisting of a Projected Factor of \$120,549,884 and a True-Up Factor of (\$13,107,380);
4. Approves proposed Riders C1A, C2A, C3A, and C4A;
5. Approves the Company's proposed aggregate cost cap of \$149.5 million for the Phase XI Programs and Program Bundles, including a 15% variance allowance (5% for the Residential Home Retrofit Bundle and the Non-Residential Prescriptive Bundle), which excludes margins; and
6. Dismisses this case from the Commission's docket of active cases.³¹

On June 28, 2023, Dominion, Appalachian Voices, VAEEC, Consumer Counsel and Staff each filed comments on the Report.

³¹ Report at 94.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.³²

The Commission concludes that the Senior Hearing Examiner's findings and recommendations are supported by law and the evidence, have a rational basis, and are adopted herein as further discussed below.³³ In so doing, the Commission approves the proposed Phase XI Programs and Program Bundles, effective January 1, 2024; approves proposed Riders C1A, C2A, C3A and C4A; approves a 2023 Rate Year revenue requirement of \$107,442,503; and approves the Company's proposed aggregate cost cap of \$149.5 million for the Phase XI Programs and Program Bundles, including a 15 percent variance allowance (5 percent for the Residential Home Retrofit Bundle and the Non-Residential Prescriptive Bundle), which excludes margins.

Implementation of the Long-Term Plan

As previously stated, "[t]he Commission supports the deployment of cost-effective energy efficiency programs in the Commonwealth paired with rigorous Evaluation, Measurement, and Verification...."³⁴ The Commission continues to be mindful of the total energy savings targets set forth in the Virginia Clean Economy Act ("VCEA") and that under current projections, Dominion does not anticipate achieving such targets as soon as 2023-2025 if measured on a net basis.³⁵ In Case No. PUR-2020-00274, the Commission directed Dominion to include in future DSM filings an LTP to comply with the VCEA's energy savings targets, including, among other things, short-term, medium-term, and long-term recommendations for improvement of the Company's DSM Portfolio.³⁶ Dominion filed an LTP in Case No. PUR-2021-00247.³⁷ In the current case, the Company asserts that it has acted with a sense of urgency to meet the short, medium and long-term goals of the LTP.³⁸ Notwithstanding, the Company states that "it has been unable to solicit enough cost-effective DSM programming from the market to cover the shortfalls in the Company's projected savings making the path to achieving the VCEA goals substantially more difficult."³⁹

We agree with the Senior Hearing Examiner that a detailed progress report on the Company's implementation of the LTP would be beneficial.⁴⁰ With regard to providing a Project Management Plan and Risk Management Strategy or Project Management Report, the Commission directs Dominion to provide a Project Management Report as part of its annual DSM filing detailing what tasks were completed in the last twelve months, what tasks will be completed in the next twelve months, and what tasks remain to be completed to fully implement the LTP.⁴¹

Contractor Qualifications

With regard to BPI certification of contractors participating in the Residential Home Retrofit Bundle, the Commission generally agrees with the analysis of the Senior Hearing Examiner;⁴² however, the Commission declines to address contractor licensing requirements in this proceeding involving approval of energy efficiency programs under Chapter 23 of Title 56.⁴³

³² The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

³³ *See Report*.

³⁴ 2020 Final Order, 2021 S.C.C. Ann. Rept. at 354.

³⁵ Ex. 18 (Boehnlein) at 4. According to Dominion, gross savings account for all energy efficiency savings achieved by all program participants; whereas net savings are gross savings adjusted for market effects, including reductions for any energy efficiency savings that are attributed to "free riders," who would have achieved the energy savings regardless of the DSM Program. Ex. 3 (Frost Direct) at 12. The Commission previously noted regarding free riders that "to the extent the term 'free riders' factually represents specific savings that can be reasonably identified, and that were *not* achieved as a result of Dominion's programs and measures, such savings do not fall within the plain language of [Code § 56-596.2 B]." *Petition of Virginia Electric and Power Company, For approval of its 2021 DSM Update pursuant to § 56-585.1 A 5 of the Code of Virginia*, Case No. PUR-2021-00247, Doc. Con. Cen. No. 220830003, Final Order at 9 n.33 (Aug. 10, 2022).

³⁶ 2020 Final Order, 2021 S.C.C. Ann. Rept. at 354.

³⁷ *See Ex. 18 (Boehnlein) at 9*.

³⁸ Dominion's Post-Hearing Brief at 11.

³⁹ Ex. 21 (Frost Rebuttal) at 11.

⁴⁰ Report at 78.

⁴¹ Dominion Comments at 4.

⁴² Report at 78-85.

⁴³ In addition to being outside the Commission's purview generally, among other things, the applicability of various licensing requirements will necessarily depend on the detailed implementation of the proposed programs, the necessary level of detail of which is not readily apparent on this record.

Dominion has committed to complying with all required contractor licensing requirements under Virginia law⁴⁴ and the Commission will not mandate additional requirements beyond those otherwise required by law. Similarly, the Commission expects and directs Dominion to comply with RBEA licensure requirements where applicable.⁴⁵

Finally, in granting this approval which will result in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations in the Senior Hearing Examiner's Report are adopted as set forth and discussed herein.
- (2) The Company forthwith shall file revised Riders C1A, C2A, C3A and C4A and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (3) Riders C1A, C2A, C3A, and C4A, as approved herein, shall be effective for usage on and after September 1, 2023.
- (4) Consistent with Code § 56-585.1 A 5, and the requirements of this Order, the Company shall file its application to continue Riders CIA, C2A, C3A, and C4A no later than January 2, 2024.
- (5) This case is continued.

Commissioner Patricia L. West participated in this matter.

⁴⁴ See, e.g., Dominion's Post-Hearing Brief at 19.

⁴⁵ The Company may, but is not required, to obtain an opinion from the Virginia Department of Professional and Occupational Regulation Board of Contractors to further clarify licensing requirements, as may be needed. See Report at 84-85.

**CASE NO. PUR-2022-00211
MAY 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter concerning a pilot program for municipal net energy metering

ORDER REVISING GUIDELINES

During its 2022 Session, the Virginia General Assembly enacted House Bill 396 (Chapter 388 of the 2022 Acts of Assembly) amending § 56-585.1:8 of the Code of Virginia ("Code") ("2022 Amendments"). Initially enacted in 2019,¹ § 56-585.1:8 of the Code established a net energy metering pilot program for municipalities ("Pilot Program") to be undertaken by a Phase I Utility or a Phase II Utility, as such terms are defined in § 56-585.1:3 of the Code.²

The State Corporation Commission ("Commission") established a docket in 2019 for the purpose of developing guidelines for the Pilot Program's implementation ("Guidelines").³ The Commission's Order establishing the Guidelines was entered on November 25, 2019.⁴ Subsequently, the Commission amended the Guidelines in 2020 following its receipt of additional comments and recommendations concerning the Guideline's provisions.⁵

¹ Chapters 746 (HB 2792) and Chapter 747 (SB 1779) of the 2019 Acts of Assembly.

² A Phase I Utility is understood to mean Appalachian Power Company ("APCo"), and a Phase II Utility is understood to mean Virginia Electric and Power Company ("Dominion").

³ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter concerning the implementation of a pilot program for municipal net energy metering*, Case No. PUR-2019-00182, Doc. Con. Cen. No. 191110003, Order for Comments on Draft Guidelines (Nov. 1, 2019).

⁴ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter concerning the implementation of a pilot program for municipal net energy metering*, Case No. PUR-2019-00182, Doc. Con. Cen. No. 191130129, Order (Nov. 25, 2019).

⁵ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter concerning the implementation of a pilot program for municipal net energy metering*, Case No. PUR-2019-00182, 2020 S.C.C. Ann. Rept. 347, Order Revising Guidelines (Oct. 22, 2020).

Notably, the Commission's Order Revising Guidelines stated that: (i) the Guidelines themselves represented the Pilot Program proposals from Dominion and APCo as then required by § 56-585.1:8 of the Code, and (ii) the commencement date for these Pilot Programs was the date of the Commission's Order Revising Guidelines, i.e., October 22, 2020.⁶

Additionally, the Guidelines require Dominion and APCo to annually submit reports to the Virginia General Assembly concerning the status of their individual Pilot Programs, with copies thereof to be furnished to the Commission.⁷ To date, each of these utilities' annual reports (submitted to the General Assembly in 2020, 2021 and 2022, and filed in Case No. PUR-2019-00182) indicates that there has been no activity in their respective Pilot Programs.

The 2022 Amendments modified § 56-585.1:8 of the Code to establish separate provisions for each utility's Pilot Program. Additionally, in provisions specifically addressing Dominion's Pilot Program, the 2022 Amendments, *inter alia*: (i) permit excess generation from a municipal customer-generator's net metered facilities to be credited to accounts at leased utility-metered public buildings or facilities as well as those actually owned by the municipality; (ii) state that the duration of any Dominion Pilot Program approved by the Commission shall be until July 1, 2028; and (iii) require the Commission to review Dominion's Pilot Program in 2024 and every two years thereafter for the duration of the Pilot Program. The 2022 Amendments also direct the Commission to require Dominion to submit a Pilot Program proposal to the Commission in accordance with terms, conditions, and restrictions set forth in § 56-585.1:8 C of the Code.

Accordingly, on December 15, 2022, the Commission issued an Order Directing Submission of Pilot Program Proposal that, among other things, directed Dominion to submit a Pilot Program proposal by January 26, 2023; invited Commission Staff and other interested parties to submit comments on the Proposal by February 23, 2023; and permitted Dominion to file any response to the comments by March 16, 2023.

As directed, Dominion submitted Proposed Revised Guidelines for Municipal Excess Renewable Generation Pilot Program ("Revised Guidelines") on January 26, 2023. Comments on the Revised Guidelines were received from one entity, Appalachian Voices, on February 23, 2023. Dominion submitted a response to Appalachian Voices' comments on March 16, 2023.

NOW THE COMMISSION, in consideration of this matter, is of the opinion and finds that the Revised Guidelines should be approved as submitted by Dominion. We find additional changes to implement the 2022 Amendments are unnecessary at this time. Consistent with our prior Order Revising Guidelines, we will not require administrative costs to be reviewed by the Commission.⁸ The Commission further declines to expand on the current reporting requirements and does not find it necessary to address herein the Commission's 2024 review of Dominion's Pilot Program. Lastly, we direct the Company to continue to file the reports required by the Revised Guidelines in Case No. PUR-2019-00182.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Revised Guidelines attached to this Order to govern the Pilot Program, as discussed herein.
- (2) Dominion shall continue to file the reports required by the Revised Guidelines in Case No. PUR-2019-00182.
- (3) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Appendix A is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

⁶ *Id.* at 347.

⁷ Section XI of the Guidelines (Reports to the General Assembly) provides as follows: "The Utility shall submit a report to the General Assembly and contemporaneously provide a copy to the Commission by December 1 of each year the Pilot Program is in effect, commencing in 2020, regarding the status of the Pilot Program's enrollment and any other information the Utility deems appropriate...."

⁸ Order Revising Guidelines, 2020 S.C.C. Ann. Rept. at 348.

**CASE NO. PUR-2022-00212
JUNE 22, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval to modify Rider WWS and Rider REC

FINAL ORDER

On December 7, 2022, Appalachian Power Company ("Appalachian" or "Company"), pursuant to § 56-236 and § 56-577 A 5 ("Subsection A 5") of the Code of Virginia ("Code"), filed with the State Corporation Commission ("Commission") an application ("Application") for approval to modify the pricing applicable to its (1) Rider Wind, Water, and Sunlight ("Rider WWS"), a voluntary rider under which its customers can purchase "electric energy provided 100 percent from renewable energy" under Subsection A 5; and (2) Rider Renewable Energy Certificate ("Rider REC"), another optional rider that allows participating customers to offset their energy usage by purchasing low cost renewable energy certificates ("RECs").¹ Appalachian also proposed a methodology for making future changes to the pricing for these riders designed to continually align pricing with market costs through a semi-annual filing based on market information published on or near the first business day of each July and January.² Appalachian proposed that going forward, future price changes be implemented administratively after investigation by the Staff of the Commission ("Staff").³ The Application initially proposed price changes to become effective on July 1, 2023.⁴

On March 28, 2023, Appalachian filed an amended application ("Amended Application") to remove the request for the Commission to approve new charges for voluntary Rider WWS and voluntary Rider REC starting July 1, 2023.⁵ Instead, the Company requested that the Commission approve (i) its proposed methodology for updating the premiums applicable to the prices under Rider WWS and Rider REC, and (ii) certain proposed tariff changes to be effective January 1, 2024, which address the proposed methodology and provide an additional REC purchase option for Rider REC customers to allow participating customers to purchase RECs to cover a percentage of their load that complements the renewable portfolio standard ("RPS") percentage in effect.⁶

Under its proposal, the Company will file new premium calculations based on the methodology approved herein for both riders on or near the first day of February and August of each year using new market information for Staff's administrative review, after which the Company will provide notice to customers of the new rate and allow customers 30 days to disenroll from the voluntary programs before the new rate becomes effective on each January 1 and July 1 going forward.⁷ In support of the Amended Application, Appalachian stated that market costs for RECs that were used to calculate the original premiums for Rider REC and Rider WWS have changed significantly, as has Appalachian's resource mix.⁸

On January 25, 2023, the Commission issued an Order for Notice and Comment that, among other things, required the Company to publish notice of its Application; provided interested persons an opportunity to file comments, participate as a respondent, and request a hearing; and required Staff to investigate the Application and file a report ("Staff Report") containing its findings and recommendations.⁹ The Commission did not receive any notices of participation or requests for hearing. The Commission received one public comment on the Application.

The Staff Report was filed on April 14, 2023, in which Staff stated that it did not oppose the Company's proposal to update Rider REC and Rider WWS.¹⁰ While Staff took no position on whether the administrative review process proposed by the Company should be approved, the Staff Report sets out the following findings, and a recommendation, for the Commission's consideration of this proposed process:

¹ Application at 1.

² *Id.* at 1, 4.

³ *Id.*; Direct Testimony of Appalachian witness William K. Castle at 2.

⁴ Application at 3.

⁵ See Amended Application at 1; Amended Direct Testimony of Appalachian witness William K. Castle ("Castle Amended Direct") at summary page 1; compare Application at 3.

⁶ See Amended Application at 1-2, 4-5; Castle Amended Direct at 1, 4-6.

⁷ See Amended Application at 4-5; Castle Amended Direct at 6.

⁸ See Amended Application at 3 (citing *Application of Appalachian Power Company, For approval to implement a renewable energy rider, Rider R.E.C.*, Case No. PUR-2017-00160, 2018 S.C.C. Ann. Rept. 308, Final Order (Apr. 12, 2018); *Application of Appalachian Power Company, For approval of a 100% renewable energy rider pursuant to § 56-577 A 5 of the Code of Virginia*, Case No. PUR-2017-00179, 2019 S.C.C. Ann. Rept. 174, Final Order (Jan. 7, 2019).

⁹ An Extension Order was entered on April 5, 2023, modifying the procedural schedule in response to the filing of the Amended Application on March 28, 2023.

¹⁰ See Staff Report at 4-5, 10.

- Non-participating customers would continue to be held substantially harmless from Rider WWS operations and are not affected by Rider REC.
- Both respective riders represent voluntary tariff offerings whereby participants would be notified of premium changes and may opt-out prior to the implementation of new premiums under the Company's proposals in the instant case.
- The proposed premium calculations are reasonable and reflective of pertinent market data.
- The proposed tariff revisions appear to provide sufficient information by which Staff *could* review and accept REC premium updates administratively, if the Commission approves this approach.
- Other existing rate mechanisms for other Commission regulated utilities such as [Purchased Gas Adjustments] and [Power Cost Adjustment charges] provide for the administrative review and acceptance of rate adjustments when such changes are solely intended to align customer rates with underlying market costs.
- If the Commission approves the Company's proposed [administrative review process], Staff recommends that the Commission direct the Company to provide no less than 30 days' notice for participants to terminate their participation prior to new ... premiums taking effect and to provide Staff with no less than 60 days to evaluate and to administratively approve the semi-annual proposed premiums. This recommendation is intended to ensure sufficient time for Staff review, and sufficient opportunity for participants to opt-out if they so choose.¹¹

The Company filed its response to the Staff Report ("Response") on April 18, 2023, stating that it does not oppose any of Staff's findings or recommendations.¹² Appalachian restated that changed conditions necessitate a periodic update to the premium the Company charges under both Rider WWS and Rider REC so that Appalachian may continue to hold non-participating standard service customers harmless.¹³ Appalachian requested that the Commission approve the Amended Application's proposed tariff modifications to permit these updates to be implemented in an efficient manner and enter an order on this matter no later than June 30, 2023, to ensure the Company sufficient time to file the WWS and REC premium calculations with Staff by the August 1, 2023 date proposed in the Amended Application.¹⁴

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. As an initial matter, we approve the additional Rider REC option to allow customers to purchase RECs to cover a percentage of their load that complements the RPS percentage in effect. We further find that the proposed methodology for calculating these rider premiums based on updated market information is reasonable and should be approved.

Next, given the unique circumstances associated with Rider REC and Rider WWS, we find, based on the record developed herein, that since the administrative review process proposed by Appalachian consists of a simple formulaic methodology to be used to calculate premiums for Rider WWS and Rider REC upon the Company's submission of updated market information to Staff, we will allow the proposed administrative process for updates going forward.¹⁵ In order to provide sufficient opportunity for participants to opt-out if they choose, we further find that the Company be required to give participants a minimum of *45-days'* notice prior to new premiums taking effect, rather than Staff's recommended 30-days' notice. We also find that the Company shall provide Staff with no less than 60 days to evaluate and to administratively approve the semi-annual proposed premiums as discussed herein. Accordingly, we direct Appalachian to update its tariff language to reflect these directives.

Accordingly, IT IS ORDERED THAT:

(1) The Company's Amended Application is approved subject to the terms set forth herein.

(2) The Company forthwith shall file revised Rider REC and Rider WWS tariff pages and supporting workpapers with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

¹¹ *Id.* at 11.

¹² Response at 1.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ See Staff Report at 12 (sample premium calculation).

**CASE NO. PUR-2022-00213
JANUARY 18, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY AND DOMINION PRIVATIZATION VIRGINIA, LLC

For approval to enter into an Inventory Purchase and Sale Agreement under Chapter 4 of Title 56 of the Code of Virginia and request for expedited consideration

ORDER GRANTING APPROVAL

On December 14, 2022, Virginia Electric and Power Company¹ and Dominion Privatization Virginia, LLC² (collectively, "Applicants"),³ filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to the Affiliates Act to request approval of an Inventory Purchase and Sale Agreement ("Sharing Agreement") under which the Applicants can purchase and sell spare parts, equipment, and materials such as transformers, conduits, and poles (collectively, "Spare Part(s)") with each other for the operation and maintenance of their respective electric distribution systems (collectively, "Systems") on an as-needed basis. The Applicants further seek expedited consideration of the Application by or before January 17, 2023.

In July 2022, the Commission approved the transfer of the Privatization Assets in Virginia from DEV to DPV.⁴ The transfer is still in the federal government's novation process pending final approval. Currently, DEV Spare Part(s) are still available for use at the Virginia military installations on an as-needed basis, with any associated costs allocated appropriately to the federal customers. Following completion of the transfer, DEV and DPV will require an approved Sharing Agreement to continue exchanging Spare Part(s).

The Applicants represent that from time to time, DEV or DPV requires certain Spare Part(s) for their Systems. The Applicants state that, in the current environment, they may face equipment shortages or long lead times when seeking to acquire Spare Part(s) from third-party suppliers, which could jeopardize the reliable operation of the Systems. Accordingly, the Applicants seek to purchase or sell Spare Part(s) with each other on an as-needed basis to maintain the reliability of their respective Systems.

This Application is the fourth Sharing Agreement for Spare Part(s) that DEV has entered into since December 2021.⁵ The Applicants represent that recent shortages are primarily being caused by supply chain issues, increased demand, and maintaining aging infrastructure.⁶ The Company further represents that shortages of necessary materials, resource and labor shortages, and increased demand have led to longer lead times for the availability of equipment and materials.⁷ The Company represents that it has not formally compiled a comprehensive list of the occurrences of equipment shortages and/or delays but provided a list of some recent experiences in which it faced equipment shortages or delays. Specifically, the Company has clearly identified that pad-mounted transformers are in extremely short supply at this time. DEV states that the pad-mounted transformer shortage is projected to remain until at least the summer of 2024, if not longer.⁸ DEV states that the risk of unscheduled outages is not currently increasing, but the proposed Agreement may reduce and mitigate the risk of unscheduled outages as well as the length of any unscheduled outages in the future.⁹

The Applicants represent that any Spare Part(s) exchanges will be voluntary. DEV and DPV are not required to enter into transactions for the purchase and sale of the Spare Part(s).¹⁰ The Applicants represent that, consistent with other cases, DEV will continue to have priority over the use of its Spare Part(s).¹¹

¹ Virginia Electric and Power Company does business in Virginia as Dominion Energy Virginia ("DEV").

² DPV owns, operates, and maintains the electric distribution systems at eight Virginia military installations ("Privatization Assets").

³ The Applicants are commonly owned by Dominion Energy, Inc.

⁴ See *Application of Virginia Electric and Power Company, Dominion Privatization Holdings, Inc., and Dominion Privatization Virginia, LLC, For approval to enter into affiliate agreements and for authority to transfer assets under Chapters 4 and 5 of Title 56 of the Code of Virginia*, Case No. PUR-2022-00068, Doc. Con. Ctr. No. 220720076, Order Granting Approval (Jul. 18, 2022).

⁵ See *Application of Virginia Electric and Power Company and Solar Affiliates, For approval to enter into an Inventory Purchase and Sale Agreement under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2022-00181, Doc. Con. Ctr. No. 221130076, Order Granting Approval (Nov. 22, 2022) ("PUR-2022-00181 Order"); *Application of Virginia Electric and Power Company and Dominion Energy South Carolina, Inc., For approval of an affiliate transaction under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2022-00137, Doc. Con. Ctr. No. 220940075, Order Granting Approval (Sept. 30, 2022); *Application of Virginia Electric and Power Company and Dominion Privatization South Carolina, LLC, For approval to enter into an Inventory Purchase and Sale Agreement under Chapter 4, Title 56 of the Code of Virginia*, Case No. PUR-2021-00297, Doc. Con. Ctr. No. 220220084, Order Granting Approval (Feb. 10, 2022).

⁶ See Applicants' Response to Staff Data Request No. ("DR") 1-8, attached to Staff's Action Brief filed concurrently with this Order.

⁷ See Applicants' Response to DR 1-1.

⁸ See Applicants' Response to DR 1-2.

⁹ See Applicants' Response to DR 1-9.

¹⁰ See Application at 5.

¹¹ See PUR-2022-00181 Order at 2.

The Applicants further represent that the Spare Part(s) transaction will comply with the Commission's asymmetric pricing policy for transactions with unregulated affiliates. DEV Spare Part(s) purchases from DPV will be at the lower of net book value or market price on the date of the purchase. DEV Spare Part(s) sales to DPV will be at the higher of net book value or market price on the date of the sale. Net book value is defined as "equal to (i) the weighted inventory cost paid for the Spare Part, plus (ii) any freight, taxes, and overhead costs assignable to the inventory and included in the average inventory cost calculation."¹² Market price is defined as "available market price of such Spare Part."¹³ Upon consummation of a Spare Part(s) transaction, the purchaser assumes all liabilities, costs, fees, expenses and obligations arising out of the ownership, maintenance, storage, operation and use of the Spare Part(s),¹⁴ which includes loading and transporting the Spare Part(s). The Applicants represent that the current annual estimate of the dollar amount of Spare Part(s) that may be transferred under the Agreement is \$6,000,000, but this amount is expected to decrease as time progresses.¹⁵

The Applicants represent that the proposed Sharing Agreement will allow DEV and DPV to share Spare Part(s) in a reliable, cost-effective manner that is similar to other DEV-affiliate inventory sharing arrangements recently approved by the Commission.¹⁶

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through Staff's action brief and having considered the Applicant's comments thereon, is of the opinion and finds that the proposed Sharing Agreement is in the public interest and is approved subject to the requirements listed in the Appendix attached to this order which, among other things, subjects the Sharing Agreement approval to the completion of the asset transfer approved in Case No. PUR-2022-00068.

We make two specific findings. Consistent with our finding in the PUR-2022-00181 Order, we direct DEV to maintain records, available to Staff upon request, demonstrating that for each DEV sale of Spare Parts to DPV, it declined to exercise its priority for the Spare Part(s). We also direct DEV to submit semi-annual updates of Spare Part(s) shortages to the Commission's Divisions of Utility Accounting and Finance ("UAF") and Public Utility Regulation ("PUR") detailing the type and severity of such shortages and its plans to remediate such shortages, with such updates subject to future termination at the discretion of the Director of UAF ("UAF Director").

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to § 56-77 of the Code, the Applicants are granted approval of the Sharing Agreement subject to the requirements listed in the Appendix attached to this Order.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1) DEV shall maintain records, available to Staff upon request, demonstrating that for each DEV sale of Spare Part(s) to DPV, it declined to exercise priority for the Spare Part(s).

2) DEV shall submit semi-annual updates of Spare Part(s) shortages to the Commission's Divisions of UAF and PUR detailing the type and severity of such shortages and its plans to remediate such shortages, with such updates subject to future termination at the discretion of the UAF Director.

3) The Commission's approval shall be contingent upon and extend for five years from the completion of the asset transfer approved in Case No. PUR-2022-00068. If the Applicants wish to continue the Sharing Agreement beyond that date, separate approval should be required.

4) The Commission's approval shall have no accounting or ratemaking implications.

5) The Commission's approval shall be limited to the types and categories of Spare Part(s) identified for the approved Sharing Agreement. If the Applicants wish to share any Spare Part(s) not identified for the Sharing Agreement, separate approval shall be required.

6) DEV shall maintain records, available to Staff upon request, demonstrating that the transactions under the Sharing Agreement are cost-beneficial to Virginia ratepayers. If DEV purchases Spare Part(s) from DPV, the purchase price shall be the lower of net book value or market price on the date of the purchase. If DEV sells Spare Part(s) to DPV, the sales price shall be the higher of net book value or market price on the date of the sale. DEV shall bear the burden of proving, in any rate proceeding, that it complied with the pricing policy described above for Sharing Agreement transactions.

7) Separate Commission approval shall be required for any changes in the terms and conditions of the Sharing Agreement.

8) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 et seq. hereafter.

¹² See Application at 6.

¹³ *Id.*

¹⁴ See *id.* at 5.

¹⁵ See Applicants' Response to DR 1-5.

¹⁶ See Application at 7.

9) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by the Commission.

10) DEV shall file with the Commission an executed copy of the approved Sharing Agreement within sixty (60) days of the effective date of the order in this case, subject to administrative extension by the UAF Director.

11) DEV shall include all transactions associated with the approved Sharing Agreement in its Annual Report of Affiliate Transactions ("ARAT"), submitted to the UAF Director by May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall:

(a) List the Applicants and case number in which the Sharing Agreement was approved, and

(b) Include schedule(s) in Excel electronic media format, with formulas intact, listing the prior calendar year's Spare Part(s) transactions by month, type of Spare Part(s), FERC account, and dollar amount, as the transactions are recorded on DEV's books.

**CASE NO. PUR-2022-00214
FEBRUARY 16, 2023**

APPLICATION OF
FOREFRONT POWER, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On December 14, 2022, ForeFront Power, LLC ("ForeFront" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On January 17, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before January 20, 2023, and to file proof of service on or before January 27, 2023. On January 24, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before February 3, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before February 10, 2023. On February 10, 2023, Staff filed its Report.

The Procedural Order further provided that ForeFront may file any response to the Report on or before February 17, 2023. ForeFront filed a response on February 10, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that ForeFront's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) ForeFront is hereby granted license No. SS-26 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00215
FEBRUARY 3, 2023**

PETITION OF
SHENANDOAH VALLEY ELECTRIC COOPERATIVE

For approval of the sale of utility assets pursuant to Va. Code § 56-88, *et seq.*

ORDER GRANTING APPROVAL

On December 21, 2022, Shenandoah Valley Electric Cooperative ("SVEC" or "Petitioner") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),¹ requesting approval for SVEC to sell to O-N Minerals (Chemstone) Company d/b/a Carmeuse Lime and Stone ("Carmeuse") a one-third acre parcel of real estate ("Property") located in Frederick County, Virginia, together with all improvements and fixtures located thereon ("Transfer"). SVEC will retain: (1) a 40' Ingress/Egress Easement,² and (2) a 40' Utility Easement,³ to the Property (collectively, "Easements").

The negotiated purchase price for the Property is \$100,000. The Petitioner asserts that the Transfer of the Property to Carmeuse will neither impair nor jeopardize adequate service to SVEC's member owners at just and reasonable rates.⁴

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff through its action brief, is of the opinion and finds that the above-described Transfer and Easements should be approved subject to certain requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-88.1, the Petitioner hereby is granted approval of the Transfer subject to the requirements listed in the Appendix attached to this order.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Va. Code § 56-88 *et seq.* ("Utility Transfers Act").

² The Ingress/Egress Easement will allow access to the Utility Easement and be adequate for a roadway for light and heavy equipment to access the Property, and for the transportation of materials, equipment and personnel to rebuild or expand any facilities on the Property. SVEC will have the permanent right to maintain, improve, construct, reconstruct and operate any facilities, works and surface or subsurface improvements related thereto. *See* Petition at 2.

³ The Utility Easement includes the perpetual right to construct, reconstruct, operate and maintain within the Utility Easement, one or more electric transmission and pole lines and pole line systems. SVEC will have the right (1) to inspect and make such repairs, changes, alterations, improvements, removals from, substitutions and additions to its facilities; (2) to cut, trim and control, by machinery or otherwise, the growth of trees and shrubbery located within the Utility Easement; and (3) to keep the Utility Easement clear of all buildings, structures or other obstructions that interfere with or endanger the operations and maintenance of said line systems. *Id.* at 3.

⁴ *Id.* at 6.

APPENDIX

1) The Commission's approval shall have no accounting or ratemaking implications.

2) SVEC shall file with the Commission's Document Control Center a Report of Action ("Report") within 30 days after closing of the Transfer. The Report shall include: (a) the case number in which the Transfer was approved; (b) a description of the approved Transfer; (c) the date of the Transfer; and (d) the accounting journal entries for the Transfer (as they are recorded in SVEC's books).

**CASE NO. PUR-2022-00216
APRIL 10, 2023**

APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA d/b/a CENTURYLINK

For cancellation and reissuance of certificates of public convenience and necessity to reflect a company name change

ORDER REISSUING CERTIFICATES

On December 16, 2022, Central Telephone Company of Virginia d/b/a CenturyLink ("CenturyLink" or "Company") filed an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to CenturyLink be cancelled and reissued to reflect a company name change ("Application"). The Company submitted proof of its name change to BRIGHTSPEED OF VIRGINIA, LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the name of CenturyLink should be cancelled and reissued in the name of BRIGHTSPEED OF VIRGINIA, LLC.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2022-00216.
- (2) The certificates of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, heretofore issued to Central Telephone Company of Virginia d/b/a CenturyLink, are hereby cancelled and shall be reissued as set forth in Attachment A to this Order in the name of BRIGHTSPEED OF VIRGINIA, LLC.
- (3) The certificates of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, heretofore issued to Central Telephone Company of Virginia d/b/a CenturyLink, are hereby cancelled and shall be reissued as set forth in Attachment B to this Order in the name of BRIGHTSPEED OF VIRGINIA, LLC.
- (4) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of Central Telephone Company of Virginia d/b/a CenturyLink shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.
- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Attachment B is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. PUR-2022-00217
APRIL 10, 2023**

APPLICATION OF
UNITED TELEPHONE SOUTHEAST LLC d/b/a CENTURYLINK

For cancellation and reissuance of certificates of public convenience and necessity to reflect a company name change

ORDER REISSUING CERTIFICATES

On December 16, 2022, United Telephone Southeast LLC d/b/a CenturyLink ("Company") filed an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to the Company by the Commission¹ be cancelled and reissued to reflect a company name change ("Application"). The Company submitted proof of its name change to Brightspeed of Appalachia, LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the Company's name should be cancelled and reissued in the name of Brightspeed of Appalachia, LLC.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2022-00217.
- (2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-95d, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-95e in the name of Brightspeed of Appalachia, LLC.
- (3) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-96d, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-96e in the name of Brightspeed of Appalachia, LLC.
- (4) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-97e, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-97f in the name of Brightspeed of Appalachia, LLC.
- (5) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-98b, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-98c in the name of Brightspeed of Appalachia, LLC.

¹ See *Application of United Telephone-Southeast Inc, For cancellation of and reissuance of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect the company name change to United Telephone Southeast, LLC*, Case No. PUC-2007-00120, 2008 S.C.C. Ann. Rept. 271, Order Reissuing Certificates (Mar. 3, 2008).

(6) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-99c, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-99d in the name of Brightspeed of Appalachia, LLC.

(7) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-100c, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-100d in the name of Brightspeed of Appalachia, LLC.

(8) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-101f, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-101g in the name of Brightspeed of Appalachia, LLC.

(9) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-252d, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-252e in the name of Brightspeed of Appalachia, LLC.

(10) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-260a, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. T-260b in the name of Brightspeed of Appalachia, LLC.

(11) The certificate of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, Certificate No. TT-31B, heretofore issued to United Telephone Southeast LLC d/b/a CenturyLink, is hereby cancelled and shall be reissued as Certificate No. TT-31C in the name of Brightspeed of Appalachia, LLC.

12) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of United Telephone Southeast LLC d/b/a CenturyLink shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.

(13) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00218
FEBRUARY 1, 2023**

PETITION OF
VERIZON VIRGINIA LLC

Seeking a declaratory judgment for the payment/reimbursement of utility relocation costs against Capital Beltway Express, LLC and The Lane Construction Corporation

ORDER

On December 21, 2022, Verizon Virginia LLC ("Verizon") filed with the State Corporation Commission ("Commission") a petition ("Petition"), pursuant to 20 VAC 5-20-100 B and 20 VAC 5-20-100 C of the Commission's Rules of Practice and Procedure ("Rules of Practice"),¹ seeking "a declaratory judgment by the Commission that either Respondent Capital Beltway Express, LLC ("Capital Beltway") or Respondent The Lane Construction Corporation ("Lane Construction") has the statutory obligation under Code § 33.2-1815(B) to pay or otherwise reimburse Verizon for the forced relocation of certain utility facilities to accommodate a for-profit project being undertaken by Respondents under the Public-Private Transportation Act of 1995 ("PPTA"), Code §§ 33.2-1800 *et seq.*"²

On January 6, 2023, Capital Beltway and Lane Construction filed a Consent Motion to Extend Deadline to Respond to Petition ("Consent Motion") requesting an extension until January 26, 2023, to file responsive pleadings to the Petition. On January 11, 2023, the Commission granted the Consent Motion.

On January 26, 2023, Capital Beltway and Lane Construction each filed responsive pleadings.

On January 31, 2023, the Commonwealth of Virginia, Department of Transportation and Stephen C. Brich, Commissioner of Highways (jointly, "Commonwealth"), filed a Motion to Intervene in this matter.

NOW THE COMMISSION, upon consideration of this matter, finds as follows.

Among other things, the responsive pleadings of Capital Beltway and Lane Construction challenge the Commission's subject matter jurisdiction to hear this matter pursuant to Code § 33.2-1815 B.³ We find that Verizon should be directed to file a pleading addressing these challenges to the Commission's subject matter jurisdiction.

¹ 5 VAC 5-20-10 *et seq.*

² Petition at 1.

³ *See, e.g.*, Capital Beltway Answer at 5-9; Lane Construction Answer and Affirmative Defenses at 22.

We further find that the Commonwealth's Motion to Intervene should be granted.

Next, we will direct all parties to file a pleading addressing the provision of Code § 33.2-1815 B that requires the Commission to "make a determination within 90 days of notification by the private entity that the qualifying transportation facility will cross utilities subject to the Commission's jurisdiction." Specifically, parties should address the applicability of that provision, assuming the Commission has subject matter jurisdiction over this matter, and how that provision is to be implemented in this matter including when the 90 days begins to run or toll.

Finally, to promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct the electronic filing of pleadings, unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) All pleadings in this matter should be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice. Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

(2) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice, the Commission directs that service on parties and the Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and the Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

(3) On or before February 10, 2023, Verizon shall file a pleading addressing the subject matter jurisdiction of the Commission to hear this matter.

(4) The Commonwealth's Motion to Intervene is granted.

(5) On or before February 10, 2023, all parties shall file a pleading addressing the applicability of the provision of Code § 33.2-1815 B that requires the Commission to "make a determination within 90 days of notification by the private entity that the qualifying transportation facility will cross utilities subject to the Commission's jurisdiction" as set forth above.

(6) Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified herein, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Rules of Practice.

(7) This matter is continued.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2022-00218
FEBRUARY 23, 2023**

PETITION OF
VERIZON VIRGINIA LLC

Seeking a declaratory judgment for the payment/reimbursement of utility relocation costs against Capital Beltway Express, LLC and The Lane Construction Corporation

DISMISSAL ORDER

On December 21, 2022, Verizon Virginia LLC ("Verizon") filed with the State Corporation Commission ("Commission") a petition ("Petition"), pursuant to 20 VAC 5-20-100 B and 20 VAC 5-20-100 C of the Commission's Rules of Practice and Procedure ("Rules of Practice"),¹ seeking "a declaratory judgment by the Commission that either Respondent Capital Beltway Express, LLC ("Capital Beltway") or Respondent The Lane Construction Corporation ("Lane Construction") has the statutory obligation under Code § 33.2-1815(B) to pay or otherwise reimburse Verizon for the forced relocation of certain utility facilities to accommodate a for-profit project being undertaken by Respondents under the Public-Private Transportation Act of 1995 ("PPTA"), Code §§ 33.2-1800 *et seq.*"²

¹ 5 VAC 5-20-10 *et seq.*

² Petition at 1.

On January 6, 2023, Capital Beltway and Lane Construction filed a Consent Motion to Extend Deadline to Respond to Petition ("Consent Motion") requesting an extension until January 26, 2023, to file responsive pleadings to the Petition. On January 11, 2023, the Commission granted the Consent Motion.

On January 26, 2023, Capital Beltway and Lane Construction each filed responsive pleadings.

On January 31, 2023, the Commonwealth of Virginia, Department of Transportation, and Stephen C. Brich, Commissioner of Highways (jointly, "Commonwealth"), filed a Motion to Intervene in this matter.

On February 1, 2023, the Commission issued an Order that: (i) directed Verizon to file a pleading addressing challenges to the Commission's subject matter jurisdiction; (ii) granted the Commonwealth's Motion to Intervene (Commonwealth, together with Capital Beltway and Lane Construction, "Respondents"); and (iii) directed all parties to file a pleading addressing the applicability of the provision of Code § 33.2-1815 B that requires the Commission to "make a determination within 90 days of notification by the private entity that the qualifying transportation facility will cross utilities subject to the Commission's jurisdiction."³

On February 10, 2023, Verizon, Capital Beltway, Lane Construction, and the Commonwealth filed additional responsive pleadings.

NOW THE COMMISSION, in consideration of this matter, finds that the Commission lacks subject matter jurisdiction over this matter and that it should be dismissed.

Verizon's Petition requests that the Commission issue a declaratory judgment that either Capital Beltway or Lane Construction has the statutory obligation under Code § 33.2-1815 B to pay or otherwise reimburse Verizon for the forced relocation of certain utility facilities to accommodate a for-profit project being undertaken by Capital Beltway and Lane Construction under the PPTA.⁴ Verizon further "asks the Commission to issue a declaratory judgment that Capital Beltway or Lane Construction – whichever entity is ultimately responsible by agreement or contract to pay for utility relocation costs under the 495 Next Project – has the statutory obligation under Code § 33.2-1815(B) to pay or otherwise reimburse Verizon for the full amount of their utility relocation costs."⁵ Verizon asserts that "someone must pay the utility relocation costs of the 495 NEXT Project. Under the plain language of Code § 33.2-1815(B), that someone is either Capital Beltway or Lane Construction, but not Verizon."⁶

As the legal basis for the Commission's jurisdiction, Verizon cites to Code §§ 33.2-1815 and 33.2-1821 of the PPTA, and 5 VAC 5-20-100 C of the Commission's Rules of Practice, which addresses declaratory judgment filings at the Commission.

PPTA

Code § 33.2-1815 provides in pertinent part that:

B. Should the private entity and any such public service company, public utility, railroad, and cable television provider be unable to agree upon a plan for the crossing or relocation, the Commission may determine the manner in which the crossing or relocation is to be accomplished and any damages due arising out of the crossing or relocation. The Commission may employ expert engineers who shall examine the location and plans for such crossing or relocation, hear any objections and consider modifications, and make a recommendation to the Commission. In such a case, the cost of the experts is to be borne by the private entity. Any amount to be paid for such crossing, construction, moving, or relocation of facilities shall be paid for by the private entity or any other person contractually responsible therefor under the interim or comprehensive agreement or under any other contract, license, or permit. The Commission shall make a determination within 90 days of notification by the private entity that the qualifying transportation facility will cross utilities subject to the Commission's jurisdiction.

Code § 33.2-1821 further provides that "[t]he Commission shall have exclusive jurisdiction to adjudicate all matters specifically committed to its jurisdiction by this chapter."

The crux of Verizon's Petition is a request for the Commission to issue a declaratory judgment that either Capital Beltway or Lane Construction must pay Verizon the costs to relocate certain of its facilities required as a result of a project being undertaken pursuant to the PPTA. As quoted above, Code § 33.2-1815 B states as follows: "Should the private entity and any such public service company, public utility . . . be unable to agree upon a *plan* for the crossing or relocation, the Commission *may* determine the *manner* in which the crossing or relocation is to be accomplished and any damages due arising out of the crossing or relocation."⁷ Based on the plain language definitions of the broad terms "plan" and "manner," the Commission finds that this statutory directive – standing alone – could encompass questions regarding who pays for the relocation of facilities.⁸

³ Hereinafter "90-day Provision."

⁴ Petition at 1.

⁵ *Id.* at 3.

⁶ *Id.* at 9.

⁷ Emphasis added.

⁸ *See, e.g.*, Webster's Third New International Dictionary 1376, 1729 (2002) (defining "manner" as "2 a (2) : the mode or method in which something happens" and defining "plan" as "3 a : a method of achieving something").

This statutory directive, however, does not stand alone. To the contrary, a few sentences later in this same section, the General Assembly expressly included a specific provision governing the more narrow question of by whom any amount for relocation is paid: "Any amount to be paid for such crossing, construction, moving, or relocation of facilities shall be paid for by the private entity or any other person *contractually responsible* therefor under the interim or comprehensive agreement or under any other contract, license, or permit."⁹ Issues regarding by whom any amount for relocation is paid are governed by this latter, specific requirement speaking directly thereto.¹⁰ Notably, in stark contrast to the general statutory provision regarding a disputed plan and manner of relocation, nothing in this specific directive on payment conveys jurisdiction to the Commission to resolve disputes over who pays for such relocation.

Code § 33.2-1815 B explicitly contemplates that liability for such costs depends on the terms of contracts, licenses, or permits. In this regard, Verizon asserts at least two contractual reasons that it believes Capital Beltway or Lane Construction should be responsible for its facilities relocation costs:

- "According to the Comprehensive Agreement, as between Capital Beltway and VDOT, Capital Beltway is *contractually* responsible for paying all utility relocation costs for the 495 NEXT Project."¹¹
- "Lane Construction must pay the utility relocation costs to the extent it agreed, under a separate *contract* with Capital Beltway, to pay or otherwise reimburse Capital Beltway for such costs."¹²

As explained above, however, there is no directive in the statute permitting the Commission to determine who should pay under contract for the utility relocations complained of by Verizon. In addition, to exercise jurisdiction over this contractual matter would mark a significant departure from the Commission's traditional jurisdiction. "Nothing is better settled than that this Commission does not have jurisdiction to adjudicate and determine private rights or private contracts between public service corporations and individuals."¹³ The Supreme Court Virginia has "observed, '[t]o state the obvious, circuit courts have subject matter jurisdiction over contract disputes,' and exercise that authority '[u]nless ousted of jurisdiction by law.'"¹⁴

Next, we recognize that the sentence in Code § 33.2-1815 B granting the Commission authority over the "manner" of relocation also provides that the Commission "may determine ... any *damages* due arising out of the ... relocation."¹⁵ This provision on damages, however, is clearly distinct from the specific directive regarding who pays for the relocation of facilities. To the extent Verizon asserts that the definition of "damages" is broad enough also to encompass such issue, that assertion falls short for reasons of statutory construction similar to those discussed above regarding "plan" and "manner."¹⁶ In short, Verizon asks the Commission to determine who must pay relocation costs; the General Assembly, however, has expressly made that question a matter of contract.¹⁷

Respondents also suggest that Verizon's rights and responsibilities relating to the relocation of its facilities are governed by certain permits issued by VDOT.¹⁸ We find nothing in Code §§ 33.2-1815 or 33.2-1821 that conveys jurisdiction to the Commission to adjudicate issues arising under VDOT-issued land use permits.

⁹ Code § 33.2-1815 B (emphasis added).

¹⁰ See, e.g., *Appalachian Power Co. v. State Corp. Comm'n*, ___ Va. ___, ___, 876 S.E.2d 349, 363 (2022) ("What is true generally is true here: Where a statute includes a general provision with broad terms and a specific provision with narrow terms, the latter qualifies the former.") (citations omitted).

¹¹ Petition at 9.

¹² *Id.* Based on the foregoing, Verizon requests a declaratory judgment that "Capital Beltway or Lane Construction – whichever entity is ultimately responsible *by agreement or contract* to pay for utility relocation costs under the 495 NEXT Project – has the statutory obligation under Code § 33.2-1815 B to pay . . . for the full amount of their utility relocation costs." *Id.* at 3.

¹³ *City of Lynchburg v. Commonwealth, ex rel., C & O. Ry. Co. and Appalachian Power Co.*, 164 Va. 57, 63-64, 178 S.E. 769, 771 (1935).

¹⁴ *Ashland, LLC v. Virginia-American Water Co.*, ___ Va. ___, ___, 878 S.E.2d 378, 382 (2022) (quoting *Pure Presbyterian Church of Washington v. Grace of God Presbyterian Church*, 296 Va. 42, 56, 817 S.E.2d 547 (2018) and *Appalachian Power Co. v. John Stewart Walker, Inc.*, 214 Va. 524, 530, 201 S.E.2d 758 (1974)).

¹⁵ Emphasis added.

¹⁶ Moreover, when the General Assembly uses one term in a statute (e.g., "damages"), then different terms when dealing with similar subject matter (e.g., "any amount to be paid" and "be paid for by"), we must assume that the difference was intentional. See, e.g., *Zinone v. Lee's Crossing Homeowners Ass'n*, 282 Va. 330, 337, 714 S.E.2d 922, 925 (2011) ("Moreover, when the General Assembly has used specific language in one instance, but omits that language or uses different language when addressing a similar subject elsewhere in the Code, we must presume that the difference in the choice of language was intentional.") (citations omitted).

¹⁷ In addition, the General Assembly has not mandated that the Commission determine damages if the parties cannot reach agreement on a relocation plan (i.e., Code § 33.2-1815 B states that the Commission "may" determine any damages). In this particular instance, even if the term "damages" is deemed to give the Commission authority to rule on the Petition, the Commission exercises its statutory discretion not to rule thereon consistent with the rationale discussed above; the particular relief sought in this Petition has been made a matter of contract, license, or permit under the statute, and the Commission continues to find that such issues properly lie with the courts of the Commonwealth.

¹⁸ See, e.g., Commonwealth's Submission Regarding Va. Code § 33.2-1815(B) and Jurisdiction at 3; Capital Beltway Answer at 8; Lane Construction Answer and Affirmative Defenses at 2, 4.

We further find that Code § 33.2-1821 does not change this result. That section is notably limited to conveying exclusive jurisdiction to "matters specifically committed to the [Commission's] jurisdiction by this chapter."¹⁹ As previously set forth, the Commission does not find that Code § 33.2-1815 B commits the matters set forth in Verizon's Petition to the Commission's jurisdiction.²⁰

5 VAC 5-20-100 C

Rule 5 VAC 5-20-100 C permits parties to file a petition for declaratory judgment with the Commission under certain circumstances. This section, however, cannot create jurisdiction where it does not otherwise exist.

Having found no dispute over which the Commission may properly exert jurisdiction, we dismiss this matter.²¹ Such dismissal is necessarily without prejudice for any interested party subsequently to seek relief from the Commission on matters within its authority under the provisions of Code § 33.2-1815 B.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹⁹ Emphasis added.

²⁰ Verizon further suggests that it has a "statutory right to reimbursement under Code § 33.2-1701(16)." Verizon Brief on Subject Matter Jurisdiction at 12. Code § 33.2-1701(16) is not part of the PPTA, but rather the Transportation Development and Revenue Bond Act, and Verizon cites no grant of jurisdiction to the Commission in that Act.

²¹ Based on the instant Order, the Commission need not, and thus does not, reach the issue of the applicability of the 90-day Provision.

**CASE NO. PUR-2022-00219
FEBRUARY 8, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY and AEP WEST VIRGINIA TRANSMISSION COMPANY, INC.

For approval of an affiliate transaction pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On December 27, 2022, Appalachian Power Company ("Appalachian") and AEP West Virginia Transmission Company, Inc. ("WV Transco") (collectively, "Applicants") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") under Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ which requests approval to enter into an affiliate service agreement ("2023 Service Agreement").

The current service agreement ("Current Agreement") was previously approved for five-year terms in Case Nos. PUR-2018-00012² and PUE-2011-00125.³ The proposed 2023 Service Agreement, which is nearly identical to the Current Agreement, allows the Applicants to continue to exchange with each other specific services ("Services") such as consultation, analysis, advice, and other services relating to the operation, inspection, maintenance, construction, and emergency restoration of their electric transmission assets in West Virginia.⁴ The 2023 Service Agreement fills any gaps in the centralized services that American Electric Power Service Corporation provides to the Applicants.⁵ The Applicants will grant each other licenses ("Licenses") to attach to or occupy their facilities, equipment, and real property for the purpose of constructing, operating, maintaining, and removing the facilities and equipment.⁶ Since both Applicants are regulated public utilities, Services will be provided at cost.⁷

¹ Code § 56-76 *et seq.*

² See *Application of Appalachian Power Company and AEP West Virginia Transmission Company, Inc., For authority to enter into an affiliate transaction under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00012, 2018 S.C.C. Ann. Rept. 346, Order Granting Approval (Mar. 30, 2018).

³ See *Application of Appalachian Power Company, For authority to enter into affiliate transactions under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUE-2011-00125, 2013 S.C.C. Ann. Rept. 229, Order Granting Motion (Apr. 24, 2013).

⁴ Application at 3.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

The Applicants state that they have filed a petition for consent and approval to enter into the 2023 Service Agreement with the West Virginia Public Service Commission as of January 12, 2023.⁸

The Applicants assert that the 2023 Service Agreement is in the public interest because it helps with the efficient operation of Appalachian and WV Transco in the fulfillment of their public service obligations in West Virginia.⁹ The Applicants further state that the terms of the 2023 Service Agreement should not provide one Applicant with an undue advantage to the detriment of the other.¹⁰ The Applicants also assert that the 2023 Service Agreement facilitates a productive working relationship between the Applicants so that, as noted previously, they may fill any gaps in the centralized services that American Electric Power Service Corporation provides to the Applicants. The Applicants assert that these benefits will extend to Appalachian's customers.¹¹

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff ("Staff") through Staff's action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the 2023 Service Agreement is in the public interest and should be approved subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Applicants are hereby granted approval of the 2023 Service Agreement subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.
Commissioner Patricia L. West participated in this matter.

APPENDIX

1) The Commission's approval of the 2023 Service Agreement shall extend for five years from the effective date of the order in this case. If Appalachian wishes to continue under the 2023 Service Agreement beyond that date, separate approval shall be required. This five-year limitation does not apply to the Licenses.¹²

2) The Commission's approval shall have no accounting or ratemaking implications.

3) The Commission's approval shall be limited to the specific Services identified and described in the 2023 Service Agreement. If Appalachian wishes to provide or receive additional Services from WV Transco not specifically identified and described in the 2023 Service Agreement, separate approval shall be required.

4) The Services Appalachian provides to or receives from WV Transco under the 2023 Service Agreement shall be priced at cost. Appalachian shall bear the burden of proving, in any rate proceeding, that it charged WV Transco cost for Services provided and paid WV Transco cost for Services received under the approved 2023 Service Agreement.

5) The Commission's approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

6) Separate Commission approval shall be required for any changes in the terms and conditions of the 2023 Service Agreement.

7) The Commission shall reserve the right to examine the books and records of Appalachian and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

8) Appalachian shall file a signed and executed copy of the approved 2023 Service Agreement within 60 days after the effective date of the order granting approval in this case, subject to administrative extension by the Director of the Division of Utility Accounting and Finance ("UAF Director").

9) Appalachian shall include all transactions associated with the 2023 Service Agreement in its Annual Report of Affiliate Transactions ("ARAT") submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall:

- (a) List the latest case number in which the 2023 Service Agreement was approved;
- (b) List Appalachian, the affiliate(s), and the Services provided and received; and
- (c) Include schedule(s) in Excel electronic spreadsheet format with formulas intact, listing the prior year's Services provided and received by month, type of service, Federal Energy Regulatory Commission account, and dollar amount (as the transactions are recorded in Appalachian's books).

⁸ See Amended response to Item E.6 of Exhibit A to the Application.

⁹ Application at 3.

¹⁰ *Id.*

¹¹ *Id.*

¹² The Licenses, which have a remaining life of 45 years, permit each Applicant to access its equipment located on the other Applicant's property.

**CASE NO. PUR-2022-00220
APRIL 7, 2023**

APPLICATION OF
CENTURYTEL BROADBAND SERVICES, LLC

For cancellation and reissuance of certificates of public convenience and necessity to reflect a company name change

ORDER REISSUING CERTIFICATES

On December 28, 2022, CenturyTel Broadband Services, LLC ("Company") filed an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to the Company by the Commission¹ be cancelled and reissued to reflect a company name change ("Application"). The Company submitted proof of its name change to BRIGHTSPEED BROADBAND, LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the Company's name should be cancelled and reissued in the name of BRIGHTSPEED BROADBAND, LLC.

Accordingly, IT IS ORDERED THAT:

(1) This case is docketed and assigned Case No. PUR-2022-00220.

(2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-785, heretofore issued to CenturyTel Broadband Services, LLC, is hereby cancelled and shall be reissued as Certificate No. T-785a in the name of BRIGHTSPEED BROADBAND, LLC.

(3) The certificate of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, Certificate No. TT-317A, heretofore issued to CenturyTel Broadband Services, LLC, is hereby cancelled and shall be reissued as Certificate No. TT-317B in the name of BRIGHTSPEED BROADBAND, LLC.

(4) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of CenturyTel Broadband Services, LLC shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.

(5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ See *Application of CenturyTel Broadband Services, LLC, For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2021-00242, Doc. Con. Cen. No. 220126140, Final Order (Jan. 20, 2022).

**CASE NO. PUR-2022-00221
JANUARY 23, 2023**

APPLICATION OF
ATMOS ENERGY CORPORATION

For an Order Authorizing the Implementation of a Universal Shelf Registration for Senior Debt Securities and Common Stock

ORDER GRANTING AUTHORITY

On December 29, 2022, Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") under Chapter 3¹ of Title 56 of the Code of Virginia ("Code") requesting authority to implement with the Securities and Exchange Commission ("SEC") a new \$5 billion universal shelf registration ("Shelf Registration") to issue senior debt securities and common stock. The Shelf Registration would be effective for three years from the date of registration with the SEC. Atmos also requested authority to enter into financial derivative transactions in connection with any security issuances associated with the Shelf Registration. Finally, the Company requests that the remaining shelf authority granted in Case No. PUR-2021-00094 be terminated upon the approval of the Application. Atmos paid the requisite fee of \$250.

The requested authority is intended to provide financing for the refunding of debt as market conditions permit; for the purchase, acquisition and/or construction of additional properties and facilities, as well as improvements to the Company's existing utility plant; and for general corporate purposes.² Interest rates and debt maturities will be determined based upon market conditions at the time of issuance. With approximately \$1.4 billion of capacity remaining in the existing shelf registration, Atmos states that additional capacity is necessary to finance upcoming capital expenditures. Further, Atmos asserts that the financial derivative transactions will allow the Company to manage long-term interest costs.

¹ Code § 56-55 *et seq.*

² See, Application at 2.

NOW THE COMMISSION, upon consideration of the Application, and having been advised by the Commission's Staff, is of the opinion and finds that, subject to the requirements set forth in the Appendix attached hereto, approval of the authority requested in the Application will not be detrimental to the public interest. We further find that the authority granted in Case No. PUR-2021-00094 shall terminate on the effective date of the registration of the Shelf Registration and be superseded by the authority granted herein.

Accordingly, IT IS ORDERED THAT:

(1) Atmos is authorized to implement the new universal Shelf Registration and enter into financial derivative transactions as described in the Application and subject to the requirements set forth in the Appendix attached hereto.

(2) This case is continued.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1) Atmos shall be authorized to issue senior debt securities and/or common stock up to a maximum of \$5 billion from the effective date of the Shelf Registration with the SEC and ending three years from such effective date under the terms and conditions and for the purposes set forth in the Application.

2) Atmos shall be authorized to enter into financial derivative transactions from the effective date of the Shelf Registration under the terms and conditions and for the purposes set forth in the Application.

3) Atmos shall notify the Director of the Commission's Division of Utility Accounting and Finance within ten (10) days of the effective date of the Shelf Registration.

4) Atmos shall submit a preliminary report of action regarding the issuance of any securities pursuant to this Order directly to the Director of the Commission's Division of Utility Accounting and Finance within ten (10) days after the filing of its 10-K or 10-Q with the SEC, including as applicable: the date issued, type of security, gross amount of debt or stock issued, interest rate, maturity date, yield on a United States Treasury security of comparable maturity, market price and number of shares sold, net proceeds received by Atmos, and purpose of the issuance.

5) Atmos shall submit a preliminary report of action regarding the execution of financial derivative transactions directly to the Director of the Commission's Division of Utility Accounting and Finance within ten (10) days after the filing of its 10-K or 10-Q with the SEC including: the date, type of transaction, notional amount of the securities hedged, interest rate or index selected, and anticipated maturity date of the financial derivative transactions.

6) On or before February 28, 2023, February 28, 2024, and February 28, 2025, Atmos shall file with the Commission a detailed report of action with respect to all securities issued and financial derivative transactions entered into during the previous calendar year, including as applicable: issuance date, type of security or hedge, face or notional amount, interest rate, date of maturity, gross amount of stock sold including market price and number of shares sold, underwriters' names, underwriters' fees, other issuance expenses realized to date, net proceeds to Atmos, gain/loss on transaction, cumulative principal amount of securities issued under the authority granted herein and amount remaining to be issued.

7) Atmos shall file a final report of action within sixty (60) days after the expiration of the Shelf Registration, including all information required in Paragraph (6) above, a detailed account of all actual expenses and fees paid to date for each type of issuance, and a summary schedule for each hedging transaction executed or settled during the authorization period of this case.

8) The authority granted in this case shall have no accounting or ratemaking implications.

CASE NO. PUR-2023-00001 SEPTEMBER 7, 2023

PETITION OF
APPALACHIAN POWER COMPANY

For approval of its 2023 RPS Plan under § 56-585.5 of the Code of Virginia and related requests

FINAL ORDER

During its 2020 Session, the Virginia General Assembly enacted Chapters 1193 (HB 1526) and 1194 (SB 851) of the 2020 Virginia Acts of Assembly. These duplicate Acts of Assembly, known as the Virginia Clean Economy Act ("VCEA"), became effective on July 1, 2020. The VCEA, *inter alia*, establishes a mandatory renewable energy portfolio standard ("RPS") for Appalachian Power Company ("APCo" or "Company") in new § 56-585.5 of the Code of Virginia ("Code"). Subdivision D 4 of Code § 56-585.5 requires APCo to submit annually to the State Corporation Commission ("Commission") plans and petitions for approval of new solar and onshore wind generation capacity ("RPS Filing").

As in prior RPS cases, the Commission must determine whether the instant RPS Filing is reasonable and prudent, giving due consideration to the following factors: (i) the RPS and carbon dioxide reduction requirements in Code § 56-585.5; (ii) the promotion of new renewable generation and energy storage resources within the Commonwealth, and associated economic development; and (iii) fuel savings projected to be achieved by the plan.¹

¹ Code § 56-585.5 D 4.

The Commission's final order regarding any RPS Filing is required by Code § 56-585.5 D 4 to be entered not more than six months after the date of such filing.²

On March 15, 2023, APCo submitted its third annual RPS Filing to the Commission ("2023 RPS Filing" or "Petition"). Among other things, the 2023 RPS Filing requests that the Commission:³

- (i) Approve the Company's annual plan for the development of new solar, wind, and energy storage resources pursuant to Code § 56-585.5 D 4 in order to comply with the mandatory RPS established by the VCEA (the "2023 RPS Plan");
- (ii) Approve a revenue requirement of \$23,178,026 for the rate year of October 2023 through September 2024 ("Rate Year") to be recovered through the mechanisms and methodology approved by the Commission in Case No. PUR-2021-00206;⁴
- (iii) Determine that six new power purchase agreements ("PPAs") and one re-negotiated PPA with solar facilities, all except one located in Virginia, are prudent and can be added to the Company's RPS compliance portfolio; and
- (iv) Approve the future cost recovery related to the acquisition by APCo, pursuant to a Purchase and Sale Agreement, of one other renewable facility, which is not located in Virginia and will not be online during the Rate Year.

On April 4, 2023, the Commission issued an Order for Notice and Hearing, which established a procedural schedule; directed APCo to provide public notice of its 2023 RPS Filing; scheduled public witness and evidentiary hearings on the 2023 RPS Filing; provided interested persons an opportunity to file written comments on the Petition or participate as respondents in this proceeding; and directed the Staff to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon.

Timely notices of participation were filed by the Old Dominion Committee for Fair Utility Rates; Appalachian Voices; Sierra Club; Walmart Inc. ("Walmart"); the VML/VACo APCo Steering Committee; and the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel").

Staff filed testimony on June 6, 2023. APCo filed rebuttal testimony on June 13, 2023. The Commission also received written public comments in this proceeding from interested persons.

Because no public witnesses signed up to testify, the hearing to receive public witness testimony was not convened. A public evidentiary hearing was convened in the Commission's courtroom on June 28, 2023, to receive testimony and evidence offered by APCo, respondents and Staff on the Petition.

On July 31, 2023, Senior Hearing Examiner A. Ann Berkebile issued a report that analyzed the law, the evidence, and the arguments in this case and made detailed findings and recommendations ("Report"). The Report recommends that the Commission enter an order in this case that:⁵

- (1) **ADOPTS** the findings set forth above;
- (2) **APPROVES** the Company's 2023 RPS Plan;
- (3) **DIRECTS** the Company to accurately report in its initial RPS plan filings going forward, and model, the resource limitations imposed on its various portfolios, as well the other assumptions used in its modeling;
- (4) **DIRECTS** the Company to provide with its initial RPS plan filings going forward the net present value ("NPV") and levelized cost of energy ("LCOE") analyses performed using the base case assumptions from the modeling of the Company's RPS portfolios;
- (5) **DIRECTS** the Company to utilize forecasts no older than one year in its RPS plan modeling going forward;
- (6) **DIRECTS** the Company to utilize the same input assumptions as its uses for modeling its least-cost plan for achieving RPS Program compliance and proposed plan for achieving RPS Program compliance when modeling the retirements of the Amos and Mountaineer generating facilities as a means of providing an "apples to apples" comparison of portfolio costs going forward;
- (7) **DIRECTS** the Company to provide with its initial RPS plan filings information about the types of community outreach that has been undertaken by the Company and third-party developers, and steps that have been taken to address public concerns, in connection with proposed VCEA projects;

² On March 24, 2023, the Staff of the Commission ("Staff") filed a memorandum of completeness/incompleteness finding the Petition complete as of March 24, 2023, with the exception of certain waiver requests. As the Commission granted the waiver requests, the Final Order on the Company's Petition shall be entered within six months of March 24, 2023.

³ Petition at 1.

⁴ See *Petition of Appalachian Power Company, For approval of its 2021 RPS Plan under § 56-585.5 of the Code of Virginia and related requests*, Case No. PUR-2021-00206, Doc. Con. Cen. No. 220720045, Final Order on Petition and Associated Requests and Order Bifurcating Proceeding (July 15, 2022).

⁵ Report at 68-70.

- (8) **DIRECTS** the Company modify the terms of its requests for proposals ("RFPs") for REC-only purchases to provide for shorter contract terms;
- (9) **DIRECTS** that the Company had a 2021 REC RPS Program requirement of 852,742 and a 2022 REC RPS Program requirement of 1,019,833;
- (10) **DIRECTS** the Company to count 2021 and 2022 RECs from Rider WWS and Rider REC toward the Company's RPS Program requirements;
- (11) **DIRECTS** that the Company over-retired 127,380 RECs for 2021 and over-retired 189,948 for 2022, if the Commission concludes RECs from Rider WWS and Rider REC are appropriate to consider for RPS Program compliance;⁶
- (12) **AUTHORIZES** the Company to count its over-retired RECs towards its 2023 RPS Program requirement;
- (13) **APPROVES** the Green Acres Solar, Mountain Brook Solar, Pleasant Prairie Solar, River Trail Solar, Shifting Sands Solar, Sunny Rock Solar, and Horsepen Branch Solar PPAs inclusion in the Company's RPS compliance portfolio;
- (14) **GRANTS** the Company's request for the approval of future cost recovery associated with the Company's purchase of the Grover Hill wind facility in Ohio;
- (15) **DENIES** the Company's request for cost recovery associated with its Beech Ridge legacy wind PPA;
- (16) **APPROVES** a total Rate Year revenue requirement of \$16,373,821, consisting of an A.5 RPS RAC_{D&E} revenue requirement of \$1,055,258; an A.5 RPS RAC_F revenue requirement of \$13,578,554, an A.5 PCAP RAC revenue requirement of \$1,551,864; a RPS RAC_C revenue requirement of \$121,806; and an A.6 RPS RAC_E revenue requirement of \$66,339;⁷
- (17) **DENIES** the extraordinarily sensitive contracting proposal proffered by the Company.

On August 15, 2023, comments on the Report were filed by APCo, Appalachian Voices, Sierra Club, Walmart, Consumer Counsel, and Staff. Also on August 15, 2023, Virginia Electric and Power Company ("Dominion") filed a Motion for Leave to Intervene and Filed Limited Comments ("Motion") together with a Notice of Participation and Comments attached thereto. On August 17, 2023, the Commission issued an Order Inviting Responses and Reply that established dates by which responses and a reply to the Motion should be filed. Between August 18 and August 25, 2023, Staff, APCo, Consumer Counsel and Walmart filed responses to the Motion. On August 29, 2023, Dominion filed a reply.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.⁸

The Commission – as discussed in prior RPS orders – is guided in these matters by the statutes and the record. The Commission has continued to exercise its delegated discretion in a manner that faithfully implements the VCEA's carbon-reduction requirements, while best protecting consumers who expect and deserve reliable and affordable service.⁹ The Commission herein (among other things) approves:

- Six new PPAs totaling 184 megawatts ("MW");¹⁰
- One renegotiated PPA totaling 20 MW;¹¹ and
- Acquisition of an out-of-state wind facility totaling up to 146.2 MW.¹²

As set forth above, the Hearing Examiner's Report concludes with 17 well-structured recommendations for purposes of the instant RPS proceeding. Accordingly, the remainder of this Final Order addresses each enumerated recommendation, *seriatim*, as listed in the Report.¹³

⁶ In the alternative, if the Commission concludes 2021 and 2022 RECs from Rider WWS and Rider REC should not count toward the Company's RPS Program compliance, the Commission should direct that the Company over-retired 41,960 RECs for 2021 and 11,684 RECs for 2022.

⁷ In the alternative, if the Commission finds it appropriate to authorize APCo's cost recovery associated with the Beech Ridge legacy wind facility, the Commission should approve a total Rate Year revenue requirement of \$20,975,686, consisting of a revenue requirement of \$1,055,258 for the A.5 RPS RAC_{D&E}, a revenue requirement of \$17,241,825 for the A.5 RPS RAC_F; a revenue requirement of \$2,490,458 for the A.5 PCAP RAC, a revenue requirement of \$121,806 for the RPS RAC_C; and a revenue requirement of \$66,339 for the A.6 RPS RAC_E.

⁸ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁹ With respect to issues raised by participants not expressly addressed by the Commission herein, the Commission finds that resolution of such issues is not necessary for the decision in this proceeding, and the Commission hereby exercises its discretion not to address such for purposes of the instant order.

¹⁰ Ex. 21 (Stevens Direct) at 7-9.

¹¹ *Id.*

¹² The Company explained that the Grover Hill wind facility may be resized to 103.5 MW, thereby reducing the purchase price. Report at 61-62.

¹³ Unless otherwise noted, where the Commission herein adopts the Senior Hearing Examiner's recommendation, such is based on analysis and rationale therefor as set forth in the Report.

Recommendation 1

Except as otherwise modified herein the Commission adopts the findings and recommendations contained in the Report.

2023 RPS Plan*Recommendation 2*

The Commission finds that APCo's 2023 RPS Plan is reasonable and prudent based on the record of this case, giving due consideration to all factors required by Code § 56-585.5 D 4.

Recommendation 3

The Commission directs the Company to accurately report in its initial RPS plan filings going forward, and model the resource limitations imposed on its various portfolios, as well the other assumptions used in its modeling.

Recommendation 4

The Commission directs the Company to provide with its initial RPS plan filings going forward the NPV and LCOE analyses performed using the base case assumptions from the modeling of the Company's RPS portfolios.

Recommendation 5

The Commission directs the Company to utilize forecasts no older than one year in its RPS plan modeling going forward.

Recommendation 6

The Commission directs the Company to utilize the same input assumptions as it uses for modeling its least-cost plan for achieving RPS Program compliance and proposed plan for achieving RPS Program compliance when modeling the retirements of the Amos and Mountaineer generating facilities as a means of providing an "apples to apples" comparison of portfolio costs going forward.

Recommendation 7

The Commission directs the Company to provide with its initial RPS plan filings information about the types of community outreach that has been undertaken by the Company and third-party developers, and steps that have been taken to address public concerns, in connection with proposed VCEA projects.¹⁴

Requests for Proposal*Recommendation 8*

The Commission directs the Company modify the terms of its RFPs for REC-only purchases to provide for shorter contract terms. In this regard, the Company may select shorter contract terms of not less than five years.¹⁵

RPS Program Requirements*Recommendations 9 through 11*

The Senior Hearing Examiner recommended the Commission count 2021 and 2022 RECs from Rider WWS and Rider REC toward the Company's RPS Program requirements.¹⁶ APCo and Dominion disagree with this recommendation.¹⁷ Dominion requests the Commission find instead "that the benefit of RECs purchased and retired on behalf of 100 percent renewable energy customers is properly recognized by removing the 100 percent renewable customers' load from the calculation of 'total electric energy,' and thereby reducing the number of RECs required for RPS compliance."¹⁸

¹⁴ The Commission further finds that APCo should investigate using the Virginia Department of Environmental Quality's VA EJScreen + to obtain demographic information on the census block group level and either (i) use such screening tool in its next RPS Plan filing or (ii) report why use of such tool was not feasible. See Appalachian Voices Comments at 5-7.

¹⁵ APCo Comments at 1-2.

¹⁶ Report at 69.

¹⁷ The Commission has considered the responses and reply to Dominion's Motion. While the Commission does not generally permit intervention at this late stage of the proceeding, given the unique circumstances of this case, the Commission will grant the motion in this case in order to direct the filing of stand-alone proceeding as discussed herein.

¹⁸ Dominion Comments at 2. Dominion and APCo assert that an alternative approach of counting the RECs toward the RPS Program requirements would result in impermissible double-counting. Dominion Comments at 4; APCo Comments at 2-3.

Dominion states that this is consistent with its "proposed approach for recognizing shopping customers' RECs in determining its RPS compliance obligations and delivering a benefit to these customers."¹⁹

Two proposals have been presented in this case, (i) to count Rider WWS and Rider REC RECs towards APCo's RPS Program compliance, or (ii) to remove the 100 percent renewable customers' load from the calculation of "total electric energy," and thereby reducing the number of RECs required for RPS compliance. The Commission finds this issue warrants additional consideration as it relates to both customers taking service under the utilities' voluntary renewable tariffs and as to shopping customers purchasing renewable energy.²⁰ We direct herein APCo and Dominion to make a filing (either a joint filing or separate filings) in a new stand-alone docket addressing these issues and presenting specific proposals for approval. We further find such filing shall include a proposed mechanism for netting the benefits of such RECs.²¹ Further in this regard, we previously directed that Dominion file a mechanism for netting the benefits of shopping customer RECs, including applicable tariff language, in the Company's next Rider RPS proceeding.²² Upon further consideration, for purposes of judicial economy, we direct Dominion and APCo to file a proposed mechanism for netting the benefits of such shopping customers' RECs in the new docket directed herein.

Following the submission of the filing, the Commission will issue a subsequent order establishing a procedural schedule including an opportunity for interested persons or entities to participate in this matter and to submit public comments.

Recommendation 12

The Commission finds that APCo should be permitted to count any over-retired RECs towards future RPS Program requirements. Any issues related to the treatment of over-compliance, and with related RECs, may be addressed as needed through future RPS proceedings.

PPA Prudency Determinations

Recommendation 13

The Commission agrees with the Senior Hearing Examiner that APCo has demonstrated the prudence of six new solar PPAs (Green Acres Solar, Mountain Brook Solar, Pleasant Prairie Solar, River Trail Solar, Shifting Sands Solar, Sunny Rock Solar) and one renegotiated solar PPA (Horsepen Branch Solar) and approves these PPAs for inclusion in the Company's RPS compliance portfolio.

Future Cost Recovery of Grover Hill

Recommendation 14

The Commission grants the Company's request for approval of future cost recovery associated with the Company's purchase of the Grover Hill wind facility in Ohio.

Legacy Wind PPA

Recommendation 15

The Commission agrees with the Senior Hearing Examiner that the Company's request for cost recovery associated with the Beech Ridge legacy wind PPA should be denied. The Commission has previously denied approval to the Beech Ridge PPA on two occasions.²³ The record reflects in this case, among other things, the Beech Ridge PPA fails to produce a positive NPV under any of the analyses presented in this case – even when the social cost of carbon was incorporated into the modeling and even under Company witness Spaeth's Non-compliance REC Penalty NPV analysis.²⁴

Rider Recovery

Recommendation 16

¹⁹ Dominion Comments at 3.

²⁰ The Commission finds that APCo met the 2021 and 2022 RPS compliance obligation. We decline to make a determination of the precise number of RECs needed by APCo to comply with the RPS Program in 2021 and 2022 pending resolution of this issue.

²¹ Dominion, for example, states that it would "exempt 100 percent renewable energy customers from all or a portion of Rider RPS based on the number of eligible RECs." Dominion Comments at 6.

²² See *Petition of Virginia Electric and Power Company, For revision of a rate adjustment clause, designated Rider RPS, under § 56-585.1 A 5 d of the Code of Virginia for the Rate Year commencing September 1, 2023*, Case No. PUR-2022-00208, Doc. Con. Cen. No. 230760085, Final Order at 3-4 (July 31, 2023).

²³ The Commission denied cost recovery for purposes of the voluntary RPS in Case No. PUE-2009-00102 and denied cost recovery through the fuel factor in Case No. PUE-2009-00038. See *Application of Appalachian Power Company, For approval pursuant to Va. Code § 56-585.2 of purchase power agreements as part of its participation in the Virginia renewable energy portfolio standard program*, Case No. PUE-2009-00102, 2010 S.C.C. Ann. Rept. 395, Order Denying Application (June 2, 2010); *Application of Appalachian Power Company, To revise its fuel factor pursuant to Va. Code § 56-249.6*, Case No. PUE-2009-00038, 2009 S.C.C. Ann. Rept. 462, Order Establishing Fuel Factor (Aug. 3, 2009).

²⁴ Report at 64.

The Commission approves a total Rate Year revenue requirement of \$16,373,821, consisting of an A.5 RPS RAC_{D&E} revenue requirement of \$1,055,258; an A.5 RPS RAC_F revenue requirement of \$13,578,554, an A.5 PCAP RAC revenue requirement of \$1,551,864; an A.6 RPS RAC_C revenue requirement of \$121,806; and an A.6 RPS RAC_E revenue requirement of \$66,339.

Contracting Proposal

Recommendation 17

The Commission agrees with the Senior Hearing Examiner that the extraordinarily sensitive contracting proposal proffered by the Company should be denied.

Accordingly, IT IS ORDERED THAT:

- (1) The 2023 RPS Plan is approved as set forth herein.
- (2) The six new solar PPAs (Green Acres Solar, Mountain Brook Solar, Pleasant Prairie Solar, River Trail Solar, Shifting Sands Solar, Sunny Rock Solar) and one renegotiated solar PPA (Horsepen Branch Solar) are found to be prudent.
- (3) The Company forthwith shall file a revised tariff and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (4) A.5 RPS RAC_{D&E}, A.5 RPS RAC_F, A.5 PCAP RAC, A.6 RPS RAC_C and A.6 RPS RAC_E are approved as provided herein and may be effective for usage on and after October 1, 2023 or, at APCo's option, within 30 days of the date of this Order.
- (5) On or after March 15, 2024, the Company shall file its next RPS Filing and its application to revise A.5 RPS RAC_{D&E}, A.5 RPS RAC_F, A.5 PCAP RAC, A.6 RPS RAC_C and A.6 RPS RAC_E.
- (6) Subsequent RPS Filings must continue to comply with all prior Commission directives, as ordered in previous RPS proceedings, in addition to the requirements set forth herein.
- (7) Dominion's Motion is granted as set forth herein.
- (8) On or before January 16, 2024, APCo and Dominion shall make a filing, either jointly or separately, containing the proposed treatment of RECs associated with (i) customers taking service under each utilities' voluntary renewable tariffs and (ii) shopping customers purchasing 100 percent renewable energy, for purposes of RPS Program compliance. Such filing shall include any associated proposal for netting the benefits of such RECs, including applicable tariff language.
- (9) This case is dismissed.
Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00002
NOVEMBER 30, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For a 2023 triennial review of its base rates, terms and conditions pursuant to § 56-585.1 of the Code of Virginia

FINAL ORDER

On March 31, 2023, Appalachian Power Company ("APCo" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to § 56-585.1 A 3 of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings,¹ for a triennial review of the Company's rates, terms and conditions for the provision of generation, distribution and transmission services. In this Application, APCo requested approval to implement retail base generation and distribution rates designed to increase the Company's revenues approximately \$212.6 million over revenues from current base rates.² Pursuant to Code § 56-585.1 A 8, the "Commission's final order regarding such triennial review shall be entered not more than eight months after the date of filing."

On April 14, 2023, the Commission issued an Order for Notice and Hearing that, among other things, established a procedural schedule, including scheduling a public hearing on the Application; directed the Company to provide public notice of its Application; permitted interested persons to file comments on the Application or to participate in this proceeding as a respondent; and appointed a Hearing Examiner to conduct all further proceedings on behalf of the Commission.

¹ 20 VAC 5-204-10 *et seq.*

² See, e.g., Ex. 3 (Application) at 2, 8.

The following filed notices of intent to participate in this proceeding as a respondent: the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"); the Virginia Poverty Law Center ("VPLC"); Appalachian Voices; the Old Dominion Committee for Fair Utility Rates ("Committee"); Walmart Inc. ("Walmart"); the Virginia Municipal League and the Virginia Association of Counties APCo Steering Committee ("Steering Committee"); Steel Dynamics, Inc. ("SDI"); and the Kroger Co. ("Kroger").

On July 13, 2023, Appalachian Voices filed its direct testimony and exhibits. On July 14, 2023, VPLC, Walmart, Kroger, Committee, and Consumer Counsel filed direct testimony and exhibits. On July 28, 2023, the Staff of the Commission ("Staff") filed direct testimony and exhibits. APCo filed rebuttal testimony on August 11, 2023.

On August 22, 2023, a Motion to Accept Stipulation and Stipulation was filed by APCo, Staff, Appalachian Voices, Kroger, Committee, VPLC, Steering Committee, and Walmart (collectively, "Stipulating Participants").³ The Stipulating Participants advised that the Stipulation resolved all issues raised in this proceeding and that SDI did not oppose the Stipulation. During the evidentiary hearing, Consumer Counsel did not oppose the Stipulation.⁴ The Stipulating Participants requested that the Chief Hearing Examiner recommend that the Commission accept the Stipulation as a full and fair resolution of the issues in this proceeding.⁵

Among other agreements, the Stipulation provides for an annual revenue requirement increase of \$127.3 million.⁶ The Stipulating Participants noted that the increase agreed to in the Stipulation results in a \$16.03 increase to the monthly bill for a residential customer using 1,000 kilowatt-hours per month, rather than the \$25.03 increase proposed in the Company's Application.⁷

The hearing in this matter was convened as scheduled. On August 23, 2023, the Chief Hearing Examiner convened the telephonic public witness hearing. In addition, during the course of this proceeding, 52 written public comments were filed. On August 24, 2023, the Chief Hearing Examiner convened the evidentiary hearing, wherein the participants addressed the Stipulation and the Chief Hearing Examiner admitted evidence into the record. SDI was excused from attending the hearing, but all other parties and Staff participated in the evidentiary hearing.

On September 14, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was issued. Therein, the Chief Hearing Examiner made a finding that the Commission should approve the Stipulation, including:⁸

1. An annual revenue requirement increase of \$127.3 million;
2. An authorized return on equity of 9.50 percent to be applied prospectively as provided by statute;
3. Depreciation rates for Amos Units 1-3 based on a retirement date of 2040;
4. A severe weather event regulatory asset of \$49.6 million, amortized over a three-year period beginning with the implementation of new base rates;
5. Amortization of the COVID regulatory asset over a three-year period beginning with the implementation of new base rates;
6. Amortization of the SO₂ regulatory asset over a ten-year period beginning on January 1, 2023, to December 31, 2032;
7. Adoption of Staff's proposal for vegetation management, including the use of a regulatory asset/liability to address cost over- and under-runs, with the base starting point of approximately \$18.8 million annually;
8. Adoption of the capital structure recommended by Staff witness Hunt;⁹
9. The agreement that the revenue requirement includes the stand-alone net operating loss carryforward adjustments consistent with the testimony of Company witness Criss;
10. A federal corporate alternative minimum tax ("CAMT") of \$0 annually, with the ability to defer CAMT incurred above that, net of any CAMT tax credits utilized;
11. Adoption of the proposed low-income customer charge exemption and \$8.00 monthly residential customer charge;

³ Ex. 2 (Motion and Stipulation).

⁴ Tr. 60.

⁵ Ex. 2 (Motion) at 2.

⁶ Ex. 2 (Stipulation) at 1.

⁷ Ex. 2 (Motion) at 1-2.

⁸ Report at 154-156.

⁹ See Ex. 43 (Hunt Direct).

12. Percentage of Income Payment Program ("PIPP") customers will be eligible for the low-income customer charge exemption once the PIPP program is implemented, with the cost of the low-income customer charge exemption funded through a reallocation within the base rates to all classes;
13. The annual revenue requirement increase of \$127.3 million should be functionalized between generation and distribution service functions and apportioned to each customer class as shown in Attachment B to the Stipulation;
14. The Company's Rate Schedule GS rates should be designed as proposed in the testimony of Kroger witness Bieber,¹⁰ with three energy blocks scaled down to meet the revised revenue targets produced by Attachment B to the Stipulation;
15. Adoption of APCo's proposal to consolidate/eliminate Rate Schedule MGS as discussed in the direct testimony of Company witness Walsh;¹¹ and
16. Adoption of the modifications to the Company's Tariffs, Terms and Conditions of Service as outlined in paragraph 17 of the Stipulation.

APCo, Staff, Appalachian Voices, the Committee, Walmart, and VPLC each filed comments on the Report indicating support for the Stipulation and the Report. Consumer Counsel filed comments stating it did not oppose the Report's findings and its recommendation to adopt the Stipulation.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.¹²

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Chief Hearing Examiner recommended the Commission enter an order that:¹³

1. **ADOPTS** the findings set forth above;
2. **APPROVES** the Stipulation; and
3. **DISMISSES** this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Chief Hearing Examiner's finding numbers (1) – (10) and (13) – (16), above, are supported by the law and the evidence in the record, have a rational basis, and are adopted herein.¹⁴ In so concluding, with two exceptions discussed further below, the Commission approves the Stipulation as recommended by the Chief Hearing Examiner and agreed to by APCo, Staff, Appalachian Voices, Kroger, Committee, VPLC, Steering Committee, and Walmart, and which was unopposed by SDI and Consumer Counsel.

The two exceptions to the Chief Hearing Examiner's findings that the Commission does not adopt both concern APCo's proposal to exempt qualifying low-income residential customers from the monthly customer charge. Under the proposed Stipulation, the monthly customer charge for non-exempt residential customers would increase from approximately \$7.96 to \$8.00.¹⁵ The proposed exemption, by design, does not assess the same charge to all residential customers receiving the same service from the Company, as required by Code § 56-234 B, which states: "It shall be the duty of every public utility to charge uniformly therefor all persons, corporations or municipal corporations using such service under like conditions." Accordingly, the Commission is unable to approve this proposal as part of the instant Final Order.¹⁶

Further in this regard, the Commission is sensitive to the rising costs affecting all of APCo's customers, including APCo's low-income customers in particular. The Commission recognizes that the General Assembly has explicitly addressed rate relief for APCo's low-income customers by statute through the PIPP program.¹⁷ As such, the Commission directs APCo to assess whether the low-income customer charge exemption, or other forms of relief that would provide similar assistance, could be a component of its PIPP program, the cost of which is recovered from customers through a non-bypassable universal service fee pursuant to Code § 56-585.6.

¹⁰ See Ex. 28 (Bieber Direct).

¹¹ See Ex. 12 (Walsh Direct).

¹² The Commission has fully considered the evidence and arguments in the record. See also *Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹³ Report at 156 (emphases in original).

¹⁴ See, e.g., Report.

¹⁵ Ex. 2 (Stipulation) at 3; Ex. 53 (Walsh Rebuttal) at 5.

¹⁶ In this regard, we find that APCo's current residential customer charge of \$7.96 shall remain unchanged. APCo shall recalculate rates to reflect the disallowance of the proposed exemption.

¹⁷ See Code § 56-585.6.

Lastly, the Commission notes that APCo initially proposed a rate increase of approximately \$212.6 million. Under the Stipulation provisions approved by the Commission, the Commission approves a \$127.3 million rate increase. As noted above, the Commission is cognizant of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially where customers have seen significant increases in recent years. The Commission must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Chief Hearing Examiner's findings and recommendations, with the exception of adopting recommendation numbers (11) and (12) related to the proposed low-income customer charge exemption.
- (2) The Stipulation is hereby approved and adopted with the exception of the provisions related to the proposed low-income customer charge exemption.
- (3) The Company's Application is approved as provided herein.
- (4) APCo shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (5) In accordance with Code § 56-585.1 A 8 e, APCo's revised rates shall take effect 60 days from the date of this Final Order.
- (6) This case is dismissed. Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00003
OCTOBER 13, 2023**

APPLICATION OF
ROCKY FORD SOLAR ENERGY LLC

For certificates of public convenience and necessity for a solar generating facility and associated interconnection facilities

FINAL ORDER

On January 20, 2023, pursuant to Virginia Code ("Code") §§ 56-46.1, 56-265.2, and 56-580 D, and 20 VAC 5-302-10 and 20 VAC 5-302-25 of the Filing Requirements in Support of Applications for Authority to Construct and Operate an Electric Generating Facility, 20 VAC 5-302-10 *et seq.*, Rocky Ford Solar Energy LLC ("Rocky Ford" or "Company") filed an application and supporting documents ("Application") for certificates of public convenience and necessity ("CPCNs") with the State Corporation Commission ("Commission").

Through its Application, Rocky Ford seeks to construct, own, and operate in Henry County, Virginia: (i) a solar generating facility and associated facilities, lines, and equipment totaling up to 90 megawatts alternating current ("Solar Facilities"), together with a substation and other electrical facilities located on the Solar Facilities site by which solar power will be stepped up from 34.5 kilovolts ("kV") to 138 kV ("Collection Substation"); and (ii) a 138 kV overhead generation tie line and associated facilities ("Gen-Tie Line") extending from the Collection Substation to interconnect the Solar Facilities to the transmission grid at a point of interconnection with Appalachian Power Company's ("APCo") transmission facilities at APCo's Stockton Substation (collectively, "the Project").¹

On March 8, 2023, the Commission issued an Order for Notice and Hearing that, among other things: directed the Company to provide public notice of its Application; scheduled public witness and evidentiary hearings for the purpose of receiving testimony from public witnesses and evidence on the Application; provided interested persons an opportunity to file written comments on the Application or participate as respondents in this proceeding; directed the Commission's Staff ("Staff") to investigate the Application and file testimony with the results of the investigation; and assigned this case to a Hearing Examiner to conduct all further proceedings in this matter and to file a report.

No notices of participation were filed. Public comments were received on the Application.

Staff requested the Department of Environmental Quality ("DEQ") to coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review. On April 13, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ.² The DEQ Report provides general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contains the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:³

¹ Ex. 2 (Application) at 1.

² See Ex. 8 (DEQ Report).

³ *Id.* at 5-6. While the introduction of this summary references electric transmission facilities, the DEQ Report addresses the various components of the Project.

- Conduct an on-site delineation of wetlands and streams within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams.
- Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels.
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable.
- Develop and implement an invasive species management plan and the planting of Virginia native pollinator plant species that bloom throughout the spring and summer, to maximize benefits to native pollinators. Coordinate with the Department of Conservation and Recreation ("DCR") on the components and adequacy of the plan, as needed.
- Coordinate with DCR on a plan to minimize the fragmentation of ecological cores at identified sites.
- Coordinate with DCR for updates to the biotics data system database (if the scope of the Project changes or six months passes before the Project is implemented).
- Coordinate with the Department of Wildlife Resources ("DWR") regarding the design of wildlife corridors to ensure the safe passage of the resource.
- Coordinate with the U.S. Fish and Wildlife Service regarding the Northern long-eared bat as a result of the March 31, 2023, up-lifting of its federal status from threatened to endangered.
- Coordinate with the Virginia Outdoors Foundation if the project area changes or if the Project does not begin within 24 months.
- Coordinate with the Department of Forestry ("DOF") on its recommendations for the protection of forest resources.
- Employ best management practices and spill prevention and control countermeasures as appropriate for the protection of water supply sources.
- Follow the principles and practices of pollution prevention to the extent practicable.
- Limit the use of pesticides and herbicides to the extent practicable.

Staff filed testimony on May 31, 2023. The Company filed rebuttal testimony on June 14 and June 15, 2023, and filed rebuttal exhibits on June 16, 2023. On June 23, 2023, DCR filed comments in response to Rocky Ford's rebuttal testimony and in supplement to comments included in the DEQ Report.⁴ On June 27, 2023, Rocky Ford filed a Motion for Leave to File Supplemental Rebuttal Testimony, accompanied by pre-filed supplemental rebuttal testimony and attached exhibits ("Supplemental Rebuttal Motion"). The Supplemental Rebuttal Motion was subsequently granted by the Hearing Examiner. On June 28, 2023, DOF filed comments supplementing those included in the DEQ Report.⁵

The public witness component of the hearing, which was scheduled to convene on June 28, 2023, was cancelled after no one signed up to testify.⁶ On June 29, 2023, the Hearing Examiner convened an evidentiary hearing to receive testimony and evidence on the Application. Rocky Ford and Staff participated in the hearing.

On August 8, 2023, the Hearing Examiner issued the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report"). The Report contained the following findings:⁷

- (1) The record supports a finding that the Project proposed by Rocky Ford will have no material adverse effect upon reliability of electric service, provided that Rocky Ford obtains and files an executed Interconnection Service Agreement indicating no unaddressed projected adverse impacts on electric system reliability;
- (2) The Project is not contrary to the public interest;
- (3) The proposed Gen-Tie Line's route – which would be constructed across property for which Rocky Ford obtained interests from voluntary owners – will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, recorded historic resources, and environment of the area concerned;
- (4) The Commission should direct Staff to consider whether its Guidelines for Transmission Line Applications Filed Under Title 56 of the Code of Virginia should be modified to ensure that a non-incumbent's planning of transmission line infrastructure needed to interconnect new generation considers existing right-of-way;

⁴ Ex. 9.

⁵ Ex. 10.

⁶ Tr. 6.

⁷ Report at 37-39.

- (5) As a condition of Commission approval, any Gen-Tie Line structures that sound engineering requires to be steel, rather than wood, should be constructed using weathering steel;
- (6) As a condition of Commission approval, Rocky Ford should be required to obtain all necessary permits and approvals for its Project;
- (7) As a condition of Commission approval, Rocky Ford should be required to comply with the uncontested recommendations of the DEQ Report, except for the DCR recommendations addressing matters that the anti-duplication provisions of Code §§ 56-580 D and 56-46.1 A prohibit the Commission from imposing as a condition of approval. However, Rocky Ford should be encouraged to honor its commitment to DCR to the extent it is not inconsistent with local requirements;
- (8) As a condition of Commission approval, Rocky Ford should be required to consult with DCR for updates to the biotics data system database only if: (a) there are material changes to the scope of the Project or (b) 12 months from the date of the Commission's Final Order pass before construction commences on the Project;
- (9) Rocky Ford should not be required to coordinate with DCR on a plan to minimize fragmentation of ecological cores at the Project site;
- (10) Rocky Ford should not be required to compensate for unavoidable clearance of forestland;
- (11) Rocky Ford should not be required to adhere to DWR's Solar Energy Facility Guidance.⁸ However, Rocky Ford should be encouraged to adhere to this guidance document, to the extent practicable;
- (12) Given the magnitude of the Gen-Tie Line and its proximity to some residences, Rocky Ford should not deviate from the route used for construction of the Gen-Tie Line absent further approval by the Commission. Such further approval could be requested: (a) by a new application in a new Commission proceeding; or (b) in the instant proceeding, if Rocky Ford requests, and the Commission decides, to keep this proceeding open;
- (13) A reasonably calibrated sunset provision is a modest step the Commission can take to support the construction and operation of the type of facilities that are needed to put downward pressure on the price of renewable energy certificates. Based on the record of the instant case, a five-year sunset provision would be inconsistent with milestones PJM Interconnection, LLC ("PJM") included in the Project's interconnection agreement(s). A three-year sunset provision, which could be extended for good cause shown, provides more time to address supply chain challenges and begin construction than would a two-year sunset provision;
- (14) The Project will likely support economic development; and
- (15) Rocky Ford's Application reasonably considered the requirements of the Virginia Environmental Justice Act and the Project will not have a disproportionate adverse impact on economically disadvantaged or minority communities.

Staff and Rocky Ford filed comments on the Report on August 24 and 29, 2023, respectively. In addition, on September 28, 2023, Rocky Ford filed an update letter with copies of the Interconnection Service Agreement and Interconnection Construction Service Agreement executed by Rocky Ford, PJM, and Appalachian Power Company.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:⁹

Accordingly, I RECOMMEND THAT the Commission enter an order that:

- (1) *ADOPTS* the findings and recommendations in this Report;
- (2) *GRANTS* generation, transmission, and distribution CPCNs for the generation and associated facilities proposed by Rocky Ford;
- (3) *CONDITIONS* approval of the CPCNs on: (i) Rocky Ford filing an executed Interconnection Service Agreement indicating no unaddressed projected adverse impacts on electric system reliability; (ii) Rocky Ford's compliance with the uncontested recommendations in the DEQ Report, except for the DCR recommendations addressing matters that the anti-duplication provisions of Code §§ 56-580 D and 56-46.1 A prohibit the Commission from imposing as a condition of approval; (iii) Rocky Ford's compliance with its revised recommendation regarding updates to the biotics data system database; (iv) Rocky Ford obtaining all environmental permits and approvals that are necessary to construct and operate the Project; and (v) expiration of the CPCNs if construction of the Project has not commenced within three years of the Commission's order, unless extended by the Commission;

⁸ Ex. 11.

⁹ Report at 39-40.

- (4) *CONDITIONS* approval of the transmission CPCN for the Gen-Tie Line on: (i) the construction of the proposed Solar Facilities; and (ii) the use of wood structures or, if required by engineering, weathering steel structures;
- (5) *DOES NOT ADOPT* DCR's recommendation to minimize fragmentation of ecological cores, DOF's recommendation to compensate for unavoidable clearance of forestland, or DWR's recommendation to adhere to DWR's Solar Energy Facility Guidance;
- (6) *ENCOURAGES* Rocky Ford to: (i) adhere to the site development and operation information available in DWR's Solar Energy Facility Guidance, to the extent practicable; and (ii) honor its commitment to DCR to the extent it is not inconsistent with local requirements;
- (7) *DIRECTS* Staff to consider whether its Guidelines for Transmission Line Applications Filed Under Title 56 of the Code of Virginia should be modified to ensure that a non-incumbent's planning of transmission line infrastructure needed to interconnect new generation considers existing right-of-way; and
- (8) *CLOSES* this case, unless Rocky Ford requests this case be kept open for the limited purpose of considering any potential route deviation that may be necessitated by permitting and that is not significantly different from the proposed route.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and the evidence and have a rational basis. Rocky Ford, however, asks the Commission to modify three of the Hearing Examiner's findings and recommendations. These three modifications are discussed below, *seriatim*.

First, Rocky Ford requests the Commission require the Company to file for an amended CPCN only for a "substantial deviation" to the route of the Gen-Tie Line.¹⁰ As proposed, the Gen-Tie Line is a 138 kV transmission line, 3.5 miles in length, on structures as tall as 120 feet.¹¹ The record also reflects that some residences are within 250 feet of the centerline of the proposed route.¹² The Hearing Examiner states that "[g]iven the magnitude of the Gen-Tie Line and its proximity to some residences, I do not recommend that the Commission allow the route approved in this case to change without further Commission approval."¹³ Rocky Ford, however, states that it "is still conducting final engineering for the Gen-Tie Line" and requests the Commission "allow Rocky Ford to construct the Gen-Tie Line without returning to the Commission for approval of minor deviations to the approved route of the line."¹⁴ In this regard, Staff testified that an amended CPCN may be necessary for alterations to the route of the Gen-Tie Line given that the Company has already acquired control of the land required for the Gen-Tie Line from private landowners. Staff testified specifically that, "as an example, the [S]taff believes that an alteration requiring new easements or right-of-way outside the already required land would constitute a change of the proposed route."¹⁵

The Commission adopts the recommendation of the Hearing Examiner as set forth in the Report. The Commission further finds that based upon the circumstances in this case, slight changes to the Gen-Tie Line based on engineering considerations are permissible without a new application to the Commission, provided they are limited in nature and do not require new easements or rights-of-way.

Second, Rocky Ford requests a change to the proposed sunset provision under which the CPCNs issued herein would expire if construction does not commence within a specified number of years. Specifically, Rocky Ford requests the sunset provision be five years rather than three years as recommended by the Hearing Examiner. Among other things, Rocky Ford asserts that a five-year sunset provision is appropriate due to recent PJM delays as well as supply chain delays and risks.¹⁶ Based on the facts and circumstances of this case, the Commission finds that a five-year sunset provision is appropriate in this case.

Finally, Rocky Ford takes issue with the Hearing Examiner's recommendations that:

[T]he Commission condition approval of a CPCN for the Gen-Tie Line on Rocky Ford using wood structures . . . unless engineering requires steel for turning structures. . . . I further recommend that, if engineering requires any of the Gen-Tie Line's structures to be steel, any such structures should be weathering steel. Compared to galvanized steel, weathering steel would resemble the Gen-Tie Line's wooden structures more closely and blend better with the forest backdrop for most of the route.¹⁷

¹⁰ Rocky Ford's Comments and Exceptions to the Report of Mathias D. Roussy, Jr., Hearing Examiner ("Rocky Ford Comments") at 2-8.

¹¹ Report at 33.

¹² *Id.*

¹³ *Id.* at 33-34, 38.

¹⁴ Rocky Ford Comments at 5-6.

¹⁵ Tr. 58-59.

¹⁶ Rocky Ford Comments at 12-14.

¹⁷ Report at 24, 38.

Rocky Ford states that "final design and engineering of the Gen-Tie Line are not complete at this time" and "[b]ecause of the steep terrain of the Gen-Tie Line corridor and the current land use of planted timber in most of the corridor, the use of steel poles rather than wood poles may be the Company's preferred material based on final design and engineering."¹⁸ Rocky Ford notes that "[s]teel poles can be transported in segments and assembled on site, which would allow the Company to use smaller transport vehicles and provide more flexibility regarding access routes."¹⁹ Notwithstanding, "[d]ue to current supply chain issues, the procurement of steel poles may be difficult, in which case the Company would appreciate the optionality of using wood poles (or the combination of wood and steel poles)."²⁰ "If the Company constructs the Gen-Tie Line using steel poles, Rocky Ford agrees to use weathering steel, as the Hearing Examiner recommended."²¹

In regard to the structure material, the Commission will not require the Company to use wood structures based on the facts and circumstances of this case; however, should the Company use steel structures, the Commission directs them to be constructed of a weathering steel material to minimize visual impacts.

Except as otherwise provided herein, the Commission adopts the findings and recommendations of the Hearing Examiner.²²

Accordingly, IT IS ORDERED THAT:

- (1) Except as modified herein, the Commission adopts the Hearing Examiner's findings and recommendations.
- (2) The Hearing Examiner's recommendations, except as modified herein, are hereby ordered.
- (3) Subject to the findings and requirements set forth above, Rocky Ford is granted the CPCNs as follows:
 - (a) Rocky Ford Solar Energy LLC: Generation Certificate No. EG-RKYFD-HRY-2023-A
 - (b) Rocky Ford Solar Energy LLC: Transmission Certificate No. ET-RKYFD-HRY-2023-A
 - (c) Rocky Ford Solar Energy LLC: Distribution Certificate No. ED-RKYFD-HRY-2023-A

(4) The Company shall forthwith work with Staff to file electronic maps of the Project for certification. The electronic maps shall include the boundaries of the Project; the utility point of interconnection; county designations; geographic identifiers (road names, waterways, etc.); and the Global Positioning System coordinates of the Project. The electronic maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, by email at mike.cizenski@sec.virginia.gov.

(5) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹⁸ Rocky Ford Comments at 15.

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*

²² The Commission notes that on September 28, 2023, Rocky Ford filed a copy of its Interconnection Service Agreement with PJM and Appalachian Power Company, which was executed on September 25, 2023.

**CASE NO. PUR-2023-00004
MAY 2, 2023**

APPLICATION OF
CENTRAL VIRGINIA SERVICES, INC.

For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia

FINAL ORDER

On January 24, 2023, Central Virginia Services, Inc. d/b/a Firefly Fiber Broadband ("Firefly" or "Company"), completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a certificate of public convenience and necessity ("Certificate") to provide local exchange telecommunications services in the Commonwealth of Virginia. The Company also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.

On February 16, 2023, the Commission issued an Order for Notice and Comment ("Scheduling Order") that, among other things, directed Firefly to provide notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to conduct an investigation of the Application and file a report ("Staff Report"). On March 29, 2023, the Company filed proof of notice and proof of service in accordance with the Scheduling Order. No comments or requests for hearing on the Company's Application were filed.

On April 14, 2023, Staff filed its Staff Report concluding that the Company's Application is in compliance with the Rules Governing the Certification and Regulation of Competitive Local Exchange Carriers ("Local Rules"), 20 VAC 5-417-10 *et seq.* Based upon its review of the Company's Application, Staff determined that it would be appropriate to grant a Certificate to Firefly subject to the following condition: Firefly should notify the Division of Public Utility Regulation no less than 30 days prior to the cancellation or lapse of its bond and should provide a replacement bond at that time. Staff recommended that this requirement be maintained until the Commission determines it is no longer necessary.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that it should grant a Certificate to Firefly. Further, the Commission finds that the Company's Motion is moot; therefore, the Motion should be denied.¹

Accordingly, IT IS ORDERED THAT:

(1) Firefly is hereby granted Certificate No. T-801 to provide local exchange telecommunications services subject to the restrictions set forth in the Local Rules, Code § 56-265.4:4, and the provisions of this Final Order.

(2) Prior to providing telecommunications services pursuant to the Certificate granted by this Final Order, the Company shall provide tariffs to the Division of Public Utility Regulation that conform to all applicable Commission rules and regulations. If Firefly elects to provide retail services on a non-tariffed basis, it shall provide written notification pursuant to Local Rule 20 VAC 5-417-50 A.

(3) Firefly shall notify the Division of Public Utility Regulation no less than thirty (30) days prior to the cancellation or lapse of its bond and shall provide a replacement bond at that time. This requirement shall be maintained until such time as the Commission determines it is no longer necessary.

(4) The Company's Motion is denied; however, the Commission directs the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ The Commission has not received a request to review the information that the Company designated confidential. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

**CASE NO. PUR-2023-00005
SEPTEMBER 11, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations pursuant to § 56-585.1 A 5 e of the Code of Virginia

FINAL ORDER

On January 24, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to § 56-585.1 A 5 e of the Code of Virginia ("Code"), for an annual update of its rate adjustment clause, designated Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations at the Company's Chesterfield and Mt. Storm Power Stations.¹

Dominion states that it is filing this annual update to inform the Commission of the status of the environmental projects located at the Mt. Storm Power Station and Chesterfield Power Station, and their projected expenditures.² The Company is also seeking Commission approval of a new project at Mt. Storm Power Station, the Lake Discharge Temperature Control System Project ("LDTCS Project").³ According to the Company, the LDTCS Project is necessary to comply with Mt. Storm's National Pollutant Discharge Elimination System permit and the West Virginia Department of Environmental Protection's Requirements Governing Water Quality Standards, which set water temperature differential limitations implicated by the Company's operations at Mt. Storm and required a temperature control system to be in place and operational by October 31, 2022.⁴

¹ Ex. 2 (Petition) at 1.

² *Id.* at 4.

³ *Id.* at 7.

⁴ *Id.*

In this proceeding, Dominion is asking the Commission to approve Rider E for the rate year beginning November 1, 2023, and ending October 31, 2024 ("2023 Rate Year").⁵ In its Petition, the Company sought recovery of a total combined revenue requirement of \$109,070,000 for service rendered during the 2023 Rate Year.⁶

On February 21, 2023, the Commission issued an Order for Notice and Hearing in this case that, among other things, docketed the Petition; scheduled public witness and evidentiary hearings on the Petition; required Dominion to publish notice of its Petition; gave interested persons the opportunity to file written comments or participate in this proceeding as a respondent; and appointed a Hearing Examiner to conduct further proceedings in this matter on behalf of the Commission.

Notices of participation were filed by the Sierra Club, the Virginia Committee for Fair Utility Rates, and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"). The Sierra Club filed the testimony of two witnesses on May 23, 2023. Commission Staff ("Staff") filed the testimony of three witnesses on June 6, 2023. On June 20, 2023, Dominion filed rebuttal testimony. The Commission received public comments regarding the Petition on March 13, 2023, and May 24, 2023.

A telephonic hearing for the receipt of testimony from public witnesses was scheduled for July 11, 2023, but was canceled because no public witness signed up to testify. The evidentiary hearing was convened on July 12, 2023. The Company, the Sierra Club, Consumer Counsel, and Staff participated at the hearing.

On August 1, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report") was filed. In the Report, the Chief Hearing Examiner made the following findings:

- (1) The record supports a total updated Rider E revenue requirement of \$109,069,000; comprised of a Projected Cost Recovery Factor of \$57,087,000, an AFUDC Cost Recovery Factor of \$691,000, and an Actual Cost True-Up Factor of \$51,291,000;
- (2) The Company established the reasonableness and prudence of pursuing the LDTCS Project, including the Temporary System and the Permanent System;
- (3) The Petition provides cost transparency appropriate for a Rider E proceeding; and
- (4) The updated Rider E rates should be designed to recover the approved revenue requirement based on the allocation and rate design methodology supported by Company witness Lawson.⁷

The Chief Hearing Examiner recommended the Commission issue an order that adopts the Report's findings, approves the Company's Petition, and dismisses the case.⁸

On August 22, 2023, Dominion, the Sierra Club, Consumer Counsel, and Staff each filed comments regarding the findings and recommendations set forth in the Report.

NOW THE COMMISSION, upon consideration of this matter, adopts the reasoning, findings, and recommendations set forth in the Hearing Examiner's Report.⁹ In so doing, the Commission has carefully reviewed the record regarding the prudence issues raised by Sierra Club and concurs with the Hearing Examiner's conclusion that the Company established the reasonableness and prudence of pursuing the LDTCS Project, including the Temporary System and Permanent System.¹⁰

We further find expressly that the costs of projects approved herein satisfy all of the requirements of Code § 56-585.1 A 5 e. Specifically, based on the findings and rationale in the Hearing Examiner's Report, we conclude that the costs approved herein are "[p]rojected and actual costs of projects that the Commission finds to be necessary to . . . comply with state or federal environmental laws or regulations applicable to generation facilities used to serve the utility's native load obligations," and "are necessary to comply with such environmental laws or regulations."¹¹

Having found that the costs approved herein meet the requirements of both Code § 56-585.1 A 5 e and Code § 56-585.1 D, we approve a total revenue requirement of \$109,069,000 for Rider E for the 2023 Rate Year consisting of a Projected Factor of \$57,087,000, an AFUDC Cost Recovery Factor of \$691,000, and a True-Up Factor of \$51,291,000. The updated Rider E rates should be designed to recover the approved revenue requirement based on the allocation and rate design methodology supported by Company witness Lawson.

⁵ *Id.* at 4, 8; Ex. 15 (Lecky Direct) at 2.

⁶ Ex. 2 (Petition) at 9. The three key components of the revenue requirement are the Projected Cost Recovery Factor ("Projected Factor"), the Allowance for Funds Used During Construction ("AFUDC") Cost Recovery Factor, and the Actual Cost True-Up Factor ("True-Up Factor"). *Id.* at 8.

⁷ Report at 31.

⁸ *Id.*

⁹ In so doing, we have considered and weighed all of the evidence. We also find no merit in Sierra Club's assertion that the Hearing Examiner considered certain evidence to the exclusion of other evidence. *See* Sierra Club's Comments to the Report at 20.

¹⁰ *See, e.g.,* Report.

¹¹ Code 56-585.1 A e.

Accordingly, IT IS ORDERED THAT:

- (1) The reasoning, findings, and recommendations set forth in the Hearing Examiner's Report are hereby adopted as set forth herein.
- (2) The costs approved for recovery herein meet the requirements of Code § 56-585.1 A 5 e. The costs approved herein are "projected and actual costs of projects that the Commission finds to be necessary . . . to comply with state or federal environmental laws or regulations applicable to generation facilities used to serve the utility's native load obligations," and "are necessary to comply with such environmental laws or regulations."
- (3) Rider E is approved as described herein with a revenue requirement in the amount of \$109,069,000 for the 2023 Rate Year.
- (4) The updated Rider E rates shall be designed to recover the approved revenue requirement based on the allocation and rate design methodology supported by Company witness Lawson.
- (5) Rider E shall be effective for service rendered on and after November 1, 2023.
- (6) The Company forthwith shall file a revised Rider E and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (7) The Company shall file its next Rider E application on or after January 3, 2024.
- (8) This case is dismissed.

Commissioner Patricia L. West Participated in this matter.

**CASE NO. PUR-2023-00006
OCTOBER 30, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

Ex Parte: In the matter adopting new rules of the State Corporation Commission governing utility rate applications by investor-owned gas utilities

ORDER ADOPTING REGULATIONS

On March 9, 2023, the State Corporation Commission ("Commission") initiated an Order for Notice and Comment ("Procedural Order") in this docket, establishing a proceeding to promulgate new rules governing utility rate applications and annual informational filings of investor-owned gas utilities ("Investor-owned Gas Utility Rate Case Rules"). In connection therewith, the Commission determined it would also consider limited revisions to the Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities, 20 VAC 5-201-10 *et seq.* ("Existing Rate Case Rules") (together with Investor-owned Gas Utility Rate Case Rules, "Proposed Rules" or "Rules"), to remove their applicability to investor-owned gas utilities. Draft Proposed Rules prepared by the Commission Staff ("Staff") were appended to the Procedural Order.

The Procedural Order permitted interested persons to submit comments on or before May 26, 2023, which were permitted to include proposals and hearing requests. The Procedural Order further permitted Staff to file, on or before August 7, 2023, a report ("Staff Report") providing any response to comments, proposals, or requests for hearing submitted to the Commission on the Proposed Rules.

The Proposed Rules and Form Schedules for the Investor-owned Gas Utility Rate Case Rules were published in the *Virginia Register of Regulations* on April 10, 2023.¹ Comments on the Proposed Rules were filed by: (i) Virginia Natural Gas, Inc. ("VNG"); (ii) Columbia Gas of Virginia, Inc. ("CVA"); (iii) Washington Gas Light Company; and (iv) the Office of the Attorney General's Division of Consumer Counsel (collectively, "Comments"). No requests for hearing were received.

On August 7, 2023, Staff filed a Staff Report addressing the comments and concerns filed in this docket and included certain revisions to the Proposed Rules and Form Schedules proposed by Staff based on the Comments received.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows:

¹ 39 Va. Regs. Reg. 17 (Apr. 10, 2023).

As an initial matter, the Commission expresses appreciation to those who submitted Comments for our consideration. As stated in the Procedural Order, since the Existing Rate Case Rules were originally adopted, subsequent legislative amendments have, among other things, expanded the number and types of rate adjustment clauses that may be sought by gas utilities.² The Code sections allowing such filings have various statutory deadlines for the Commission to issue a final order, ranging from 90 days to 180 days after filing. These time periods limit the time available for discovery and analysis of the requested rate changes. The regulations adopted herein are intended to facilitate such analysis within the established time constraints.

The Commission finds that the rules appended hereto as Attachment A should be adopted, effective January 1, 2024.³ The rules appended in Attachment A, hereto, contain minor modifications to those that were first proposed by Staff and published in the *Virginia Register of Regulations* on April 10, 2023.⁴ These modifications follow our consideration of further proposed changes made by Staff in its Staff Report and the Comments filed in this proceeding. Although it will not comment on each rule in detail, the Commission provides the following discussion regarding environmental justice concerns.⁵

Proposed Rule 20 VAC 5-205-10 B 7 states as follows:

7. Provide a written narrative describing how the proposals contained in the application are consistent with the goals in the Environmental Justice Act (§ 2.2-234 *et seq.* of the Code of Virginia) ["VEJA"]. Provide any documents or workpapers that support the assertions contained in the narrative, as applicable. Such documentation may include, but is not limited to, information from any federal, state, regional or local agency, or other source, related to population, median income, and any other factors that determine whether a community impacted by the proposals in the application is an "environmental justice community" or "fenceline community," as those terms are defined in § 2.2-234 of the Code of Virginia.

VNG took issue with proposed Rule 20 VAC 5-205-10 B 7, stating it "is committed to the policy and objectives of the [VEJA] and conducts business in ways that prioritize the environment, its customers, its neighbors, and its communities."⁶ VNG asserts, however, that this new filing requirement "would apply to an overly broad set of natural gas utility rate applications that have no environmental, geographic, or siting implications, such that it is unclear how VNG or similarly situated companies could satisfy the proposed VEJA filing requirements for certain applications."⁷ VNG states that "[a]s drafted, the VEJA requirement applies to all filings, many of which do not involve an environmental, geographic or siting component. For example, the requirement would apply to annual informational filings, annual accounting updates to approved SAVE Riders, and expedited rate applications."⁸ VNG further states that:

VEJA is new and its implementation in the Commonwealth is evolving. At this early stage, there is limited guidance from the Commission on its implementation and applicability, particularly in rate proceedings. Rather than establish a universal minimum filing requirement through the Rate Case Rules, Staff and interested parties could obtain relevant information through the discovery process – as they do today – and the Commission could issue guidance on the implementation and applicability of the [VEJA] to specific filings through its orders.⁹

² The Existing Rate Case Rules include a section addressing filings under Chapter 25 of Title 56 of the Code of Virginia ("Code") (§ 56-600 *et seq.*, "Natural Gas Conservation and Ratemaking Efficiency Act"). See 20 VAC 5-201-85. The General Assembly has subsequently amended Title 56 of the Code to add Chapter 26 (§ 56-603 *et seq.*, "Steps to Advance Virginia's Energy Plan (SAVE) Act"), Chapter 27 (§ 56-605 *et seq.*, "Qualified Projects of Natural Gas Utilities"), Chapter 28 (§ 56-610 *et seq.*, "Natural Gas System Expansion Infrastructure"), and Chapter 30 (§ 56-625, "Biogas Supply Infrastructure Projects"). The Existing Rate Case Rules do not address these chapters in Title 56.

³ The proposed limited revisions to the Existing Rate Case Rules indicated they would no longer apply to investor-owned gas utilities effective December 1, 2023. CVA requested that, "to ensure there is sufficient time and clarity around implementation of these rules," the Commission specify an implementation date of January 1, 2024. Staff did not oppose this request, and we find this modification to be reasonable.

⁴ Other than minor edits to 20 VAC 5-201-16, no additional modifications to the Existing Rate Case Rules beyond those previously attached to the Procedural Order are being adopted. Accordingly, all references for the remainder of the Order to Proposed Rules or Rules refer to the Investor-owned Gas Utility Rate Case Rules.

⁵ Unless otherwise stated, the Commission agrees with the analysis and recommendations contained in the Staff Report.

⁶ VNG comments at 3.

⁷ *Id.* at 2.

⁸ *Id.* at 4.

⁹ *Id.* at 5.

The VEJA sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."¹⁰ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."¹¹

The Commission finds the language originally proposed should be adopted but will modify the specific rules applicable to annual information filings and annual SAVE Rider accounting updates to omit such a requirement in those cases.¹² The Commission recognizes that responsive information will necessarily depend on the specific proposals contained in each application. Importantly, however, "environment" is broadly defined in the VEJA to include "the natural, cultural, social, economic, and political assets or components of a community."¹³ The Commission previously found that "[i]n addition to addressing environmental justice in more specific contexts, such as requests for certificates of public convenience and necessity for particular facilities at known locations, the Commission finds that the [applicant] should address environmental justice in future [integrated resource plans] and updates, as appropriate. As one example, the [applicant] may consider the impact of unit retirement decisions on environmental justice communities or fenceline communities."¹⁴ We similarly find here that addressing environmental justice should not be limited to cases involving specific siting decisions but should also extend to addressing environmental justice in the context of business policies and processes that are germane to the application being filed.

By way of example and not limitation, the Commission provides the following examples to illustrate how environmental justice may be addressed in cases not involving specific siting decisions. Such a responsive narrative and supporting materials may include, as germane to the application, discussion of the following:

- a utility's environmental justice policy and any related policies;
- a utility's consideration of the environmental justice impacts in the context of its capital project authorization process;
- a utility's consideration of environmental justice in the context of the utility's disconnection for non-payment policies;
- a utility's process of educating environmental justice communities and other low-income communities regarding available programs to reduce demand through efficiency; and
- a utility's process of educating environmental justice communities and other low-income communities regarding billing assistance and other payment assistance.

These examples are not intended to be exhaustive but to provide examples to assist utilities in complying with this new filing requirement. For applications involving specific siting decisions, the consideration of environmental justice would necessarily include the utility's evaluation of site-specific impacts. Such would include a detailed description of the utility's environmental review process (including whether it was internal or external (consultants)); the extent to which environmental justice communities will be impacted including specific costs and benefits; and any enhanced public participation to ensure meaningful involvement by environmental justice communities.

With respect to annual information filings and annual SAVE Rider accounting updates, the Commission finds those types of cases are of a unique and limited nature and will not require the VEJA information to be filed therein at this time. For example, annual SAVE Rider cases are limited to accounting updates and have a short 90-day statutory deadline. The Commission does not find the opportunity to file an expedited rate application pursuant to Rule 20 VAC 5-205-20 to be similarly limited. The Commission adopts the following changes:

20VAC5-205-30. Annual informational filings.

Unless modified per a State Corporation Commission-approved alternative regulatory plan, each utility not requesting a base rate increase shall make an annual informational filing consisting of Schedules 1 through 7, 9, 11, 12, 14 through 18, 29, 36, and 40 as identified in 20VAC5-205-90. The test period shall be the current 12 months ending in the same month used in the utility's most recent rate application. This information shall be filed with the State Corporation Commission within 120 days after the end of the test period. Requirements found in 20VAC5-205-10 B 2, B 3, [and-] B 4 [, and B 7] may be omitted in annual informational filings.

¹⁰ Code § 2.2-235.

¹¹ Code § 2.2-234; see, e.g., *Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rept. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rept. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rept. 190, 195, Final Order (Feb. 1, 2021).

¹² In so doing, the Commission disagrees with CVA's recommendation to truncate the sentence beginning with "Such documentation may include..." CVA comments at 2. This sentence provides examples of documentation that may be provided, if appropriate.

¹³ Code § 2.2-234.

¹⁴ *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rept. 190, 195 (Feb. 1, 2021).

20VAC5-205-75. Steps to Advance Virginia's Energy Plan filings.

An application filed pursuant to Chapter 26 (§ 56-603 *et seq.*) of Title 56 of the Code of Virginia for a new or amended Steps to Advance Virginia's Energy (SAVE) Plan or SAVE Rider, shall include Schedule 46 as identified and described in 20VAC5-205-90, which shall be submitted with the utility's direct testimony. Additionally, applications in which the utility seeks a return on investment based on the last authorized cost of capital shall include Schedule 3, Parts B through E. Applications in which the utility seeks an updated return on investment shall include Schedules 3, 4, 5, and 8 for only the year requested. If Schedule 8 is filed, the application shall provide schedules that support the amount and cost rate of each component of the proposed capital structure and explain all assumptions used. [Applications limited to requesting an accounting update to an existing SAVE Rider may omit the requirements of 20VAC5-205-10 B 7.]

Lastly, we note that the Rules, as modified herein, continue to permit requests for waiver based on good cause shown.¹⁵

Accordingly, IT IS ORDERED THAT:

(1) The Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Water Utilities, 20 VAC 5-201-10 *et seq.*, and the Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas Utilities, 20 VAC 5-205-5 *et seq.*, as shown in Attachment A to this Order, are hereby adopted and are effective as of January 1, 2024.

(2) A copy of this Order, with Attachment A, shall be forwarded to the Registrar of Regulations for publication in the *Virginia Register of Regulations*.

(3) An electronic copy of this Order with Attachment A shall be made available on the Division of Public Utility Regulation's section of the Commission's website: scc.virginia.gov/pages/Rulemaking.

(4) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹⁵ 20 VAC 5-205-10 E.

**CASE NO. PUR-2023-00007
APRIL 10, 2023**

APPLICATION OF
MONTCLAIR SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On February 9, 2023, Montclair Solar, LLC ("Montclair" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56--594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On February 24, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before March 7, 2023, and to file proof of service on or before March 14, 2023. On March 9, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before March 21, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before March 28, 2023. On March 28, 2023, Staff filed its Report.

The Procedural Order further provided that Montclair may file any response to the Report on or before April 4, 2023. Montclair filed a response on March 28, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Montclair's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

¹ 20 VAC 5-340--1-0 *et seq.*

Accordingly, IT IS ORDERED THAT:

(1) Montclair is hereby granted license No. SS-29 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00008
AUGUST 21, 2023**

APPLICATION OF
ATMOS ENERGY CORPORATION

For a general increase in rates

ORDER FOR NOTICE AND HEARING

On June 30, 2023,¹ Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a general increase in rates pursuant to Chapter 10 of Title 56 of the Code of Virginia ("Code"), the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings, 20 VAC 5-201-10 *et seq.* ("Rate Case Rules"), the Commission's Rule of Practice and Procedure² ("Rules of Practice") 5 VAC 5-20-80, and consistent with the Commission's Order on Request For Waiver dated January 31, 2023.³ In its Application, the Company requests authority to increase its rates and charges, revise the terms and conditions applicable to natural gas service, and to implement its proposed rates, charges, and revised terms and conditions on an interim basis, subject to refund, effective for service rendered on or after November 30, 2023.⁴

The Company indicates that the Commission last granted Atmos an adjustment to its rates on March 11, 2019,⁵ which required a \$400,000 reduction to the Company's operating revenues, authorized a 9.2% return on equity ("ROE"), and accepted the partial stipulation between Atmos and Staff, which addressed the impact of the federal Tax Cuts and Jobs Act of 2017 ("TCJA") on the Company's rates, and included an agreement to the return of excess deferred income taxes ("EDIT") to customers.⁶ The Company states that it is filing the Application to reflect the completion of the Company's unprotected EDIT approved in the 2018 Final Order, as well as to reflect the capital investments and other changes in its cost of service that have occurred since the last rate case.⁷

In its Application, the Company is seeking a rate increase that will produce additional annual jurisdictional revenues of \$3,178,349, or an overall increase of approximately 26.42%, based on an 11.15% ROE.⁸ Among other things, Atmos is proposing an increase in the monthly customer charges for schedule 610 residential customers to \$16.00 from the current rate of \$10.24, with similar changes in the monthly customer charges for other rate classes.⁹

¹ The Staff of the Commission ("Staff") filed a Memorandum of Incompleteness on July 17, 2023. Atmos submitted additional information on July 27, 2023. Staff filed a Memorandum of Completeness on August 2, 2023, finding the filing complete as of July 27, 2023.

² 5 VAC 5-20-10 *et seq.*

³ *Application of Atmos Energy Corporation, For an Annual Informational Filing*, Case No. PUR-2023-00008, Doc. Con. Cen. No. 230130017, Order on Request for Waiver (Jan. 31, 2023).

⁴ Application at 1.

⁵ *See Application of Atmos Energy Corporation, For a General Increase in Rates*, Case No. PUR-2018-00014, 2019 S.C.C. Ann. Rept. 178, Final Order (Mar. 11, 2019) ("2018 Final Order").

⁶ Application at 2.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 3; *see Taylor Direct* at 7; Application at Schedule 43.

Additionally, the Company is also proposing revisions to its tariffs and Terms and Conditions of Service, to include: (i) modernization of the Company's terms and conditions of service to align with current operations and consistent with those of existing Virginia local distribution companies; (ii) clarification of the responsibilities of the utility and its customers; (iii) a proposal to remove late payment fees and miscellaneous service fees and instead include these in base rates; and (iv) a proposed new provision to its general terms and conditions, Section 8.1(c) (4) related to the construction of line extensions by the Company to serve new customers.¹⁰

The Company states that, consistent with the requirements of Code § 56-238, Atmos requests to place its proposed changes to its rates and Terms and Conditions into effect for service rendered on or after November 30, 2023, on an interim basis, subject to refund, until the Commission issues its final order in this proceeding.¹¹

In conjunction with the filing of its Application, the Company filed its Motion for Protective Ruling ("Motion") and a proposed protective ruling that establishes the procedures by which trade secret, confidential, or proprietary information and documents shall be handled generally in this proceeding.

NOW THE COMMISSION, upon consideration of the Application and applicable statutes, is of the opinion and finds that this matter should be docketed; Atmos should give notice of its Application to interested persons and the public; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application as well as public witness testimony; interested persons should have an opportunity to file comments on the Application or participate as a respondent in this proceeding; and Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon.

Code § 56-238 permits the suspension of rates for up to 150 days from the date of filing. We find that suspending rates for 150 days is appropriate in this case. On or after November 27, 2023, the Company may, but is not required to, implement its proposed rates on an interim basis, subject to refund with interest.

We find this matter should be assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission, including ruling on the Company's Motion.

To promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct the electronic filing of testimony and pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

We note that customer bills will increase if the Company's Application is approved. The Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must and will follow the laws applicable to this case, as well as the findings of fact supported by evidence in the record.

Accordingly, IT IS ORDERED THAT:

(1) All pleadings in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice. Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

(2) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, all parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or Staff is impeded from preparing its case.

(3) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission, including filing a final report. A copy of each filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners.¹²

(4) The Commission hereby schedules a telephonic portion of the hearing for the receipt of testimony from public witnesses on the Application, as follows:

- (a) The portion of the hearing for the receipt of testimony from public witnesses on the Application shall be convened telephonically at 10 a.m., on March 12, 2024, with no witness present in the Commission's courtroom.
- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before March 5, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.

¹⁰ Application at 3; see Taylor Direct at 8-11.

¹¹ Application at 4.

¹² Such electronic copies shall be sent to OHEParalegals@scc.virginia.gov.

- (d) Beginning at 10 a.m., on March 12, 2024, the Hearing Examiner appointed to this case will telephone sequentially each person who has signed up to testify, if any, as provided above.
- (e) This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.
- (5) The evidentiary portion of the hearing on the Application shall be convened at 10 a.m. on March 12, 2024, or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony and evidence of the Company, any respondents, and the Staff.
- (6) An electronic copy of the Company's Application may be obtained by submitting a written request to counsel for the Company: Timothy E. Biller, Esq. and Andrea D. Gardner, Esq., Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219, tbiller@huntonak.com and agardner@huntonak.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.
- (7) On or before September 8, 2023, the Company shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's Virginia service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
ATMOS ENERGY CORPORATION
FOR A GENERAL INCREASE IN RATES
CASE NO. PUR-2023-00008

On June 30, 2023, Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a general increase in rates pursuant to Chapter 10 of Title 56 of the Code of Virginia ("Code"), the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings, 20 VAC 5-201-10 *et seq.* ("Rate Case Rules"), the Commission's Rule of Practice and Procedure ("Rules of Practice") 5 VAC 5-20-80 and consistent with the Commission's Order on Request For Waiver dated January 31, 2023. In its Application, the Company requests authority to increase its rates and charges, revise the terms and conditions applicable to natural gas service, and to implement its proposed rates, charges, and revised terms and conditions on an interim basis, subject to refund, effective for service rendered on or after November 30, 2023.

The Company indicates that the Commission last granted Atmos an adjustment to its rates on March 11, 2019, which required a \$400,000 reduction to the Company's operating revenues, authorized a 9.2% return on equity ("ROE"), and accepted the partial stipulation between Atmos and Staff, which addressed the impact of the federal Tax Cuts and Jobs Act of 2017 ("TCJA") on the Company's rates, and included an agreement to the return of excess deferred income taxes ("EDIT") to customers. The Company states that the Application in this instant case reflects the completion of the Company's unprotected EDIT approved in the 2018 Final Order, as well as to reflect the capital investments and other changes in its cost of service that have occurred since the last rate case.

In its Application, the Company is seeking a rate increase that will produce additional annual jurisdictional revenues of \$3,178,349, or an overall increase of approximately 26.42%, based on an 11.15% ROE. Among other things, Atmos is proposing an increase in the monthly customer charges for schedule 610 residential customers to \$16.00 from the current rate of \$10.24, with similar changes in the monthly customer charges for other rate classes.

Additionally, the Company is also proposing revisions to its tariffs and Terms and Conditions of Service, to include: (i) modernization of the Company's terms and conditions of service to align with current operations and consistent with those of existing Virginia local distribution companies; (ii) clarification of the responsibilities of the utility and its customers; (iii) a proposal to remove late payment fees and miscellaneous service fees and instead include these in base rates; and (iv) a proposed new provision to its general terms and conditions, Section 8.1(c) (4) related to the construction of line extensions by the Company to serve new customers.

Interested persons are encouraged to review Atmos's Application and supporting public documents in full for details about these and other proposals.

TAKE NOTICE that the Commission may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents and thus may adopt rates that differ from those appearing in the Company's Application and supporting documents.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public hearing on Atmos's Application. On March 12, 2024, at 10 a.m., the Hearing Examiner assigned will hold the telephonic portion of the hearing for the purpose of receiving the testimony of public witnesses, with no witness present in the Commission's courtroom. On or before March 5, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.

Beginning at 10 a.m. on March 12, 2024, the Hearing Examiner will telephone sequentially each person who has signed up to testify as provided above.

On March 12, 2024, at 10 a.m., or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Hearing Examiner will convene a hearing to receive testimony and evidence related to the Application from the Company, any respondents, and the Commission Staff.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of testimony and pleadings, unless they contain confidential information, and required electronic service on parties to this proceeding.

An electronic copy of the Company's Application also may be obtained by submitting a written request to counsel for the Company: Timothy E. Biller, Esq., and Andrea D. Gardner, Esq., Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219, tbiller@huntonak.com and agardner@huntonak.com. Interested persons also may download unofficial copies of the Application and other documents filed in this case from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before March 5, 2024, any interested person may submit comments on the Application by following the instructions found on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail with the Clerk of the State Corporation Commission c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All such comments shall refer to Case No. PUR-2023-00008.

On or before November 3, 2023, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Such notice of participation shall include the email addresses of such parties or their counsel. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00008.

On or before January 16, 2024, each respondent may file with the Clerk of the Commission, at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Commission's Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00008.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Hearing, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The public version of the Company's Application, the Commission's Rules of Practice, the Commission's Order for Notice and Hearing, and other documents filed in this case may be viewed on the Commission's website at: scc.virginia.gov/pages/Case-Information.

ATMOS ENERGY CORPORATION

(8) On or before September 8, 2023, the Company shall serve a copy of this Order for Notice and Hearing on the following local officials, to the extent the position exists, in each county, city, and town through which the Company provides service: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made electronically where possible; if electronic service is not possible, service shall be made by either personal delivery or first-class mail to the customary place of business or residence of the person served.

(9) On or before September 29, 2023, the Company shall file proof of the notice and service required by Ordering Paragraphs (7) and (8), including the name, title, address, and electronic mail address (if applicable) of each official served, with the Clerk of the State Corporation Commission at scc.virginia.gov/clk/efiling.

(10) On or before March 5, 2024, any interested person may submit comments on the Application by following the instructions found on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to file comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2023-00008.

(11) On or before November 3, 2023, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (10). Such notice of participation shall include the email addresses of such parties or their counsel. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00008.

(12) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve a copy of the public version of its Application and supporting materials on the respondent, unless these materials already have been provided to the respondent.

(13) On or before January 16, 2024, each respondent may file with the Clerk of the Commission, at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (10). Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Commission's Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00008.

(14) On or before February 6, 2024, the Staff shall investigate the Application and file with the Clerk of the Commission its testimony and exhibits concerning the Application, and each Staff witness' testimony shall include a summary not to exceed one page. A copy thereof shall be served on counsel to the Company and all respondents.

(15) On or before February 27, 2024, Atmos shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. The Company shall serve a copy of its rebuttal testimony and exhibits on the Staff and all respondents.

(16) Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified herein, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(17) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to the Staff.¹³ Except as modified herein, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(18) The proposed rates, charges, and terms and conditions of service are suspended, pursuant to § 56-238 of the Code. The Company may, but is not obligated to, implement the proposed rates for service rendered on and after November 27, 2023, on an interim basis, subject to refund with interest.

(19) On or before September 27, 2023, Atmos shall file a bond with the Commission in the amount of \$3,178,349 payable to the Commission and conditioned to ensure the prompt refund by the Company to those entitled thereto of all amounts the Company shall collect in excess of such rates and charges as the Commission may finally fix and determine.

(20) This matter is continued.

Commissioner Patricia L. West participated in this matter.

¹³ The assigned Staff attorney is identified on the Commission's website, scc.virginia.gov/pages/Case-Information, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number PUR-2023-00008 in the appropriate box.

**CASE NO. PUR-2023-00009
MARCH 23, 2023**

APPLICATION OF
SRE WAREHOUSE VA SO, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On January 27, 2023, SRE Warehouse VA SO, LLC ("SRE Warehouse" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On February 13, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before February 17, 2023, and to file proof of service on or before February 24, 2023. On February 21, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before March 3, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before March 10, 2023. On March 10, 2023, Staff filed its Report.

The Procedural Order further provided that SRE Warehouse may file any response to the Report on or before March 17, 2023. SRE Warehouse filed a response on March 10, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that SRE Warehouse's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) SRE Warehouse is hereby granted license No. SS-27 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00010
MARCH 22, 2023**

APPLICATION OF
SRE SO1 VA SO, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On January 27, 2023, SRE SO1 VA SO, LLC ("SRE" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On February 13, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before February 17, 2023, and to file proof of service on or before February 24, 2023. On February 21, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before March 3, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before March 10, 2023. On March 10, 2023, Staff filed its Report.

The Procedural Order further provided that SRE may file any response to the Report on or before March 17, 2023. SRE filed a response on March 10, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that SRE's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) SRE is hereby granted license No. SS-28 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00014
MAY 18, 2023**

JOINT APPLICATION OF
METRONET HOLDINGS, LLC, and METRO FIBERNET, LLC

For approval of pro forma changes in direct and intermediate ownership of Metro Fibernet, LLC, pursuant to Va. Code § 56-88, *et seq.*

ORDER GRANTING APPROVAL

On March 9, 2023, Metronet Holdings, LLC ("Holdings"), and Metro Fibernet, LLC ("MFN") (collectively, "Applicants"),¹ completed the filing of a Joint Application ("Application") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of pro forma changes in the ownership of MFN ("Transfer"). The Applicants also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³

MFN is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ The Transfer was completed on December 7, 2022, through a series of intra-company transactions that resulted in pro forma changes to the direct and intermediate ownership of MFN. There was no change in the ultimate parent company, only the holding company structure.

The Applicants assert that the Transfer did not involve any change to the operations of MFN. The Applicants further state that MFN will continue to provide services at the same rates, terms, and conditions as currently provided. Lastly, information provided with the Application indicates that MFN will continue to have the financial, managerial, and technical resources necessary to compete in the telecommunications marketplace in Virginia.⁵

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. We remind the Petitioners to be more diligent in complying with the prior approval requirements of the Utility Transfers Act in the future.

The Commission also finds that the Applicants' Motion is no longer necessary and, therefore, should be denied.⁶

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-88.1 and 56-90, the Applicants hereby are granted approval of the Transfer as described herein.

(2) The Applicants shall file a report of action with the Commission's Document Control Center within thirty (30) days of the Commission's Order in this proceeding, which should include the effective date of the Transfer.

(3) The Applicants' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Metronet DevCo Borrower, LLC; Metronet DevCo Parent, LLC; Metronet Subsidiary Holdings, LLC; and Metronet Systems Holdings, LLC, are also considered to be Applicants in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of Metro Fibernet, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2020-00285, 2021 S.C.C. Ann. Rept. 362, Final Order (May 25, 2021).

⁵ MFN does not have any customers in Virginia, so it appears that the Transfer did not affect MFN's ability to provide telecommunications services in Virginia. Further, the Transfer was an internal restructuring among affiliated entities, so it appears that the Transfer did not affect the financial, managerial, or technical resources available to MFN to provide telecommunications services in Virginia.

⁶ The Commission held the Applicants' Motion in abeyance and has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot, but direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

**CASE NO. PUR-2023-00015
MARCH 13, 2023**

APPLICATION OF
COLUMBIA GAS OF VIRGINIA, INC.

For Reauthorization of Gas Supply and Other Supply Related Agreements with Affiliates

ORDER GRANTING APPROVAL

On February 1, 2023, Columbia Gas of Virginia, Inc. ("CVA" or "Company"), filed an application ("Application") with the State Corporation Commission ("Commission") under Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ requesting reauthorization of the standardized base contracts ("Base Contracts") and underlying individual gas supply transactions ("Transactions") (collectively, "Agreements") with four current local distribution company ("LDC") affiliates ("Current LDC Affiliates")² and any future LDC Affiliates ("Future LDC Affiliates"), for an additional five-year period.

The Agreements were previously approved in 2002,³ 2003,⁴ 2005,⁵ 2008,⁶ 2013⁷ and 2018.⁸ CVA is wholly owned by NiSource Gas Distribution Group, Inc. ("NGDG"). The Current LDC Affiliates are all local gas distribution companies and wholly owned subsidiaries of NGDG.⁹ CVA and the Current LDC Affiliates are, therefore, "affiliated interests" within the meaning of the Affiliates Act.

The Base Contracts are the standardized agreements that natural gas participants use to conduct sales, purchases, physical option transactions, and exchanges of natural gas.¹⁰ The individual gas supply transaction confirmations, or Transactions, under the Base Contracts specify the details of a particular transaction such as quantity, price, term, delivery, receipt points and any other special provisions.¹¹ The Base Contracts provide for different types of performance obligations, which include interruptible, secondary firm and primary firm.¹² CVA plans to execute the individual Transactions under the Base Contracts at the prevailing market price at the time of the Transaction.

CVA also requests continuing approval to enter into potential Agreements with any Future LDC Affiliates without additional Commission approval. The Commission requests that Commission approval of the Agreements with the Affiliate LDCs and any Future LDCs be effective for five years after the effective date of the order in this case.

CVA asserts that the Agreements are in the public interest because they assist with the efficient operation of CVA, the Affiliate LDCs, and any Future LDCs in the fulfillment of their public service obligations. The Company represents the terms of the Agreements should not provide CVA or any of its Affiliate LDCs or Future LDCs with an undue advantage at the detriment of the others.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff ("Staff") through Staff's action brief and having considered the Company's comments thereon, is of the opinion and finds that the Agreements are in the public interest and should be approved subject to the requirements listed in the Appendix attached to this Order.

¹ Code § 56-76 *et seq.*

² The Current LDC Affiliates are Columbia Gas of Kentucky, Inc., Columbia Gas of Maryland, Inc., Columbia Gas of Ohio, Inc., and Columbia Gas of Pennsylvania, Inc.

³ *Application of Columbia Gas of Virginia, Inc., For approval of gas supply and other related supply agreements*, Case No. PUA-2001-00068, 2002 S.C.C. Ann. Rept. 173, Order Granting Approval (Feb. 19, 2002).

⁴ *Application of Columbia Gas of Virginia, Inc., For approval of gas supply and other related supply arrangements pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUE-2003-00219, 2003 S.C.C. Ann. Rept. 516, Order Granting Approval (Aug. 13, 2003).

⁵ *Application of Columbia Gas of Virginia, Inc., For approval of gas supply and other related supply agreements pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUE-2005-00044, 2005 S.C.C. Ann. Rept. 441, Order Granting Approval (Aug. 10, 2005).

⁶ *Application of Columbia Gas of Virginia, Inc., For approval of gas supply and other supply related agreements with affiliates pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUE-2008-00038, 2008 S.C.C. Ann. Rept. 530, Order Granting Approval (July 3, 2008).

⁷ *Application of Columbia Gas of Virginia, Inc., For reauthorization of gas supply and other supply related agreements with affiliates*, Case No. PUE-2013-00024, 2013 S.C.C. Ann. Rept. 387, Order Granting Approval (June 4, 2013).

⁸ *Application of Columbia Gas of Virginia, Inc., For reauthorization of gas supply and other supply related agreements under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00040, 2018 S.C.C. Ann. Rept. 385, Order Granting Approval (April 24, 2018).

⁹ NGDG is a wholly owned subsidiary of NiSource Inc., a holding company under the Public Utility Holding Company Act of 2005.

¹⁰ See Company response to Staff Data Request 1-1, attached to Staff's action brief filed concurrently with this order.

¹¹ Application at 6.

¹² See Company response to Staff Data Request 1-2, attached to Staff's action brief filed concurrently with this order.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Company is hereby granted approval of the Agreements subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter

APPENDIX

1) The Commission's approval of the Agreements shall extend for five years from the effective date of the order in this case. If CVA wishes to continue under the Agreements beyond that date, separate approval shall be required.

2) The Commission's approval shall have no accounting or ratemaking implications.

3) The Commission's approval shall be limited to the specific Transactions identified and described in the Agreements. If CVA wishes to enter into additional Transactions with its affiliates that are not specifically identified and described in the Agreements, separate approval shall be required.

4) CVA shall maintain records necessary to show that, at any particular time, gas purchases from Current LDC Affiliates or Future LDC Affiliates were made at the lowest possible cost, and that gas sales to the Current LDC Affiliates or Future LDC Affiliates were made at the highest possible price.

5) The Commission's approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

6) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreements.

7) The Commission shall reserve the right to examine the books and records of CVA and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

8) CVA shall file signed and executed copies of the approved Agreements within 60 days after the effective date of the order granting approval in this case, subject to administrative extension by the Director of the Division of Utility Accounting and Finance ("UAF Director").

9) CVA shall include all transactions associated with the Agreements in its Annual Report of Affiliate Transactions ("ARAT") submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall:

- (a) List the latest case number in which the Agreements were approved;
- (b) List CVA, the affiliate(s), and the Transactions; and
- (c) Include schedule(s) in Excel electronic spreadsheet format with formulas intact, listing the prior year's gas supply Transactions provided and received by month, type of service, FERC¹³ account, and dollar amount (as the transactions are recorded in CVA's books).

¹³ "FERC" stands for Federal Energy Regulatory Commission.

**CASE NO. PUR-2023-00017
APRIL 7, 2023**

APPLICATION OF
VA LIGHT AND POWER LLC

For a license to conduct business as a competitive service provider

ORDER GRANTING LICENSE

On February 27, 2023, VA Light and Power LLC ("VA L&P" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a competitive service provider.¹⁴ VA L&P seeks authority to provide retail natural gas supply service to eligible commercial, industrial, governmental, and residential customers throughout Virginia.¹⁵ In its Application, the Company attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").¹⁶

On March 1, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") that, among other things, required the Company to serve a copy of the Procedural Order electronically upon certain utilities on or before March 10, 2023, and to file proof of service on or before March 15, 2023. The Procedural Order also permitted interested persons to comment on the Company's Application and directed the Staff to investigate VA L&P's Application and to present its findings in a report ("Report") to be filed on or before March 28, 2023. Finally, the Procedural Order allowed VA L&P to file a response to the Report and to any comments filed in this case.

On March 10, 2023, VA L&P filed proof of service in accordance with the Commission's Procedural Order. No interested persons commented on the Company's Application.

On March 28, 2023, Staff filed its Report as directed.¹⁷ The Report detailed Staff's investigation of VA L&P's proposal, including Staff's evaluation of the Company's financial condition and technical fitness. Based on its review of the Application, Staff recommended the following:

- that VA L&P establish an escrow account with a Virginia financial institution to comply with the requirements in 20 VAC 5-312-90 for the protection of any customer deposits or prepayments;¹⁸
- that the Commission grant VA L&P a license to conduct business as a competitive service provider of natural gas supply service to commercial, industrial, governmental, and residential customers throughout Virginia, contingent upon proof of a performance bond or other acceptable financial security instrument, made payable to the Commonwealth of Virginia, in the amount of \$25,000;¹⁹
- that VA L&P be required to file proof of its firm transportation and storage capacity rights at least 30 days prior to serving any essential human needs customers, as assurance that it will be able to meet the firm delivery service requirements of those customers;²⁰ and
- a periodic review of the level of financial security that is commensurate with VA L&P's business operations in Virginia and in consideration of any fines, penalties, or sanctions imposed by any other jurisdiction in the future.²¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that VA L&P's Application for a license to provide competitive natural gas supply service should be granted, subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

¹⁴ The Company filed public and confidential versions of its Application on February 9, 2023. On February 10, 2023, Commission Staff ("Staff") filed a Memorandum of Incompleteness. VA L&P then filed supplemental Application information on February 16, 2023. On February 27, 2023, VA L&P again filed supplemental information that completed its Application.

¹⁵ Retail choice for natural gas service presently exists only in the service territories of Washington Gas Light Company and Columbia Gas of Virginia, Inc. Access to large commercial and industrial gas customers in all gas distribution service territories has existed under Federal Energy Regulatory Commission authority since the mid-1980s.

¹⁶ 20 VAC 5-312-10 *et seq.*

¹⁷ VA L&P did not file a response to the Report.

¹⁸ Report at 4.

¹⁹ *Id.*

²⁰ *Id.* See also § 56-235.8 F 1 of the Code of Virginia and Retail Access Rule 20 VAC 5-312-40 A 17 d.

²¹ Report at 4.

(1) VA L&P is hereby granted license No. G-59 to provide competitive natural gas supply service to eligible commercial, industrial, governmental, and residential customers throughout Virginia. This license to act as a natural gas supplier is granted subject to the provisions of the Retail Access Rules, this Order, and other applicable statutes.

(2) VA L&P shall provide to Staff proof of a performance bond or other acceptable financial security instrument, made payable to the Commonwealth of Virginia, in the amount of \$25,000.

(3) VA L&P shall establish an escrow account with a Virginia financial institution to comply with the requirements in Retail Access Rule 20 VAC 5-312-90 for the protection of any customer deposits or payments.

(4) VA L&P shall file proof of its firm transportation and storage capacity rights at least 30 days prior to serving any essential human needs customers, as assurance that it will be able to meet the firm delivery service requirements of those customers.

(5) Staff shall conduct a periodic review of the level of financial security that is commensurate with VA L&P's business operations in Virginia and in consideration of any fines, penalties, or sanctions imposed by any other jurisdiction.

(6) This license is not valid authority for the provision of any product or service not identified within the license itself.

(7) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00018
DECEMBER 8, 2023**

PETITION OF
DISH WIRELESS, L.L.C.

For designation as an eligible telecommunications carrier in the Commonwealth of Virginia for the limited purpose of providing Lifeline service to qualifying customers

FINAL ORDER

On February 9, 2023, DISH Wireless, L.L.C. ("DISH Wireless" or "Company"), filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to 47 U.S.C. § 214(e)(2), §§ 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),¹ § 56-479.4 of the Code of Virginia ("Code"),² and 5 VAC 5-20-100 A of the Rules of Practice and Procedure of the Commission,³ requesting that the Commission enter an order designating DISH Wireless as an eligible telecommunications carrier ("ETC") in the Commonwealth of Virginia.⁴ Specifically, DISH Wireless requested ETC designation for the limited purpose of providing Lifeline service under the brand name "Gen Mobile" to qualifying Virginia customers.⁵

The Company stated that it currently operates as a reseller and uses AT&T and T-Mobile wireless facilities to provide discounted mobile broadband service in all 50 states, Washington D.C., and Puerto Rico, and is in the process of building out its own advanced nationwide 5G network.⁶ The Company requested designation to operate as an ETC throughout the entire boundary of Virginia subject to coverage limits of underlying carriers and DISH Wireless' own network.⁷

In support of the Petition, DISH Wireless stated that it is currently designated as a wireless ETC in the states of Colorado and New York; is authorized by the California Public Utilities Commission to provide California Lifeline service; and has applications pending with the FCC for the states of Alabama, Connecticut, Delaware, Florida, New Hampshire, North Carolina, the District of Columbia, and Tribal areas.⁸

¹ 47 C.F.R. §§ 54.101-54.207.

² 2022 Va. Acts ch. 436.

³ 5 VAC 5-20-10 *et seq.* ("Rules of Practice").

⁴ Petition at 1.

⁵ *Id.*

⁶ *Id.* at 2-3, 7-8.

⁷ *Id.* at 8 and Exhibit 3.

⁸ *Id.* at 3-4.

DISH Wireless stated that it has the ability to provide all services supported by the universal service program throughout Virginia, and will meet or exceed the FCC's minimum service standards set forth in 47 C.F.R. § 54.408, including updates to the standards going forward.⁹ According to the Petition, DISH Wireless proposes initially to offer Lifeline plans in Virginia that include voice, text messaging, and broadband services, as well as voice grade access to the public switched network or its functional equivalent, minutes of use for local service at no additional charge to end users, access to 911 and enhanced 911, and toll limitation services to qualifying low-income consumers.¹⁰

DISH Wireless stated that the Company meets the requirements for ETC designation pursuant to 47 U.S.C. § 214(e)(2) and associated FCC regulations.¹¹ The Company asserted that because DISH Wireless is deploying facilities-based wireless voice and broadband services in Virginia and other states, there is no need for the Company to obtain an approved FCC Compliance Plan in accordance with the 2012 Lifeline Reform Order.¹² For purposes of demonstrating that it will satisfy applicable consumer protection and service quality standards, DISH Wireless stated that it will comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service.¹³

On April 10, 2023, the Commission issued an Order for Notice and Comment that, among other things, directed DISH Wireless to provide notice of its Petition to the public and local exchange carriers certificated to provide service in Virginia; established a schedule by which interested parties could file comments, objections, or requests for hearing; and directed the Staff of the Commission ("Staff") to conduct an investigation and file a report ("Staff Report").

On June 20, 2023, the Commission issued an Order Modifying Procedural Schedule, granting the Company's request for additional time to complete the notice directed by the Commission, and an extension of the procedural dates set out in the Order for Notice and Comment.

On July 26, 2023, DISH Wireless filed its proof of the notice and service directed by the Commission's Order Modifying Procedural Schedule. The Commission did not receive any comments, objections, or requests for hearing on DISH Wireless's Petition.

On September 14, 2023, Staff filed its Staff Report, which detailed Staff's review of DISH Wireless's Petition for ETC designation for purposes of participating in the Lifeline program.¹⁴ Staff did not oppose the Commission granting ETC designation to DISH Wireless, and recommended that certain requirements be included in any order granting DISH Wireless an ETC designation for Lifeline services pursuant to Code § 56-479.4.¹⁵ Specifically, Staff recommended that:

- DISH Wireless should file or update necessary product guides for Lifeline services consistent with FCC requirements;
- DISH Wireless should be required to comply with all requirements and criteria of the FCC and USAC for participation in the Lifeline program; and,
- DISH Wireless will be subject to the ETC Lifeline Wireless Rules, 20 VAC 5-430-10 *et seq.*, adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107, and to any modifications to those rules thereafter by the Commission.¹⁶

Furthermore, Staff stated that a review of facilities identified by DISH Wireless in response to Staff discovery supported the Company's assertion that it is deploying facilities-based wireless voice and broadband services in Virginia and other states, and accordingly, confirmed that DISH Wireless did not need an approved FCC Compliance Plan in accordance with the 2012 Lifeline Reform Order in order to be designated as a Lifeline-only ETC in Virginia.¹⁷

DISH Wireless did not file a response to the Staff Report.

⁹ *Id.* at 11.

¹⁰ *Id.* at 6-7.

¹¹ *See id.* at 5-15.

¹² *Id.* at 8; *See Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket Nos. 1 1-42 and 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("2012 Lifeline Reform Order").

¹³ Petition at 10.

¹⁴ Staff Report at 1-10. The FCC's Lifeline program is administered by the Universal Service Administrative Company ("USAC"), and provides a discount on phone service for qualifying low-income consumers as part of the FCC's Universal Service Fund. *Id.* at 2 (citing <https://www.fcc.gov/general/lifeline-program-low-income-consumers>).

¹⁵ Staff Report at 9-10.

¹⁶ *Id.*

¹⁷ *Id.* at 9 (citing Company response to Staff Interrogatory Nos. 1-2 and 1-3).

NOW THE COMMISSION, upon consideration of the foregoing and of the applicable law, is of the opinion and finds that DISH Wireless's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations should be granted, subject to the requirements imposed herein as recommended by Staff.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-479.4, DISH Wireless's request for ETC designation to provide Lifeline service to qualifying Virginia consumers and receive federal universal service support for Lifeline service provided pursuant to 47 U.S.C. § 214 (e) and associated federal regulations is granted.
- (2) DISH Wireless's Lifeline-only ETC designation is, as requested, statewide in scope to allow the Company to provide Lifeline service wherever its underlying facilities-based provider has wireless coverage.
- (3) DISH Wireless shall file or update necessary product guides for Lifeline services consistent with FCC requirements.
- (4) DISH Wireless shall be subject to the ETC Lifeline Wireless Rules, 20 VAC 5-430-10 *et seq.*, adopted by the Commission pursuant to Code § 56-479.4 in Case No. PUR-2022-00107, and to any modifications to those rules thereafter by the Commission.
- (5) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00019
MARCH 23, 2023**

JOINT PETITION OF
BP BROADBAND AGGREGATOR, L.P., POINT BROADBAND HOLDINGS, LLC, SUNSET FIBER (DE), LLC (USED IN VA BY:
SUNSET FIBER, LLC), and SUNSET DIGITAL COMMUNICATIONS (DE), LLC (USED IN VA BY: SUNSET DIGITAL
COMMUNICATIONS, LLC)

For approval of the proposed changes in indirect control pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On February 10, 2023, BP Broadband Aggregator, L.P. ("BP Broadband"); Point Broadband Holdings, LLC ("Point Broadband"); Sunset Fiber (DE), LLC (Used in VA by: Sunset Fiber, LLC) ("Sunset Fiber"); and Sunset Digital Communications (DE), LLC (Used in VA by: Sunset Digital Communications, LLC) ("Sunset Digital") (Sunset Fiber and Sunset Digital jointly as "Licensees") (collectively, "Petitioners"),¹ filed a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting authorization of the transfer of indirect control of the Licensees ("Transfer").

The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³

The Licensees are authorized to provide local exchange and interexchange telecommunications services in Virginia pursuant to certificates of public convenience and necessity issued by the Commission.⁴ Pursuant to an agreement dated January 29, 2023, Point Broadband will issue to BP Broadband new securities constituting approximately 31.8% equity interests in Point Broadband through which BP Broadband and its parent companies will acquire indirect control of the Licensees.

The Petitioners assert that the proposed Transfer will not result in a change of carrier for any customers or any assignment of existing Commission authorizations. The Petitioners further state that the Licensees will continue to provide services to their existing customers without immediate change to rates, terms, and conditions of services. Lastly, information provided with the Petition indicates that Licensees will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia following the completion of the proposed Transfer.

¹ Tenth Berkshire Associates LLC, GTCR Investment XIII LLC, GTCR Fund XHI/B LP, and GTCR Partners XIII/B LP are also considered Petitioners and have provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of Sunset Digital Communications (DE), LLC (Used in VA by Sunset Digital Communications, LLC), For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2018-00093, 2018 S.C.C. Ann. Rept. 455, Final Order (Aug. 15, 2018); *Application of Sunset Fiber (DE), LLC, (Used in VA by Sunset Fiber, LLC), For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2018-00094, 2018 S.C.C. Ann. Rept. 458, Final Order (Aug. 15, 2018).

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

**CASE NO. PUR-2023-00020
JUNE 14, 2023**

APPLICATION OF
KENTUCKY UTILITIES COMPANY d/b/a OLD DOMINION POWER COMPANY

To revise its fuel factor pursuant to § 56-249.6 of the Code of Virginia

ORDER ESTABLISHING 2023-2024 FUEL FACTOR

On February 15, 2023, Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU/ODP" or "Company") filed with the State Corporation Commission ("Commission"), pursuant to § 56-249.6 of the Code of Virginia ("Code"), its application proposing to increase its levelized fuel factor by \$0.00625 per kilowatt-hour ("kWh") to \$0.03571 per kWh, effective for service rendered on and after April 1, 2023 ("Application").¹

On March 1, 2023, the Commission issued an Order Establishing 2023-2024 Fuel Factor Proceeding that, among other things: (1) assigned a Hearing Examiner to conduct all further proceedings; (2) scheduled a hearing on the Company's Application; (3) required KU/ODP to provide public notice of its Application; and (4) directed the Company to place its proposed fuel factor into effect on an interim basis for service rendered on and after April 1, 2023.

On April 27, 2023, the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel") filed a notice of participation.

On May 5, 2023, the Staff of the Commission ("Staff") filed testimony concluding that the Company's projected Virginia jurisdictional fuel expenses and sales for the forecast period were reasonable.² Based upon an updated recovery balance provided by the Company, Staff recommended an adjustment to lower the correction factor, and thereby, recommended that the Commission approve a new total levelized fuel factor of \$0.03534 per kWh, instead of the \$0.03571 per kWh initially proposed by KU/ODP and put into effect on an interim basis for service rendered on and after April 1, 2023.³

On May 18, 2023, KU/ODP filed a letter stating that it would not be filing rebuttal testimony and that the Company accepts the recommendations contained in Staff's testimony.⁴ KU/ODP also asked that the Commission issue the order approving this recommendation on or before June 26, 2023, for service rendered on and after July 1, 2023.⁵

The telephonic public witness hearing scheduled for June 6, 2023, was canceled because no public witnesses registered to testify. One public comment was filed on the Company's Application. The evidentiary hearing was convened virtually, with no party present in the Commission's courtroom, on June 7, 2023. KU/ODP, Consumer Counsel, and Staff participated at the hearing.

¹ Ex. 2 (Application) at 1, 5.

² Ex. 7 (Katsarelis Direct) at 16.

³ See *id.*

⁴ Ex. 8 (KU/ODP Rebuttal Letter) at 1.

⁵ *Id.*

On June 9, 2023, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report") was issued. In his Report, the Hearing Examiner found that the revised fuel factor of \$0.03534 per kWh meets the requirements of Code § 56-249.6 A 1, and that the revised fuel factor should be effective for service rendered on and after July 1, 2023.⁶ The Senior Hearing Examiner also found that if the Company is in an over-recovery position by more than five percent during the upcoming fuel year, or is likely to be so, the Commission is authorized pursuant to Code § 56-249.6 A 2 to reduce the fuel cost tariffs to correct any over-recovery position.⁷ The Report further noted that the parties agreed to waive comments to the Report so that the revised Fuel Factor may be placed into effect on July 1, 2023.⁸

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Report should be adopted. Accordingly, we find that setting the Company's fuel factor at \$0.03534 per kWh is reasonable and appropriate. We find that this rate should be approved and effective for service rendered on and after July 1, 2023, pending further order of the Commission.

In approving this fuel factor, the Commission notes its awareness of the ongoing rise in gas prices, inflation, and other economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to any rate case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

We further note that our approval of the fuel factor should not be construed as approval of KU/ODP's actual fuel expenses. No finding in this Order Establishing Fuel Factor is final, as this matter is continued pending the Staff's audit of actual fuel expenses and the Commission's entry of a final order addressing the Company's fuel recovery position.

Should the Commission find that (1) any component of KU/ODP's actual fuel expenses or credits has been included or excluded inappropriately, or (2) KU/ODP has failed to make every reasonable effort to minimize costs or has made decisions resulting in unreasonable fuel costs, the Company's recovery position will be adjusted. This adjustment will be reflected in the recovery position at the time of KU/ODP's next fuel factor proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations set forth in the Report are hereby adopted.
- (2) The revised fuel factor of \$0.03534 per kWh is approved and shall be effective for service rendered on and after July 1, 2023.
- (3) This case is continued.

Commissioners Patricia L. West participated in this matter.

⁶ Report at 12.

⁷ *Id.*

⁸ *Id.* at 13.

**CASE NO. PUR-2023-00022
OCTOBER 16, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For revision of rate adjustment clause: Rider CCR, for the recovery of costs incurred to comply with § 10.1-1402.03 of the Code of Virginia, pursuant to Code § 56-585.1 A 5 e

FINAL ORDER

On February 28, 2023, pursuant to § 56-585.1 A 5 e of the Code of Virginia ("Code"), Virginia Electric and Power Company ("Dominion" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") for an annual update with respect to its coal combustion residuals ("CCR") rate adjustment clause, designated Rider CCR, for the recovery of costs incurred to comply with the requirements of Virginia Senate Bill 1355,¹ codified as Code § 10.1-1402.03.²

¹ 2019 Va. Acts ch. 651.

² Ex. 2 (Petition) at 1.

On October 26, 2021, by its Order Approving Rate Adjustment Clause in Case No. PUR-2021-00045 ("2021 Order"), the Commission approved the Company's request for approval of Rider CCR, for the recovery of costs associated with certain environmental projects involving CCR removal (collectively, "Projects") at the Company's Breomo Power Station, Chesterfield Power Station, Possum Point Power Station, and Chesapeake Energy Center (collectively, "Power Stations").³ On October 20, 2022, by its Final Order in Case No. PUR-2022-00033, the Commission approved the first annual update to Rider CCR and directed the Company to "file its next Rider CCR application on or after February 28, 2023."⁴

Dominion states that it is filing this annual update to inform the Commission of the status of the Projects at the Power Stations, and to provide the proposed cost allocation, rate design, and accounting treatment for service rendered during a proposed rate year commencing December 1, 2023 and extending through November 30, 2024 ("Rate Year") as related to proposed Rider CCR.⁵ The Company requests a Projected Cost Recovery Factor revenue requirement of \$222,922,398, and an Actual Cost True-Up Factor revenue requirement of \$(28,728,418).⁶ Thus, the Company proposes a total revenue requirement requested for recovery in this Rider CCR proceeding for the Rate Year of \$194,193,980.⁷

On March 22, 2023, the Commission issued an Order for Notice and Hearing that, among other things, docketed this matter; directed Dominion to provide public notice of its Petition; scheduled hearings for the purpose of receiving testimony from public witnesses and evidence on the Petition; provided interested persons an opportunity to file comments on the Petition or to participate as respondents in this proceeding; directed Commission Staff ("Staff") to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

The Commission did not receive any notices of participation. The Commission received two public comments on the Petition. Staff filed testimony on July 12, 2023. Dominion filed rebuttal testimony on July 26, 2023.

A telephonic hearing was scheduled to be convened on August 9, 2023, to receive testimony from public witnesses, but was canceled because no interested person signed up to testify.⁸ The evidentiary hearing was convened on August 10, 2023.

On August 16, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report") was issued. The Senior Hearing Examiner made the following findings in the Report:

- (i) Although the record supports Staff's Rate Year Rider CCR revenue requirement calculation of \$197.27 million, the Rider CCR revenue requirement approved herein should be limited to the revenue requirement of \$194,193,980 that was included in the public notice prescribed in this case, with the understanding that any revenue deficiency can be addressed in a future Actual Cost True-Up Factor;
- (ii) Any changes in Dominion's 2021 and 2022 capital structures and cost of capital should be addressed in the 2024 Rider CCR update by recalculating the 2021 and 2022 Actual Cost True-Up Factors;
- (iii) Beyond 2024, Dominion should be directed to update its capital structure and cost of capital within one month of each Rider CCR update's filing;
- (iv) The Company should not be required to provide an environmental justice analysis for the Chesapeake CCR Project until closer in time to when the CCR removal is expected to take place;
- (v) Relative to the Possum Point CCR Project, Dominion should be directed to continue working with Prince William County Service Authority to develop a plan to comply with § 10.1-1402.05 of the Code and, to the extent possible, to identify and discuss any associated changes in budgeted costs or Project delays in its 2024 Rider CCR annual update filing;
- (vi) In its 2024 Rider CCR annual update filing, Dominion should be directed to identify and discuss (i) changes in budgeted CCR Project costs, by budget subcategory, and (ii) any delay in projected start dates, completion dates, or key activity milestones, by workstream, regarding the selected beneficiation contractor at the Chesapeake and Chesterfield CCR Projects;
- (vii) Dominion should be directed to continue to actively monitor its on-site landfill capacities, as well as identify Virginia Part 258 Criteria landfills that can be utilized in the event it needs to seek alternative permanent storage solutions and, in the event the Company incurs landfill capacity issues in the future, should include any changes in budgeted CCR Project costs, by budget subcategory, in subsequent Rider CCR annual update filings; and

³ *Id.* at 4; *Petition of Virginia Electric and Power Company, For approval of a rate adjustment clause, designated Rider CCR, for the recovery of costs incurred to comply with § 10.1-1402.03 of the Code of Virginia, pursuant to Virginia Code § 56-585.1 A 5 e*, Case No. PUR-2021-00045, 2021 S.C.C. Ann. Rept. 428, Order Approving Rate Adjustment Clause (Oct. 26, 2021).

⁴ *Petition of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider CCR, for the recovery of costs incurred to comply with § 10.1-1402.03 of the Code of Virginia, pursuant to Code § 56-585.1 A 5 e*, Case No. PUR-2022-00033, Doc Con. Cen. No. 221030158, Final Order at 5 (Oct. 20, 2022); Ex. 2 (Petition) at 5.

⁵ Ex. 2 (Petition) at 5.

⁶ *Id.* at 10.

⁷ *Id.*

⁸ Tr. 6.

- (viii) In its future Rider CCR annual update filings, Dominion should be directed to continue to provide its Annual Project Information and Milestone Reporting Matrix, with specified reporting periods.⁹

The Senior Hearing Examiner recommended that the Commission: (i) adopt the findings set forth above; (ii) approve a \$194,193,980 revenue requirement to revise the Rider CCR rate for service to be rendered from December 1, 2023, through November 30, 2024; and (iii) dismiss the case from the Commission's docket of active cases.¹⁰

On September 6, 2023, the Company and Staff filed comments on the Report. The Company's and Staff's comments supported the findings and recommendations in the Report. Staff's comments clarified that in addition to addressing its 2021 and 2022 capital structures and cost of capital in the 2024 Rider CCR update, Dominion should also update its 2023 capital structure and cost of capital in the 2024 proceeding, within one month of filing.¹¹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Report should be adopted.¹² We agree that the record supports a Rider CCR revenue requirement of \$197.27 million for service to be rendered during the Rate Year, but find that the revenue requirement used to revise the Rider CCR rate for the Rate Year should be limited to the amount included in the public notice. Any difference between the total revenue requirement and what is approved herein for the Rate Year may be addressed in a future Actual Cost True-Up Factor.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Senior Hearing Examiner's findings and recommendations and makes findings as set forth herein.
- (2) The Senior Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Rider CCR is approved as described herein with a revenue requirement in the amount of \$194,193,980 for the Rate Year.

(4) The Company forthwith shall file a revised Rider CCR and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (5) Rider CCR, as approved herein, shall be effective for service rendered on and after December 1, 2023 through November 31, 2024.
- (6) The Company shall file its next Rider CCR application on or after February 28, 2024.
- (7) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

⁹ Report at 20-21.

¹⁰ *Id.* at 21.

¹¹ Staff Comments to the Senior Hearing Examiner's Report issued on August 16, 2023, at 2.

¹² In so doing, we have considered and weighed all of the evidence.

**CASE NO. PUR-2023-00023
AUGUST 24, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: Lines #2019 and #2007 Rebuild Project

FINAL ORDER

On February 24, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in the City of Virginia Beach, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following, which is collectively referred to as the "Rebuild Project" or "Project:"

- Rebuild an approximately 1.17-mile segment of 230 kilovolt ("kV") Greenwich-Thalia Line #2019 from Structure #2019/20 to the Company's existing Thalia Substation. Specifically, replace 1.17 miles of Line #2019 structures beginning at Structure #2019/21, which primarily are single circuit concrete monopoles, with single circuit galvanized steel monopoles on concrete foundations.

Additionally, replace conductors between Structure #2019/20 and the Thalia Substation, and replace shield wires between Greenwich Substation and Thalia Substation with two fiber optic shield wires;

- Rebuild the entire approximately 3.37-mile 230 kV Lynnhaven-Thalia Line #2007 between the Company's existing Lynnhaven and Thalia Substations. Specifically, replace 3.37 miles of Line #2007 structures between Structure #2007/102 and Structure #2007/42A, which primarily are single circuit concrete monopoles, with single circuit galvanized steel monopoles on concrete foundations. Additionally, between Greenwich Substation and Thalia Substation, replace conductors, and replace shield wires with two fiber optic shield wires; and
- Conduct related work at the Company's existing Greenwich, Thalia and Lynnhaven Substations to support the new line ratings.¹

In its Application, Dominion asserted the proposed Rebuild Project is necessary to replace aging infrastructure at the end of its service life to comply with the Company's mandatory electric transmission planning criteria, and provide important system reliability benefits to the Company's entire network.² The Company stated that existing right-of-way ("ROW") and Company-owned property are adequate for the proposed Rebuild Project, and that no new ROW is required.³

In its Application, the Company stated that the desired in-service date for the Rebuild Project is December 31, 2025.⁴ The Company further stated that the estimated conceptual cost of the Rebuild Project (in 2022 dollars) is approximately \$91.7 million, which includes approximately \$87.4 million for transmission-related work and approximately \$4.3 million for substation-related work.⁵

On March 23, 2023, the Commission issued an Order for Notice and Comment that, among other things, docketed the Application; established a procedural schedule; directed Dominion to provide notice of its Application to the public; provided interested persons an opportunity to comment on the Application, to participate in the proceeding as a respondent by filing a notice of participation, or request that a hearing be convened; directed the Staff of the Commission ("Staff") to investigate the Application and file a report containing its findings and recommendations thereon; and appointed a Hearing Examiner to conduct all further proceedings in this matter and to file a final report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.⁶ On May 18, 2023, DEQ filed its report ("DEQ Report"), which included a Wetlands Impact Consultation prepared by DEQ. The DEQ Report provides a list of permits needed for the Project.⁷ The DEQ Report also provided general recommendations for the Commission's consideration that are in addition to any requirements of federal, state, or local law. Specifically, the DEQ Report contained the following Summary of Recommendations regarding the Project. According to the DEQ Report, the Company should:

- Conduct an on-site delineation of wetlands and streams within the project area with verification by the U.S. Army Corps of Engineers, using accepted methods and procedures, and follow DEQ's recommendations to avoid and minimize impacts to wetlands and streams;
- Take all reasonable precautions to limit emissions of oxides of nitrogen and volatile organic compounds, principally by controlling or limiting the burning of fossil fuels;
- Further evaluate Pollution Complaint cases identified in the project area;
- Reduce solid waste at the source, reuse it and recycle it to the maximum extent practicable, and follow DEQ's recommendations to manage waste, as applicable;
- Coordinate with the Department of Conservation and Recreation ("DCR") regarding the development of an invasive species plan;
- Coordinate with DCR for updates to the Biotics Data System database during the final design stage of engineering and upon any major modifications of the project construction to avoid and minimize impacts to natural heritage resources;
- Coordinate with the Virginia Outdoors Foundation should the project change or if construction does not begin within 24 months;

¹ Application at 2-3.

² *Id.* at 3.

³ *Id.* at 4.

⁴ Errata Filing with Revised Application Page 4, Doc. Con. Cen. No. 230340378, filed on Mar. 31, 2023. Dominion requests that the Commission enter a final order by September 1, 2023. Application at 3. Should the Commission issue a final order by September 1, 2023, the Company estimates that construction should begin in July 2024 and be completed in December 2025. *Id.* at 3-4.

⁵ *Id.* at 4.

⁶ Letter from Kati K. Dean, State Corporation Commission, dated March 3, 2023, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2023-00023; Letter from Kati K. Dean, State Corporation Commission, dated March 3, 2023, to Bettina Hayfield, Department of Environmental Quality, filed in Case No. PUR-2023-00023.

⁷ DEQ Report at 3-4.

- Employ best management practices for the protection of water supply sources;
- Follow the principles and practices of pollution prevention to the extent practicable; and
- Limit the use of pesticides and herbicides to the extent practicable.⁸

On June 23, 2023, Staff filed its report ("Staff Report") summarizing the results of its investigation of Dominion's Application. On July 6, 2023, the Company filed rebuttal testimony. No other parties provided any written comments on the Application, filed a notice of participation, or requested that a hearing be convened. On July 20, 2023, the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report") was issued. In the Report, the Hearing Examiner made the following findings and recommendations:

1. A transmission project to rebuild Line #2007 and partially rebuild Line #2019 is needed to address aging infrastructure and maintain transmission system reliability;
2. The proposed Project, which would be constructed entirely in existing right-of-way, would avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic districts, and environment of the area concerned;
3. The unopposed recommendations in the DEQ Report should be adopted by the Commission as conditions of approval;
4. It is not necessary to direct Dominion to develop an environmental management system;
5. It is not necessary to direct Dominion to develop an invasive species management plan. The Company continues to meet with DCR regarding invasive species management and anticipates providing to DCR a draft addendum to the Company's integrated vegetation management plan during the next few months;
6. Dominion has adequately investigated the closed petroleum release sites near the Project and the Company shall contain any petroleum contaminated sediments it may encounter during construction of the Project;
7. Dominion should be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project;
8. The Project does not appear to adversely impact any goals established by the Virginia Environmental Justice Act;⁹ and
9. The Project would support economic development.¹⁰

Accordingly, the Hearing Examiner recommended the Commission enter an order that adopts the findings in the Report; authorizes the Company to construct and operate the Project, subject to the findings and conditions recommended by the Hearing Examiner; issues the appropriate certificate of public convenience and necessity ("CPCN") for the Project; and dismisses this case from the Commission's docket of active cases.¹¹

On July 27, 2023, the Company filed comments to the Report. On August 1, 2023, Staff filed comments to the Report.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the public convenience and necessity requires the construction of the Project. The Commission further finds that a CPCN authorizing the Project should be issued subject to certain findings and conditions contained herein.

Applicable Law

The Statutory scheme governing the Company's Application is found in several chapters of Title 56 of the Code.

Section 56-265.2 A 1 of the Code provides the following:

it shall be unlawful for any public utility to construct, enlarge, or acquire . . . any facilities for use in public utility service, except ordinary extensions or improvements in the usual course of business, without first having obtained a certificate from the Commission that the public convenience and necessity require the exercise of such right or privilege.

Section 56-46.1 of the Code further directs the Commission to consider several factors when reviewing the Company's Application. Subsection A of the statute provides that:

⁸ DEQ Report at 5-6.

⁹ Code § 2.2-234 *et seq.*

¹⁰ Report at 13-14.

¹¹ *Id.* at 14.

[w]henver the Commission is required to approve the construction of any electrical facility, it shall give consideration to the effect of that facility on the environment and establish such conditions as may be desirable or necessary to minimize environmental impact In every proceeding under this subsection, the Commission shall receive and give consideration to all reports that relate to the proposed facility by state agencies concerned with environmental protection; and if requested by any county or municipality in which the facility is proposed to be built, to local comprehensive plans that have been adopted Additionally, the Commission (a) shall consider the effect of the proposed facility on economic development within the Commonwealth, including but not limited to furtherance of the economic and job creation objectives of the Commonwealth Clean Energy Policy set forth in § 45.2-1706.1, and (b) shall consider any improvements in service reliability that may result from the construction of such facility.

Section 56-46.1 B of the Code further provides that:

[a]s a condition to approval the Commission shall determine that the line is needed and that the corridor or route chosen for the line will avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and environment of the area concerned.

The Code further requires that the Commission consider existing ROW easements when siting transmission lines. Section 56-46.1 C of the Code provides that "[i]n any hearing the public service company shall provide adequate evidence that existing rights-of-way cannot adequately serve the needs of the company." In addition, Code § 56-259 C provides that "[p]rior to acquiring any easement of right-of-way, public service corporations will consider the feasibility of locating such facilities on, over, or under existing easements of rights-of-way."

Public Convenience and Necessity

Dominion represented that the proposed Project is necessary to replace aging infrastructure at the end of its service life to comply with the Company's mandatory electric transmission planning criteria, and would provide important system reliability benefits to the Company's entire network.¹² Staff concluded that Dominion reasonably demonstrated that the proposed Project is needed.¹³ The Commission agrees with the Hearing Examiner that the Company has reasonably demonstrated the requisite need for the Project.¹⁴

Economic Development

The Commission has considered the effect of the Project on economic development in the Commonwealth and finds the evidence in this case demonstrates that the Project would support economic growth in the Commonwealth by continuing to provide reliable electric service.¹⁵

Rights-of-Way and Routing

No new ROW is required for the Project, which would rebuild existing transmission lines.¹⁶ The Commission concludes that the route of the Project satisfies the statutory requirements and best serves the total public interest.

Impact on Scenic Assets and Historic Districts

The Commission agrees with the Hearing Examiner that the route of the Project would avoid or reasonably minimize adverse impact to the greatest extent reasonably practicable on the scenic assets, historic districts, and environment of the area concerned,¹⁷ as required by § 56-46.1 B of the Code.

Environmental Impact

Pursuant to § 56-46.1 A and B of the Code, the Commission is required to consider the Project's impact on the environment and to establish such conditions as may be desirable or necessary to minimize adverse environmental impacts. The statute further provides, among other things, that the Commission shall receive and give consideration to all reports that relate to the Project by state agencies concerned with environmental protection.¹⁸

The Commission finds there are no adverse environmental impacts that would prevent the construction or operation of the Project. This finding is supported by the DEQ Report, as nothing therein suggests the Project should not be constructed. There are, however, recommendations included in the DEQ Report for the Commission's consideration.¹⁹ The Company disagreed with three of those recommendations and requested that the Commission reject them.²⁰

¹² Application at 3.

¹³ Staff Report at 19.

¹⁴ Report at 10.

¹⁵ Staff Report at 17.

¹⁶ See, e.g., Application, Appendix at 4.

¹⁷ Report at 11.

¹⁸ Code § 56-46.1 A.

¹⁹ DEQ Report at 7, 9-10, 14, 17-21, 23-25.

²⁰ Ellis Rebuttal Testimony at 5.

First, the Company requested the Commission reject DCR's Division of Natural Heritage ("DNH") (together, "DCR-DNH") recommendation to develop a separate invasive species management plan ("ISMP")²¹ because it is unnecessarily duplicative and could potentially lead to significant project cost increases and construction delays.²² The Company stated that it already has an Integrated Vegetation Management Plan ("IVMP") in place that utilizes mechanical, chemical, and cultural methods for controlling vegetation, including invasive species.²³ The Company also explained that its IVMP is consistent with the standards for utility rights-of-way developed by the American National Standards Institute, as well as the NERC Vegetation Management Standards, for all regions in the Company's service territory.²⁴ Furthermore, the Company cited numerous cases in which the Commission has rejected this recommendation.²⁵

Nevertheless, and in accordance with the Chief Hearing Examiner's recommendation in Case No. PUR-2021-00272, the Company met with DCR representatives on August 23, 2022 and again in February 2023 in an attempt to come to a mutual agreement regarding its IVMP moving forward.²⁶ Dominion further states that it is actively compiling an addendum draft of its IVMP to provide to DCR for review and continued discussions.²⁷ Dominion states that once all discussions are complete and the addendum is final, the Company will report on the results of its communications with DCR in future occurring transmission CPCN filings.²⁸ The Hearing Examiner found that DCR-DNH's recommendation for the development and implementation of an invasive species management plan should be rejected as unnecessary, consistent with recent Commission precedent.²⁹ The Commission agrees with the Hearing Examiner and declines to adopt DCR-DNH's recommendation regarding an ISMP.

Second, Dominion requested that the Commission reject DEQ's recommendation to consider development of an effective Environmental Management System ("EMS").³⁰ The Company asserted that it "already has a comprehensive EMS Manual in place that ensures the Company is committed to complying with environmental laws and regulations."³¹ We find that Dominion's existing EMS achieves the purpose of this recommendation.³² The Commission agrees with the Hearing Examiner that this recommendation should be rejected.³³

Third, Dominion requested that the Commission reject DEQ's recommendation that the Company further evaluate 22 pollution complaint cases identified in the Project area by DEQ,³⁴ specifically as to the exact location, nature, and extent of petroleum releases and their potential to impact the proposed Project.³⁵ According to Dominion, it has already evaluated these cases. Of the five petroleum release sites within 100 feet of the centerline of the proposed Project, none are in the Project ROW and all five sites have been closed for more than 15 years.³⁶ The remaining 17 petroleum release sites are not within or directly adjacent to the Project ROW, and all of these sites were closed between 1989 and 2021. The Company further represented that it has a containment procedure in place should petroleum contaminated sediments be encountered during construction.³⁷

²¹ DEQ Report at 19.

²² Ellis Rebuttal Testimony at 5.

²³ *Id.*

²⁴ *Id.* at 5-6.

²⁵ *Id.* at 7, n.2.

²⁶ *Id.* at 6-7.

²⁷ *Id.* at 7.

²⁸ *Id.*

²⁹ Report at 12.

³⁰ Ellis Rebuttal Testimony at 10.

³¹ *Id.*

³² The Commission has made similar rulings in prior proceedings. *See, e.g., Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Allied-Chesterfield 230 kV Transmission Line #2049 Partial Rebuild Project*, Case No. PUR-2020-00239, 2021 S.C.C. Ann, Rpt. 312, 315, Final Order (Mar. 23, 2021).

³³ Report at 12.

³⁴ DEQ Report at 16-17.

³⁵ Ellis Rebuttal Testimony at 8-10.

³⁶ *Id.* at 9.

³⁷ *Id.* at 9-10.

The Hearing Examiner recommended that the Commission reject this DEQ recommendation.³⁸ The Commission agrees with the Hearing Examiner and declines to adopt this DEQ recommendation but directs Dominion to contain any petroleum contaminated sediments it may encounter during construction of the Project.

The unopposed recommendations in the DEQ Report are adopted herein as conditions of approval. The Commission further finds that Dominion shall be required to obtain all necessary environmental permits and approvals that are needed to construct and operate the Project.

Environmental Justice

The Virginia Environmental Justice Act ("VEJA") sets forth that "[i]t is the policy of the Commonwealth to promote environmental justice and ensure that it is carried out throughout the Commonwealth, with a focus on environmental justice communities and fenceline communities."³⁹ As previously recognized by the Commission, the Commonwealth's policy on environmental justice is broad, including "the fair treatment and meaningful involvement of every person, regardless of race, color, national origin, income, faith, or disability, regarding the development, implementation, or enforcement of any environmental law, regulation, or policy."⁴⁰

The Commission agrees with the Hearing Examiner that the Project does not appear to adversely impact any goals established by the VEJA.⁴¹

Accordingly, IT IS ORDERED THAT:

(1) Dominion is authorized to construct and operate the Rebuild Project as proposed in its Application, subject to the findings and conditions imposed herein.

(2) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCN to construct and operate the Rebuild Project is granted as provided for herein, subject to the requirements set forth herein.

(3) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCN to Dominion:

Certificate No. ET-DEV-SEC-2023-A, which authorizes Virginia Electric and Power Company, under the Utility Facilities Act, to operate certificated facilities in the Cities of Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00023; Certificate No. ET-DEV-SEC-2023-A cancels Certificate No. ET-DEV-SEC-2022-A, issued to Virginia Electric and Power Company in Case No. PUR-2021-00142 on August 5, 2022.

(4) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for the Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

(5) Upon receiving the maps directed in Ordering Paragraph (4), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCN issued in Ordering Paragraph (3) with the maps attached.

(6) The Project approved herein must be constructed and in service by December 31, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

(7) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

³⁸ Report at 12.

³⁹ Code § 2.2-235.

⁴⁰ Code § 2.2-234; *see, e.g., Application of Appalachian Power Company, For approval and certification of the Central Virginia Transmission Reliability Project under Title 56 of the Code of Virginia*, Case No. PUR-2021-00001, 2021 S.C.C. Ann. Rep. 368, 372, Final Order (Sept. 9, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing 2020 EPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, 2021 S.C.C. Ann. Rep. 242, 252, Final Order (Apr. 30, 2021); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2020-00035, 2021 S.C.C. Ann. Rep. 190, 195, Final Order (Feb. 1, 2021).

⁴¹ Report at 13.

**CASE NO. PUR-2023-00025
MAY 18, 2023**

APPLICATION OF
RAPPAHANNOCK ELECTRIC COOPERATIVE and RAPPAHANNOCK ELECTRIC COMMUNICATIONS, INC.

For approval of an affiliate agreement

ORDER GRANTING APPROVAL

On February 24, 2023, Rappahannock Electric Cooperative ("REC" or "Cooperative") and Rappahannock Electric Communications, Inc. ("RE Comm") (collectively "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") to request approval of the First Amended and Restated Operating Service Agreement ("Amended Agreement") and a Trademark License Agreement ("Trademark License")¹ under Chapter 4² of Title 56 of the Code of Virginia ("Code"). The Applicants also seek retroactive approval of the Trademark License effective August 2022 to ensure that there are formal terms and conditions in place between the Applicants related to any use of the trademarks since that time.³

On March 9, 2022, the Commission approved the initial Operating Services Agreement between the Applicants, which allowed REC to provide management, administrative, operational and other support services to RE Comm and allowed RE Comm to provide information technology and cyber security services ("IT Services") to REC (collectively, "Services").⁴

The proposed Amended Agreement and Trademark License are intended to facilitate the Applicants' movement toward expanded renewable energy and energy-saving solutions and activities (collectively, "Activities"). Under the Amended Agreement, REC will provide 13 Administrative and Operating ("A&O") Services and nine Energy Solutions Support ("ESS") Services (collectively, 22 Services) to RE Comm.⁵ Two of the A&O Services (business development and marketing) and all nine of the ESS Services will be new Services.

In addition, REC will be furnishing a General Manager and other professional, qualified persons to serve as officers and employees for RE Comm.⁶

In turn, RE Comm will provide: (1) ten categories of IT Services and (2) three categories of Energy Services (collectively, 13 Services), to REC.⁷ The three Energy Services (consulting services, technical labor, and engineering services) will all be new Services.

The Applicants represent that the proposed Services will comply with the Commission's asymmetric pricing policy. REC will charge RE Comm for Services provided at the higher of cost or market where a market exists, and REC will pay RE Comm for Services received at the lower of cost or market where a market exists. For Services (such as electricity) provided under a rate-regulated tariff, the tariff rate will apply.

NOW THE COMMISSION, upon consideration of this matter and having been advised by Staff through its action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the proposed Amended Agreement and Trademark License are in the public interest and approved subject to the requirements listed in the Appendix attached to this Order. The request for retroactive approval of the Trademark License is denied.

We note that the Amended Agreement contains numerous open-ended clauses,⁸ which can be construed to allow parties to engage in new affiliate transactions without prior Commission approval. We therefore limit the approved Services to those that are specifically identified and described in the Amended Agreement.

We further note that the Applicants plan to significantly increase the number of additional Services exchanged in order to conduct a broader scope of regulated and unregulated Activities than is typical of most Virginia electric cooperatives. However, the proposed Amended Agreement and Trademark License will commingle REC's conduct of for-profit and not-for-profit Activities, RE Comm's conduct of for-profit Activities, and REC's support of RE Comm's for-profit Activities, under REC-owned trademarks advertised on REC's website.

¹ The proposed Trademark License will cover both the Vividly Brighter and the Brillit trademarks, which are owned by REC. See Applicants' Response to Staff Data Request ("DR") No. 1-6, attached to the Commission Staff ("Staff") Action Brief filed concurrently with this order.

² Code § 56-76 *et seq.*

³ See Application at 3 n. 2, and Applicants' Response to Staff DR No. 1-5, attached to the Staff Action Brief filed concurrently with this order.

⁴ See *Application of Rappahannock Electric Cooperative and Rappahannock Electric Communications, Inc., For approval of an affiliate agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2022-00003, Doc. Con. Ctr. No. 220310296, Order Granting Approval (Mar. 9, 2022).

⁵ See Appendix C of the Staff Action Brief and Exhibit B of Application (First Amended and Restated Operating Services Agreement), at pages 6 to 10.

⁶ *Id.*

⁷ *Id.*

⁸ See Appendix D of the Staff Action Brief and Exhibit B of the Application (First Amended and Restated Operating Services Agreement), at pages 6 to 10.

Put simply, the high degree of complex strategic planning and operational execution needed for the proposed Services and Activities to comply with federal and state statutes, including Code § 56-231.34:1 and Rule 20VAC5-203-10 *et seq.* (collectively, "Separation of Business Code/Rules"), increases the risk exposure for the Cooperative.

We therefore direct the Applicants to: (a) comprehensively train its employees to exercise professional due care in providing the Services and Activities; (b) demonstrate full compliance with the provisions of relevant federal and state statutes, including the Separation of Business Code/Rules; and (c) carry sufficient liability insurance coverage to protect the Cooperative and its members against any additional Cooperative risk. REC shall include a signed and executed certification annually with its Annual Report of Affiliate Transactions ("ARAT") to demonstrate its continuing compliance with these requirements.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Amended Agreement and Trademark License are approved subject to the requirements listed in the Appendix attached to this order.

(2) The request for retroactive approval of the Trademark License is denied.

(3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1) The Commission's approval shall be limited to the specific Services identified and described in the Amended Agreement.¹ If the Applicants wish to exchange Services not specifically identified and described in the approved Amended Agreement, separate approval shall be required.

2) The Commission shall require the Applicants to: (a) comprehensively train its employees to exercise professional due care in providing the approved Services and Activities; (b) demonstrate full compliance with the provisions of relevant federal and state statutes, including the Separation of Business Code/Rules; and (c) carry sufficient liability insurance coverage to protect the Cooperative and its members against any additional Cooperative risk. REC shall include a signed and executed certification annually with its ARAT to demonstrate its continuing compliance with these requirements.

3) The Commission's approval of the Amended Agreement and Trademark License shall extend for five (5) years from the effective date of the order in this case. If the Applicants wish to extend the Amended Agreement beyond that date, separate approval shall be required.

4) The Commission's approval shall have no accounting or ratemaking implications.

5) REC shall be required to maintain records demonstrating that all Services exchanged between REC and RE Comm are cost beneficial to Virginia ratepayers. Services provided by REC to RE Comm shall be at the higher of cost or market where a market exists. Rate-regulated Services, such as the provision of electricity, shall be exchanged at the Commission-approved tariff rate. Services received by REC from RE Comm shall be at the lower of cost or market where a market exists. Records of any investigations and comparisons with market prices shall be available to Staff upon request. REC shall bear the burden of proving, in any rate proceeding, that the Services exchanged between REC and RE Comm are priced in accordance with the Commission's pricing policy as described above.

6) Separate Commission approval shall be required for any changes in the terms and conditions of the Amended Agreement.

7) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

8) The Commission shall reserve the right to examine the books and records of REC and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

9) REC shall file an executed copy of the approved Amended Agreement within sixty (60) days of the effective date of the order in this case, subject to administrative extension by the Director of the Commission's Division of Utility Accounting and Finance ("UAF Director").

10) Pursuant to Rule 20 VAC 5-203-30(B), REC shall submit to the UAF Director: (1) a listing and description of internal controls that prevent the practices enumerated in Subsection A of Rule 20 VAC 5-203-30; and (2) a listing and description of controls effecting the Codes of Conduct set forth in Rule 20 VAC 5-203-40, within ninety (90) days of the effective date of the order in this case.

11) REC shall include all transactions associated with the approved Amended Agreement in its ARAT submitted to the Commission's UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall include: (a) the case number in which the Amended Agreement was approved; (b) the Services exchanged between REC and RE Comm; and (c) schedule(s) in Excel electronic media format, with formulas intact, listing the prior calendar year's Services transactions by month, type of Service, FERC account, and amount as the transactions are recorded on REC's books.

¹ See Appendix C of the Staff Action Brief and Exhibit B of the Application (First Amended and Restated Operating Services Agreement), at pages 6 to 10.

**CASE NO. PUR-2023-00026
MAY 30, 2023**

APPLICATION OF
RP VIRGINIA I, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 30, 2023, RP Virginia I, LLC ("RP Virginia" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 6, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before April 13, 2023, and to file proof of service on or before April 20, 2023. On April 7, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 27, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before May 4, 2023. On May 4, 2023, Staff filed its Report, which summarized Staff's investigation of RP Virginia's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that RP Virginia be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that RP Virginia may file any response to the Report on or before May 11, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that RP Virginia's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) RP Virginia is hereby granted license No. SS-34 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id* at 5.

**CASE NO. PUR-2023-00027
MAY 30, 2023**

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For approval of its 2023 Annual update to Rate Schedule PT-1

FINAL ORDER

On March 1, 2023, pursuant to Ordering Paragraph (5) of the Final Order issued by the State Corporation Commission ("Commission") in Case No. PUR-2022-00035,¹ and in accordance with Rule 80 of the Commission's Rules of Practice and Procedure,² Virginia Natural Gas, Inc. ("VNG" or "Company") filed its application ("Application") for approval of its annual adjustment to Rate Schedule PT-1 and requested that the adjusted PT-1 rate be approved effective June 1, 2023.³

VNG states that Section III.A of the Company's Rate Schedule PT-1 permits the Company to adjust the PT-1 rate annually to reflect any changes in the cost of service components going forward and to refund or recover any difference between actual and recovered operations and maintenance ("O&M") expenses.⁴ According to the Company, for each year the PT-1 rate is in effect, the Company will update the plant in service, accumulated depreciation, and projected O&M expenses, as well as property tax expense and federal and state tax rates.⁵ The Company will also update changes to its depreciation rates and rate of return to reflect the results in each base rate case while the PT-1 rate is in effect.⁶ At the end of each 12-month PT-1 effective rate period, VNG will reconcile the difference between the actual O&M expenses and the amounts recovered through the PT-1 rate.⁷ The Company will also include an adjustment to the subsequent year's PT-1 rate to recover or refund the difference in these O&M costs.⁸

In its Application, the Company proposes a revised PT-1 rate of \$0.87832 per dekatherm ("Dth").⁹ According to the Company, the current calculation for this year's PT-1 rate of \$0.87832 per Dth is very similar to last year's rate of \$0.96696 per Dth.¹⁰

On March 20, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") that, among other things, docketed the case, suspended the proposed update to Rate Schedule PT-1 pursuant to Code § 56-238 to and through June 1, 2023, or until further order of the Commission; provided that the Company should serve a copy of its Application and the Procedural Order on Doswell Limited Partnership, the City of Richmond, Columbia Gas of Virginia, Inc., and Virginia Electric and Power Company; provided any interested person or entity affected by the Company's Application an opportunity to file comments or request a hearing on the Company's Application; directed the Commission Staff ("Staff") to investigate the Application and file with the Commission a report ("Staff Report") setting forth the Staff's findings and recommendations on VNG's Application; and permitted the Company to file a response ("Response") in rebuttal to Staff's Report, testimony, or any comments or requests for hearing.

On May 2, 2023, Staff filed its Staff Report. Staff recommends approval of VNG's proposed PT-1 rate, to be effective June 1, 2023, of \$0.87832 per Dth.¹¹ Staff notes that the Company has proposed a new cost of capital in a base rate case that is currently before the Commission, Case No. PUR-2022-00052¹² ("2022 Base Rate Case"), although the Company utilized the cost of capital as determined in Case No. PUR-2020-00095.¹³

¹ *Application of Virginia Natural Gas For approval of its 2022 annual update to Rate Schedule PT-1*, Case No. PUR-2022-00035, Doc. Con. Cen. No. 220540025, Final Order (May 24, 2022) ("2022 PT-1 Final Order").

² 5 VAC 5-20-10 *et seq.*

³ On April 10, 2023, VNG filed corrected versions of page 5 and Attachment A of the Application ("Errata Filing") intended to replace those pages in the original Application.

⁴ Application at 4.

⁵ *Id.* at 4-5.

⁶ Application at 5 (errata filed April 10, 2023).

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ Staff Report at 1.

¹² *Id.* at 6; see *Application of Virginia Natural Gas, Inc., For a general rate increase and for authority to revise the terms and conditions applicable to natural gas service*, Case No. PUR-2022-00052, Doc. Con. Cen. No. 220810100, Application (Aug. 1, 2022).

¹³ *Application of Virginia Natural Gas, Inc., For a general rate increase and for authority to revise the terms and conditions applicable to natural gas service*, Case No. PUR-2020-00095, 2021 S.C.C. Ann. Rept. 214, Final Order (Sep. 14, 2021).

Staff recommends that the 2020 cost of capital be used as a placeholder in this PT-1 case, subject to future true up adjustments based on the 2022 Base Rate Case.¹⁴ If the Commission approves a new cost of capital in the 2022 Base Rate Case, Staff recommends the approved cost of capital be incorporated into the next PT-1 case, effective with the date of new base rates, January 1, 2023.¹⁵ Staff noted that this recommendation is consistent with the 2022 PT-1 Final Order.¹⁶

On May 9, 2023, VNG submitted a Response to the Staff Report indicating that the Company was in agreement with Staff and requesting that the Commission approve its Application.¹⁷

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that the Application should be approved, including the proposed PT-1 rate of \$0.87832 per Dth, effective June 1, 2023, and that the proposed rate shall apply to all customers in the PT-1 rate class. The Company's distribution ratepayers shall continue to be held harmless from any deficient returns produced by PT-1 in the future. PT-1 shall remain subject to future true up adjustments for changes in the cost of capital and O&M expenses that may arise from the 2022 Base Rate Case before the Commission.

Accordingly, IT IS ORDERED THAT:

- (1) The Company's Application is approved as discussed herein.
- (2) Within thirty (30) days of the date of this Order, the Company shall file a copy of the tariff, Rate Schedule PT-1, with the Commission. The Company simultaneously shall submit a copy of the tariff, Rate Schedule PT-1, to the Commission's Division of Public Utility Regulation.
- (3) Rate Schedule PT-1 shall apply to all customers in the PT-1 rate class.
- (4) The Company's distribution ratepayers shall be held harmless from any deficient returns produced by the PT-1 class.
- (5) On or before March 1, 2024, the Company shall file with the Commission its annual adjustment to the Rate Schedule PT-1 class.
- (6) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁴ Staff Report at 6.

¹⁵ *Id.*

¹⁶ *Id.*; citing 2022 PT-1 Final Order at 4.

¹⁷ Response at 1.

**CASE NO. PUR-2023-00028
AUGUST 3, 2023**

PETITION OF
APPALACHIAN POWER COMPANY

For approval of middle-mile broadband capacity projects pursuant to § 56-585.1:9 of the Code of Virginia

FINAL ORDER

On March 2, 2023, Appalachian Power Company ("APCo" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to § 56-585.1:9 of the Code of Virginia ("Code"), seeking approval of two new projects to provide broadband capacity to Internet Service Providers ("ISPs") in areas of Virginia that are unserved by broadband.¹ Specifically, APCo requested approval of: (1) a project to provide middle-mile broadband Internet capacity in unserved areas of Patrick, Henry, and Franklin Counties, Virginia (the "PHF Project" or "Project"); and (2) a project to provide middle-mile broadband Internet capacity in unserved areas of Giles County, Virginia (the "GC Project").² Pursuant to Code § 56-585.1:9, the Commission must issue a final order on the Petition within six months of the date of filing.

On May 15, 2023, APCo filed supplemental direct testimony regarding the GC Project. The Company withdrew the GC Project from consideration due to not receiving Virginia Telecommunications Initiative ("VATI") grant funds, which APCo states are necessary to subsidize the last mile provider (ISP) as the area is mountainous and individual service connections are prohibitively expensive.³ The Company anticipates the Virginia Department of Housing and Community Development ("DHCD") will seek additional VATI applications at some point in the future.⁴

¹ Ex. 2 (Petition) at 1.

² *Id.*

³ Ex. 6 (Castle Supplemental Testimony) at 1.

⁴ *Id.* at 2.

According to the Petition, APCo seeks to expand middle-mile broadband capacity in the unserved areas of Patrick, Henry, and Franklin Counties.⁵ The Company states that the areas targeted by the Project are "unserved by broadband" pursuant to Code § 56-585.1:9 D.⁶ The Company states that, for the PHF Project, the VATI of the DHCD has issued a grant or loan to construct a broadband service project within the last 18 months, and the grant or loan recipient is the ISP to which the utility proposes to lease capacity.⁷

The Company states that the PHF Project entails the installation of approximately 380 miles of 288-strand fiber optic cable on the Company's distribution system.⁸ The Company states that these installations will also provide a communications platform for APCo's own distribution grid network backhaul requirements.⁹ The Company states that it will lease a portion of the middle-mile broadband infrastructure to Riverstreet Networks of Virginia, the ISP selected by the counties to provide service to unserved areas in Patrick, Henry, and Franklin Counties.¹⁰ APCo states that the estimated capital investment for the PHF Project is approximately \$56.9 million.¹¹ APCo is not requesting cost recovery through a rate adjustment clause at this time, but expects to do so in a future filing.¹²

On March 23, 2023, the Commission issued an Order for Notice and Hearing which, among other things, docketed the Company's Petition; directed APCo to provide notice of its Petition; provided interested persons the opportunity to comment or participate in the proceeding; directed the Commission's Staff to investigate the Petition; scheduled an evidentiary hearing; and assigned a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission.

No notices of participation were filed in the proceeding. One public witness comment was received regarding the Petition.

On May 25, 2023, Staff of the Commission ("Staff") filed testimony. On June 8, 2023, APCo filed rebuttal testimony.

A telephonic hearing was scheduled to be convened on June 27, 2023, to receive testimony from public witnesses, but was canceled because no interested person signed up to testify. The public evidentiary hearing was convened on June 28, 2023. APCo and Staff participated in the hearing.

On July 5, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report") was issued. In the Report, the Hearing Examiner summarized and analyzed the evidence and issues in this proceeding. The Hearing Examiner recommended the Commission enter an Order approving APCo's Petition. Specifically, the Report made the following findings:¹³

1. The Commission should approve the Company's proposed PHF Project, conditioned upon construction commencing within 18 months of such Commission approval; and
2. Pursuant to Subsection D of the Broadband Statute, the Commission should also condition approval of the Petition on the requirement that the Company and its ISP submit certain progress reports until construction is completed. The Company did not oppose Staff's reporting recommendations. Therefore, I recommend the Commission require the Company to submit biannual reports summarizing the progress of each approved project, including the information outlined by Staff Witness Malik.

The Hearing Examiner then recommended that the Commission enter an order that:¹⁴

1. *ADOPTS* the findings of this Report;
2. *APPROVES* the Company's Petition, including the PHF Project, consistent with the findings and recommendations in this Report; and
3. *DISMISSES* this case from the Commission's docket of active cases.

On July 11, 2023, APCo filed comments on the Hearing Examiner's Report. In its comments, APCo indicated its support for the Hearing Examiner's findings and respectfully requested that the Commission adopt them.¹⁵

⁵ Ex. 2 (Petition) at 4.

⁶ *Id.* at 5.

⁷ *Id.* (citing Code § 56-585.1:9 D).

⁸ *Id.* at 5.

⁹ *Id.*

¹⁰ Ex. 3 (Cox Direct) at 5.

¹¹ Ex. 2 (Petition) at 5.

¹² *Id.*; Ex. 5 (Castle Direct) at 2-3.

¹³ Report at 11.

¹⁴ *Id.*

¹⁵ APCo's Comments at 1.

On July 12, 2023, Staff filed a letter in response to the Hearing Examiner's Report stating that it supports the analysis and conclusions in the Report and requesting that the Commission adopt the same.¹⁶

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

The Commission concludes that the Hearing Examiner's findings are supported by law and the evidence, have a rational basis, and are adopted herein.¹⁷ We agree with the Hearing Examiner that the PHF Project satisfies the statutory requirements.¹⁸

The Company did not oppose the Staff's recommended reporting requirements on a biannual basis.¹⁹ Such requirements are similar with those previously adopted by the Commission.²⁰ The Company is hereby required to submit reports on a biannual basis, to include the information recommended by Staff witness Malik.²¹

Accordingly, IT IS ORDERED THAT:

1. The Commission adopts the Hearing Examiner's findings and recommendations and makes findings as set forth herein. Specifically, the Company's PHF Project is approved, conditioned upon construction commencing within 18 months of the date of this Final Order.
2. The Company shall submit biannual reports as described herein.
3. This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁶ Staff Response at 1.

¹⁷ See Report.

¹⁸ Report at 10.

¹⁹ Report at 10; Tr. 9.

²⁰ See *Petition of Appalachian Power Company, For approval of a broadband capacity pilot program pursuant to § 56-585.1:9*, Case No. PUR-2019-00145, 2020 S.C.C. Ann. Rept. 311, Final Order (Mar. 5, 2020).

²¹ Ex. 8 (Malik Direct) at 15-16.

**CASE NO. PUR-2023-00030
MAY 2, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval of an affiliate transaction pursuant to § 56-76 *et seq.* of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On March 14, 2023, Appalachian Power Company ("APCo" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ to request approval of an affiliate transaction ("Transaction"). Specifically, APCo seeks approval to receive cash capital contributions ("Contributions") from its parent, American Electric Power Company ("AEP"), in the aggregate amount of \$500 million through December 31, 2024, which would be made at AEP's discretion.²

In its Application, APCo states that the proceeds of the Contributions, if any, would be applied by the Company to its construction program, to repay short-term debt, and for other corporate purposes.³ APCo indicates that it experienced increased power market volatility during 2022, which has increased the Company's reliance on short-term debt.⁴

¹ Code § 56-76 *et seq.*

² Application at 2.

³ *Id.*

⁴ *Id.* at 3.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Company maintains that the Contributions will allow it to pay down debts as they come due, giving APCo the opportunity to obtain external financing in a more deliberate manner.⁵ Finally, the Company notes that the Commission previously authorized APCo to receive cash capital contributions from AEP in the aggregate amount of \$150 million in Case No. PUE-2011-00023.⁶

NOW THE COMMISSION, upon consideration of this matter and having been advised by Commission Staff ("Staff") through its action brief and having considered APCo's comments thereon,⁷ is of the opinion and finds that the Transaction is in the public interest and should be approved subject to certain requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

- (1) The Transaction is hereby approved subject to the requirements listed in the Appendix attached to this Order.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁵ *Id.*

⁶ *Id.* at 2 (citing *Application of Appalachian Power Company, AEP Generating Company, and American Electric Power Company, Inc., For authority to enter into affiliate transactions under Title 56, Chapter 4 of the Code of Virginia*, Case No. PUE-2011-00023, 2011 S.C.C. Ann. Rept. 452, Order Granting Authority (July 20, 2011)).

⁷ The Company's comments are attached to Staff's Action Brief filed concurrently with this order.

APPENDIX

1. APCo is authorized to receive Contributions from AEP, in the aggregate amount up to \$500 million, from time to time, from the effective date of this order through December 31, 2024, for the purposes stated in the Application.
2. APCo shall file a Report of Action within thirty (30) days of receiving any Contributions pursuant to this order.
3. The approval granted in this case shall have no accounting or ratemaking implications. Specifically, the approval in this case shall not guarantee the recovery of any costs directly or indirectly related to the Contributions.
4. The Commission's approval in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
5. The Commission reserves the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.
6. APCo is required to include all transactions associated with the approved Contributions in its Annual Report of Affiliate Transactions submitted to the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director") on May 1 of each year, subject to administrative extension by the UAF Director.

**CASE NO. PUR-2023-00031
JUNE 20, 2023**

APPLICATION OF
DG VIRGINIA CS, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On April 6, 2023, DG Virginia CS, LLC ("DG Virginia" or "Company") completed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 27, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before May 5, 2023, and to file proof of service on or before May 12, 2023. On May 10, 2023, the Company filed its proof of service.

¹ 20 VAC 5-340-10 *et seq.*

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before May 19, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before May 26, 2023. On May 26, 2023, Staff filed its Report, which summarized Staff's investigation of DG Virginia's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that DG Virginia be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that DG Virginia may file any response to the Report on or before June 2, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that DG Virginia's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) DG Virginia is hereby granted license No. SS-38 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

² Report at 3-4.

³ *Id.* at 5.

**CASE NO. PUR-2023-00033
APRIL 7, 2023**

APPLICATION OF
VOXBEAM TELECOMMUNICATIONS, INC.

For cancellation of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services

ORDER CANCELLING CERTIFICATES

On March 9, 2023, a letter application was filed on behalf of Voxbeam Telecommunications, Inc. ("Voxbeam"), with the State Corporation Commission ("Commission") requesting cancellation of the certificates of public convenience and necessity issued to Voxbeam to provide local exchange ("Certificate No. T-708") and interexchange ("Certificate No. TT-261A") telecommunications services in the Commonwealth of Virginia.¹ The filing states Voxbeam does not have any customers, nor does it have any outstanding obligations in the form of deposits, prepayments, or advance payments.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Certificate No. T-708 and Certificate No. TT-261A should be cancelled and that any tariffs on file associated with the certificates should be cancelled.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed as Case No. PUR-2023-00033.
- (2) Certificate No. T-708, issued to Voxbeam to provide local exchange telecommunications services, is hereby cancelled.
- (3) Certificate No. TT-261A, issued to Voxbeam to provide interexchange telecommunications services, is hereby cancelled.
- (4) Any tariffs on file with the Commission associated with Certificate No. T-708 or Certificate No. TT-261A are hereby cancelled.
- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ See *Application of Voxbeam Telecommunications, Inc., For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services*, Case No. PUC-2010-00078, 2011 S.C.C. Ann. Rept. 238, Final Order (Apr. 26, 2011).

**CASE NO. PUR-2023-00034
MAY 18, 2023**

APPLICATION OF
VIRGINIA NATURAL GAS, INC. and THE SOUTHERN COMPANY

For approval to enter into a tax allocation agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On March 9, 2023, Virginia Natural Gas, Inc. ("VNG"), and The Southern Company ("Southern") (collectively, "Applicants") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code")¹ for VNG to enter into a revised income tax agreement ("Revised Tax Agreement") with Southern.²

The Current Tax Agreement, executed by Southern and its member subsidiaries ("Member(s)"), provides for Southern to file a consolidated federal income tax ("FIT") return and various combined and separate state income tax ("SIT") returns for each Member and describes the methods for allocating the FIT and SIT liabilities among the Members. The Current Tax Agreement was initially executed on December 29, 1981, and has subsequently been amended over 120 times, primarily to add new Southern Members. In addition to adding new subsidiaries, the Current Tax Agreement was amended on April 19, 1988, and on December 15, 2005, to reflect other changes.³

The Applicants request approval of the Revised Tax Agreement to replace the Current Tax Agreement. The Applicants represent that the Revised Tax Agreement is substantially similar to the Current Tax Agreement and does not alter the allocation of VNG's tax liabilities. The Applicants further represent that the Revised Tax Agreement is updated to reflect current provisions of the Internal Revenue Code and applicable state and local tax laws, and the current operating structure, among other changes. Due to the extensive amendments over time, the Applicants represent that entering into a new agreement to reflect these non-substantive changes is more efficient and manageable.⁴ Under the Revised Tax Agreement, VNG's allocated federal and state income tax will never be more than its separate return tax, which makes it consistent with the standalone tax provisions of Code § 56-235.2 A.

NOW THE COMMISSION, upon consideration of the Application and having been advised by the Staff of the Commission through its action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the Revised Tax Agreement is in the public interest and shall be approved subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-77, the Revised Tax Agreement is approved subject to the requirements listed in the Appendix attached to this Order.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Code § 56-76 *et seq.*

² The current tax agreement ("Current Tax Agreement") was approved in Case No. PUR-2022-00018. *See Application of Virginia Natural Gas, Inc. and The Southern Company, For approval to enter into a tax allocation agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia, Case No. PUR-2022-00018, Doc. Con. Cen. No. 220410020, Order Granting Approval (April 1, 2022).*

³ *See Application at 4-5.*

⁴ *Id.* at 5.

APPENDIX

1) VNG shall develop tax schedules reconciling VNG's total and Virginia jurisdictional federal and state current income tax expense, federal and state deferred income tax expense, and individual accumulated deferred federal and state income tax assets and liabilities, between amounts computed on a standalone basis and on a per books basis as of the end of the test period, as required in Schedule 36 of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities,¹ to be submitted to the Division of Utility Accounting and Finance ("UAF") on an annual basis as a companion document to VNG's Annual Informational Filing or any base rate application for a period of five (5) years following the effective date of the order in this case.

2) The Commission's approval of the Revised Tax Agreement shall extend for five (5) years from the effective date of the order granting approval in this case. If the Applicants wish to continue the Revised Tax Agreement beyond that date, separate approval shall be required.

3) The Commission's approval shall have no accounting or ratemaking implications.

4) Separate approval shall be required for any changes in the terms and conditions of the Revised Tax Agreement.

5) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

¹ 20 VAC 5-201-10 *et seq.*

6) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by the Commission.

7) The Applicants shall file an executed copy of the approved Revised Tax Agreement within sixty (60) days of the effective date of the Order in this case, subject to administrative extension by the Commission's Director of UAF ("UAF Director").

8) VNG shall include in its Annual Report of Affiliate Transactions, submitted to the UAF Director by May 1 of each year, a brief notice referencing this case, by case number, case description, order granting approval date, and order expiration date, and list the Southern subsidiaries added to or deleted from the Revised Tax Agreement since the most recent order

**CASE NO. PUR-2023-00036
MAY 30, 2023**

APPLICATION OF
1650 CUMBERLAND SOLAR 1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 13, 2023, 1650 Cumberland Solar 1, LLC ("1650 Cumberland" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On March 23, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before March 29, 2023, and to file proof of service on or before April 5, 2023. On March 29, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 12, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before April 19, 2023. On April 19, 2023, Staff filed its Report, which summarized Staff's investigation of 1650 Cumberland's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that 1650 Cumberland be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that 1650 Cumberland may file any response to the Report on or before April 26, 2023. 1650 Cumberland filed a response on April 20, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that 1650 Cumberland's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) 1650 Cumberland is hereby granted license No. SS-30 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id* at 5.

**CASE NO. PUR-2023-00037
MAY 30, 2023**

APPLICATION OF
CENTERVILLE TPK SOLAR 1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 13, 2023, Centerville TPK Solar 1, LLC ("Centerville TPK" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On March 23, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before March 29, 2023, and to file proof of service on or before April 5, 2023. On March 29, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 12, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before April 19, 2023. On April 19, 2023, Staff filed its Report, which summarized Staff's investigation of Centerville TPK's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Centerville TPK be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Centerville TPK may file any response to the Report on or before April 26, 2023. Centerville TPK filed a response on April 20, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Centerville TPK's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Centerville TPK is hereby granted license No. SS-31 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id* at 5.

**CASE NO. PUR-2023-00038
MAY 17, 2023**

APPLICATION OF
WAYNE AVE SOLAR 1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 14, 2023, Wayne Ave Solar 1, LLC ("Wayne Ave" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion").

In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 6, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before April 13, 2023, and to file proof of service on or before April 20, 2023. On April 10, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 27, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before May 4, 2023. On May 4, 2023, Staff filed its Report.

The Procedural Order further provided that Wayne Ave may file any response to the Report on or before May 11, 2023. Wayne Ave filed a response on May 4, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Wayne Ave's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Wayne Ave is hereby granted license No. SS-35 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

**CASE NO. PUR-2023-00039
MAY 17, 2023**

APPLICATION OF
1671 CUMBERLAND SOLAR 1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 14, 2023, 1671 Cumberland Solar 1, LLC ("1671 Cumberland" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 6, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before April 13, 2023, and to file proof of service on or before April 20, 2023. On April 10, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 27, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before May 4, 2023. On May 4, 2023, Staff filed its Report.

The Procedural Order further provided that 1671 Cumberland may file any response to the Report on or before May 11, 2023. 1671 Cumberland filed a response on May 4, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that 1671 Cumberland's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

¹ 20 VAC 5-340-10 *et seq.*

Accordingly, IT IS ORDERED THAT:

- (1) 1671 Cumberland is hereby granted license No. SS-33 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2023-00040
JUNE 12, 2023

APPLICATION OF
GREENE COUNTY, VIRGINIA, and THE BOARD OF SUPERVISORS OF GREENE COUNTY, VIRGINIA

To withdraw from Rapidan Service Authority pursuant to Va. Code § 15.2-5112

FINAL ORDER

On March 17, 2023, Greene County, Virginia, and the Board of Supervisors of Greene County, Virginia (collectively, "Greene County"), filed an application ("Application") with the State Corporation Commission ("Commission") requesting to withdraw from Rapidan Service Authority ("RSA") pursuant to § 15.2-5112 of the Code of Virginia ("Code").

In its Application, Greene County stated that it and RSA, along with Orange County, Virginia ("Orange County"), and Madison County, Virginia ("Madison County"), the other participating localities in RSA, have complied with Code § 15.2-5112.¹ Greene County further represented that Virginia Resources Authority ("VRA"), as the sole holder of bonds issued by RSA, has consented to Greene County's withdrawal from RSA.² Greene County requested that the Commission (i) find that its Application conforms to law; (ii) approve the Application pursuant to Code § 15.2-5112 E; and (iii) issue a certificate of withdrawal to Greene County.³

On April 24, 2023, the Commission issued an Order for Comment ("Order") in this docket directing Greene County to serve a copy of its Application and the Order on RSA, Orange County, Madison County, and VRA. The Order further permitted RSA, Orange County, Madison County, VRA and the Staff of the Commission ("Staff") to submit comments on the Application, on or before May 26, 2023. The Order also permitted Greene County to file a response to any comments that the Commission received in this proceeding on or before June 2, 2023.

On April 27, 2023, Greene County, by its counsel, filed proof of service of the Application and Order on RSA, Orange County, Madison County, and VRA in accordance with Ordering Paragraph (4) of the Order. Thereafter, pursuant to the Order, RSA, Orange County, and Madison County filed comments in this docket representing that each of them has consented to Greene County's withdrawal from the RSA pursuant to Code § 15.2-5112. Additionally, VRA filed comments representing that the VRA, as the sole holder of bonds issued by RSA, has consented to Greene County's withdrawal from RSA. The Staff did not submit comments in this proceeding, and filed a letter on May 16, 2023, with the Clerk of the Commission so stating. Subsequently, on May 17, 2023, Greene County filed a letter with the Clerk of the Commission stating that it declined to offer further comment in this matter.

NOW THE COMMISSION, upon consideration of the foregoing, finds as follows.

As stated above, Greene County has filed an Application with the Commission pursuant to § 15.2-5112 of the Code requesting to withdraw from RSA. This Code section provides the structure and procedures for a locality's withdrawal from an authority established and operating under the Virginia Water and Waste Authorities Act, § 15.2-5100, *et seq.* Provisions of § 15.2-5112 pertinent to the Application are as follows:

A. Any locality may become a member of any existing authority, and any locality that is a member of an existing authority may withdraw therefrom upon unanimous consent of the remaining members of the authority in accordance with this section. However, no locality may withdraw from any authority that has outstanding bonds without the unanimous consent of all the holders of such bonds unless all such bonds have been paid or cashed or United States government obligations have been deposited for their payment.

B. The governing body of any locality wishing to withdraw from an existing authority shall signify its desire by resolution or ordinance.

* * *

D. If the authority by resolution expresses its consent to withdrawal or joinder of a locality, the governing body of such locality and the governing bodies of the political subdivisions then members of the authority shall advertise the ordinance, resolution, or agreement and hold a public hearing in accordance with § 15.2-5104.

¹ Application at 3.

² *Id.*

³ *Id.* at 7.

Upon adoption or approval of the ordinance, resolution, or agreement, the governing body seeking to withdraw or join the authority shall file either an application to withdraw from or an application to become a member of the authority, whichever applies, with the State Corporation Commission. A joinder application shall set forth all of the information required in the case of original incorporation and shall be accompanied by certified copies of the resolutions, ordinances, or agreement described in subsection C. Joinder and withdrawal applications shall be executed by the proper officers of the withdrawing or incoming locality under its official seal, and shall be joined in by the proper officers of the governing board of the authority, and in the case of a locality seeking to become a member of the authority also by the proper officers of each of the political subdivisions that are then members of the authority, pursuant to resolutions by the governing bodies of such political subdivisions.

E. If the State Corporation Commission finds that the application conforms to law, it shall approve the application. When all proper fees and charges have been paid, it shall file the approved application and issue to the applicant a certificate of withdrawal or a certificate of joinder, whichever applies, attached to a copy of the approved application. The withdrawal or joinder shall become effective upon the issuing of such certificate.

* * *

As stated in § 15.2-5112 E of the Code, the Commission's finding that such an application conforms to law requires the Commission to approve it. Greene County's Application recites the statutory requirements for its withdrawal from RSA. Representations of compliance with those requirements are provided in the Application, and supported by RSA, Orange County, Madison County, and VRA in their responsive filings.

In particular, the Application and the responsive filings in this proceeding sufficiently establish that (i) Greene County adopted a resolution to withdraw from RSA pursuant to § 15.2-5112 A of the Code;⁴ and (ii) Orange County and Madison County each adopted resolutions pursuant to § 15.2-5112 B of the Code consenting to Greene County's withdrawal from RSA.⁵

Further, RSA's Board of Directors adopted a resolution approving Greene County's withdrawal from RSA, as required by Code § 15.2-5112 D.⁶ Finally, VRA, as the sole holder of bonds issued by RSA and in conformance with Code § 15.2-5112 A, entered into a consent agreement with Greene County, consenting to Greene County's withdrawal from RSA.⁷

Therefore, upon its review of the statutes applicable to the Application, and of the record established in this matter, the Commission finds that the Application conforms to law and approves it pursuant to § 15.2-5112 E of the Code.

Accordingly, IT IS ORDERED THAT:

- (1) The Application of Greene County, Virginia, and the Board of Supervisors of Greene County, Virginia, to withdraw from the Rapidan Service Authority is hereby found to conform to the requirements of § 15.2-5112 of the Code, and the same is hereby approved.
- (2) The approval herein shall become effective with the entry of this Order.
- (3) This Order shall serve as the certificate of withdrawal required by § 15.2-5112 E of the Code.
- (4) A copy of the approved Application, without exhibits, is attached to this Order.
- (5) This matter is dismissed.

Commissioner Patricia L. West participated in the matter.

NOTE: A copy of the Application is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

⁴ Application at 4.

⁵ *Id.* at 4-5.

⁶ *Id.* at 5-6.

⁷ *Id.* at 6.

CASE NO. PUR-2023-00041
JUNE 26, 2023

APPLICATION OF
 COLUMBIA GAS OF VIRGINIA, INC.

For approval of a Meter Exchange Agreement between Columbia Gas of Virginia, Inc., and Columbia Gas of Ohio, Inc., Columbia Gas of Pennsylvania, Inc., Columbia Gas of Kentucky, Inc., and Columbia Gas of Maryland, Inc., pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On April 4, 2023, Columbia Gas of Virginia, Inc. ("CVA" or "Company"), filed an application ("Application") with the State Corporation Commission ("Commission") under Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ requesting approval to enter into a Meter Exchange Agreement ("Agreement") to transfer to and receive from Columbia Gas of Ohio, Inc., Columbia Gas of Pennsylvania, Inc., Columbia Gas of Kentucky, Inc., and Columbia Gas of Maryland, Inc. (collectively with CVA, the "Columbia LDC(s)") certain meters at net book value on an as-needed basis. The Columbia LDCs currently operate under an existing Meter Exchange Agreement ("Existing Agreement"), which was approved for a period of five (5) years from the date of the order granting authority in Case No. PUR-2018-00071.²

The Columbia LDCs are wholly owned subsidiaries of NiSource Gas Distribution Group, Inc., which is a wholly owned subsidiary of NiSource Inc., a holding company under the Public Utility Holding Company Act of 2005. Accordingly, the Columbia LDCs are affiliated interests pursuant to § 56-76 of the Affiliates Act.

The Agreement allows the Columbia LDCs to transfer to or receive meters from each other if such meters are available for transfer. Meters are assigned to a Columbia LDC's meter inventory and may be kept in inventory at The Columbia Meter Shop ("Shop").³ The costs are correspondingly assigned to the Columbia LDC. Once a used meter has been taken out of service for maintenance, repair or refurbishment, the meter is returned to the meter inventory of the specific Columbia LDC from which it originated.⁴

The Application represents that occasionally a Columbia LDC will have what could be a large or domestic meter shortage and may not have the necessary meters in its inventory at the Shop. In this instance, the Shop would transfer a meter from the inventory of one Columbia LDC to that of another as needed. The providing Columbia LDC may provide natural gas meters to the receiving Columbia LDC as they are able without detriment to the providing Columbia LDC or its operations. These transfers only involve specialized meters or one-off situations and must be reviewed and approved by the Shop and fixed assets accounting.⁵ Meters are to be transferred at the net book value of the meter at the time of the transfer at the cost of the receiving Columbia LDC. These meter transfers are to be reflected in the books of each involved Columbia LDC at the end of the month when the meter transfer takes place. Each Columbia LDC is to allow the other Columbia LDCs reasonable access to its accounts and records to verify the accuracy of the transfer values. Any Columbia LDC may withdraw from the Agreement with 30-day notice to the other parties. The Agreement will terminate for any Columbia LDC if it ends its affiliate relationship with the other Columbia LDCs.

The only significant change between the Existing Agreement and the proposed Agreement is the inclusion of Section 2101(a) of the Pennsylvania Public Utility Code and acknowledgement that the Agreement is effective after the approvals of both the Commission and the Pennsylvania Public Utility Commission. While CVA has experienced extended lead times for all new meters due to supply chain delays, CVA represents that these delays have not impacted meter transfers under the Existing Agreement.⁶

CVA asserts that the Agreement is in the public interest as it allows a Columbia LDC to have access to meters when they are not readily available. The ability to transfer meters as needed allows the Columbia LDCs to realize economic and practical benefits through economies of scale due to the timely, efficient, and economic manner in which meters may be transferred. The Agreement would also allow the Columbia LDCs to avoid maintaining excessive inventories of various meter types to satisfy unanticipated or emergency needs, which reduces the overall cost of inventory and overhead costs for the Columbia LDCs.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff ("Staff") through Staff's action brief and having considered the Company's comments thereon, is of the opinion and finds that the Agreement is in the public interest and should be approved subject to the requirements listed in the Appendix attached to this Order.

¹ Code § 56-76 *et seq.* ("Affiliates Act").

² See *Application of Columbia Gas of Virginia Inc., For approval of a meter exchange agreement pursuant to Chapter 4, Title 56 of the Code of Virginia*, Case No. PUR-2018-00071, S.C.C. Ann. Rept. 429, Order Granting Approval (June 15, 2018).

³ See Applicant's response to Staff Data Request 1-10, attached to Staff's action brief filed concurrently with this order.

⁴ Application at 3.

⁵ See Applicant's response to Staff Data Request 1-8, attached to Staff's action brief filed concurrently with this order.

⁶ See Applicant's response to Staff Data Request 1-9, attached to Staff's action brief filed concurrently with this order.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Company is hereby granted approval of the Agreement subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1) The Commission's approval of the Agreement shall extend for five years from the effective date of the order in this case. If CVA wishes to continue under the Agreement beyond that date, separate approval shall be required.

2) The Commission's approval shall have no accounting or ratemaking implications.

3) The Commission's approval shall be limited to the exchange of the types of meters specifically identified and described in the Application.⁷ If CVA wishes to exchange other types of meters with the Columbia LDCs, separate approval shall be required.

4) CVA shall be required to maintain records, available to Staff upon request, to verify that any meters exchanged between CVA and the Columbia LDCs under the Agreement are priced at net book value.⁸

5) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

6) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreement.

7) The Commission shall reserve the right to examine the books and records of CVA and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

8) CVA shall file a copy of the approved Agreement within 30 days after the effective date of the order granting approval in this case, subject to administrative extension by the Director of the Division of Utility Accounting and Finance ("UAF Director").

9) CVA shall include all transactions associated with the Agreement in its Annual Report of Affiliate Transactions ("ARAT") submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall:

- (a) List the latest case number in which the Agreement was approved;
- (b) List CVA, the Columbia LDC(s), and types of meters exchanged; and
- (c) Include schedule(s) in Excel electronic spreadsheet format with formulas intact, listing the prior year's meters sold, purchased and transferred by month, Federal Energy Regulatory Commission account, and dollar amount (as the transactions are recorded in CVA's books).

⁷ See Application at 3.

⁸ Since CVA and the Columbia LDCs are rate regulated utilities, it is appropriate for meters exchanged under the Agreement to be priced at net book value, which is original cost less accumulated depreciation.

CASE NO. PUR-2023-00042 MAY 18, 2023

APPLICATION OF
SOLAR DEVELOPMENT GROUP, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 21, 2023, Solar Development Group, LLC ("SDG" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 7, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before April 11, 2023, and to file proof of service on or before April 18, 2023. On April 10, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before April 25, 2023. No comments were filed.

¹ 20 VAC 5-340-10 *et seq.*

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before May 2, 2023. On May 2, 2023, Staff filed its Report.

The Procedural Order further provided that SDG may file any response to the Report on or before May 9, 2023. SDG filed a response on May 3, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that SDG's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) SDG is hereby granted license No. SS-32 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license. Commissioner Patricia L. West participated in this matter.

CASE NO. PUR-2023-00043
JUNE 15, 2023

APPLICATION OF
ROCKINGHAM COUNTY VA S1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 22, 2023, Rockingham County VA S1, LLC ("Rockingham" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 12, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before April 18, 2023, and to file proof of service on or before April 25, 2023. On April 13, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before May 2, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before May 9, 2023. On May 9, 2023, Staff filed its Report, which summarized Staff's investigation of Rockingham's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Rockingham be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Rockingham may file any response to the Report on or before May 16, 2023. Rockingham filed a response on May 9, 2023, requesting that the Commission grant the license as recommended in the Report.

NOW THE COMMISSION, upon consideration of this matter, finds that Rockingham's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Rockingham is hereby granted license No. SS-36 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id* at 5.

**CASE NO. PUR-2023-00044
AUGUST 21, 2023**

JOINT PETITION OF
AQUA VIRGINIA, INC. AND GREAT BAY UTILITIES, INC.

For approval of a change in control of all of the assets of a public utility

FINAL ORDER

On April 5, 2023, Aqua Virginia, Inc. ("Aqua Virginia" or "Company"), along with Great Bay Utilities, Inc. ("Great Bay") (collectively, "Joint Petitioners"), by and through counsel and pursuant to the provisions of Chapter 5¹ of Title 56 of the Code of Virginia ("Code"),² completed the filing with the State Corporation Commission ("Commission"), of a Joint Petition for approval of the merger of Aqua Virginia and Great Bay into one corporation, with Aqua Virginia as the surviving entity³ ("Joint Petition").⁴ Specifically, the Joint Petitioners seek authority for the acquisition by Aqua Virginia, and the disposition by Great Bay, of control of all of the assets of Great Bay ("Great Bay Systems" or "Systems"),⁵ as well as the necessary authority to transfer the assets of Great Bay to Aqua Virginia pursuant to § 56-88.1 of the Code.⁶

According to the Joint Petitioners, the proposed merger will permit more efficient financing and administration of water and wastewater service through one legal entity and allow Aqua Virginia to maintain rates at more reasonable levels in the longer term.⁷ Further, the Joint Petitioners state that by bringing the Great Bay Systems under Aqua Virginia, the Systems will be subject to the full range of the Commission's public utility regulatory authorities without the exceptions now applicable to Great Bay under Title 56, Chapter 10.2 of the Code.⁸ The Joint Petitioners also indicate that the merger of the companies facilitates increased efficiencies of operation, improves customer service, and allows more efficient and less costly oversight of the Great Bay Systems.⁹ Overall, the Joint Petitioners represent that adequate service at just and reasonable rates will be enhanced by the proposed transaction.¹⁰

Per the Joint Petitioners, following termination of the corporate existence of Great Bay, Aqua Virginia will acquire title, possession, and control of all the assets owned by and will directly serve all of the customers of Great Bay.¹¹ Joint Petitioners represent that the merger contemplated herein will not change rates for the customers of any of the Joint Petitioners at this time.¹² Until such time as Aqua Virginia proposes rate changes for customers of the Joint Petitioners by separate application filed with the Commission, the Company will continue to charge the rates Great Bay currently charges its customers.¹³

¹ The Joint Petition was filed pursuant to Chapters 4 and 5 of Title 56 of the Code of Virginia. Joint Petition at 1. In consultation with Staff counsel, counsel for the Company stated that Joint Petitioners filed this case under both Chapters 4 and 5 of Title 56 out of an abundance of caution. Since the Joint Petition proposes a true merger upon the close of which there will be no surviving affiliate, the Commission finds it appropriate to review this case pursuant to Virginia Code § 56-88.1 (Chapter 5) only.

² Code § 56-88 *et seq.*

³ Joint Petition at 1.

⁴ *Id.* at 1. Aqua Virginia and Great Bay are each presently separate Virginia public service companies organized to own and operate water systems, with Great Bay being a wholly-owned subsidiary of Aqua Virginia. Both legal entities hold respective water and wastewater certificates from, and are regulated by, the Commission. *Id.* at 2.

⁵ Joint Petition at 3-4: "Great Bay currently holds 20 certificates of public convenience and necessity (collectively, "CPCNs") for service in its current service territories. Pursuant to the Commission's authorization of the proposed transaction, Joint Petitioners request that these CPCNs be amended in accordance with Va. Code §56-265.3 D of the Utility Facilities Act, to permit Aqua Virginia to serve in the territories currently served by Great Bay." As used herein, the term "Systems" shall include the service territories appurtenant to each such System.

⁶ Joint Petition at 3.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 3.

¹¹ *Id.* at 2.

¹² *Id.* at 4. *See also*, Joint Petitioners' Response to Staff Data Request No. 2-7, in which the Joint Petitioners represented that neither Great Bay's "rates or other terms and conditions" would change post-merger, until such time as Aqua Virginia makes any requests for same in its next general rate case. *See also*, Joint Petitioners' Response to Staff Data Request No. 2-7, attached to the Staff Report filed in this docket on July 21, 2023.

¹³ Joint Petition at 4.

Moreover, the Joint Petitioners maintain that adequate service at just and reasonable rates will not be jeopardized, but rather, enhanced by the proposed transaction.¹⁴ Therefore, the Joint Petitioners request that Aqua Virginia's water and wastewater certificates of public convenience and necessity be amended to serve the Great Bay service territories.¹⁵

On May 5, 2023, the Commission issued an Order for Notice and Comment, which docketed the matter as Case No. PUR-2023-00044; directed the Joint Petitioners to provide public notice of the Joint Petition and file proof of service no later than June 2, 2023; provided interested persons an opportunity to participate as a respondent in the proceeding, to file comments on the Joint Petition, and to request a hearing on the matter no later than June 23, 2023; and directed the Commission Staff ("Staff") to investigate the Joint Petition and file a report containing Staff's findings and recommendations ("Staff Report") no later than July 21, 2023. On June 13, 2023, the Joint Petitioners filed proof of publication and notice and proof of service.

No requests for hearing, notices of participation, or comments were filed in this case. On July 21, 2023, Staff filed its Staff Report and concluded that, based on the Joint Petitioners' representations and Staff's review of the Joint Petition, adequate service to the public at just and reasonable rates will not be impaired or jeopardized by the merger. Therefore, Staff recommended that the merger should be approved subject to the requirements listed in Appendix A to the Staff Report, which are necessary to protect the public interest.¹⁶

On July 27, 2023, the Joint Petitioners filed their response ("Response") to the Staff Report, stating that the Joint Petitioners supported Staff's findings and recommendations as indicated, without further comment on the Staff Report.¹⁷

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through the Staff Report, and having considered the Joint Petitioners' Response thereon, is of the opinion and finds that the proposed merger will not impair or jeopardize adequate service to the public at just and reasonable rates and is approved subject to the requirements listed in the Appendix attached to this Order. Included with this merger authority, is the authority of Great Bay to dispose of by way of transfer to Aqua Virginia, control of all of the various System assets of Great Bay, and Aqua Virginia is hereby given the authority to receive control of all such System assets.

In so finding, the Commission clarifies that no changes to the Great Bay rates and other terms and conditions being transferred to Aqua Virginia, shall occur post-merger absent further order of this Commission. The Commission notes, however, that while this Joint Petition has been pending, Aqua Virginia has filed an application for general rate increase which, *if granted*, could in the future raise Great Bay customer rates.¹⁸ Pending the outcome of the recently filed rate case, however, the Commission's finding remains that Aqua Virginia shall take the Great Bay Systems at the rates, charges and terms and conditions presently in effect as of the date of this order.

The Commission further grants an amendment of Aqua Virginia's current water and wastewater certificates to add the 20 Great Bay Systems, leaving Aqua Virginia as the certificated water and wastewater provider for these service territories.¹⁹ In so doing, the Commission cancels Great Bay's current water and wastewater certificates for these 20 Systems.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-89, the Joint Petitioners are granted approval of the proposed merger and Systems asset transfer as described herein, subject to the requirements listed in the Appendix attached to this Order.
- (2) The Commission clarifies that no changes to the Great Bay rates and other terms and conditions being transferred to Aqua Virginia, shall occur post-merger absent further order of this Commission.
- (3) Pursuant to Code §56-265.3 D, the Commission grants an amendment to Aqua Virginia's current water and wastewater certificates to expand and add to its service territory the 20 Great Bay Systems, leaving Aqua Virginia as the certificated water and wastewater provider for these service territories.
- (4) Based on the foregoing, Great Bay's water and wastewater certificated authority for these 20 Systems is cancelled.
- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁴ *Id.* at 3.

¹⁵ *Id.* at 3-4.

¹⁶ Staff Report at 5.

¹⁷ Joint Petitioners' Response at 2.

¹⁸ *Application of Aqua Virginia, Inc., For an Increase in Rates*, Case No. PUR-2023-00073, Doc. Con. Cen. No. 230760021, Application at 1, *see especially*, FN 1 (July 27, 2023).

¹⁹ Joint Petition at 3-4.

APPENDIX

- (1) The Commission approves the proposed Merger and the amendment of Aqua Virginia's CPCNs, pursuant to Code § 56-265.3 D, to expand its service territory to add the Great Bay Systems subject to the requirements below.
- (2) The Commission's approval shall have no accounting or ratemaking implications.
- (3) The Commission's approval shall be contingent upon closing the merger pursuant to the terms and conditions ("Terms") of the Agreement and Plan of Merger provided in the Petition for review by the Commission. No changes to the Terms of the Agreement and Plan of Merger shall be made before or at closing without prior Commission approval.
- (4) Within ninety (90) days of completing the proposed Merger, Aqua Virginia shall file a Report of Action ("Report") with the Commission. The Report shall include the effective date of the Merger and the actual accounting entries entered on Aqua Virginia's books to reflect the Merger. Such accounting entries shall be in accordance with the Uniform System of Accounts.

**CASE NO. PUR-2023-00045
JULY 6, 2023**

APPLICATION OF
CVE NORTH AMERICA, INC.

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On March 31, 2023, CVE North America, Inc. ("CVE" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On April 24, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before May 5, 2023, and to file proof of service on or before May 12, 2023. On April 28, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before May 19, 2023. One comment was filed.²

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before May 26, 2023. On May 26, 2023, Staff filed its Report, which summarized Staff's investigation of CVE's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that CVE be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order further provided that CVE may file any response to the Report on or before June 2, 2023. On May 31, 2023, CVE filed a letter requesting that the Commission grant a license to CVE.

NOW THE COMMISSION, upon consideration of this matter, finds that CVE's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) CVE is hereby granted license No. SS-37 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (2) This case shall remain open for consideration of any subsequent amendments or modifications to this license.
Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² One comment was filed on May 18, 2023, but does not appear to be relevant to this proceeding.

³ Report at 3-5.

⁴ *Id.* at 5.

CASE NO. PUR-2023-00046
MAY 30, 2023

JOINT APPLICATION OF
 LINGO TELECOM OF VIRGINIA, LLC, and BULLSEYE TELECOM OF VIRGINIA, LLC

For approval of an internal reorganization and transfer of customers pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On April 7, 2023, Lingo Telecom of Virginia, LLC ("Lingo"), and BullsEye Telecom of Virginia, LLC ("BullsEye") (collectively, "Applicants"),¹ completed the filing of a Joint Application ("Application") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of an internal reorganization and transfer of customers from BullsEye to Lingo ("Transfer").

BullsEye and Lingo are both authorized to provide local exchange telecommunications services in Virginia pursuant to their respective certificates of public convenience and necessity issued by the Commission.³ The Applicants state that the pro forma assignment of customers between these two entities will end with BullsEye terminating its business in Virginia.

The Applicants assert that the Transfer will not involve any change to the operations of Lingo. The Applicants further state that Lingo will continue to provide services to its existing customers at the same rates, terms, and conditions as currently provided. Information provided with the Application indicates that Lingo will continue to have the financial, managerial, and technical resources necessary to provide telecommunications services in Virginia following completion of the Transfer.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Applicants hereby are granted approval of the Transfer as described herein.
- (2) The Applicants shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ BullsEye Telecom, LLC, and Lingo Telecom, LLC, are also considered to be Applicants in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ See *Application of BullsEye Telecom of Virginia, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services*, Case No. PUC-2002-00129, 2002 S.C.C. Ann. Rept. 325, Final Order (Oct. 4, 2002); *Application of Matrix Telecom of Virginia, Inc., For cancellation and reissuance of certificate of public convenience and necessity to provide local exchange telecommunications services to reflect name change to Lingo Telecom of Virginia, LLC*, Case No. PUR-2022-00059, Doc. Con. Cen. No. 220640021, Order Reissuing Certificate (June 17, 2022).

CASE NO. PUR-2023-00048
MAY 30, 2023

APPLICATION OF
 VIRGINIA ELECTRIC AND POWER COMPANY and DOMINION PRIVATIZATION HOLDINGS, INC.

For approval to enter into a Services Agreement under Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On April 11, 2023, Virginia Electric and Power Company ("DEV" or "Company") and Dominion Privatization Holdings, Inc. ("DPHI") (collectively, "Applicants"), filed an Application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ requesting approval to enter into a Services Agreement ("Agreement"), under which DPHI will provide energy and utility infrastructure services for federal customers on behalf of the Company pursuant to DEV's Areawide Public Utilities Contract ("Areawide Contract") with the United States federal government.

¹ Code § 56-76 *et seq.* ("Affiliates Act").

Specifically, the Applicants request approval under the Agreement for DPHI to serve as a subcontractor for the Company for utility infrastructure services ("Exhibit A Services") and federal utility energy services contracts ("UESCs" or "Exhibit B Services")² (collectively, "Services"), as set forth in the Areawide Contract.

In the Application, the Company states that it provides Services to federal customers pursuant to the Areawide Contract, which was most recently renewed in 2018 for a period of ten years.³ Under the Areawide Contract, the Company may engage subcontractors to perform some or all of the work.⁴ Under the proposed Agreement, DPHI would be providing the Services to the federal agency, with DEV serving as the prime contractor and serving utility.⁵ The Applicants state that for the purpose of providing Exhibit A Services, DEV would contact DPHI to provide a proposal; DEV would then review the proposal and, if accepted, authorize DPHI to complete the work. If selected by a federal agency to provide Exhibit B Services, DEV would hold the contract and would engage DPHI as a subcontractor to perform the work.⁶

The Company represents that the transactions would be recorded below the line and have no impact on its jurisdictional business or on the rates charged to its jurisdictional customers. The Company further represents that all costs and expenses would be funded by the federal agency customers.⁷ DEV asserts that when the Company engages DPHI to perform Services, the federal government would pay DEV the costs of those services plus a margin to reflect services performed by DPHI, such that the Company would collect all revenues under the Areawide Contract or UESC. The Company would then pay DPHI its cost of performing the requested work and retain the margin.⁸ The Company represents that the proposed Agreement is in the public interest because it would permit DEV to leverage the expertise of its affiliate, DPHI, to provide utility infrastructure and energy services for DEV's federal agency customers.⁹

NOW THE COMMISSION, upon consideration of this matter, having been advised by the Commission Staff through its action brief, and having considered the Company's comments thereon, is of the opinion and finds that the proposed Agreement is in the public interest and should be approved subject to certain requirements set forth in the Appendix attached hereto.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Applicants are hereby granted approval of the proposed Agreement effective as of the date of this Order Granting Approval, subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

² The Applicants also refer to these services as Energy Management Services in the Agreement.

³ See Application at 3.

⁴ *Id.* at 3-4.

⁵ *Id.* at 7.

⁶ *Id.* at Exhibit A, Question 2.

⁷ *Id.* at 6-7.

⁸ *Id.* at 6, and Exhibit A, Question E (2).

⁹ *Id.* at 5.

APPENDIX

(1) The Commission's approval of the Agreement shall extend through August 22, 2028, the expiration date of the Areawide Contract. If the Applicants wish to continue under the Agreement beyond that date, separate Commission approval shall be required.

(2) In each UESC, DEV, its officers, employees, agents, and shareholders shall be fully indemnified and held harmless, without recourse, from any (a) claims, suits, or legal proceedings; (b) damages or injuries; (c) interest; (d) costs, expenses, or fees; (e) changes in DEV's financial condition; and (f) all other loss or liability of any kind that occur as a result of the proposed transactions under the Agreement.

(3) DEV shall not provide any form of project financing under the UESCs.

(4) Any changes in the terms and conditions of the UESCs shall require separate approval.

(5) The Commission's approval shall have no accounting or ratemaking implications.

(6) The Commission's approval shall not preclude the Commission from exercising its authority under Va. Code § 56-76 *et seq.*, hereafter.

(7) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreement.

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(8) The Commission's approval shall be limited to the specific services identified in the Agreement. If the Applicants wish to provide additional services not specifically identified, separate Commission approval shall be required.

(9) Separate Affiliates Act approval shall be required for the Applicants to provide any services through the engagement of affiliated third parties under the Agreement.

(10) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

(11) DEV shall file with the Commission a signed and executed copy of the Agreement approved in this case within sixty (60) days of the date of the Order in this case, with such filing date subject to administrative extension by the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director").

(12) DEV shall include a schedule listing all transactions associated with the approval granted in this case by (a) UESC date; (b) federal agency customer/facility; (c) service provided; (d) month; (e) FERC account and account description; and (f) amount (as it is recorded on DEV's books) in its Annual Report of Affiliate Transactions ("ARAT") submitted electronically to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director.

**CASE NO. PUR-2023-00049
OCTOBER 23, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval and certification of electric transmission facilities: Line #2011 230 kV Partial Rebuild Project

FINAL ORDER

On March 31, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval and certification of electric transmission facilities in the Cities of Manassas and Manassas Park and the Counties of Prince William and Fairfax, Virginia. Dominion filed its Application pursuant to § 56-46.1 of the Code of Virginia ("Code") and the Utility Facilities Act, Code § 56-265.1 *et seq.*

Through its Application, the Company proposes to complete the following, which is collectively referred to as the "Project":

- Rebuild approximately 7.25 miles of the existing overhead 230 kilovolt ("kV") Cannon Branch-Clifton Line #2011 from existing Structure #2011/68, which is located one span outside of the Company's existing Cannon Branch Substation and is not being replaced, to the Clifton Substation.¹ Specifically, the Company proposes to replace the existing Line #2011 1590 ACSR (45/7) conductor from Structure #2011/68 to Clifton Substation with three-phase twin-bundled 768.2 ACSS/TW type conductor, designed for a maximum operating temperature of 250 degrees Celsius and a minimum summer transfer capacity of 1,573 megavolt amperes. In order to accommodate the higher capacity of the uprated conductor, the Company additionally proposes to replace the existing single circuit 230 kV monopoles, which are primarily weathering steel monopoles, with single circuit 230 kV weathering steel monopoles capable of supporting the proposed conductor.²
- Replace all substation equipment at the Clifton Substation that is associated with Line #2011 and not currently rated for 4000 ampere ("A") to provide a 4000A single breaker rating.
- Uprate the Company's line switches to 4000A at the Prince William Delivery Point ("DP") and Battery Heights DP, both of which are the City of Manassas's DPs tapped from Line #2011.³

¹ Dominion represents that "Structure #2011/68, which is located one span outside of the Company's existing Cannon Branch Substation, is not being replaced. In a recent case before the Commission, the Company received approval to remove approximately 0.06 mile of the existing 230 kV Line #2011 between the Cannon Branch Substation and Structure #2011/68. *Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Line #2011 Extension from Cannon Branch to Winters Branch*, Case No. PUR-2021-00291, Doc. Con. Cen. No. 220640203, Final Order (June 24, 2022). That project will be in service before the Company anticipates construction to begin on the proposed Partial Rebuild Project. Therefore, while Line #2011 is currently the Cannon Branch-Clifton Line #2011, once the project approved in Case No. PUR-2021-00291 is complete, Line #2011 will run from the Clifton Substation to the Winters Branch Substation and be renamed Clifton-Winters Branch Line #2011. For ease of reference in the Application, the Company is referring to the line segment for this Partial Rebuild Project simply as 'Line #2011.'" Application at 2 n.1.

² According to the Company, it determined that reconductoring the existing Line #2011 steel poles with the Company's standard 3-phase twin bundled 768.2 ACSS conductor was not an option for this Partial Rebuild Project. Application Appendix at 17. The Application further states that this is because when installing the proposed conductor at a tension that achieved required clearances, the existing poles experienced shaft failures, as they were only designed for single 1590 ACSR. *Id.*

³ Application at 2-3.

On April 25, 2023, the Commission issued an Order for Notice and Comment that, among other things, directed Dominion to provide notice of its Application; established a procedural schedule, including the opportunity for interested persons to file comments, notices of participation, and requests for hearing; directed the Commission's Staff ("Staff") to investigate the Application and file a report summarizing Staff's investigation; and appointed a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission and to file a report.

Staff requested that the Department of Environmental Quality ("DEQ") coordinate an environmental review of the Project by the appropriate agencies and to provide a report on the review.⁴ On June 13, 2023, DEQ filed its report on Dominion's Application ("DEQ Report"), which includes the Wetland Impact Consultation provided by DEQ's Office of Wetlands and Stream Protection.

The Fairfax County Board of Supervisors filed a Notice of Participation. No public comments or hearing requests on the Application were filed with the Commission.

On August 8, 2023, Staff filed its report, and on August 18, 2023, the Company filed its rebuttal testimony.

On September 21, 2023, the Hearing Examiner issued the Report of M. Renae Carter, Hearing Examiner ("Report"). In the Report, the Hearing Examiner made the following findings:⁵

- (1) The Project is needed so the Company can continue to provide reliable service in the Project area and to comply with North American Electric Reliability Corporation Reliability Standards and the Company's transmission planning criteria.
- (2) Anticipated load reductions from demand-side management will not obviate the need for the Project.
- (3) The Project will support economic development in the Project area.
- (4) The Company has considered the feasibility of locating Project facilities on existing rights-of-way as required by law.
- (5) The Project avoids or reasonably minimizes adverse impact to the greatest extent reasonably practicable on the scenic assets, historic resources recorded with the Department of Historic Resources, and the environment of the area concerned.
- (6) The Company should be required to comply with the uncontested recommendations included in the DEQ Report's "Summary of Findings and Recommendations."
- (7) The recommendation that the Company verify the property boundary for Blooms Park is unwarranted, and the Company should coordinate with the City of Manassas Park if the Company requires a temporary construction access easement to conduct work outside the existing rights-of-way.
- (8) The recommendation for a pre-construction inventory for rare plants associated with diabase glades is unnecessary, and the Company should educate its construction personnel regarding the plant species prior to the commencement of construction activities and coordinate with the Department of Conservation and Recreation if the species is found within the Project area.
- (9) The recommendation that the Company further evaluate eight petroleum release sites is unnecessary based on Dominion's representation that such evaluation has already occurred.
- (10) Given the Company's existing Environmental Management System Manual and the Commission's prior rejection of a comparable recommendation, the Commission should reject the DEQ's recommendation for the Company to consider developing an effective Environmental Management System.
- (11) The Company should continue coordinating with Fairfax County to address its Project-related concerns, as the Company has committed to do.
- (12) There are no feasible alternatives to the Project.
- (13) The Project does not represent a hazard to public health or safety.
- (14) The Company has reasonably addressed the impact of the Project on aviation resources.
- (15) The Company reasonably considered the requirements of the Virginia Environmental Justice Act in its Application.

On September 29, 2023, Dominion filed comments on the Report.

⁴ Letter from Michael J. Zielinski, Esquire, State Corporation Commission, dated April 17, 2023, to David L. Davis, Department of Environmental Quality, filed in Case No. PUR-2023-00049; Letter from Michael J. Zielinski, Esquire, State Corporation Commission, dated April 17, 2023, to Bettina Rayfield, Department of Environmental Quality, filed in Case No. PUR-2023-00049.

⁵ Report at 27-28.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:⁶

Accordingly, I RECOMMEND the Commission enter an Order:

- (1) *ADOPTING* the findings in this Report;
- (2) *GRANTING* the Company's Application to construct the Project;
- (3) *ISSUING* a certificate of public convenience and necessity to the Company to construct and operate the Project; and
- (4) *DISMISSING* this case from the Commission's docket of active cases.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by law and evidence, have a rational basis, and are adopted herein. The Commission finds that the public convenience and necessity requires the construction of the Project and that certificates of public convenience and necessity ("CPCNs") authorizing the Project should be issued subject to the recommended findings and conditions contained in the Report.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Hearing Examiner's findings and recommendations.
- (2) The Hearing Examiner's recommendations, set forth herein, are hereby ordered.
- (3) Dominion is authorized to construct and operate the Project as proposed in its Application, subject to the findings and conditions imposed herein.
- (4) Pursuant to §§ 56-46.1, 56-265.2, and related provisions of Title 56 of the Code, the Company's request for approval of the necessary CPCNs to construct and operate the Project is granted as provided for herein.

- (5) Pursuant to the Utility Facilities Act, § 56-265.1 *et seq.* of the Code, the Commission issues the following CPCNs to Dominion:

Certificate No. ET-DEV-NVA-2023-A, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in the Counties of Arlington and Fairfax and the Cities of Alexandria, Fairfax, and Falls Church, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00049, cancels Certificate No. ET-ET-DEV-NVA-2021-A, issued to Virginia Electric and Power Company in Case No. PUR-2020-00198 on June 24, 2021.

Certificate No. ET-DEV-PRW-2023-B, which authorizes Virginia Electric and Power Company under the Utility Facilities Act to operate certificated transmission lines and facilities in Prince William County and the Cities of Manassas and Manassas Park, all as shown on the map attached to the certificate, and to construct and operate facilities as authorized in Case No. PUR-2023-00049, cancels Certificate No. ET-DEV-PRW-2023-A, issued to Virginia Electric and Power Company in Case No. PUR-2022-00123 on April 24, 2023.

- (6) Within thirty (30) days from the date of this Final Order, the Company shall provide to the Commission's Division of Public Utility Regulation an electronic map for each Certificate Number that shows the routing of the transmission line approved herein. Maps shall be submitted to Michael Cizenski, Deputy Director, Division of Public Utility Regulation, mike.cizenski@scc.virginia.gov.

- (7) Upon receiving the maps directed in Ordering Paragraph (6), the Commission's Division of Public Utility Regulation forthwith shall provide the Company copies of the CPCNs issued in Ordering Paragraph (5) with the maps attached.

- (8) The Project approved herein must be constructed and in service by December 31, 2025. No later than ninety (90) days before the in-service date approved herein, for good cause shown, the Company is granted leave to apply, and to provide the basis, for any extension requested.

- (9) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

⁶ *Id.* at 28-29.

**CASE NO. PUR-2023-00050
AUGUST 2, 2023**

APPLICATION OF
AUGUSTA CSG LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On May 16, 2023, Augusta CSG LLC ("Augusta" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On June 12, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before June 16, 2023, and to file proof of service on or before June 23, 2023. On June 29, 2023, the Company filed proof of service out-of-time, which the Commission Staff ("Staff") deemed non-objectionable.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before June 30, 2023. No comments were filed.

The Procedural Order further directed the Staff to analyze the Application and present its findings in a report ("Report") to be filed on or before July 7, 2023. On July 7, 2023, Staff filed its Report, which summarized Staff's investigation of Augusta's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Augusta be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Augusta may file any response to the Report on or before July 14, 2023. No response to the Report was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Augusta's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Augusta is hereby granted license No. SS-41 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id* at 5.

**CASE NO. PUR-2023-00051
SEPTEMBER 18, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of a plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia

FINAL ORDER

On March 31, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed a petition with the State Corporation Commission ("Commission") for approval of a plan for electric distribution grid transformation projects ("Petition") pursuant to § 56-585.1 A 6 of the Code of Virginia ("Code").¹

¹ Pursuant to statute, the Commission's Final Order in this matter must be entered not more than six months from the date the Petition is filed. *See* Code § 56-585.1 A 6.

Specifically, Dominion seeks approval of Phase III of its plan to transform its electric distribution grid ("GT Plan"), which consists of proposed projects in 2024, 2025, and 2026, as well as work performed in prior years for certain Phase III projects.² The total proposed cost associated with Phase III of the GT Plan is \$1.0987 billion in capital investment and \$70.6 million in operations and maintenance ("O&M") expenses.³

On April 21, 2023, the Commission issued an Order for Notice and Hearing that, among other things: established a procedural schedule for this case; set an evidentiary hearing date; directed Dominion to provide public notice of its Petition; and provided interested persons an opportunity to file comments on the Petition or to participate in the case as a respondent. Notices of participation were filed by the Coalition for Community Solar Access ("CCSA") and the Office of the Attorney General's Division of Consumer Counsel ("Consumer Counsel"). The Company and Staff pre-filed testimony in this matter.

Because no public witnesses signed up to testify, the hearing to receive public witness testimony was not convened. A public evidentiary hearing was convened in the Commission's courtroom on July 18, 2023, to receive testimony and evidence offered by Dominion, respondents and Staff on the Petition.

On August 18, 2023, Hearing Examiner M. Renae Carter issued a report that analyzed the law, the evidence, and the arguments in this case and made detailed findings and recommendations ("Report"). The Report recommends that the Commission enter an order in this case that:⁴

1. **ADOPTS** the findings and recommendations of the Report;
2. **DIRECTS** the Company to increase reporting on mainfeeder hardening, as follows:
 - The Company should (1) continue reporting all the metrics included in Schedules 3 and 4 of the 2023 Annual Report of the GT Plan, which includes the System Average Interruption Duration Index as Staff requested and other metrics, and (2) report on customer minutes of interruption;
 - These metrics should all be calculated according to the same timeframe wherever possible. If the data cannot be time-synchronized, the Company should provide an explanation as to why;
 - Future reports also should clarify which mainfeeders provided the data for each metric and the timeframe over which those mainfeeders provided data for the metric;
 - The Company should track and report on the extent to which, post-hardening, service has improved for the specific pool of customers that provided the mainfeeder's eligibility to be hardened, using at a minimum the metrics of customer minutes of interruption and the System Average Interruption Duration Index;
 - Where any hardened mainfeeder's performance, as measured by System Average Interruption Duration Index and/or customer minutes of interruption, worsens by more than 10% from one year to the next, the Company should provide a discussion of the reasons for the denigration in performance;
 - The Company should provide a comparison of each mainfeeder's estimated cost to actual cost, similar to that provided in Staff witness Dodson's Table 3 in Exhibit No. 23. Where fluctuations of more than 15% between estimates and actual costs occur, the Company should provide a narrative explanation of the reasons therefor;
 - The Company should continue to provide information and data on how hardened mainfeeder sections withstand severe weather events compared to non-hardened sections of mainfeeders subject to the same severe weather event; and
 - The Company should report which mainfeeders were subject to both mainfeeder hardening and targeted corridor improvement;
3. **DIRECTS** the Company to file its most recently filed GT Plan annual report again, with the Company's next GT Plan petition;
4. **DIRECTS** increased reporting on mainfeeder hardening even if the Commission approves an alternative mainfeeder hardening option to that which I find reasonable and prudent;
5. **DIRECTS** the Company, as to the targeted corridor improvement project, to comply with Staff's proposed hazard tree pilot reporting metrics with the modification the Company suggested, *i.e.*, to count the number of areas artificial intelligence has identified and how many of those areas include at least one hazard tree;
6. **DIRECTS** the Company, as to voltage optimization enablement, to perform the additional reporting recommended by Staff and to work with Staff to develop reporting metrics for the Company to include in its annual Evaluation, Measurement, and Verification report;

² Ex. 2 (Petition) at 1, n.1.

³ *Id.* at 7.

⁴ Report at 78-80.

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7. To the extent the Commission finds that the Company has not fulfilled its reporting requirement as to the Distributed Energy Resource Management System and Federal Energy Regulatory Commission ("FERC") Order 2222, **REQUIRES** the Company to make an additional filing with the Commission after each additional FERC ruling on PJM's compliance with FERC Order 2222, confirming that, to the best of the Company's knowledge, the Distributed Energy Resource Management System meets the requirements of FERC Order 2222;
8. **DENIES** the Petition's initial non-wires alternative proposal without prejudice for the Company to later request approval of a process similar to that which was initially proposed;
9. **DIRECTS** the Company and Staff, during the five years of the non-wires alternative pilot, to work together to develop a guidance document, including limitations and/or guardrails for future non-wires alternative initiatives, such that those initiatives complying with the limitations and/or guardrails possibly could proceed without Commission approval, if such guidance document is itself approved by the Commission;
10. **REQUIRES** the Company to comply with its environmental justice commitments for the non-wires alternative pilot systems;
11. **DIRECTS** the Company and Staff to work together to develop non-wires alternative pilot metrics, using Staff witness Ingram's metrics list as the starting point, and **FURTHER DIRECTS** that the Company report on progress developing the metrics list in future annual GT Plan reports;
12. **REQUIRES** that any approved non-wires alternative pilot must adhere to the Commission's Regulations Governing the Deployment of Energy Storage, 20 VAC 5-335-10 *et seq.*;
13. **DIRECTS** the Company to submit its consultant's environmental justice evaluation results to Staff within 60 calendar days after the Company receives them;
14. To the extent the Company receives grant funding for Grid Transformation projects, **DIRECTS** the Company to use these grant funds to reduce the cost of those investments to customers in a future cost recovery proceeding;
15. **DIRECTS** the Company to continue exploring all available grant opportunities that could reduce costs of grid investments for customers generally; AND
16. As to Grid Transformation reporting generally, **DIRECTS** the Company to work with Staff to build on previously-established metrics and to add more metrics for new Phase III projects.

On September 1, 2023, comments on the Report were filed by Consumer Counsel, Staff and Dominion.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁵

As set forth above, the Hearing Examiner's Report concludes with 16 well-structured recommendations for purposes of the instant proceeding. Accordingly, the remainder of this Final Order addresses each enumerated recommendation, *seriatim*, as listed in the Report.⁶

Recommendation 1

Except as otherwise modified herein the Commission adopts the findings and recommendations contained in the Report.

Continuing Programs and Pilots

The Commission approves the continuation of the following GT Plan Programs and Pilots, subject to certain limitations and requirement contained herein:

- Advanced Metering Infrastructure, with a capital investment cost cap of approximately \$23.2 million and an O&M cost cap of approximately \$23.2 million;
- Customer Information Platform, with a capital investment cost cap of approximately \$4.3 million;
- An expanded Mainfeeder Hardening pilot, consisting of the 44 mainfeeders the Company has hardened or is planning to harden in 2022 and 2023, with a capital investment cost cap of approximately \$182.7 million;
- Targeted Corridor Improvement, with O&M cost caps of \$3,481,413 for ash tree removal, \$7,264,907 for the herbicide initiative, \$4,631,979 for the hazard tree pilot, and \$16,559,073 for the tree overhang removal pilot, for a total Targeted Corridor Improvement O&M cost cap of approximately \$31.9 million;
- Voltage Island Mitigation, with a capital investment cost cap of approximately \$25.3 million;

⁵ The Commission has fully considered the evidence and arguments in the record. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

⁶ Unless otherwise noted, where the Commission herein adopts the Hearing Examiner's recommendation, such is based on analysis and rationale therefor as set forth in the Report.

- Voltage Optimization Enablement, with a capital investment cost cap of approximately \$215.0 million;
- Substation Technology Deployment, with a capital investment cost cap of approximately \$144.1 million;
- Distributed Energy Resource Management System, with a capital investment cost cap of approximately \$8.2 million and an O&M cost cap of approximately \$1.1 million;
- Telecommunications, with a capital investment cost cap of approximately \$83.0 million and an O&M cost cap of approximately \$12.1 million;
- Physical Security, with a capital investment cost cap of approximately \$71.0 million;
- Cyber Security, subject to a capital investment cost cap of approximately \$0.5 million, to the extent the projects that the proposed cyber security work supports also are approved; and
- Customer Education, with an O&M cost cap of approximately \$1.1 million, to the extent the projects that the proposed customer education work supports also are approved.

New Programs and Pilots

The Commission also approves the following new programs and pilots:

- Outage Management System, with a capital investment cost cap of approximately \$15.7 million and an O&M cost cap of approximately \$1.0 million; and
- A Non-Wires Alternative pilot, consisting of up to five front-of-the-meter battery energy storage systems, to be installed over five years, at a total 2024-2028 capital investment cost cap of \$50 million and a 2024-2028 O&M cost cap of approximately \$0.3 million.

Mainfeeder Hardening Program

The Commission agrees with the Hearing Examiner that the Company has not met its burden of proof that the mainfeeder hardening program, as requested in the Petition, is reasonable and prudent. In so concluding, the Commission has fully evaluated the record evidence in light of the applicable law.⁷ The Company requests approximately \$508.3 million in capital investment to harden 111 mainfeeders, 44 of which the Company has hardened or is hardening in 2022 and 2023, and 67 of which the Company plans to harden in 2024-2026.⁸ As recognized by the Hearing Examiner, the requested cost cap of \$508.3 million approaches one-half (44.2 percent) of the total Phase III GT Plan capital expenditure request of \$1.1 billion.⁹ The lifetime revenue requirement – the cost to customers over the life of the grid hardening investments - would be approximately \$1.282 billion, including financing costs.¹⁰

The Commission previously approved mainfeeder hardening as a pilot-type project as part of Phase IB of the Company's GT Plan, with a cost cap of \$47.9 million to harden 11 mainfeeders.¹¹ In approving the pilot-type project, the Commission cautioned that "Commission approval herein does not guarantee any additional future approvals associated with the Company's full ten-year mainfeeder hardening program The Company expects to see actual data collected to analyze the specific impacts of mainfeeder hardening before it will approve any additional spending on future phases related to mainfeeder hardening."¹²

We share the Hearing Examiner's concerns regarding the limitations and incongruities of the Company's data presented in this case supporting mainfeeder hardening request, particularly with respect to the cost-benefit analysis.¹³ Among other things, the record reflects that:

- The Phase IB pilot covered 11 mainfeeders, but the data focused on only seven completed prior to December 31, 2021 for which the Company has a full seasonal cycle of data;¹⁴

⁷ See Report at 36-38.

⁸ *Id.* at 43.

⁹ *Id.* at 50-51.

¹⁰ *Id.* at 51.

¹¹ *Petition of Virginia Electric and Power Company, For approval of a plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia, and for approval of an addition to the terms and conditions applicable to electric service*, Case No. PUR-2019-00154, 2020 S.C.C. Ann. Rep. 318, Final Order (Mar. 26, 2020).

¹² *Id.* at 325.

¹³ Report at 45-49. Consumer Counsel characterized the Company's evidence used to its case as "weak; the Company compared two different types of data, one-year of reliability data to a five-year timeframe." Consumer Counsel comments to the Hearing Examiner's Report of August 18, 2023 Report of M. Renae Carter, Hearing Examiner at 2.

¹⁴ Report at 46.

- The cost-benefit analysis includes benefits for reduced storm-related truck rolls, but storm-related truck rolls increased in 2020 and 2022;¹⁵
- The cost-benefit analysis incorporates an economic benefit of \$73.3 million from enhanced reliability, but data showed that in 2022, the total number of customer minutes of interruption was 352,265,206, more than 20 million minutes greater than the pre-hardening (2015-2019) average of 332,004,262;¹⁶ and
- The Company's actual costs have varied significantly from estimates on an individual mainfeeder basis. In one case, costs overran estimates by 427 percent.¹⁷

We agree with the Hearing Examiner that overall the data does not support Commission approval of the Company's full project request at this time.¹⁸ We are similarly concerned that the cost estimates for this program are not "detailed, accurate, and reasonable cost information" necessary "to evaluate whether they are reasonable and prudent before we commit customers to pay for the Company's proposals."¹⁹ Simply put, the Company has not sustained its burden of proving these costs are reasonable and prudent and we deny approval of the full \$508.3 million request without prejudice to request further approvals in the future.

As recommended by the Hearing Examiner, we do find the record supports approval of some additional investment to gain additional information to further validate the projected reliability improvements from this type of program.²⁰ We approve an expanded mainfeeder pilot that would consist of the 44 mainfeeders that the Company has hardened or is in the process of hardening in 2022 and 2023 with a capital investment cap for such expanded pilot of approximately \$182.7 million.²¹ The Commission stresses that such approval does not guarantee that any additional mainfeeder hardening will be approved in the future, *i.e.*, any spending above these amounts is at the Company's risk. In addition, as discussed further below, the Commission finds additional reporting relative to mainfeeder hardening is necessary to further develop and monitor the results of this pilot-type program. Our approval of the expanded pilot herein is expressly conditioned on such additional reporting.

Recommendation 2

As noted, we agree with the Hearing Examiner that additional reporting is necessary and warranted. Dominion takes issue with some of the Hearing Examiner's recommendations related to increased reporting requirements regarding mainfeeder hardening, which we have considered.²² Unless modified herein, we agree with and adopt the Hearing Examiner's recommended additional reporting requirements related to mainfeeder hardening.

With regard to the Hearing Examiner's recommendation that the same timeframe be used wherever possible, we agree this is worthwhile and further find that Dominion may, in addition, provide the results "using all the mainfeeder data available since construction completion, calculating an average monthly reliability measure, and converting that metric to an average annual metric to capture all available data before making reliability comparison."²³

Next, Dominion disagrees with the Hearing Examiner's recommendation that the Company provide a narrative explanation of cost variances that fluctuate more than 15 percent between estimates and actual costs.²⁴ We agree with Dominion that this measure should apply to differences between actual costs and project detailed design cost estimate, rather than differences between actual costs and the conceptual scoping estimate. We do not agree with Dominion that this level of reporting should only be required if the phase cost cap is exceeded by 15 percent.

Lastly in regard to reporting on mainfeeder hardening, we accept Dominion's clarification that the Company will report which mainfeeders are subject to both mainfeeder hardening and the tree overhang removal portion of the targeted corridor improvement.²⁵

¹⁵ *Id.* at 49.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.* at 48.

¹⁹ *Petition of Virginia Electric and Power Company, For approval of a plan for electric distribution grid transformation projects pursuant to § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2018-00100, 2019 S.C.C. Ann. Rep. 234, 237, Final Order (Jan. 17, 2019).

²⁰ Report at 43-53.

²¹ *Id.* at 51.

²² Dominion Comments on the August 18, 2023 Report of M. Renae Carter, Hearing Examiner ("Dominion Comments") at 15-17.

²³ *Id.* at 16.

²⁴ *Id.* at 16-17.

²⁵ *Id.* at 17.

Recommendation 3

The Commission directs Dominion to file its most recently filed GT Plan annual report again, with the Company's next GT Plan petition.

Recommendation 4

Recommendation 4 is an alternative recommendation in the event the Commission does not approve the expanded mainfeeder hardening pilot recommended by the Hearing Examiner. As the Commission does approve the Hearing Examiner's recommended expanded pilot as discussed above, it is unnecessary to address Recommendation 4.

Recommendation 5

As to the targeted corridor improvement project, the Commission directs Dominion to comply with Staff's proposed hazard tree pilot reporting metrics with the modification the Company suggested, *i.e.*, to count the number of areas artificial intelligence has identified and how many of those areas include at least one hazard tree.

Recommendation 6

As to voltage optimization enablement, the Company shall perform the additional reporting recommended by Staff and is directed to work with Staff to develop reporting metrics for the Company to include in its annual Evaluation, Measurement, and Verification report.

Recommendation 7

While we do not find any deficiency in the Company's previous filings regarding FERC Order 2222, the Commission finds appropriate, and directs the Company to make, an additional filing with the Commission after each additional FERC ruling on PJM's compliance with FERC Order 2222, confirming that, to the best of the Company's knowledge, the Distributed Energy Resource Management System meets the requirements of FERC Order 2222.

Recommendation 8

As set forth above, the Commission approves a non-wires alternative pilot. Accordingly, the Commission denies the Petition's initial non-wires alternative proposal without prejudice for the Company to later request approval of a process similar to that which was initially proposed.

Recommendation 9

The Commission directs the Company and Staff, during the five years of the non-wires alternative pilot, to work together to develop a guidance document, including limitations and/or guardrails for future non-wires alternative initiatives, such that those initiatives complying with the limitations and guardrails could potentially proceed without Commission approval. Should either Staff, the Company or other appropriate party believe that Commission approval of such document is necessary, an appropriate future filing should be made seeking approval.

Recommendation 10

The Commission expects and directs the Company to comply with its environmental justice commitments for the non-wires alternative pilot systems.

Recommendation 11

The Commission directs the Company and Staff to work together to develop non-wires alternative pilot metrics, using Staff witness Ingram's metrics list as the starting point, and directs that the Company report on progress developing the metrics list in future annual GT Plan reports.

Recommendation 12

The Commission agrees that the approved non-wires alternative pilot should adhere to the Commission's Regulations Governing the Deployment of Energy Storage, 20 VAC 5-335-10 *et seq.* To the extent the Company or any third party seeks an exception to these regulations, including to 20 VAC 5-335-80, it may request a waiver pursuant to 20 VAC 5-335-130.

Recommendation 13

The Commission directs the Company to submit its consultant's environmental justice evaluation results to Staff within 60 calendar days after the Company receives them.

Recommendation 14

To the extent the Company receives grant funding for grid transformation projects, the Commission directs the Company to use these grant funds to reduce the cost of those investments to customers in a future cost recovery proceeding.

Recommendation 15

The Commission expects the Company to abide by its commitments to continue exploring all available grant opportunities that could reduce costs of grid investments for customers generally.

Recommendation 16

The Commission directs, as to grid transformation reporting generally, the Company to work with Staff to build on previously established metrics and to add more metrics for new Phase III projects.

Accordingly, IT IS SO ORDERED, and this matter is CONTINUED.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00053
MAY 2, 2023**

PETITION OF
GOFF NETWORK TECHNOLOGIES – VIRGINIA, INC.

For cancellation of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services

ORDER CANCELLING CERTIFICATES

On March 30, 2023, Goff Network Technologies – Virginia, Inc. ("Goff Network" or "Company") filed a petition with the State Corporation Commission ("Commission") requesting cancellation of the certificates of public convenience and necessity issued to the Company to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia ("Petition").¹ In support of its Petition, Goff Network states that the Company has no assets, infrastructure, or telecommunications customers in Virginia.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Certificate No. T-741 and Certificate No. TT-287A should be cancelled and that any tariffs on file associated with Goff Network's certificates should be cancelled.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed as Case No. PUR-2023-00053.
- (2) Certificate No. T-741, issued to Goff Network to provide local exchange telecommunications services, is hereby cancelled.
- (3) Certificate No. TT-287A, issued to Goff Network to provide interexchange telecommunications services, is hereby cancelled.
- (4) Any tariffs on file with the Commission associated with Certificate No. T-741 and Certificate No. TT-287A are hereby cancelled.
- (5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ See *Application of Goff Network Technologies – Virginia, Inc., For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUC-2015-00030, 2015 S.C.C Ann. Rept. 165, Final Order (Aug. 11, 2015) (granting Certificate Nos. T-741 and TT-287A).

**CASE NO. PUR-2023-00055
JUNE 13, 2023**

APPLICATION OF
KENTUCKY UTILITIES COMPANY d/b/a OLD DOMINION POWER COMPANY

For authority to engage in affiliate transactions under Chapter 4, Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On March 31, 2023, Kentucky Utilities Company d/b/a Old Dominion Power Company ("KU/ODP" or "Applicant")¹ filed an application ("Application") with the State Corporation Commission ("Commission") for authority to engage in affiliate transactions under Chapter 4, Title 56 of the Code of Virginia ("Code").²

¹ KU/ODP is the Virginia utility portion of Kentucky Utilities, Inc. ("KU"). The Application lists Louisville Gas & Electric Company ("LG&E"); LG&E and KU Revised Services Company ("LK Services"); LG&E and KU Energy LLC ("LKE"); LG&E and KU Capital LLC ("LKC"); The Narragansett Electric Company d/b/a Rhode Island Energy ("NECO"); PPL Corporation ("PPL"); PPL Electric Utilities Corporation ("PPL Electric"); PPL Rhode Island Holdings, LLC ("PPL RIH"); and PPL Services Corporation ("PPL Services") as affiliates ("Affiliates") of KU/ODP and parties to the Application.

² Code § 56-76 *et seq.* (the "Affiliates Act")

The Applicant requests Affiliates Act authority to: (1) enter into a revised Amended and Restated Utility Services Agreement ("Revised Services Agreement");³ (2) renew the Utility Services Agreement for Mutual Assistance ("New Mutual Assistance Agreement"); and (3) renew the PPL and Consenting Members of its Consolidated Group Agreement for Filing Consolidated Income Tax Returns and for Allocation of Consolidated Income Tax Liabilities and Benefits ("New Tax Agreement") (collectively, "Agreements").

The Application represents an effort to synchronize the approval of KU/ODP's existing affiliate agreements in order to improve administrative efficiency and reduce costs.⁴ The current Services Agreement and CAM were approved six months ago in the 2022 Order,⁵ and allow KU/ODP to exchange a wide range of Services⁶ with multiple Affiliates. The existing Mutual Assistance Agreement was last approved by the Commission in Case No. PUR-2018-00049,⁷ and allows KU/ODP, LG&E, and PPL Electric to receive and provide emergency assistance. The existing Tax Agreement was last approved by the Commission in the 2018 Order, and allocates tax liabilities and benefits among the PPL companies using the standalone method consistent with Code § 56-235.2(A).⁸

The changes to the proposed Agreements are limited. The Revised Services Agreement, in addition to continuing the exchange of Services described above and synchronizing its approval period with the other Agreements, incorporates amendments ("Amendments") to add data hosting services to be exchanged with PPL RIH, NECO, and LKC that were previously exchanged separately under the Hosting Services Agreement PPL Alternate Data Center, which is being terminated.⁹ Overall, the Revised Services Agreement represents PPL's ongoing program to rationalize and streamline its corporate back office operations.¹⁰ Other than adding NECO and seeking a new five-year term, no changes are proposed for the New Mutual Assistance Agreement.¹¹ Other than seeking a new five-year term, no changes are proposed for the New Tax Agreement.

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through its action brief and having considered the Applicant's comments thereon, is of the opinion and finds that the proposed Agreements are in the public interest and are approved subject to the requirements listed in the Appendix attached to this order.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-77, the Agreements are approved subject to the requirements listed in the Appendix attached to this order.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

- 1) The Commission's approval shall extend for five years from the effective date of the order in this case. If the Applicant wishes to continue the Agreements (including the CAM) beyond that date, separate approval shall be required.
- 2) The Commission's approval shall have no accounting or ratemaking implications.
- 3) The Commission's approval shall be limited to the specific Services identified and described in the Agreements. If KU/ODP wishes to exchange Services not specifically identified and described in the Agreements, separate approval shall be required.
- 4) Separate Commission approval shall be required for KU/ODP to exchange Services with any affiliates other than the Affiliates under the Agreements.

³ The LG&E and KU Energy LLC Cost Allocation Manual, effective January 1, 2023 ("CAM"), is included as Exhibit 2 to the Application and attached as Exhibit A to the Revised Services Agreement. The Services Agreement and CAM were approved together in Case No. PUR-2022-00170. *See Kentucky Utilities Company d/b/a Old Dominion Power Company, For approval of 2023 services agreement and cost allocation manual*, Case No. PUR-2022-00170, Doc. Con. Ctr. No. 221230149, Order Granting Approval (Dec. 20, 2022) ("2022 Order").

⁴ *See* the Commission Staff ("Staff") Action Brief, filed concurrently with this order, at 5.

⁵ *See* fn. 3.

⁶ The term "Services" refers to: (a) goods exchanged between KU/ODP and an Affiliate; (b) direct Services exchanged between KU/ODP and an Affiliate, and (c) indirect Services passed from an Affiliate through LK Services to KU/ODP ("Pass Through Services"). *See* CAM at 10 to 25. (Where is this defined?) RS – *See* footnote 1.

⁷ *See Application of Kentucky Utilities Company d/b/a Old Dominion Power Company, For authority to engage in affiliate transactions pursuant to Va. Code § 56-76 et seq.*, Case No. PUR-2018-00049, 2018 S.C.C. Ann. Rept. 398, Order Granting Approval (June 29, 2018) ("2018 Order").

⁸ *See* Application at 8-9.

⁹ *Id.* at 7.

¹⁰ *Id.* at 4.

¹¹ *Id.* at 8.

5) KU/ODP shall provide a formal acknowledgement ("Acknowledgement") that the Commission regulates recovery of any Pass-Through Services costs for the purpose of determining the amount of such costs that are includible in KU/ODP's cost of service. Such Acknowledgement shall be filed with the executed copy of the approved Agreements.

6) For all Pass-Through Services transactions, upon request, LK Services shall obtain and provide original records (invoices, etc.) of the costs and provide KU/ODP with a Report that details the costs by: Service Affiliate, month, service category, FERC account, and amount as the costs are recorded in KU/ODP's books. The Report shall be in Excel electronic media format, with formulas intact, so that Staff can tabulate and sort the data for analysis in future rate proceedings. The Report shall cover the prior January 1-December 31 calendar year and be submitted with KU/ODP's Annual Report of Affiliate Transactions ("ARAT") to the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director") each year.

7) For all Services exchanged directly or indirectly between KU/ODP and the Affiliates, KU/ODP shall maintain records, available upon request, demonstrating that the exchanged Services are cost beneficial to Virginia ratepayers.

(a) Services exchanged between KU/ODP and a rate-regulated Affiliate shall be priced at cost.

(b) For Services provided by KU/ODP to an unregulated Service Affiliate where a market may exist, KU/ODP shall investigate whether market prices are available and if they exist, KU/ODP shall compare its cost to the market price and charge the higher of cost or market.

(c) For Services received by KU/ODP from an unregulated Service Affiliate where a market may exist, KU/ODP shall investigate whether market prices are available and if they exist, KU/ODP shall compare the Service Affiliate's cost to the market price and pay the lower of cost or market.

(d) KU/ODP shall bear the burden of proving, in any rate proceeding, that it complied with the Commission's pricing policy as stated above.

8) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

9) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreements.

10) The Commission shall reserve the right to examine the books and records of KU/ODP and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by the Commission.

11) KU/ODP shall file an executed copy of the approved Agreements within sixty (60) days of the effective date of the order in this case, subject to administrative extension by the Commission's UAF Director.

12) KU/ODP shall include all transactions associated with the approved Agreements in its ARAT submitted to the UAF Director by May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall include:

(a) the case number in which the Agreements were approved;

(b) KU/ODP, the Affiliates, and the Services exchanged;

(c) schedule(s) in Excel electronic media format, with formulas intact, listing the prior calendar year's Services transactions by Affiliate, month, Service, FERC account, and amount as the transactions are recorded on KU/ODP's books;

(d) an updated list of the PPL Affiliates that participate as a "Member" of the New Tax Agreement each year; and

(e) an annual detailed reconciliation of any differences between KU/ODP's allocation of actual federal and state income tax liabilities and what the federal and state income tax liabilities are on a separate return basis. If there are no differences between KU/ODP's allocated and separate return tax liabilities, then KU/ODP shall provide a verified representation to that effect in the ARAT.

**CASE NO. PUR-2023-00056
AUGUST 31, 2023**

APPLICATION OF
ROANOKE GAS COMPANY

For approval of a SAVE Plan and to implement a Projected Factor Rate and True-Up Factor Rate

ORDER GRANTING APPROVAL

On March 31, 2023, pursuant to Virginia Code § 56-603 *et seq.*, the Steps to Advance Virginia's Energy ("SAVE") Plan Act, Roanoke Gas Company ("Roanoke Gas" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for approval of a SAVE Plan and to implement a Projected Factor Rate and a True-Up Factor Rate (together, "SAVE Rider Rate"). The Company requests approval of its proposed five-year SAVE Plan beginning October 1, 2023 through September 30, 2028 ("2024 SAVE Plan"), and to implement a SAVE Rider Rate beginning on October 1, 2023 through September 30, 2024.¹

The Company states that over the course of the approved 2012 SAVE Plan, substantial progress was made on approved replacement projects.² However, the Company states it has not completed all of the approved projects and is requesting to include the uncompleted projects in the 2024 SAVE Plan.³ These projects include the following, that were approved in connection with the 2012 SAVE Plan:⁴

¹ Application at 2-3; Direct Testimony of Niklas E. Banka ("Banka Direct") at 11-12.

² Application at 3.

³ *Id.*

⁴ *Id.* at 3-4; Direct Testimony of C. James Shockley ("Shockley Direct") at 6.

- (i) First generation plastic mains and services;
- (ii) Steel coated tubing services;
- (iii) Pre-1973 coated steel mains and services;
- (iv) Associated meter bar and regulator installations for renewed services; and
- (v) Eleven regulator stations.

Additionally, the Company is proposing to include the following additional programs that have not been previously approved by the Commission:⁵

- (i) Unlocatable mains and services;
- (ii) Two additional gate stations;
- (iii) Electrically-shortened steel-cased crossings;
- (iv) Transmission main valves on the Company's Gala Transmission main; and
- (v) Advanced leak detection technologies.

The Company anticipates spending approximately \$49.5 million over the five years in the 2024 SAVE Plan.⁶ Additionally, the Company is requesting authority to vary its annual spending up to 10% each year and the flexibility to vary its cumulative spending over the course of the 2024 SAVE Plan by up to 5% from the amounts authorized in this proceeding.⁷ The Company notes that such variances are consistent with those approved by the Commission for other gas utility SAVE plans.⁸

Staff's Report was filed on July 7, 2023 and on July 12, 2023, Staff filed a correction to the Staff Report. Therein, Staff recommended that Roanoke Gas' 2024 SAVE Plan be approved subject to certain conditions.

On July 21, 2023, the Company filed comments on the Staff Report, stating:

Subject to the corrections to the [Staff] Report filed on July 12, 2023, the Company does not object to the Staff's recommendations in the [Staff] Report at this time. Accordingly, the Company respectfully requests that the Hearing Examiner recommend that the Commission issue an order approving the Company's SAVE Plan and related requests in its Application, as modified in the Staff Report.

On August 15, 2023, the Report of Mary Beth Adams, Hearing Examiner ("Report") was issued. The Report contained findings and recommendations as follows:⁹

- (1) The Company's five-year timeline for completion of the proposed eligible infrastructure replacement projects is reasonable; however, should the Company determine that more time is needed to complete the Projects authorized to be included in its SAVE Plan, the Company should file an application to amend the 2024 SAVE Plan;
- (2) Should the Commission authorize the Company to include all of the proposed Programs in the 2024 SAVE Plan, I recommend a 2024 capital expenditure cost cap of \$9.41 million and an overall capital expenditure cost cap of \$51.93 million for the SAVE Plan;
- (3) Based on the Commission's prior determination that the Pre-1973 Aldyl-A Plastic Mains and Services, Pre-1971 Coated Steel Mains and Services, including the remaining ½ inch steel tubing services, Associated Meter Bar and Regulator Installations for Renewed Services; and 11 District Regulator Stations programs are SAVE eligible, I recommend that the Existing SAVE Projects be approved for inclusion in the Company's 2024 SAVE Plan;
- (4) The unlocatable plastic mains and service lines the Company encounters in the field that cannot be repaired using reasonable methods are SAVE eligible projects. Accordingly, I recommend that the Unlocatable Plastic Mains and Service Lines Program, as discussed herein, be approved for inclusion in the Company's 2024 SAVE Plan;

⁵ Application at 4; Shockley Direct at 9-12.

⁶ Application at 3.

⁷ *Id.*

⁸ *Id.*

⁹ Report at 21-23 (*internal citations omitted*).

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- (5) The identified electronically shorted steel cased crossing is SAVE eligible. Accordingly, I recommend approval of the Electrically Shorted Steel Cased Crossings Program for inclusion in the 2024 SAVE Plan. In addition, the Company has not demonstrated that future electrically shorted cased crossing it may identify are SAVE eligible and the Company's management of any and all electrically shorted cased crossings it has knowledge of on pipelines it operates should be undertaken, at a minimum, in accordance with any and all applicable provisions of the Commission's Pipeline Safety Standards;
- (6) The transmission line valves identified by the Company are SAVE eligible projects. Accordingly, I recommend that the Transmission Line Valves Program be approved for inclusion in the Company's 2024 SAVE Plan;
- (7) The Elliston and Cave Spring gate stations are SAVE eligible projects. Accordingly, I recommend that the Gate Stations Program be approved for inclusion in the Company's 2024 SAVE Plan;
- (8) Replacement of Pre-1983 Plastic mains and service lines undertaken with other SAVE projects is SAVE eligible. Accordingly, I recommend that the Pre-1983 Plastic Mains and Service Lines Program be approved for inclusion in the Company's 2024 SAVE Plan;
- (9) The Company's Enhanced Leak Detection Program be approved for testing different equipment options on a limited basis, as described by Staff. Further, I recommend that any enterprise-wide implementation of enhanced leak detection equipment be undertaken only after the Company has received further Commission approval in a future case. Moreover, I recommend that the Commission direct the Company to ensure that any and all actions it takes (1) during, and/or (2) as a result of its enhanced leak detection and repair activities be undertaken, at a minimum, in accordance with any and all applicable provisions of the Commission's Pipeline Safety Standards. Additionally, I recommend that the Commission approve the tracking and reporting requirements recommended by Staff and direct the Company to provide such information in its future SAVE filings to aid the Commission's review of the SAVE eligibility of these projects. Lastly, I recommend the Commission direct the Company to update its operations and maintenance manual should it replace existing compliance activities with advanced leak detection equipment;
- (10) The Staff's recommended \$217,893 total revenue requirement, consisting of a True-Up Factor [credit amount] of \$148,173 and a Projected Factor of \$366,065 is reasonable, and I recommend approval thereof;
- (11) The use of the 7.30% overall cost of capital that reflects the 9.44% cost of equity is reasonable at this time;
- (12) The Company's proposed allocation factors, revenue apportionment, and rate design are reasonable, and I recommend approval thereof. However, because I am recommending Staff's proposed revenue requirement, which is slightly less than the Company's proposed revenue requirement, I recommend that the 2024 SAVE Rider fixed monthly charge be adjusted proportionately; and
- (13) The Company's SAVE Plan meets the requirements of the SAVE Act. Further, the Company has demonstrated that its proposed 2024 SAVE Plan, including Staff's unopposed modifications, is prudent and reasonable. Accordingly, I recommend the Commission approve the Company's SAVE Plan on or before September 27, 2023.

On August 22, 2023, Roanoke and Staff filed comments in support of the Report's findings and recommendations.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.¹⁰

Hearing Examiner's Report

After analyzing the law and weighing the evidence – and providing a thorough and detailed analysis thereof – the Hearing Examiner made the following recommendations:¹¹

Accordingly, I RECOMMEND that the Commission enter an Order that:

- (1) *ADOPTS* the findings of this Report;
- (2) *APPROVES* the Company's Application with the modifications recommended herein; and
- (3) *DISMISSES* this case.

Upon consideration of this matter, the Commission concludes that the Hearing Examiner's findings and recommendations are supported by the law and evidence, have a rational basis, and are adopted herein. In so concluding, the Commission approves, subject to each of the conditions recommended by Staff¹² and agreed to by the Company,¹³ Roanoke Gas' proposed 2024 SAVE Plan (beginning October 1, 2023 through September 30, 2028) and the accompanying 2024 SAVE Rider Rate (beginning on October 1, 2023 through September 30, 2024).

¹⁰ The Commission has fully considered the evidence and arguments in the record. See also *Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n. 10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (*citation omitted*).

¹¹ Report at 23.

¹² Staff Report at 42, as revised by Staff's Corrected Report pages 27 and 42.

¹³ Roanoke Gas' Response to Staff Report and Corrected Staff Report at 1.

As a result, the Company's 2024 SAVE Rider revenue requirement is \$217,893.¹⁴ The Company's SAVE Plan investment caps of \$8.55 million during fiscal year 2024 with a 10% annual spending variance, and proposed investment of \$49.46 million with a 5% overall spending variance for the 2024-2028 SAVE Plan are also approved.¹⁵ Should Roanoke Gas terminate or amend its SAVE Plan prior to conclusion of the five-year period, it shall demonstrate that its cumulative SAVE capital expenditures beginning October 2023 are within an overall 5% variance relative to cumulative authorized expenditures as of the date of termination or amendment.

In granting this approval, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Virginia Code § 56-603 *et seq.*, the Company's Application, as modified herein, is approved. Rates consistent with this Order shall become effective beginning October 1, 2023 and shall remain in effect until September 30, 2024.

(2) Roanoke Gas forthwith shall file with the Clerk of the Commission and shall submit to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance revised tariffs for the updated SAVE Rider, with workpapers supporting the total revenue requirement and rates, all of which shall reflect the findings and requirements set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection both in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) Roanoke Gas shall file its next SAVE Rider update on or before June 1, 2024.

(4) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁴ Report at 6. The 2024 SAVE Rider revenue requirement is \$217,893, which is comprised of a 2024 True-Up Factor credit amount of \$148,173 and a 2024 Projected Factor of \$366,065. *Id.* at 6.

¹⁵ *Id.*

**CASE NO. PUR-2023-00057
AUGUST 3, 2023**

APPLICATION OF
HALIFAX CSG LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On May 16, 2023, Halifax CSG LLC ("Halifax" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On June 12, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before June 23, 2023, and to file proof of service on or before June 30, 2023. On June 29, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before July 7, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before July 14, 2023. On July 13, 2023, Staff filed its Report, which summarized Staff's investigation of Halifax's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Halifax be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id.* at 5.

The Procedural Order further provided that Halifax may file any response to the Report on or before July 21, 2023. No response to the Report was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Halifax's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Halifax is hereby granted license No. SS-42 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter

**CASE NO. PUR-2023-00058
AUGUST 2, 2023**

APPLICATION OF
PRINCE EDWARDS CSG LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On May 16, 2023, Prince Edwards CSG LLC ("Prince Edwards" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion").

In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On June 12, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before June 23, 2023, and to file proof of service on or before June 30, 2023. On June 29, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before July 7, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before July 14, 2023. On July 13, 2023, Staff filed its Report, which summarized Staff's investigation of Prince Edwards's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Prince Edwards be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Prince Edwards may file any response to the Report on or before July 21, 2023. No response to the Report was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Prince Edwards's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT :

(1) Prince Edwards is hereby granted license No. SS-43 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id* at 5.

CASE NO. PUR-2023-00059
JULY 10, 2023

PETITION OF
 VIRGINIA ELECTRIC AND POWER COMPANY

For approval of a disposition of utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On April 5, 2023, Virginia Electric and Power Company ("DEV" or "Petitioner") filed a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),¹ requesting approval of a proposed transaction ("Transfer") through which DEV will transfer certain distribution facilities ("Facilities") to the Washington Metropolitan Area Transit Authority ("WMATA"). The Facilities were constructed for the sole purpose of providing permanent electrical service to the Dulles Corridor Metrorail Project – Phase II ("Phase II Project").²

WMATA is a body corporate and politic formed by interstate compact among the Commonwealth of Virginia, the State of Maryland and the District of Columbia to provide rapid transit service in the Washington, D.C. metropolitan area.³ It is a non-jurisdictional customer of DEV.

The Metropolitan Washington Airports Authority ("MWAA") is an independent public body, created by the Commonwealth of Virginia and the District of Columbia to operate and maintain Ronald Reagan Washington National Airport and Washington Dulles International Airport.⁴

In 2014, DEV completed a transfer of certain distribution facilities to WMATA that were constructed for the sole purpose of providing permanent electrical service to the Dulles Corridor Metrorail Project – Extension to Wiehle Avenue.⁵

DEV asserts that the Metropolitan Washington Airports Authority entered into a design-build contract with Capital Rail Constructors, a Joint Venture ("CRC") for the construction of the Phase II Project on May 14, 2013.⁶ CRC then entered into a subcontract agreement, dated April 24, 2015, with DEV to construct the facilities needed to provide permanent electrical service to the Phase II Project.⁷ DEV states that DEV and CRC agreed that, upon completion of the Facilities, DEV would transfer ownership and control of the Facilities to WMATA.⁸ DEV represents that, after the Transfer, WMATA will be responsible for the on-going operation and maintenance of the Facilities, and will plan and schedule outages and perform other necessary work using its own resources.⁹ DEV represents that it has not incurred any operating and maintenance costs to date for the Facilities.¹⁰

DEV asserts that, in exchange for the construction and testing of the Facilities, CRC has paid DEV its total costs incurred for labor, materials, equipment, management/supervision and all other necessary items along with a 12% subcontractors fee.¹¹ DEV states that it has classified construction of the Facilities as "Non-Traditional Work," and represents that none of the Facilities have been included in its rate base.¹² For accounting purposes, DEV represents that the Facilities have been treated as being currently owned by MWAA/WMATA.¹³

¹ Code § 56-88 *et seq.*

² The Phase II Project includes six metro stations running from the Wiehle-Reston East Station west through Reston and Herndon to Dulles Airport and Route 772 in eastern Loudoun County. Petition at 3.

³ *Id.* at 2.

⁴ *Id.* at 2.

⁵ *Id.* at 3. See *Petition of Virginia Electric and Power Company, For approval of a disposition of utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia*, Case No. PUE-2014-00065, 2014 S.C.C. Ann. Rept. 462, Order Granting Approval (Oct. 27, 2014). The Company refers to this transfer as the "Phase I Transfer."

⁶ Petition at 3.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ *Id.*

¹⁰ See DEV response to Staff Data Request 2-13, which is attached to the Staff Action Brief in this case.

¹¹ Petition at 4. See also DEV response to Staff Data Request 1-7, which is attached to the Staff Action Brief in this case.

¹² Petition at 4-5.

¹³ *Id.*

DEV states that it has completed the construction, testing, and inspection of the Facilities.¹⁴ DEV asserts that the Transfer of the Facilities for the Phase II Project will neither impair nor jeopardize the provision of adequate service to the public at just and reasonable rates and will be in the public interest.¹⁵ DEV also asserts that the rates that DEV charges and the services that DEV provides to its other customers will be unaffected by the Transfer.¹⁶

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff through its Action Brief, is of the opinion and finds that the above-described Transfer will neither impair nor jeopardize the provision of adequate service to the public at just and reasonable rates and, therefore, should be approved subject to certain requirements listed in the Appendix attached to this Order. We specifically note that DEV booked certain costs associated with the Facilities totaling approximately \$700,000 to utility cost of service accounts improperly and represented that it would exclude such costs from its biennial review earnings test through a regulatory accounting adjustment.¹⁷ We direct DEV to make a regulatory accounting adjustment to exclude these costs.¹⁸

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-88 *et seq.*, the Petitioner hereby is granted approval of the Transfer subject to the requirements listed in the Appendix attached to this Order.

(2) This case is dismissed.

¹⁴ *Id* at 5.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ See DEV response to Staff Data Requests 1-4, 1-5, and 2-10, which are attached to the Staff Action Brief in this case.

¹⁸ See Requirement No. 2 in the Appendix attached to this Order.

APPENDIX

- 1) The Commission's approval of the Transfer shall have no accounting or ratemaking implications.
- 2) DEV shall make a regulatory accounting adjustment to exclude the costs of the Transfer that were assigned to a utility cost of service account.
- 3) DEV shall file a Report of Action ("Report") within 30 days after closing of the Transfer. The Report shall include: (a) the case number in which the Transfer was approved; (b) a description of the approved Transfer; (c) the date of the Transfer; and (d) the accounting journal entries for the Transfer (as they are recorded in DEV's books).

CASE NO. PUR-2023-00060 MAY 25, 2023

APPLICATION OF MECKLENBURG ELECTRIC COOPERATIVE

For authority to incur long-term indebtedness

ORDER GRANTING AUTHORITY

On April 14, 2023, Mecklenburg Electric Cooperative ("MEC" or "Cooperative") completed the filing of an application ("Application")¹ with the State Corporation Commission ("Commission") under Chapter 3 of Title 56 of the Code of Virginia ("Code")² for approval of a loan. MEC has paid the requisite filing fee of \$250.

MEC is seeking authority to borrow \$880,643.45 ("Loan") from Virginia Resources Authority, which is administrator of the Virginia Tobacco Region Revolving Fund, through the Industrial Development Authority of Mecklenburg County, Virginia, as the Conduit Borrower. The purpose of the Loan is to finance the construction of 33.25 miles of "last mile" broadband, providing accessibility to 217 homes and businesses located in three areas of Mecklenburg County. The Application states that the term of the loan will be 10 years and the interest rate will be 1% on the disbursed principal balance.

NOW THE COMMISSION, upon consideration of the Application and having been advised by its Staff, is of the opinion and finds that approval of the Application will not be detrimental to the public interest.

¹ The Application was initially filed on April 6, 2023. MEC provided additional information to complete the Application on April 14, 2023.

² Code § 56-55 *et seq.*

Accordingly, IT IS ORDERED THAT:

(1) MEC is authorized to receive a loan of \$880,643.45 from the Virginia Resources Authority, as administrator of the Virginia Tobacco Region Revolving Fund, in the manner, under the terms and conditions, and for the purposes set forth in the Application.

(2) Within thirty (30) days of the date of any advance of Loan funds from Virginia Resources Authority, MEC shall submit a physical and electronic Report of Action to the Director of the Commission's Division of Utility Accounting and Finance, which shall include the amount of the advance and the interest rate.

(3) The authority granted herein shall have no accounting or ratemaking implications.

(4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00061
JULY 24, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval of a rate adjustment clause under Va. Code § 56-585.1 A 4

FINAL ORDER

On May 4, 2023, Appalachian Power Company ("APCo" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to § 56-585.1 A 4 of the Code of Virginia ("Code") for approval to implement factors to recover an increase to its revenue requirement through its transmission rate adjustment clause ("T-RAC").¹ Specifically, APCo requested permission to recover a proposed total revenue requirement of approximately \$413.2 million through the T-RAC for the September 2023 through August 2024 rate year ("Rate Year").²

The Company states that its proposed revenue requirement consists of the following: a forecasted Virginia jurisdictional current-period formula rate (current) revenue requirement of \$379 million for the Rate Year, based on Federal Energy Regulatory Commission-approved PJM³ rates for transmission service that went into effect on January 1, 2023; a cumulative Virginia jurisdictional actual under-recovery formula rate balance, through March 2023 (true-up) of \$18.5 million; a forecasted Virginia jurisdictional under-recovery amount of \$13.7 million for the period April 2023—August 2023 (update); and a forecasted Virginia jurisdictional revenue requirement of \$2.2 million associated with the Business Park Pilot Program.⁴

On May 15, 2023, the Commission issued an Order for Notice and Hearing that, among other things, docketed the Application; directed the Company to publish notice of the Application; provided any interested person an opportunity to file comments on the Application or participate in this proceeding as a respondent by filing a notice of participation; directed the Commission's Staff ("Staff") to investigate the Application and file testimony and exhibits containing Staff's findings and recommendations; scheduled a public hearing to receive the testimony of public witnesses and the evidence of the Company, any respondents, and Staff; and appointed a hearing examiner to conduct all further proceedings in this matter on behalf of the Commission, including filing a final report.

Notices of participation were filed by Steel Dynamics, Inc., and the Old Dominion Committee for Fair Utility Rates.

On June 9 and 20, 2023, Staff filed testimony that ultimately recommended approval of a T-RAC Rate Year revenue requirement of \$413,245,865, which is equal to that proposed by the Company.⁵ Staff also raised an issue regarding the treatment of Pilot Program costs and whether certain customers should be exempt from paying such costs.⁶

On June 15, 2023, APCo filed its rebuttal testimony with the Commission.

No public witnesses signed up to testify at the hearing scheduled for June 21, 2023, and the public witness hearing was accordingly canceled.⁷ The Company and Staff participated in the evidentiary hearing on June 22, 2023.

¹ Application at 1.

² *Id.* at 3-4.

³ PJM Interconnection LLC ("PJM").

⁴ Application at 4.

⁵ Staff's original testimony recommended a revenue requirement \$67,813 less than that requested by the Company, however adjustments made after reviewing the Company's rebuttal led to agreement with the revenue requirement proposed by the Company. See Ex. 8 (Long Supplemental) at 1-2.

⁶ Ex. 10 (Ellis Direct) at 12-13.

On June 27, 2023, the Report of Alexander F. Skirpan, Jr., Chief Hearing Examiner ("Report"), was filed. In his Report, the Chief Hearing Examiner summarized the record in this proceeding and recommended that the Commission approve a total T-RAC revenue requirement of \$413,245,865.⁸

On July 5, 2023, APCo filed a letter stating that the Company supports the Chief Hearing Examiner's findings and requesting that the Commission adopt the Chief Hearing Examiner's findings and recommendations. Similarly, on July 6, 2023, Staff filed a letter requesting that the Commission adopt the Chief Hearing Examiner's findings and recommendations.⁹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations set forth in the Report¹⁰ should be adopted. Accordingly, a Rate Year revenue requirement of \$413,245,865, as proposed in the Application and uncontested by Staff and the respondents, is approved.

The Commission further agrees with the Chief Hearing Examiner that those APCo customers electing to purchase energy from a competitive service provider prior to February 1, 2019, referred to as Open Access Distribution ("OAD") tariff customers, are exempt from paying the T-RAC and by extension also exempt from the Pilot Program costs, which are specifically required to be recovered under a RAC approved under Code § 56-585.1 A 4.¹¹ Code § 56-577 A 6 provides in this regard that:

[t]o the extent that an incumbent electric utility has elected as of February 1, 2019, the Fixed Resource Requirement alternative as a Load Serving Entity in the PJM Region and continues to make such election . . . any customer of a utility subject to that requirement that purchases energy pursuant to subdivision 3 or 4 from a supplier licensed to sell retail electric energy . . . shall continue to pay its incumbent electric utility for the non-fuel generation capacity and transmission related costs incurred by the incumbent electric utility This subdivision shall not apply to the customers of licensed suppliers that . . . had an agreement with a licensed supplier entered into before February 1, 2019....

With respect to those APCo customers electing to purchase energy from a competitive service provider *after* February 1, 2019, referred to as FRR-OAD or F-OAD tariff customers, the Commission finds those customers are not exempt from the T-RAC, including the Pilot Program costs, pursuant to Code § 56-577 A 6.¹²

Lastly, in granting this approval which will result in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to any rate case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The findings and recommendations set forth in the Report are hereby adopted as provided herein.

(2) The Company shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(3) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁷ The Commission received seven written public comments on the Company's Application, all of which spoke against the rate increase.

⁸ Report at 14.

⁹ Staff Comments on the Hearing Examiner's Report ("Staff Comments"). In its letter, however, Staff noted that during the hearing, the Company had removed from Company Witness Notestone's filed rebuttal testimony a footnote indicating that a certain exemption applicable to its OAD tariff customers should likewise extend to its F-OAD tariff customers, and that the Company indicated was an error. *See* Tr. 9.

¹⁰ Report at 14.

¹¹ Report at 13. *See* Code § 56-585.1:10 1 ("The costs incurred by a Phase I or Phase II Utility after January 1, 2019, to construct, operate, and maintain the business park electric infrastructure in order to provide service to a business park participating in the program outlined by this section shall be recovered by the utility pursuant to a rate adjustment clause approved by the Commission in subdivision A 4 of § 56-585.1.")

¹² *See also* Staff Comments at 1-2; Tr. 9.

**CASE NO. PUR-2023-00062
AUGUST 7, 2023**

APPLICATION OF
SUFFOLK CSG LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On May 16, 2023, Suffolk CSG LLC ("Suffolk" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On June 12, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before June 23, 2023, and to file proof of service on or before June 30, 2023. On June 29, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before June 30, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before July 14, 2023. On July 13, 2023, Staff filed its Report, which summarized Staff's investigation of Suffolk's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Suffolk be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Suffolk may file any response to the Report on or before July 21, 2023. No response to the Report was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Suffolk's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Suffolk is hereby granted license No. SS-44 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id* at 5.

**CASE NO. PUR-2023-00063
OCTOBER 3, 2023**

APPLICATION OF
CINCINNATI BELL EXTENDED TERRITORIES LLC D/B/A ALTAFIBER CONNECTED SERVICES

For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia

FINAL ORDER

On April 27, 2023, Cincinnati Bell Extended Territories LLC d/b/a altafiber connected services ("Altafiber" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for certificates of public convenience and necessity ("Certificates") to provide local exchange and interexchange telecommunications services throughout the Commonwealth of Virginia.

The Company also requested authority to price its interexchange telecommunications services on a competitive basis pursuant to § 56-481.1 of the Code of Virginia ("Code").

On May 15, 2023, the Commission issued an Order for Notice and Comment ("Procedural Order") that, among other things, directed Altafiber to provide notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to investigate the Application and file a report ("Staff Report"). On July 6, 2023, the Company filed proof of notice and proof of service in accordance with the Procedural Order. No comments or requests for hearing on the Company's Application were filed.

On August 11, 2023, Staff filed its Staff Report concluding that the Company's Application is in compliance with the Commission's Rules Governing the Certification and Regulation of Competitive Local Exchange Carriers, 20 VAC 5-417-10 *et seq.* ("Local Rules") and the Rules Governing the Certification of Interexchange Carriers, 20 VAC 5-411-10 *et seq.* ("Interexchange Rules"). Based upon its review of the Company's Application, Staff determined that it would be appropriate to grant Certificates to Altafiber subject to the following condition: Altafiber should notify the Division of Public Utility Regulation no less than 30 days prior to the cancellation by the issuer or lapse of its bond and should provide a replacement bond at that time. Staff recommended that this requirement be maintained until the Commission determines it is no longer necessary. No response to the Staff Report was filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds it should grant Certificates to Altafiber. Having considered Code § 56-481.1, the Commission finds that Altafiber may price its interexchange services competitively.

Accordingly, IT IS ORDERED THAT:

(1) Altafiber is hereby granted Certificate No. T-802 to provide local exchange telecommunications services subject to the restrictions set forth in the Local Rules, Code § 56-265.4:4, and the provisions of this Final Order.

(2) Altafiber is hereby granted Certificate No. TT-325A to provide interexchange telecommunications services subject to the provisions of the Interexchange Rules, Code § 56-265.4:4, and the provisions of this Final Order.

(3) Pursuant to Code § 56-481.1, Altafiber may price its interexchange telecommunications services competitively.

(4) Prior to providing telecommunications services pursuant to the Certificates granted by this Final Order, the Company shall provide tariffs to the Division of Public Utility Regulation that conform to all applicable Commission rules and regulations. If Altafiber elects to provide retail services on non-tariffed basis, it shall provide written notification pursuant to Local Rule 20 VAC 5-417-50 A.

(5) Altafiber shall notify the Division of Public Utility Regulation no less than thirty (30) days prior to the cancellation or lapse of its bond and shall provide a replacement bond at that time. This requirement shall be maintained until such time as the Commission determines it is no longer necessary.

(6) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00064
JULY 6, 2023**

APPLICATION OF
KINGLET SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On April 24, 2023, Kinglet Solar, LLC ("Kinglet" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On May 17, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before May 25, 2023, and to file proof of service on or before June 1, 2023. On May 31, 2023, the Company filed its proof of service.²

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before June 8, 2023. No comments were filed.

¹ 20 VAC 5-340-10 *et seq.*

² On May 31, 2023, the Company filed its Motion to Serve Order Out-of-Time ("Motion"). In its Motion, Kinglet requests the Commission to allow it to serve a copy of the Procedural Order on Dominion out-of-time, stating that Kinglet served Dominion on May 29, 2023. No objections to the Motion were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before June 15, 2023. On June 15, 2023, Staff filed its Report, which summarized Staff's investigation of Kinglet's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that Kinglet be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order further provided that Kinglet may file any response to the Report on or before June 22, 2023. On June 16, 2023, Kinglet filed a letter requesting that the Commission grant a license to Kinglet.

NOW THE COMMISSION, upon consideration of this matter, finds that Kinglet's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below, and Kinglet's Motion should be granted.

Accordingly, IT IS ORDERED THAT:

(1) Kinglet is hereby granted license No. SS-40 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) Kinglet's Motion is granted.

(4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

³ Report at 3-5.

⁴ *Id* at 5.

CASE NO. PUR-2023-00065
JULY 24, 2023

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of a rate adjustment clause pursuant to § 56-585.1 A 4 of the Code of Virginia

FINAL ORDER

On May 1, 2023, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company"), pursuant to § 56-585.1 A 4 ("Subsection A 4") of the Code of Virginia ("Code"), filed an application ("Application") with the State Corporation Commission ("Commission") for approval of a revised increment/decrement rate adjustment clause designated as Rider T1. Pursuant to § 56-585.1 A 7 of the Code, "the Commission's final order regarding any petition filed pursuant to [Subsection A 4] . . . shall be entered not more than three months . . . after the date of filing of such petition."

Subsection A 4 deems to be prudent, among other things, the "costs for transmission services provided to the utility by the regional transmission entity of which the utility is a member" and "costs charged to the utility that are associated with demand response programs approved by the Federal Energy Regulatory Commission ["FERC"] and administered by the regional transmission entity of which the utility is a member."

The Company has been a member of PJM Interconnection, L.L.C. ("PJM"), a regional transmission entity that has been approved by FERC as a regional transmission organization, since 2005.¹ Dominion, as an integrated electric utility member of PJM, obtains transmission service from PJM and pays PJM charges for such service at the rates contained in PJM's Open Access Transmission Tariff approved by FERC.² The Company states that it also pays PJM charges for costs associated with demand response programs approved by FERC and administered by PJM.³

In this proceeding, Dominion seeks approval of a revenue requirement for the rate year September 1, 2023, through August 31, 2024 ("Rate Year").⁴ This revenue requirement would be recovered through a combination of base rates and a revised increment/decrement Rider T1. Rider T1 is designed to recover the increment/decrement between the revenues produced from the Subsection A 4 component of base rates and the new revenue requirement developed from the Company's Subsection A 4 costs for the Rate Year.⁵

¹ Ex. 2 (Application) at 4.

² *Id*.

³ *Id*. at 5.

⁴ *Id*. at 1.

⁵ *Id*. at 6.

The total proposed revenue requirement to be recovered over the Rate Year is \$878,758,118, comprising an increment Rider T1 of \$368,484,898, and forecast collections of \$510,273,220 through the transmission component of base rates.⁶ This total revenue requirement represents an increase of \$124,774,775, compared to the revenues projected to be produced during the Rate Year by the combination of the base rate component of Subsection A 4 (the Company's former Rider T) and the Rider T1 rates currently in effect.⁷ Implementation of the proposed Rider T1 on September 1, 2023 would increase the total monthly bill of a typical residential customer using 1,000 kilowatt-hours per month by \$2.67.⁸

On May 10, 2023, the Commission issued an Order for Notice and Hearing that, among other things, established a procedural schedule for this case; directed the Company to provide public notice of its Application; provided interested persons an opportunity to file comments on the Application or to participate as respondents in this proceeding; scheduled an evidentiary hearing; scheduled a separate hearing to receive public witness testimony; and directed the Commission's Staff ("Staff") to investigate the Application. The Commission also assigned a Hearing Examiner to conduct further proceedings in this matter on behalf of the Commission, including filing a final report containing the Hearing Examiner's findings and recommendations.

On May 16, 2023, the Virginia Committee for Fair Utility Rates ("Committee") filed a notice of participation in this proceeding.

On June 9, 2023, Staff filed its testimony and exhibits. Staff supported the Company's proposed revenue requirement of \$878,758,118, of which \$368,484,898 would be collected through the revised Rider T1 rates.⁹ Staff noted that the Commission's Final Order in Case No. PUR-2021-00102¹⁰ ("2021 Final Order") approved the Company's plan for moving from the 1-coincident peak ("1-CP") cost allocation methodology towards the 12-coincident peak ("12-CP") methodology. Specifically, Staff states that the 2021 Final Order approved the Company's plan to transition from using the 1-CP method to the 12-CP method by moving one-third of the way between the factors each year over a three-year period and this proceeding represents the third year of this transition. Accordingly, certain demand-related transmission costs have been allocated to the customer classes based entirely on the 12-CP methodology.¹¹ Staff further did not oppose the Company's proposed Standby Charge Revenue Adjustment.¹² Staff found the Company's proposed cost allocation and rate design methodology to be reasonable and did not oppose the calculation of Rider T1 energy and demand billing rates.¹³

On June 14, 2023, Dominion, by counsel, filed a letter in lieu of rebuttal testimony. Dominion's letter, among other things, indicated that the Company agreed with Staff's findings and recommendations.

No public witnesses signed up to testify at the hearing scheduled for June 21, 2023, and the public witness hearing was accordingly canceled.¹⁴ The Company and Staff participated in the evidentiary hearing on June 22, 2023.

On June 28, 2023, the Report of Michael D. Thomas, Senior Hearing Examiner ("Report") was filed. In the Report, the Senior Hearing Examiner summarized the record and made the following findings and recommendations:¹⁵

- The Company's proposed Code § 56-585.1 A 4 total revenue requirement of \$878,758,118, comprising an increment Rider T1 RAC of \$368,484,898 and forecasted collections of \$510,273,220 through the transmission component of base rates for service rendered on and after September 1, 2023, is supported by the record;
- The Company's proposed cost allocation, including the on-going phase-in of a 12-CP methodology, is reasonable and consistent with the Final Order in the 2021 Rider T1 Case; and
- The Company's proposed rate design change for the Rider T1 RAC, to recognize revenue from transmission standby charges for the residential class and an adjustment for such revenue when calculating the residential Rider T1 energy charge, is reasonable and should be adopted by the Commission.

The parties and Staff agreed to waive comments to the Report so that the Commission would have sufficient time to enter a Final Order in this case.¹⁶

⁶ *Id.* at 6-7; Ex. 3 (Wilkinson) at 2.

⁷ Ex. 3 (Wilkinson) at 2.

⁸ Ex. 5 (Haynes) at 11-12.

⁹ Ex. 6 (Watkins) at 7.

¹⁰ See *Application of Virginia Electric and Power Company, For approval of a rate adjustment clause pursuant to § 56-585.1 A 4 of the Code of Virginia*, Case No. PUR-2021-00102, 2021 S.C.C. Ann. Rept. 483, Final Order (Aug. 16, 2021).

¹¹ See Ex. 7 (Knight) at 6-8.

¹² *Id.* at 13.

¹³ See *id.* at 9-13.

¹⁴ The Commission received two written public comments on the Company's Application, expressing concern over rate increases to consumers.

¹⁵ Report at 10.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. We agree with the Senior Hearing Examiner that the record in this case supports a revenue requirement of \$878,758,118, of which \$368,484,898 is to be collected through Rider T1 during the Rate Year. The Commission further approves Dominion's proposed cost allocation and rate design as set forth in its Application. In approving the Company's rate design and cost allocation proposals, we agree with the Senior Hearing Examiner that these proposals are supported by the record in this case.

In granting this approval which will result in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. Pursuant to the language of Subsection A 4, the costs that are the subject of this Application are "deemed reasonable and prudent," including the Company's return on investment, which is set by FERC; the Commission is without discretion to add to or subtract from these costs. Accordingly, we apply the law as given to us; this is what we have done herein.

Accordingly, IT IS ORDERED THAT:

- (1) The Senior Hearing Examiner's findings and recommendations are adopted as set forth herein.
- (2) Rider T1, as approved herein, shall become effective for service rendered on and after September 1, 2023.

(3) The Company forthwith shall file a revised Rider T1 and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

- (4) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁶ Report at 11; Tr. 15-16.

**CASE NO. PUR-2023-00068
JULY 14, 2023**

APPLICATION OF
APPALACHIAN NATURAL GAS DISTRIBUTION COMPANY

For approval to implement SAVE rates for each customer class for Year 5 of its SAVE Plan

FINAL ORDER

On April 26, 2023, Appalachian Natural Gas Distribution Company ("ANGD" or "Company") filed an application ("Application")¹ pursuant to § 56-603 *et seq.* of the Code of Virginia ("Code"), known as the Steps to Advance Virginia's Energy (SAVE) Plan Act, and in accordance with the State Corporation Commission's ("Commission") July 16, 2019 Order Approving SAVE Plan and Rider for ANGD in Case No. PUR-2019-00011 ("2019 SAVE Order").² ANGD's Application requested approval to implement SAVE rates for each customer class for Year 5 of its SAVE Plan ("Year 5 Rates").³ ANGD requested that the proposed Year 5 Rates for each customer class become effective August 1, 2023.⁴

In its Application, the Company stated that it sells and distributes natural gas to approximately 1,900 customers in the Virginia counties of Russell, Dickenson, Buchanan, Wise, Lee, Tazewell, and Carroll.⁵ The Company further stated that in its 2019 SAVE Order, the Commission directed ANGD to file its request for Year 5 Rates by May 1, 2023, for the rate year beginning August 1, 2023, and ending July 31, 2024.⁶ Per ANGD, the Commission also held that ANGD's "Reconciliation Rate" would be filed in Year 5 of the SAVE Plan and would reconcile the 12-month period of January 1, 2022, through December 31, 2022.⁷

¹ On May 1, 2023, ANGD filed a revised page 2 of Ex. JDJ – Schedule 17.

² *Petition of Appalachian Natural Gas Distribution Company, For approval of a SAVE Plan and Rider as provided by Chapter 26 of Title 56 of the Code of Virginia*, Case No. PUR-2019-00011, 2019 S.C.C. Ann. Rept. 361, Order (July 16, 2019).

³ Application at 1.

⁴ *Id.* at 4.

⁵ *Id.* at 1.

⁶ *Id.* at 2.

⁷ *Id.*

ANGD stated in its Application that, under its SAVE Plan, the Company has replaced 14,580 feet of 4-inch vintage plastic main with new 6-inch HDPE mains, and replaced 7,260 feet of 2-inch vintage plastic main with new HDPE mains.⁸ ANGD stated that it is submitting this filing for true-up purposes.⁹ According to the Application and schedules submitted by the Company, ANGD experienced an over-collection from all customer classes, and when the Reconciliation Rates are subtracted from the Projected Factor to arrive at the rates to be billed effective August 2023, the result is a proposed Year 5 SAVE revenue requirement of \$156,407.¹⁰

On May 10, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") in this proceeding that, among other things, docketed the Application, required the Company to publish notice of the Application, provided an opportunity for interested persons to file comments or requests for hearing, and directed Staff to investigate the Application and file a report ("Staff Report") containing its findings and recommendations.

On June 21, 2023, Staff filed its Staff Report wherein Staff stated that the Commission approved a four-year SAVE Plan for ANGD, commencing August 1, 2019, and concluding July 31, 2023, in Case No. PUR-2019-00011.¹¹ Staff explained that ANGD is not requesting additional investments beyond those approved in its existing SAVE Plan, but rather is requesting approval of continued cost recovery of its existing investments through a Projected Factor.¹² Staff explained that the Company is also requesting approval of a true-up for calendar year 2022 costs.¹³ Staff also explained that the Company stated it has replaced all known vintage plastic in Bluefield, according to its SAVE Plan.¹⁴

After review and analysis, Staff recommended a revenue requirement of \$122,750,¹⁵ and provided its reasons and analysis therefor. The \$122,750 revenue requirement calculated by Staff is \$33,656 less than the amount requested and noticed by the Company.¹⁶ However, Staff went on to state that, on April 28, 2023, the Company filed its 2022 Annual Informational Filing for its base rates, showing for the second consecutive year that its base rate earnings for Bluefield¹⁷ are in excess of the return on equity ("ROE") approved by the Commission in its last rate case.¹⁸ Staff noted that, under Code §§ 56-604 D and G, ANGD is permitted to seek cost recovery of its proposed Projected Factor, despite its base rate over-earnings.¹⁹ Nevertheless, Staff went on to point out that nothing precludes the Company from withdrawing its request for approval of a Projected Factor in this proceeding, thereby including its SAVE Plan investments in its base rate cost of service effective August 1, 2023, without a change in base rates.²⁰ As Staff explained, this option could reduce ANGD's over-earnings going forward and could delay the filing of a base rate proceeding.²¹

Additionally, Staff supported the Company's proposal to use the 8.42% overall cost of capital and the 9.4% ROE approved in Case No. PUR-2018-00015²² and is not opposed to the Company's proposed class allocation of the 2022 SAVE Rider revenue requirement.²³ However, Staff also recommended that the Commission direct the Company to conduct a study to assign and allocate SAVE investments to the Virginia jurisdiction, to be filed

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 2-3, and Ex. JDJ – Schedules 1, 17.

¹¹ Staff Report at 2.

¹² *Id.*

¹³ *Id.*

¹⁴ The Company's SAVE Plan is for investment in its Bluefield, Virginia service area. *Id.* at 4.

¹⁵ *Id.* at 3.

¹⁶ *Id.* at Schedule 1.

¹⁷ *Id.* at 1.

¹⁸ *Id.* at 8 (referencing *Appalachian Natural Gas Distribution Company, Annual Informational Filing for the Year Ended December 31, 2022*, Case No. PUR-2023-00070, Doc. Con. Cen. No. 230450063 (Apr. 28, 2023)).

¹⁹ Staff Report at 9.

²⁰ *Id.*

²¹ *Id.*

²² *Id.* at 12 (citing *Application of Appalachian Natural Gas Distribution Company, For a general increase in rates*, Case No. PUR-2018-00015, 2019 S.C.C. Ann. Rept. 180, Final Order (Nov. 15, 2019)).

²³ Staff Report at 13.

in the Company's next SAVE Rider or base rate application, whichever comes first,²⁴ and to leave the true-up for calendar year 2022 open to incorporate the results of the Virginia jurisdictional study.²⁵

On June 27, 2023, ANGD filed a letter stating the Company does not object to the recommendations in the Staff Report. Further, pursuant to Staff's analysis, the Company withdrew its request for approval of a Projected Factor while keeping in place the True-Up Factor credit at Staff's calculation of \$97,182.²⁶ Under this revised analysis, residential customers would receive a credit of \$3.09 per month,²⁷ instead of a charge of \$4.98 per month, as initially proposed.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that ANGD's Year 5 Rates are approved as recommended by Staff in its Staff Report, with the modifications proposed by ANGD in its response, as follows.

The Commission finds the Year 5 revenue requirement, consisting of a True-Up Factor only, as revised by Staff, is a credit of \$97,182.²⁸ The Commission further finds that, based upon the Company's revised 2023 SAVE Rider total revenue requirement, a residential customer will receive a fixed monthly SAVE Rider credit of \$3.09 per month.²⁹ The Commission further approves the recommended use of the overall cost of capital and cost of equity last approved for ANGD in Case No. PUR-2018-00015,³⁰ and the class allocation proposed by the Company in its instant Application.³¹ Next, the Commission directs the Company to conduct a study to assign and allocate SAVE investments to the Virginia jurisdiction, to be filed in the Company's next SAVE Rider or base rate application, whichever comes first.³² Lastly, we find the true-up for calendar year 2022 is subject to further revision based on the results of the Virginia jurisdictional study.³³

Accordingly, IT IS ORDERED THAT:

(1) The Company's Application, as modified herein, is approved. Rates reflecting the Commission's findings shall become effective beginning August 1, 2023, and shall remain in effect until July 31, 2024.

(2) ANGD forthwith shall file, with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, revised tariffs for the SAVE rider and all workpapers supporting the total revenue requirement and rates, all of which shall reflect the findings and requirements set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/Pages/Case-Information.

(3) The Company shall conduct a study to assign and allocate SAVE investments to the Virginia jurisdiction, to be filed in the Company's next SAVE Rider or base rate application, whichever comes first.

(4) On or before May 1, 2024, ANGD shall file an application consisting of a True-up Factor for January 1, 2023, through July 31, 2023, and any modifications to the 2022 True-up Factor resulting from the Virginia jurisdictional study directed herein.

(5) Effective July 31, 2023, ANGD's SAVE Plan shall conclude, and the costs associated therewith shall be recovered through ANGD's base rates effective August 1, 2023.

(6) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

²⁴ *Id.* at 7.

²⁵ *Id.* at 11.

²⁶ ANGD Response at 1.

²⁷ *Id.*

²⁸ Staff Report at 9.

²⁹ ANGD Response at 1.

³⁰ Staff Report at 12.

³¹ *Id.* at 13.

³² *Id.* at 7.

³³ *Id.* at 11.

**CASE NO. PUR-2023-00071
AUGUST 2, 2023**

APPLICATION OF
ENCORE REDEVELOPMENT, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On April 28, 2023, Encore Redevelopment, LLC ("Encore" or "Company") completed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On May 19, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before May 19, 2023, and to file proof of service on or before May 26, 2023. On May 22, 2023, the Company filed its proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before June 2, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before June 9, 2023. On June 9, 2023, Staff filed its Report, which summarized Staff's investigation of the Encore proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Encore be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Encore may file any response to the Report on or before June 16, 2023. Encore filed a response on June 12, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Encore's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Encore is hereby granted license No. SS-39 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id.* at 5.

**CASE NO. PUR-2023-00073
SEPTEMBER 7, 2023**

APPLICATION OF
AQUA VIRGINIA, INC.

For an Increase in Rates

ORDER FOR NOTICE AND HEARING

On July 27, 2023, Aqua Virginia, Inc. ("Aqua" or "Company") filed with the State Corporation Commission ("Commission") an application pursuant to Chapter 10 of Title 56 (§ 56-232 *et seq.*) of the Code of Virginia ("Code"), Rule 5 VAC 5-20-80 of the Commission's Rules of Practice and Procedure ("Rules of Practice"), and Rule 20 VAC 5-201-10 *et seq.* of the Rules Governing Utility Rate Applications and Annual Informational Filings, requesting authority for a general increase in rates ("Application").¹ The Company requests that its new rates become effective, subject to refund, pending a final order in this matter, no later than 180 days after the Company's Application is deemed complete.²

Aqua states that its Application follows the Company's most recent base rate proceeding in Case No. PUR-2020-00106 and indicates that the Company requests an increase in rates for water and wastewater service to produce an increase in water revenues of \$5,214,892 and an increase in wastewater revenues of \$1,696,121, for a combined increase of \$6,911,013.³ According to the Application, the requested increases constitute an approximate 33.88% increase in water revenues and a 21.08% increase in wastewater revenues, for a combined increase of 29.49%.⁴ Aqua further notes that, by final order entered March 21, 2023, the Commission approved Aqua's Water and Wastewater Infrastructure Service Charge ("WWISC") Riders.⁵ The Company states that since Aqua requests an increase in base rates, the Company proposes changes to the water and wastewater rate design in order to accommodate the reset of the WWISC Riders to \$0. Accordingly, the increase the Company is requesting includes the WWISC.⁶

Aqua states that the requested increase in base rate revenue reflects its costs and revenues for the twelve-month Test Year ended March 31, 2023.⁷ The Company has proposed, as appropriate for ratemaking purposes, a capital structure consisting of 48.73% long-term debt, 0.00% short-term debt, and 51.27% common equity and an authorized return on equity capital of 10.50%.⁸

For a comprehensive list of the Company's proposed rates, please see the rate schedule included in the notice section of this Order.

The Company has also requested authorization to make one change to the Rules and Regulations of its tariff.⁹ The proposed change includes increasing the connection fees for water and wastewater to \$2,500 and \$4,500, respectively, and is discussed in greater detail in the Company's Schedule 41 attached to the Application.¹⁰

Aqua notes that the Company and Great Bay Utilities, Inc. ("Great Bay") filed a Joint Petition with the Commission in Case No. PUR-2023-00044 to request approval to merge Great Bay (a wholly-owned subsidiary of Aqua and a certificated water utility) into the Company with Aqua as the surviving entity.¹¹ With that merger having been approved by the Commission, Aqua's instant Application includes a request for an increase in rates charged to the customers of the Great Bay system(s).¹²

Finally, in conjunction with the filing of its Application, the Company filed a Motion for Protective Order and a proposed protective order that establishes procedures governing the use of confidential information in this proceeding.

¹ Application at 1.

² *Id.* at 5. The Memorandum of Completeness in this case was filed on August 10, 2023, finding the Application complete as of August 9, 2023.

³ *Id.* at 2.

⁴ *Id.*

⁵ *Application of Aqua Virginia, Inc., For Approval of a Water and Wastewater Infrastructure Service Charge Plan and for Authority to Implement Water and Wastewater WWISC Riders*, Case No. PUR-2022-00113, Doc. Con. Cen. No. 230340011, Final Order (Mar. 21, 2023).

⁶ Direct Testimony of John J. Aulbach, II, at 8.

⁷ Direct Testimony of Richard F. Hale, Jr., at 4.

⁸ Application at 5.

⁹ *Id.* at 3.

¹⁰ *Id.*

¹¹ *Id.* at 1, n.1.

¹² *Id.* See also *Joint Petition of Aqua Virginia, Inc. and Great Bay Utilities, Inc., For approval of a change in control of all of the assets of a public utility*, Case No. PUR-2023-00044, Doc. Con. Cen. No. 230830143, Final Order (Aug. 21, 2023).

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that Aqua should provide notice of its Application; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application as well as public witness testimony; interested persons and the public should have an opportunity to file comments on the Application or participate as respondents in this proceeding; and the Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon. We further find that a Hearing Examiner should be appointed to conduct further proceedings in this matter on behalf of the Commission, including ruling on Aqua's Motion for Protective Ruling.

We note that the proposed revenue requirement, if approved, would result in an increase to customer bills. Pursuant to Code § 56-238, the Commission suspends Aqua's proposed rates for a period of 180 days, the maximum allowed by law. In so doing, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record.

To promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct the electronic filing of testimony and pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) All pleadings in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice. Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

(2) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

(3) As provided by Code § 12.1-31 and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to conduct further proceedings in this matter on behalf of the Commission, including ruling on Aqua's Motion for Protective Order, and to file a final report. A copy of each filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners.¹³

(4) Pursuant to Code § 56-238, Aqua may, but is not required to, implement its proposed rates on an interim basis, subject to refund with interest, for service rendered on and after February 5, 2024.

(5) On or before December 5, 2023, Aqua shall file a bond with the Commission in the amount of \$6,911,013 payable to the Commission and conditioned to ensure the prompt refund by the Company to those entitled thereto of all amounts the Company shall collect in excess of such rates and charges as the Commission may finally fix and determine.

(6) The Commission hereby schedules a telephonic portion of the hearing for the receipt of testimony from public witnesses on the Application, as follows:

(a) The portion of the hearing for the receipt of testimony from public witnesses on the Application shall be convened telephonically on April 30, 2024.

(b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.

(c) On or before April 23, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.

(d) Beginning at 10 a.m. on April 30, 2024, the Hearing Examiner appointed to this case will telephone sequentially each person who has signed up to testify as provided above.

(e) This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(7) The evidentiary portion of the hearing shall be convened at 10 a.m., on April 30, 2024, or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony and evidence of Aqua, any respondents, and Staff on the Application.

(8) An electronic copy of the public version of the Application may be obtained by submitting a written request to counsel for the Company: John K. Byrum, Jr., Esquire, Woods Rogers Vandeventer Black PLC, 901 East Byrd Street, Suite 1550, Richmond, Virginia, 23219, jbyrum@woodsrogers.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.

¹³ Such electronic copies shall be sent to: OHEParalegals@scc.virginia.gov.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

(9) On or before October 27, 2023, Aqua shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's Virginia service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
AQUA VIRGINIA, INC.,
FOR A GENERAL INCREASE IN RATES AND
FOR AUTHORITY TO REVISE THE TERMS AND
CONDITIONS APPLICABLE TO WATER AND WASTEWATER SERVICE
CASE NO. PUR-2023-00073

- **Aqua Virginia Inc. ("Aqua") has applied for approval of a general increase in rates.**
- **Aqua requests a total increase in revenue requirement of about \$6,911,013 million.**
- **A Hearing Examiner appointed by the Commission will hear the case on April 30, 2024.**
- **Further information about this case is available on the State Corporation Commission's website at: scc.virginia.gov/pages/Case-Information.**

On July 27, 2023, Aqua Virginia, Inc. ("Aqua" or "Company") filed with the State Corporation Commission ("Commission") an application pursuant to Chapter 10 of Title 56 (§ 56-232 et seq.) of the Code of Virginia ("Code"), Rule 5 VAC 5-20-80 of the Commission's Rules of Practice and Procedure ("Rules of Practice"), and Rule 20 VAC 5-201-10 *et seq.* of the Rules Governing Utility Rate Applications and Annual Informational Filings, requesting authority for a general increase in rates ("Application"). The Company requests that its new rates become effective, subject to refund, pending a final order in this matter, no later than 180 days after the Company's Application is deemed complete.

Aqua states that its Application follows the Company's most recent base rate proceeding in Case No. PUR-2020-00106 and indicates that the Company requests an increase in rates for water and wastewater service to produce an increase in water revenues of \$5,214,892 and an increase in wastewater revenues of \$1,696,121, for a combined increase of \$6,911,013. According to the Application, the requested increases constitute an approximate 33.88% increase in water revenues and a 21.08% increase in wastewater revenues, for a combined increase of 29.49%.

Aqua further notes that, by final order entered March 21, 2023, the Commission approved Aqua's Water and Wastewater Infrastructure Service Charge ("WWISC") Riders. The Company states that since Aqua requests an increase in base rates, the Company proposes changes to the water and wastewater rate design in order to accommodate the reset of the WWISC Riders to \$0. Accordingly, the increase the Company is requesting includes the WWISC.

Aqua states that the requested increase in base rate revenue reflects its costs and revenues for the twelve-month Test Year ended March 31, 2023. The Company has proposed, as appropriate for ratemaking purposes, a capital structure consisting of 48.73% long-term debt, 0.00% short-term debt, and 51.27% common equity and an authorized return on equity capital of 10.50%.

The rates proposed for water and wastewater service in this Application are as follows:

WATER SERVICE RATE SCHEDULE BY GROUP - Water 0 (W0), Water 1 (W1), Water 2 (W2), and Water 3 (W3)

METERED ACCOUNTS: Metered connections shall be charged the monthly base facility charge plus the gallonage charge for all gallons used as set forth below:

Base Facilities Charge Water Group 0: (Residential and Non-residential) - No bill will be rendered for less than the minimum charge set forth below:

Monthly Water Base Facility Charge - Water Group 0 (W0)

Meter Size	W0	Gallons Included in W0 Allowance
Less than 1"	\$38.00	3,000
1"	\$91.55	7,500
1.5"	\$183.08	15,000
2"	\$292.95	24,000
3"	\$585.88	48,000
4"	\$915.45	75,000
6"	\$1,830.92	150,000

Gallonge Charge: (Residential and Non-residential) Per 1,000 gallons used over allowance listed above:

W0
\$8.58

Base Facilities Charge Water Group 1 and Water Group 2: (Residential and Non-residential) - No bill will be rendered for less than the minimum charge set forth below:

Monthly Water Base Facility Charge - Water Group 1 (W1), Water Group 2 (W2), and Water Group 3 (W3)

Meter Size	W1	W2	W3
Less than 1"	\$25.44	\$25.44	\$15.54
1"	\$57.81	\$57.81	-
1.5"	\$115.63	\$115.63	-
2"	\$185.01	\$185.01	-
3"	\$370.01	\$370.01	-
4"	\$578.15	\$578.15	-
6"	\$1,156.29	\$1,156.29	-

Gallonge Charge: (Residential and Non-residential) Per 1,000 gallons used for all meter sizes by Water Group:

W1	W2	W3
\$9.35	\$10.47	\$4.13

Powhatan Irrigation \$5.60

UNMETERED ACCOUNTS Unmetered connections shall be charged as set forth below:

Flat Rate (Unmetered) Water Service

	W0	W1	W2	W3
Residential	\$48.50	\$61.25	\$61.25	\$61.25
Non-residential	\$119.58	\$119.58	\$119.58	\$119.58

PRIVATE FIRE SERVICE FEES: The monthly fee charged for each private fire service connection and/or private fire hydrant shall be as follows for W0, W1, and W2:

<u>Connection Size</u>	<u>Monthly Minimum Charge</u>
1"	\$11.90
1.5"	\$23.80
2"	\$38.09
3"	\$76.18
4"	\$119.02
6"	\$238.06

WASTEWATER SERVICE RATE SCHEDULE BY GROUP - Sewer 0 (S0), Sewer 1 (S1), & Sewer 2 (S2)

METERED ACCOUNTS Metered connections shall be charged the monthly base facility charge plus the gallonge charge for all gallons used as set forth below:

Base Facility Charge: (Residential and Non-residential) - No bill will be rendered for less than the minimum charges set forth below:

Monthly Wastewater Base Facility Charge – Sewer Group 0 (S0)

Meter Size	S0	Gallons Included in Allowance
Residential Any Size	\$60.00	3,000

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Gallage Charge: (Residential) Per 1,000 gallons used over allowance listed above:

S0
 \$16.41 *Monthly usage charges are limited to 6,000 gallons*

Non-Residential Meter Size	<u>S0</u>	Gallons Included in Allowance
<1"	\$60.00	3,000
1"	\$150.00	7,500
1.5"	\$300.00	15,000
2"	\$480.00	24,000
3"	\$960.00	48,000
4"	\$1,500.00	75,000
6"	\$3,000.00	150,000

Gallage Charge: (Non-residential) Per 1,000 gallons used over allowance listed above:

S0
 \$19.69

Monthly Wastewater Base Facility Charge Sewer Group 1 (S1) and Sewer Group 2 (S2)

Meter Size	<u>S1</u>	<u>S2</u>
Residential Any Size	\$38.50	\$38.50
Non-Residential <1"	\$38.50	\$38.50
1"	\$87.51	\$87.51
1.5"	\$175.00	\$175.00
2"	\$279.99	\$279.99
3"	\$560.00	\$560.00
4"	\$874.99	\$874.99
6"	\$1,749.99	\$1,749.99

Gallage Charge: (Residential and Non-residential)

	<u>S1</u>	<u>S2</u>	
Residential	\$16.29	\$18.40	<i>Monthly residential usage charges are limited to 6,000 gallons</i>
Non-Residential	\$18.24	\$20.61	

UNMETERED ACCOUNTS Unmetered connections shall be charged as set forth below:

Flat Rate (Unmetered) Service:

	<u>S0</u>	<u>S1</u>	<u>S2</u>
Residential	\$106.62	\$106.62	\$106.62
Non-residential	\$277.01	\$277.01	\$277.01

The Company has also requested authorization to make one change to the Rules and Regulations of its tariff. The proposed change includes increasing the connection fees for water and wastewater to \$2,500 and \$4,500, respectively, and is discussed in greater detail in the Company's Schedule 41 attached to the Application.

Aqua notes that the Company and Great Bay Utilities, Inc. ("Great Bay") filed a Joint Petition with the Commission in Case No. PUR-2023-00044 to request approval to merge Great Bay (a wholly-owned subsidiary of Aqua and a certificated water utility) into the Company with Aqua as the surviving entity. With that merger having been approved by the Commission, Aqua's instant Application includes a request for an increase in rates charged to the customers of the Great Bay system(s).

The details of these and other proposals are set forth in the Company's Application. Interested persons are encouraged to review the Company's Application, testimony and supporting exhibits for the details of these proposals.

TAKE NOTICE that the Commission may adopt rates, charges and/or terms and conditions that differ from those appearing in the Company's Application and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public hearing on the Application. The Commission noted that the proposed revenue requirement, if approved, would result in an increase to customer bills. Pursuant to Code § 56-238, the Commission suspended Aqua's proposed rates for a period of 180 days, the maximum allowed by law. In so doing, the Commission noted its awareness of the economic pressures that are impacting all utility customers and stated that it is sensitive to the effects of rate increases, especially in times such as these. The Commission stated, however, that it must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record.

On April 30, 2024, at 10 a.m., the Hearing Examiner will hold a telephonic portion of the hearing, for the purpose of receiving the testimony of public witnesses. On or before April 23, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Hearing Examiner to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

On April 30, 2024, at 10 a.m., or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Hearing Examiner will convene a hearing to receive testimony and evidence related to the Application from Aqua, any respondents, and the Commission's Staff.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of testimony and pleadings, unless they contain confidential information, and has required electronic service on parties to this proceeding.

An electronic copy of the public version of the Application may be obtained by submitting a written request to counsel for the Company: John K. Byrum, Jr., Esquire, Woods Rogers Vandeventer Black PLC, 901 East Byrd Street, Suite 1550, Richmond, Virginia, 23219, jbyrum@woodsrogers.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before April 23, 2024, any interested person may submit comments on the Application electronically by following the instructions on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2023-00073.

On or before January 30, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at: scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Notices of participation shall include the email address of the party or its counsel. The respondent shall serve a copy of the notice of participation on counsel to Aqua. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00073.

On or before February 27, 2024, each respondent may file electronically with the Clerk of the Commission at scc.virginia.gov/clk/efiling any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Commission's Staff, the Aqua, and all other respondents. In all filings, respondents shall comply with the Commission's Rules of Practice, as modified by the Commission's Order for Notice and Hearing, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00073.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Hearing, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice, the Commission's Order for Notice and Hearing, the Application and other documents filed in this case may be viewed on the Commission's website at: scc.virginia.gov/pages/Case-Information.

AQUA VIRGINIA, INC.

(10) On or before October 27, 2023, Aqua shall serve a copy of the notice prescribed in Ordering Paragraph (9) of this Order directly on the Company's customers in accordance with the provisions of Code § 56-237.1 B. Service shall either be made by first-class mail to the customary place of business or residence of the person served or may be included as a prominent and legible bill insert in each customer's respective bill. For those customers who have expressly approved service of bills and other correspondence by electronic means, the notice prescribed in Ordering Paragraph (9) of the Notice Order may be sent electronically.

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(11) On or before October 27, 2023, Aqua shall serve a copy of this Order for Notice and Hearing on the following local officials, to the extent the position exists, in each county, city, and town in which the Company provides service in the Commonwealth of Virginia: the chairman of the board of supervisors and county attorney of each county, and the mayor or manager (or equivalent official) and city or town attorney of every city and town. Service shall be made electronically where possible; if electronic service is not possible, service shall be made by either personal delivery or first-class mail to the customary place of business or residence of the person served.

(12) On or before November 17, 2023, Aqua shall file proof of the notice and service required by Ordering Paragraphs (9), (10) and (11), including the name, title, and address of each official served, with the Clerk of the Commission by filing electronically at scc.virginia.gov/clk/efiling.

(13) On or before April 23, 2024, any interested person may file comments on the Application by following the instructions found on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2023-00073.

(14) On or before January 30, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (13). Such notice of participation shall include the email addresses of such parties or their counsel. The respondent shall serve a copy of the notice of participation on counsel to Aqua. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00073.

(15) Within five (5) business days of receipt of a notice of participation as a respondent, Aqua shall serve upon the respondent a copy of the Application and supporting materials, unless these materials already have been provided to the respondent.

(16) On or before February 27, 2024, each respondent may file, with the Clerk of the Commission at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address in Ordering Paragraph (13). Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Rules of Practice, as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00073.

(17) Staff shall investigate the Application. On or before March 26, 2024, Staff shall file with the Clerk of the Commission its testimony and exhibits, and each Staff witness's testimony shall include a summary not to exceed one page. Staff shall serve a copy thereof on counsel to Aqua and all respondents.

(18) On or before April 9, 2024, Aqua shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. Aqua shall serve a copy of its rebuttal testimony and exhibits on Staff and all respondents.

(19) All documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(20) The Rules of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to the Staff.¹⁴ Except as modified herein, discovery shall be in accordance with Part IV of the Rules of Practice, 5 VAC 5-20-240 *et seq.*

(21) This matter is continued.

Commissioner Patricia L. West participated in this matter.

¹⁴ The assigned Staff attorney is identified on the Commission's website, scc.virginia.gov/pages/Case-Information, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2023-00073, in the appropriate box.

**CASE NO. PUR-2023-00076
SEPTEMBER 18, 2023**

PETITION OF
APPALACHIAN POWER COMPANY

For approval of a transfer of utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On May 3, 2023, Appalachian Power Company ("APCo" or "Company") completed the filing of a petition ("Petition") with the State Corporation Commission ("Commission") pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),¹ requesting approval of a transfer ("Transfer") of electric transmission equipment, consisting of a static var compensator ("SVC"), to Roanoke Electric Steel Corporation ("RES") based on a 2013 agreement called the Static Var Compensator Agreement ("2013 Agreement").

RES operates a steel mini-mill in Roanoke, Virginia (the "Mill"), which currently receives electric transmission service from APCo.² APCo uses the SVC, located in a substation adjacent to the Mill, to support electric service provided solely to the Mill.³ The SVC was built in 1992 and has been owned and operated by APCo since that time.⁴ When the 2013 Agreement went into effect, APCo was serving RES under a Power Contract dated November 1, 2006.⁵

Pursuant to the 2013 Agreement,⁶ APCo and RES agreed that RES would pay facility charge ("Facility Charge") payments to APCo of \$20,000 per month.⁷ APCo and RES further agreed that once the Facility Charge payments accumulated to \$2,400,000, APCo would deliver a bill of sale transferring the SVC to RES.⁸ RES's Facility Charge payments were expected to total \$2,400,000 as of July 2023.⁹

The Company states that the SVC does not support any other APCo customers.¹⁰ After the Transfer, APCo would continue to provide electric service to RES, but RES would be responsible for the operation and maintenance of the SVC.¹¹

The Company states that without the Transfer, APCo would be required to incur substantial investment resources on the SVC for maintenance.¹² APCo represents that since the Transfer would not affect service for other APCo customers or rates, the Transfer of SVC from APCo to RES would neither impair nor jeopardize adequate service to the public at just and reasonable rates.¹³

At its installation in 1992, the SVC had an associated net book value of \$1,714,676.49.¹⁴ From 2013 to 2023, APCo incurred a total of \$7,081,983.79 in additional capital investments in the SVC.¹⁵ As of July 2023, the SVC had an estimated net book value of \$7,577,727.23.¹⁶

¹ Code § 56-88 *et seq.*

² See Petition at 2.

³ *Id.*

⁴ See Petition, Transaction Summary at 1.

⁵ See Petition, Exhibit 1 at 3.

⁶ APCo did not seek prior Commission approval of the 2013 Agreement.

⁷ Petition at 2.

⁸ *Id.*

⁹ See Petition, Transaction Summary at 2.

¹⁰ Petition at 3.

¹¹ See Petition, Exhibit 1 at 6.

¹² Petition at 3.

¹³ *Id.*

¹⁴ Petition, Transaction Summary at 1.

¹⁵ See Staff Action Brief at 5 (citing Company response to Staff Data Request 1-5).

¹⁶ See Petition at 2 and Transaction Summary at 1.

With a purchase price of \$2,400,000 and an estimated net book value of \$7,577,727.23, there would be a remaining net book value ("Remaining NBV") of \$5,177,727.23 after the Transfer.¹⁷ APCo represents that the Remaining NBV of \$5,177,727 would be included in its next depreciation study.¹⁸

In its Action Brief, the Commission Staff ("Staff") notes that APCo did not have prior Commission authority for the Facility Charge transactions under its terms and conditions of service or tariffs.¹⁹ Staff asserts that the 2013 Agreement constitutes a special contract and that APCo should have petitioned for approval under Code § 56-235.2 before entering into the 2013 Agreement.²⁰

Staff also expresses concerns with APCo's plan to include the Remaining NBV in the next depreciation study. Staff states this could have significant ratemaking implications, as it would mean all customers would pay for the Remaining NBV even though the SVC benefitted only one customer.²¹ Staff asserts that, as a result, service to the public at just and reasonable rates could be impaired or jeopardized if the Commission were to approve of the Petition as proposed.²²

Staff, however, agrees with APCo's statement that should it keep the SVC, "it would need to invest substantial resources to ensure its upkeep."²³ Staff asserts that since the SVC only services RES, it would not be in the public interest for APCo to continue owning and investing in the SVC as this could also impair or jeopardize the provision of adequate service to the public at just and reasonable rates.²⁴ Accordingly, Staff recommends that the Commission approve the Transfer while simultaneously directing APCo to address the appropriate ratemaking treatment of the Remaining NBV in its upcoming 2024 biennial review.²⁵ Staff provided a draft of its Action Brief containing its assertions and recommendations to the Company for comment, and the Company stated that it has no comments on Staff's recommendations at this time.

NOW THE COMMISSION, upon consideration of this matter and having been advised by Staff through its Action Brief, is of the opinion and finds that the above-described Transfer should be approved subject to certain requirements listed in the Appendix attached to this Order. We have concerns that the 2013 Agreement may be a special contract that was entered into by APCo without prior approval pursuant to Code § 56-235.2. We decline, however, to address whether APCo violated Code § 56-235.2 and what remedies and procedures may be available to the Commission to enforce compliance therewith in the instant case. Consistent with the Staff's recommendation, we specifically direct APCo to address the appropriate ratemaking treatment of the Remaining NBV in its upcoming 2024 biennial review, to provide Staff and other interested parties the opportunity to respond to APCo's proposed ratemaking treatment of the Remaining NBV in the context of a rate proceeding.²⁶

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code §§ 56-88.1, the Company hereby is granted approval of the Transfer subject to the requirements listed in the Appendix attached to this Order.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

1) The Commission's approval shall have no accounting or ratemaking implications.

2) APCo shall file testimony in its upcoming 2024 biennial review to address the appropriate ratemaking treatment of the Remaining NBV after the Transfer.

3) APCo shall file a Report of Action ("Report") within 30 days after closing of the Transfer. The Report shall include: (a) the case number in which the Transfer was approved; (b) a description of the approved Transfer; (c) the date of the Transfer; and (d) the accounting journal entries for the Transfer (as they are recorded in APCo's books).

¹⁷ See Staff Action Brief at 5.

¹⁸ See *id.* at 5 (citing Company response to Staff Data Request 1-13).

¹⁹ *Id.* at 6 (citing Company response to Staff Data Request 3-19).

²⁰ *Id.*

²¹ Staff Action Brief at 7.

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ APCo is expected to file its 2024 biennial review pursuant to Code § 56-585.8 on or about March 31, 2024.

**CASE NO. PUR-2023-00077
JULY 24, 2023**

APPLICATION OF
SHENANDOAH TELEPHONE COMPANY and SHENANDOAH CABLE TELEVISION, LLC

For approval of an affiliate arrangement pursuant to Chapter 4 of Title 56 of the Code of Virginia

FINAL ORDER

On May 5, 2023, Shenandoah Telephone Company ("Shenandoah Telephone") and Shenandoah Cable Television, LLC ("Shenandoah Cable") (jointly, "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") seeking approval to participate in an affiliate arrangement pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code").¹ Specifically, the Applicants requested authority for Shenandoah Cable to assign to Shenandoah Telephone its rights and obligations under an agreement providing funding for fiber optic facilities and related broadband infrastructure in Shenandoah County, Virginia ("Assignment").² According to the Application, Shenandoah Telephone will construct and own the fiber optic facilities and, following construction and receiving Commission authority, Shenandoah Cable will use the facilities to provide broadband service to residents of Shenandoah County.³ The Applicants included in the Application a motion for interim authority to proceed with the Assignment prior to the Commission issuing a final order in this case.⁴

On May 12, 2023, Shenandoah Valley Electric Cooperative ("Cooperative") filed a Notice of Participation as a Respondent ("Notice of Participation") in which the Cooperative asked the Commission to deny the Application, not provide interim authority to the Applicants to proceed with the Assignment, and grant any further relief the Commission deems just and proper.⁵ The Cooperative stated that the Assignment is related to funding through a 2022 Virginia Telecommunications Initiative ("VATI") Program administered by the Virginia Department of Housing and Community Development ("VDHCD") for broadband expansion that would involve pole attachments in the Cooperative's service territory.⁶ The Cooperative stated that it has separate agreements for pole attachments with the Applicants in the form of a joint use agreement with Shenandoah Telephone entered into in 2001⁷ and a pole attachment agreement with Shenandoah Cable in 2021.⁸ The Cooperative asserted that the 2021 pole attachment agreement with Shenandoah Cable is better suited for fiber deployment than the 2001 Joint Use Agreement with Shenandoah Telephone.⁹

On May 19, 2023, the Commission issued a Procedural Order establishing certain filing dates and extending the statutory review period on the Application by 30 days, through August 3, 2023, pursuant to Code § 56-77. Pursuant thereto, on May 24, 2023, the Applicants filed a response to the Cooperative's Notice of Participation,¹⁰ and on May 26, 2023, the Cooperative filed a reply.

On June 2, 2023, the Commission issued an Order that, in exercising the Commission's discretion in matters under the Affiliates Act, conditionally accepted the Cooperative's Notice of Participation to the extent that such participation did not prevent the Commission from meeting the statutory deadline in this case. The Commission established a procedural schedule that allowed for the filing of any additional comments by the Cooperative, directed the filing of a Staff Report by the Staff of the Commission ("Staff"), and a reply to the Staff Report and the Cooperative's Comments by the Applicants. The Commission also assigned a Hearing Examiner to rule on discovery matters in this case.

On June 30, 2023, the Staff Report was filed in which Staff summarized the results of its investigation of the Application. Staff determined that, for purposes of its review of the Application pursuant to the Affiliates Act, the proposed Assignment was in the public interest, and recommended that it be approved subject to specified requirements set out in the Staff Report to protect the public interest.¹¹

¹ Code § 56-76 *et seq.* ("Affiliates Act").

² Application at 1.

³ *Id.*

⁴ *Id.* at 4.

⁵ *See, e.g.*, Notice of Participation at 11-12.

⁶ *Id.* at 3-4.

⁷ *Id.* at 5.

⁸ *Id.* at 3.

⁹ *Id.* at 3-6.

¹⁰ On May 25, 2023, the Applicants filed a substitute public version of their response.

¹¹ Staff Report at 1, 5, and Appendix A.

In recommending approval of the Agreements under the Affiliates Act, Staff noted that the benefits that will further the public interest include representations from the Applicants that: (1) Shenandoah Telephone will have access to additional funding that is not available to Shenandoah Cable; (2) Shenandoah Telephone has received and will continue to receive Connect America Fund Broadband Loop Support; (3) Shenandoah Telephone uses the funds for the provision, maintenance, and upgrading of voice and broadband services in rural areas; and (4) the fiber optic facilities] will provide Shenandoah Telephone appropriate facilities to begin retiring its legacy copper network while continuing to provide service to customers utilizing modern technology.¹² Finally, the Staff Report documents that the agreement with Shenandoah County states in part that Shenandoah Cable may assign its rights to an affiliate and that in the event of any assignment by Shenandoah Cable, the assignee shall assume all obligations under the Agreement and Shenandoah Cable shall guarantee the performance of such obligations to the County.¹³

As to the Cooperative's assertion that the 2001 Shenandoah Telephone Joint Use Agreement is inappropriate for the deploying of fiber related to the VATI funded broadband expansion project, Staff noted that the Commission's authority regarding pole attachments is set out in the provisions contained in Code § 56-41.1 and Code § 56-466.1, and that unlike the current Affiliates Act filing presently before the Commission, neither of the pole attachment statutes have a statutory deadline for Commission action on any dispute properly filed under either Code section.¹⁴

On June 30, 2023, the Cooperative filed its additional comments in accordance with the Commission's Order. The Cooperative reiterated its assertion that if the Applicants are permitted to assign the rights under the VATI project from Shenandoah Cable to Shenandoah Telephone, the members of the Cooperative will be harmed, suggesting that withholding approval of the Assignment will ensure the safety of its electric system and protect its members from the burden of financing the Applicants' project.¹⁵ The Cooperative has asserted the Application was filed, in part, by the Applicants to gain leverage in negotiations with the Cooperative regarding pole attachments.¹⁶ The Cooperative emphasized that it was Shenandoah Cable, not Shenandoah Telephone, that filed the application to obtain funding through the VATI program, and continued to assert that the pole attachment agreement between the Cooperative and Shenandoah Cable should govern the deployment of any fiber facilities pursuant to that grant.¹⁷ Accordingly, the Cooperative argued that the Assignment is not in the public interest and should be denied.¹⁸

On July 11, 2023, the Applicants filed their reply to the Staff Report and the Cooperative's additional comments filed on June 30, 2023. The Applicants stated that there is credible evidence in the record that supports a finding that the proposed Assignment is in the public interest.¹⁹ The Applicants asserted that Shenandoah Telephone (1) will use the funding provided under the Assignment to support construction of fiber broadband facilities to unserved areas of the County where Shenandoah Telephone currently has only legacy copper-wire facilities; (2) will use the new fiber to provide voice service, including Lifeline services, as it retires its legacy copper network; (3) will use these facilities to provide qualifying broadband to up to 4,139 unserved locations in Shenandoah County which, as it currently stands, are without access to broadband service;

and (4) plans to similarly structure deployment to 2,447 additional underserved homes pursuant to a 2023 VATI funding grant to the County.²⁰ The Applicants reiterated that approval of the Application will provide access to supplemental funding not available to Shenandoah Cable.²¹

As for the Cooperative's request that the Commission not approve the proposed Assignment, the Applicants stated that to the extent that the Commission does consider such claims regarding agreements governing pole attachments, it should be done outside the scope of this Affiliates Act proceeding,²² or alternatively, that the Commission should determine that such claims do not support rejection of the proposed Assignment because the Cooperative has not shown that allowing Shenandoah Telephone to attach fiber pursuant to the joint use agreement would disserve the public interest.²³ Further, in this filing, the Applicants requested that the Commission direct the Cooperative to cooperate in implementing the Assignment, which would include having the Cooperative process Shenandoah Telephone's permits for pole attachments.²⁴

¹² *Id.* at 3-4.

¹³ *Id.* at 2-3.

¹⁴ *Id.* at 4.

¹⁵ Cooperative's Additional Comments at 3.

¹⁶ *Id.* at 3-4.

¹⁷ *See, e.g., id.* at 3-6, 13-15.

¹⁸ *See, e.g., id.* at 6-8.

¹⁹ Applicants' Reply at 2.

²⁰ *Id.*

²¹ *Id.* at 3 (referencing the Applicants' Response filed May 25, 2023).

²² Applicants' Reply at 4, 12.

²³ *Id.* at 4, 15-35.

²⁴ *Id.* at 5, 35.

Applicants asserted that this direction from the Commission is being requested because the Cooperative has demonstrated an inclination to stymie Applicants lawful access to the Cooperative's poles.²⁵ The Applicants stated that such direction from the Commission is necessary to have the Cooperative timely process Shenandoah Telephone's pole attachment requests in order for Applicants to meet buildout time frames.²⁶

NOW THE COMMISSION, upon consideration hereof, is of the opinion and finds as follows.

The procedures and findings required under the Affiliates Act are distinct from that of other statutes. The Affiliates Act, among other things: (1) directs the Commission to "approve or disapprove" an application in only 60-90 days; (2) deems an application "approved" if the Commission fails to act in that timeframe; (3) gives the Commission "continuing supervisory control" over affiliate transactions; and, further, (4) allows the Commission, unilaterally and on its own motion, to "exempt" a utility from affiliate filing requirements in whole or in part.²⁷ Under the Affiliates Act, the Commission either approves or rejects the "structure" of these affiliate transactions.²⁸ Any specific costs or obligations stemming from that affiliate structure are approved or rejected when the question becomes ripe in separate proceedings under separate statutes.²⁹

In the instant case, the Cooperative asks that we reject the Applicants' request for approval of the Assignment because the result would govern which arrangement for pole attachments would apply. The Cooperative asserts that it is not in the public interest to allow the Applicants to make the Assignment because it will adversely affect the Cooperative as some of its members are outside of Shenandoah County.

As stated by the Supreme Court of Virginia in *Roanoke Gas Company v. Commonwealth*, "an important aspect of public interest is assurance that an affiliated company of a regulated utility does not receive unjust benefits, to the detriment of the utility's customers."³⁰ Accordingly, for purposes of the Commission's Affiliates Act review of the Application, it does not appear the Assignment between Shenandoah Cable and Shenandoah Telephone would adversely impact the telephone company customers of Shenandoah Telephone. To the contrary, based upon the representations presented herein, it appears Shenandoah Telephone will have access to funding not available to Shenandoah Cable and will use such to improve its current copper-based legacy network in conjunction with the VATI funded broadband project.

The Cooperative has asserted in part that the 2001 Shenandoah Telephone Agreement is inappropriate for pole attachments necessary for the deploying of fiber related to the VATI funded broadband expansion project.³¹ The Commission's authority regarding pole attachments is set out in the provisions contained in Code § 56-41.1 and Code § 56-466.1. Unlike the current Affiliates Act filing presently before the Commission, neither of the pole attachment statutes have a statutory deadline for Commission action on any dispute properly filed under either Code section.³²

Accordingly, we find that pursuant to the Affiliates Act, the request for approval to make the Assignment proposed in this proceeding is in the public interest and should be granted. We make no findings as to the disputes among the parties relative to the pole attachment arrangements referenced in the course of this proceeding. The parties are free to file as they deem fit under the contractual rights afforded each under the respective agreements in a circuit court of competent jurisdiction, or with the Commission in accordance with any directly applicable Code provisions and the Commission's jurisdiction provided thereunder.³³

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Applicants are granted approval of the proposed Assignment subject to the requirements set forth in the Appendix attached to this Final Order.

(3) The case is hereby dismissed. Commissioner Patricia L. West participated in this matter.

²⁵ See, e.g., *id.* at 13-14 and Attachment 2.

²⁶ *Id.* at 14.

²⁷ Code §§ 56-77 A, 56-77 A, 56-80, and 56-77 B, respectively.

²⁸ See *Joint Application of Mecklenburg Electric Cooperative and Empower Broadband, Inc., For approval of a management services agreement and lease agreement under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00180, 2019 S.C.C. Ann. Rept. 304, 306, Final Order (Jan. 30, 2019) (citing *Commonwealth Gas Services, Inc. v. Reynolds Metals Co.*, 236 Va. 362, 368 (1988); *Roanoke Gas Co. v. Commonwealth*, 217 Va. 850 (1977)). See also *Application of Central Virginia Electric Cooperative and Central Virginia Services, Inc., For approval of affiliate arrangements*, Case No. PUR-2018-00113, 2018 S.C.C. Ann. Rept. 476, 479, Final Order (Oct. 23, 2018).

²⁹ See *Joint Application of Mecklenburg Electric Cooperative and Empower Broadband, Inc., For approval of a management services agreement and lease agreement under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00180, 2019 S.C.C. Ann. Rept. at 306 (citing *Sierra Club v. Virginia Elec. and Power Co., et al.*, Case No. PUR-2017-00061, 2017 S.C.C. Ann. Rept. 505, Final Order (Sept. 19, 2017), *aff'd Sierra Club v. State Corp. Comm'n*, 2018 WL 3768754 (Aug. 9, 2018) (unpublished)). See also *Application of Central Virginia Electric Cooperative and Central Virginia Services, Inc., For approval of affiliate arrangements*, Case No. PUR-2018-00113, 2018 S.C.C. Ann. Rept. at 479.

³⁰ 217 Va. at 854.

³¹ See, e.g., Notice of Participation at 4-6; Cooperative's Reply at 4-10; Cooperative's Additional Comments at 6-13, 17-18.

³² Note also that not all disputes involving pole attachment agreements are within the Commission's jurisdiction. See, e.g., Code § 56-466.1 F, which excludes "safety and debt collection" from the terms that the Commission is authorized to determine.

³³ Likewise, to the extent the Cooperative maintains that the Assignment is contrary to the VATI program, the Cooperative is free to pursue its objections with the VDHCD.

APPENDIX A

- (1) The Commission's approval shall have no accounting or ratemaking implications.
- (2) Shenandoah Telephone shall be required to maintain records demonstrating that the Assignment is cost beneficial.
- (3) The Commission's approval shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
- (4) Separate Commission approval shall be required for any changes in the terms and conditions of the Assignment.
- (5) The Commission reserves the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by the Commission.
- (6) Within thirty (30) days of completing the proposed Assignment, the Applicants shall file a Report of Action ("Report") with the Commission. Included in the Report shall be the effective date of the Assignment of the VATI grant funds and the total dollar amount assigned by Shenandoah Cable to Shenandoah Telephone.
- (7) All affiliate transactions shall be included in Shenandoah Telephone's Annual Report of Affiliate Transactions, submitted to the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director") on or before April 1 of each year, subject to administrative extension by the UAF Director, and shall include the following information:
 - (a) Case Number in which the transactions were approved;
 - (b) Identification of the specific affiliate(s) involved in each transaction;
 - (c) Description of each transaction and the specific service(s) provided;
 - (d) Transactions by month; and
 - (e) Dollar amount charged for each transaction per month.

**CASE NO. PUR-2023-00078
JUNE 20, 2023**

PETITION OF
TRANS-ALLEGHENY INTERSTATE LINE COMPANY, FIRSTENERGY CORP., FIRSTENERGY TRANSMISSION, LLC, AND BROOKFIELD CORPORATION, BROOKFIELD ASSET MANAGEMENT LTD., NORTH AMERICAN TRANSMISSION COMPANY II L.P., *et al.*

For approval of a change in control pursuant to Chapter 5 of Title 56 of the Virginia Code

ORDER GRANTING APPROVAL

On May 31, 2023, Trans-Allegheny Interstate Line Company ("TrAILCo"), First Energy Corp. ("FirstEnergy"), FirstEnergy Transmission, LLC ("FET"), and Brookfield Corporation, Brookfield Asset Management Ltd. (together with Brookfield Corporation, "Brookfield"), North American Transmission II, L.P. ("NATCo II") et al. (collectively, "Joint Petitioners"), completed the filing of a joint petition ("Petition") with the State Corporation Commission ("Commission") to request approval of an indirect change of control of TrAILCo pursuant to Chapter 5 of Title 56 of the Code of Virginia ("Code")¹ as a result of the acquisition of an incremental 30% equity interest in FET by NATCo II ("Transaction") pursuant to a Purchase and Sale Agreement dated February 2, 2023 ("Purchase Agreement").

TrAILCo is a transmission-only public utility, which owns, operates, and maintains transmission facilities in Maryland, West Virginia, Pennsylvania, and Virginia, located within the PJM Interconnection, L.L.C. ("PJM") Balancing Authority Area. These transmission facilities include a 500 kilovolt transmission line extending for approximately 150 miles from southwestern Pennsylvania through West Virginia to a point of interconnection with Virginia Electric and Power Company d/b/a Dominion Energy Virginia in northern Virginia.² TrAILCo holds a certificate of public convenience and necessity in Virginia³ and is subject to Commission jurisdiction regarding the reliability, safety, siting and construction of transmission facilities, but serves no retail customers⁴ and its rates and terms of services are subject to FERC jurisdiction.⁵

¹ § 56-88 *et seq.* ("Utility Transfers Act").

² See Petition at 3-4.

³ See *Joint Application of Virginia Electric and Power Company d/b/a Dominion Virginia Power, and Trans-Allegheny Interstate Line Company, For certificates of public convenience and necessity to construct facilities: 500 kV Transmission Line from Transmission Line #380 to Loudoun Substation*, Case No. PUE-2007-00031, *Application of Trans-Allegheny Interstate Line Company, For certificates of public convenience and necessity to construct facilities: 500 kV Transmission Line from Virginia-West Virginia Boundary to Virginia Electric and Power Company Transmission Line #380*, Case No. PUE-2007-00033, 2008 S.C.C. Ann. Rept. 366, Order Granting Approval (Oct. 7, 2008).

⁴ See Petition at 3.

⁵ *Id.* "FERC" is the Federal Energy Regulatory Commission.

FirstEnergy is a public utility holding company that provides distribution, transmission, and/or generation services to customers in Ohio, Pennsylvania, West Virginia, Maryland, Virginia, New Jersey, and New York.⁶

FET is a holding company for three subsidiaries, TrAILCo; American Transmission Systems, Incorporated; and Mid-Atlantic Interstate Transmission, LLC, which own and operate federal and state-regulated high-voltage transmission facilities in the PJM Region.⁷ FET is 80.1% owned by FirstEnergy and 19.9% by NATCo II.⁸

NATCo II is a controlled investment vehicle of Brookfield. Upon the closing of the Transaction, NATCo II will hold a 49.9% direct interest in FET and a similar indirect interest in TrAILCo, which triggers the control threshold specified in § 56-88.1 C of the Utility Transfers Act.⁹

The Purchase Agreement provides for FirstEnergy to sell to NATCo II an incremental 30% equity interest in FET for a purchase price of \$3.5 billion.¹⁰ NATCo II will increase its interest in FET (and TrAILCo) from 19.9% to 49.9%.¹¹ FirstEnergy will retain majority ownership (at 50.1%) and control over FET and the day-to-day operation of its transmission subsidiaries (including TrAILCo) except to the extent that NATCo II's approval is expressly required under the Fourth Amended and Restated Limited Liability Company Agreement of FirstEnergy Transmission, LLC ("Limited Liability Agreement"), which is included as an exhibit to the Purchase Agreement.¹² The Limited Liability Agreement permits NATCo II to appoint two out of the five directors of the FET board as well as up to four observers to the FET board.¹³ In addition, the Limited Liability Agreement provides NATCo II with certain consultation, governance, consent, and approval rights.¹⁴

The Joint Petitioners represent that the proposed Transaction will provide financial, continuity, relationship, operational, and governance benefits for FirstEnergy and its transmission customers.¹⁵

In addition to Commission approval, the Joint Petitioners represent that the proposed Transaction will require approvals from the Pennsylvania Public Utility Commission, FERC, and the Committee for Foreign Investment in the United States ("CFIUS").¹⁶

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through Staff's action brief, is of the opinion and finds that adequate service to the public at just and reasonable rates will not be impaired or jeopardized by the proposed Transaction. Therefore, we approve the Transaction subject to the requirements listed in the Appendix attached to this order. As the Transaction requires approval from FERC and CFIUS, we condition our approval herein on the approval of these two federal entities.

Accordingly, IT IS ORDERED THAT:

- (1) The Transaction is approved subject to the requirements listed in the Appendix attached to this Order.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 4-5.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ § 56-88.1 C of the Code states, "For purposes of this section, 'control' means (i) the acquisition of 25 percent or more of the voting stock or (ii) the actual exercise of any substantial influence over the policies and actions of any public utility or telephone company."

¹⁰ See Petition at 7 and Exhibit 6 attached to the Commission Staff ("Staff") action brief, which is filed concurrently with this order.

¹¹ Petition at 7.

¹² *Id.*

¹³ *Id.* at 8.

¹⁴ *Id.* at 8-9.

¹⁵ *Id.* at 10-13.

¹⁶ See Exhibit 1 of Petition at 4.

APPENDIX

- 1) The Commission's approval in this case shall be conditioned upon approval of the proposed Transaction by FERC and CFIUS. Upon satisfaction of this condition, no further action shall be required by the Commission for approval of the Transaction.
- 2) The approved Transaction shall have no accounting or ratemaking implications.

3) No changes to the approved Transaction, including changes to the terms and conditions of the Purchase Agreement, shall be made without separate Commission approval.

4) Within ninety (90) days of completing the approved Transaction, the Joint Petitioners shall file a Report of Action ("Report") with the Commission. The Report shall include the closing date of the Transaction, the actual Transaction price, and the actual accounting entries made on FirstEnergy's, FET's, and TrAILCO's books to record the Transaction.

**CASE NO. PUR-2023-00080
AUGUST 24, 2023**

JOINT PETITION OF
ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS II, LLC

For authority for a pro forma transfer of control of APB Partners Pulaski, LLC, pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks II, LLC ("APB Networks II") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Pulaski, LLC ("APB Pulaski"), to APB Networks II ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APB Pulaski is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks II will replace APB Partners as the direct parent and sole member of APB Pulaski. Both APB Networks II and APB Partners are direct, wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Pulaski.

The Petitioners assert that APB Pulaski's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Pulaski to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Pulaski will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks II.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ APB Pulaski is included among the Petitioners and has provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of APB Partners Pulaski, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00031, 2022 S.C.C. Ann. Rept. 498, Final Order (June 17, 2022) (granting Certificate No. T-794).

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

**CASE NO. PUR-2023-00081
AUGUST 24, 2023**

JOINT PETITION OF
ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS I, LLC

For authority for a pro forma transfer of control of APB Partners Middlesex, LLC, pursuant to Va. Code § 56-88 *et seq*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks I, LLC ("APB Networks I") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Middlesex, LLC ("APB Middlesex") to APB Networks I ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APB Middlesex is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks I will replace APB Partners as the direct parent and sole member of APB Middlesex. Both APB Networks I and APB Partners are direct, wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Middlesex.

The Petitioners assert that APB Middlesex's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Middlesex to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Middlesex will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks I.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ APB VA Development Holdings I, LLC and APB Middlesex are also considered to be Petitioners in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq*.

³ 5 VAC 5-20-10 *et seq*.

⁴ See *Application of APB Partners Middlesex, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00029, 2022 S.C.C. Ann. Rept. 496, Final Order (June 9, 2022) (granting Certificate No. T-792).

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

CASE NO. PUR-2023-00082
AUGUST 24, 2023

JOINT PETITION OF
 ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS I, LLC

For authority for a pro forma transfer of control of APB Partners Valley, LLC, pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks I, LLC ("APB Networks I") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Valley, LLC ("APB Valley") to APB Networks I ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APB Valley is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks I will replace APB Partners as the direct parent and sole member of APB Valley. Both APB Networks I and APB Partners are wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Valley.

The Petitioners assert that APB Valley's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Valley to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Valley will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks I.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ APB VA Development Holdings I, LLC and APB Partners Valley are also considered to be Petitioners in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of APB Partners Valley, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00030, 2022 S.C.C. Ann. Rept. 497, Final Order (June 9, 2022) (granting Certificate No. T-793).

⁵ The Commission held the Petitioners' Motion in abeyance and has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

CASE NO. PUR-2023-00083
AUGUST 24, 2023

JOINT PETITION OF
ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS II, LLC

For authority for a pro forma transfer of control of APB Partners Loudoun, LLC, pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks II, LLC ("APB Networks II") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Loudoun, LLC ("APB Loudoun"), to APB Networks II ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APB Loudoun is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks II will replace APB Partners as the direct parent and sole member of APB Loudoun. Both APB Networks II and APB Partners are direct, wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Loudoun.

The Petitioners assert that APB Loudoun's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Loudoun to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Loudoun will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks II.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT :

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ APB Loudoun is included among the Petitioners and has provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of APB Partners Loudoun, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00032, 2022 S.C.C. Ann. Rept. 499, Final Order (June 17, 2022) (granting Certificate No. T-795).

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

**CASE NO. PUR-2023-00084
AUGUST 22, 2023**

JOINT PETITION OF
ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS II, LLC

For authority for a pro forma transfer of control of APB Partners Culpeper, LLC, pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks II, LLC ("APB Networks II") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Culpeper, LLC ("APB Culpeper"), to APB Networks II ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APB Culpeper is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks II will replace APB Partners as the direct parent and sole member of APB Culpeper. Both APB Networks II and APB Partners are direct, wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Culpeper.

The Petitioners assert that APB Culpeper's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Culpeper to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Culpeper will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks II.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT :

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ APB Culpeper is included among the Petitioners and has provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of APB Partners Culpeper, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00026, 2022 S.C.C. Ann. Rept. 489, Final Order (June 9, 2022) (granting Certificate No. T-790).

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

CASE NO. PUR-2023-00085
JULY 6, 2023

APPLICATION OF
 AQUA VIRGINIA, INC.

For approval to issue debt securities pursuant to the provisions of Chapter 3 and Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On May 25, 2023, Aqua Virginia, Inc. ("Aqua Virginia") completed the filing of an application ("Application")¹ with the State Corporation Commission ("Commission") under Chapters 3² and 4³ of Title 56 of the Code of Virginia ("Code") for authority to issue long-term debt securities ("Notes") to its parent, Essential Utilities, Inc. ("Essential").⁴ Aqua Virginia paid the requisite filing fee.

Aqua Virginia requests authority to issue up to \$6.5 million of additional long-term debt to Essential through December 31, 2023, with the aggregate principal of borrowings from Essential not to exceed \$55 million. The interest rate and terms for the Notes will mirror those of debt issued by Essential and allocated to Aqua Virginia. The proceeds from the Notes may be used to fund acquisitions and capital expenditures, and to align Aqua Virginia's capital structure with the Essential consolidated capital structure that is used for Virginia ratemaking purposes. Essential's proforma capital structure as of December 31, 2023 is forecasted to be 48.90% debt and 51.1% equity.

With respect to the Application, Aqua Virginia filed a Motion for Protective Order ("Motion") on May 23, 2023, regarding confidential information contained in the Application, as well as confidential information anticipated in response to discovery requests related to the Application.

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff, is of the opinion and finds that the Application will not be detrimental to the public interest and is approved subject to the requirements set forth in the Appendix attached to this order. Since Aqua Virginia's requested debt financing is subject to the general financing authority granted in the 2019 Order, the approval granted herein expires October 19, 2023, the expiration date of the 2019 Order, unless Aqua Virginia obtains approval to extend the AIS Agreement beforehand, in which case this approval extends until December 31, 2023. With respect to Aqua Virginia's Motion, we note that the Commission has received no request during this proceeding for leave to review the confidential information associated with the Application. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain such information under seal.

Accordingly, IT IS ORDERED THAT:

(1) Aqua Virginia shall be authorized to issue up to \$6,500,000 of additional debt to Essential, from time to time, with the aggregate principal amount of debt issuances to Essential not to exceed \$55 million, subject to the requirements set forth in the Appendix attached hereto.

(2) This matter remains under the continued review, audit, and appropriate directive of the Commission.

Commissioner Patricia L. West participated in this matter.

¹ The Application was initially filed on May 23, 2023. The filing was completed with receipt of a check for the filing fee on May 25, 2023.

² Code § 56-55 *et seq.*

³ Code § 56-76 *et seq.*

⁴ Aqua Virginia received general authority to obtain debt/equity financing from Essential when its Affiliated Interest Service Agreement ("AIS Agreement") was approved in Case No. PUR-2019-00221. See *Application of Essential Utilities, Inc., and Aqua Virginia, Inc., For approval of an affiliate services agreement*, Case No. PUR-2019-00221, 2020 S.C.C. Ann. Rept. 401, Order Granting Approval (Oct. 20, 2020) ("2019 Order").

APPENDIX A

1) Aqua Virginia shall be authorized to issue up to \$6.5 million of additional debt to Essential from time to time through October 19, 2023, under the terms and conditions and for the purposes stated in the Application, with the aggregate principal amount of debt issuances to Essential not to exceed \$55 million. If the Company obtains an extension of the AIS Agreement authority beyond October 19, 2023, the authorization granted in this case shall extend through December 31, 2023.

2) Aqua Virginia shall file with the Clerk of the Commission a preliminary report of action within ten (10) days after the issuance of any Notes pursuant to the approval granted in this case. Such report shall include the date of issuance, the amount of issuance, the applicable interest rate, the maturity date, and the proceeds to the Company for any Notes issued. Such report shall also indicate the underlying Essential debt interest rate(s) and methodology used to determine the interest rate for any Note reported.

3) Aqua Virginia shall file a final report due on or before March 31, 2024. Such report shall include a summary of the information from preliminary reports for all Notes issued pursuant to the exercise of authority granted in this case. The final report shall include a cumulative summary of the actions taken during the entire period authorized and an itemized list of issuance expenses to date associated with each security and how such costs will be booked and treated for accounting purposes.

4) The Commission's approval shall have no accounting or ratemaking implications.

5) The approval granted in this case shall not preclude the Commission from exercising its authority under the provisions of Code § 56-76 *et seq.* hereafter.

6) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case whether or not such affiliate is regulated by this Commission.

7) Aqua Virginia shall identify the debt issuance transactions under the AIS Agreement in its Annual Report of Affiliate Transactions ("ARAT") submitted to the Director of the Commission's Division of Utility Accounting and Finance ("UAF Director") on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall identify the transactions by case number and the filed report of action for the calendar year.

**CASE NO. PUR-2023-00086
AUGUST 24, 2023**

JOINT PETITION OF
ALL POINTS BROADBAND PARTNERS, LLC and APB VA NETWORKS II, LLC

For authority for a pro forma transfer of control of APB Partners Hanover, LLC, pursuant to Va. Code § 56-88 *et seq.*

ORDER GRANTING APPROVAL

On June 5, 2023, All Points Broadband Partners, LLC ("APB Partners") and APB VA Networks II, LLC ("APB Networks II") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of APB Partners Hanover, LLC ("APB Hanover"), to APB Networks II ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 24, 2023, the Commission issued an Order Extending Time for Review.

APB Hanover is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks II will replace APB Partners as the direct parent and sole member of APB Hanover. Both APB Networks II and APB Partners are direct, wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APB Hanover.

The Petitioners assert that APB Hanover's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APB Hanover to compete in the telecommunications marketplace. Information provided with the Petition indicates that APB Hanover will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks II.

¹ APB Hanover is included among the Petitioners and has provided the statutorily required verifications.

² Code § 56-88 *et seq.*

³ 5 VAC 5-20-10 *et seq.*

⁴ See *Application of APB Partners Hanover, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2022-00028, 2022 S.C.C. Ann. Rept. 496, Final Order (June 9, 2022) (granting Certificate No. T-791).

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

Accordingly, IT IS ORDERED THAT :

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

**CASE NO. PUR-2023-00087
AUGUST 28, 2023**

JOINT PETITION OF
VIRGINIA EVERYWHERE, LLC and APB VA NETWORKS I, LLC

For authority for a pro forma transfer of control of All Points Northern Neck, LLC, pursuant to Va. Code § 56-88 *et seq*

ORDER GRANTING APPROVAL

On June 5, 2023, Virginia Everywhere, LLC ("Virginia Everywhere") and APB VA Networks I, LLC ("APB Networks I") (collectively, "Petitioners"),¹ completed the filing of a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),² requesting approval of the transfer of control of All Points Northern Neck, LLC ("APNN") to APB Networks I ("Transfer"). The Petitioners also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.³ On July 14, 2023, the Commission issued an Order Extending Time for Review.

APNN is authorized to provide local exchange telecommunications services in Virginia pursuant to its certificate of public convenience and necessity issued by the Commission.⁴ Pursuant to an internal corporate reorganization, APB Networks I will replace Virginia Everywhere as the direct parent and sole member of APNN. Both APB Networks I and APB VA Development Holdings I, LLC are wholly-owned subsidiaries of Virginia Everywhere. Therefore, Virginia Everywhere will maintain ultimate control of APNN.

The Petitioners assert that APNN's ability to provide services without any immediate changes to the rates, terms or conditions of service as currently provided will not be negatively impacted by the completion of the proposed Transfer. The Petitioners further represent that the proposed Transfer is expected to enhance the ability of APNN to compete in the telecommunications marketplace. Information provided with the Petition indicates that APNN will continue to have the financial, managerial, and technical resources to provide telecommunications services in Virginia under the ownership and control of APB Networks I.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved. The Commission also finds that the Petitioners' Motion is moot, therefore, the Motion should be denied.⁵

¹ APB VA Development Holdings I, LLC and APNN are also considered to be Petitioners in this proceeding and have provided the statutorily required verifications.

² Code § 56-88 *et seq*.

³ 5 VAC 5-20-10 *et seq*.

⁴ See *Application of All Points Northern Neck, LLC, For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2021-00217, 2022 S.C.C. Ann. Rept. 361, Final Order (Feb. 14, 2022) (granting Certificate No. T-786).

⁵ The Commission has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains, under seal.

Accordingly, IT IS ORDERED THAT :

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.
- (3) The Petitioners' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.
- (4) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00090
JULY 10, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For authority to issue \$13.625 billion in debt and preferred securities pursuant to Chapter 3 and Chapter 4 of Title 56 of the Code of Virginia of 1950, as amended

ORDER GRANTING AUTHORITY

On May 22, 2023, Virginia Electric and Power Company ("DEV" or "the Company") filed an application ("Application") with the State Corporation Commission ("Commission") under Chapters 3 and 4 of Title 56 of the Code of Virginia ("Code")¹ requesting authority to: (i) issue up to \$13.625 billion in debt and/or preferred stock ("Securities"); (ii) enter into an affiliate financing arrangement with its corporate parent, Dominion Energy, Inc. ("DEI"); and (iii) enter into up to \$13.625 billion of anticipatory hedging transactions, from time to time through July 31, 2026. The Applicant paid the requisite fee of \$250. On June 12, 2023, the Commission entered an Extension Order extending the time for review of the Application for an additional 30 days.

According to the Application, the \$13.625 billion aggregate principal amount of the securities to be issued by DEV will be in the form of Senior Notes, preferred stocks, and/or inter-company debt to DEI. The Company states that the Securities may be issued in various series with various maturities and would bear interest or pay dividends at rates determined in accordance with their stated maturity, terms and features, and financial market conditions at the time of sale. DEV proposes to market the Securities on a competitive or negotiated basis at market rates to or through underwriters and dealers publicly or through placements with investors, as and when it is economically desirable to do so. The Securities may also be sold directly to purchasers or through agents at market rates.

DEV also proposes to issue inter-company debt to its parent, DEI. According to DEV, the inter-company debt would in all material respects mimic the provisions of similar securities issued to the capital markets by DEI. The Company further states that this mechanism would only be used in instances wherein DEI can either more economically or efficiently issue debt or preferred instruments than a direct issuance by the Company.

The Application states that net proceeds from the proposed securities issuances will be used to meet a portion of the Company's capital requirements such as construction, upgrading and maintenance expenditures, capacity expansion acquisition, and the refunding of outstanding preferred securities.

DEV also proposes to enter into anticipatory hedging transactions related to the issuance of the Securities. DEV states that the purpose of entering into anticipatory hedging transactions is to provide a mechanism to mitigate the economic uncertainty related to movements in the value of pricing benchmarks between the date of the hedging transaction and the anticipated pricing date of the new issuance. The Company proposes to limit such hedging authority in a manner similar to that initially authorized by the Commission in Case No. PUF-1997-00019 and as subsequently amended or superseded from time to time.²

NOW THE COMMISSION, upon consideration of the Application and having been advised by its Staff through Staff's action brief and having considered the Applicant's comments thereon, is of the opinion and finds that approval of the Application, as modified herein and subject to the requirements set forth in the Appendix attached to this Order, will not be detrimental to the public interest. The modification relates to the affiliate financing arrangement between DEV and DEI for which we find that the amount of debt to be issued by DEV to DEI shall not exceed \$500 million. The Company has stated that it agrees with this limitation.

¹ Code §§ 56-55 *et seq.* and 56-76 *et seq.*

² *In the matter of Virginia Electric and Power Company, Interest Rate Swap Agreements*, Case No. PUF-1997-00019, 1997 S.C.C. Ann. Rept. 469, Order (Nov. 24, 1997).

Accordingly, IT IS ORDERED THAT:

(1) DEV is hereby granted approval of the Application as described herein subject to the requirements set forth in the Appendix attached to this Order.

(2) This matter is continued for further orders of the Commission.

Commissioner Patricia L. West participated in this matter.

APPENDIX

- 1) DEV is authorized to issue up to \$13.625 billion in aggregate of its Securities and inter-company debt under the terms and conditions and for the purposes set forth in the Application from the date of the Order through July 31, 2026. The amount of the inter-company credit arrangement with DEI is limited to \$500 million.
- 2) DEV shall file a copy of the inter-company financing arrangement with DEI within (10) days of its execution.
- 3) DEV shall notify Staff in advance of any borrowing authority it intends to exercise under the affiliate arrangement with DEI. Such notification shall include a description of the securities to be issued by DEI and why it is beneficial to DEV, and affirmation that the cumulative outstanding amount of such borrowings will not exceed the \$500 million limit.
- 4) DEV is authorized to enter into anticipatory hedging transactions in conjunction with Securities authorized herein, up to a notional maximum amount of \$13.625 billion, under the terms and conditions and for the purposes set forth in the Application.
- 5) DEV shall submit a preliminary report of action within ten (10) days after the issuance of any Securities or inter-company debt pursuant to this Order to include the type of security, the date of issuance, the face amount of the issue, the interest rate or dividend rate, the maturity date, the net proceeds to DEV, and the yield to maturity on a U. S. Treasury security of comparable maturity.
- 6) Within 60 days of the end of each calendar quarter in which Securities or inter-company debt are issued, DEV shall file a more detailed report to include the information required in Paragraph (5), above, and an itemized list of actual expenses to date associated with the Securities issuances, a comparison of the effective rate of Securities issued and any securities refunded prior to maturity, use of proceeds, detailed explanation of any hedging transaction entered into, the cumulative principal amount of Securities issued under the authority granted herein, the amount of Securities remaining to be issued, and a balance sheet reflecting the actions taken.
- 7) On or before September 30, 2026, DEV shall file a final report of action to include all information required in Paragraph (5), above, that incorporates then-current actual expenses and fees paid for the proposed Securities issuances.
- 8) The approval granted in this case shall have no accounting or ratemaking implications.
- 9) This matter shall remain under the continued review, audit, and appropriate directive of the Commission.

CASE NO. PUR-2023-00092 JULY 31, 2023

APPLICATION OF
SREOG VA SOLAR OPCO BORROWER, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On May 25, 2023, SREOG VA Solar OpCo Borrower, LLC ("SREOG" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On June 20, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before June 30, 2023, and to file proof of service on or before July 7, 2023. On June 22, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before July 14, 2023. No comments were filed.

¹ 20 VAC 5-340-10 *et seq.*

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before July 21, 2023. On July 21, 2023, Staff filed its Report, which summarized Staff's investigation of SREOG's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that SREOG be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that SREOG may file any response to the Report on or before July 28, 2023. On July 25, 2023, SREOG filed a letter to state that it has no comments on the Report and requests the Commission grant the license.⁴

NOW THE COMMISSION, upon consideration of this matter, finds that SREOG's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) SREOG is hereby granted license No. SS-45 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

² Report at 3-5.

³ *Id.* at 5.

⁴ *Application of SREOG VA Solar OpCo Borrower, LLC For a License as a Non-Exempt Subscriber Organization in the Shared Solar Program*, Case No. PUR-2023-00092, Response, Doc. Con. Cen. No. 230750130, (Jul. 25, 2023).

CASE NO. PUR-2023-00095 SEPTEMBER 1, 2023

APPLICATION OF ROANOKE GAS COMPANY

For approval to implement an updated Rider RNG and file the annual report required by Virginia Code § 56-625 E and Enactment Clause 3

FINAL ORDER

On May 30, 2023, Roanoke Gas Company ("Roanoke Gas" or "Company") filed an application ("Application") and report with the State Corporation Commission ("Commission") pursuant to: (1) Ordering Paragraph (7) of the Commission's January 23, 2023 Final Order in Case No. PUR-2022-00125 approving Roanoke Gas' application pursuant to Chapters 10.1 and 30 of Title 56 of the Code of Virginia ("Code") for approval of a biogas supply investment plan;¹ (2) the Commission's February 7, 2023 Order Granting Petition authorizing Roanoke Gas to implement Rider RNG effective March 1, 2023, through September 30, 2023, with a seven month revenue requirement credit of \$85,538;² and (3) Code § 56-625 E and Enactment Clause 3 of Va. Acts chs. 128 and 759 (2022).³ As described in the Application, Rider RNG pertains to the biogas supply infrastructure project consisting of a digester gas conditioning system, gas carrying pipe, and other necessary equipment to produce renewable natural gas that was approved in Case No. PUR-2022-00125.⁴

In its Application, Roanoke Gas requests approval to replace the credit currently provided to customers through Rider RNG with a charge designed to collect \$196,727 in revenue for the period of October 1, 2023, through September 30, 2024 ("2024 Rate Year").⁵

¹ See *Application of Roanoke Gas Company, For approval of a certificate of public convenience and necessity to construct, own, and operate a digester gas conditioning system and for a rate adjustment clause designated Rider RNG and related tariff provisions*, Case No. PUR-2022-00125, Doc. Con. Cen. No. 230120022, Final Order (Jan. 23, 2023).

² See *id.* at Doc. Con. Cen. No. 238210896, Order Granting Petition (Feb. 7, 2023).

³ Application at 1.

⁴ *Id.* at 4.

⁵ *Id.* at 2.

On June 12, 2023, the Commission issued an Order for Notice and Comment in this proceeding that, among other things, docketed the Application; required Roanoke Gas to publish notice of its Application; provided interested persons the opportunity to participate in this proceeding and to comment or request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to investigate the Application and file a report ("Staff Report") containing Staff's findings and recommendations. There were no comments or requests for a hearing filed in this proceeding.

On August 4, 2023, Staff filed its Staff Report containing Staff's analysis of the Application and providing conclusions and recommendations for the Commission's consideration, including adjustments to the calculation of revenue requirement for Rider RNG.⁶ Staff recommended that the Commission approve a Rider RNG revenue requirement of \$54,993 for the 2024 Rate Year.⁷ Further, Staff recommended that the Commission direct the Company to monitor capital recovery in future Rider RNG updates to ensure that the proper amount is recovered from customers in the proper periods.⁸

On August 18, 2023, Roanoke Gas filed its response to the Staff Report ("Response"). In its Response, Roanoke Gas stated that in general the Company agrees with, or does not oppose, the recommendations presented in the Staff Report.⁹ Roanoke Gas did respond in part to Staff's recommendations, which included stating that while the Company did not object to Staff's recommendation that the benefit of the federal investment tax credit be incorporated as an offset to the Rider RNG, the Company asserted that a different gross up factor should be used to calculate the income tax effect of the credit.¹⁰

On August 28, 2023, Roanoke Gas filed a supplemental response to the Staff Report ("Supplemental Response") in which the Company stated that the calculation of the correct gross up factor for the federal investment tax credit results in a revenue requirement of \$55,150, an increase of \$157 from Staff's revenue requirement of \$54,993 in its August 4, 2023 Staff Report.¹¹ The Supplemental Response states that Staff and the Company conferred on this calculation, and that Company was authorized to state that Staff does not oppose the Company's calculation of the gross up factor for the federal investment tax credit.¹²

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that the Company's request to implement an updated Rider RNG should be approved to reflect a revenue requirement of \$55,150 for Rider RNG, calculated in the manner recommended in the Staff Report as modified by the Company's Response and Supplemental Response. We find that, as requested, this updated Rider RNG should be made effective beginning October 1, 2023, through September 30, 2024. Further, as recommended by Staff, the Commission directs Roanoke Gas to monitor capital recovery in future Rider RNG updates to ensure that the proper amount is recovered from customers in the proper periods.

In granting this approval, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) The Company's request to implement an updated Rider RNG is approved as modified herein. Rates reflecting a revenue requirement of \$55,150 for Rider RNG shall become effective beginning October 1, 2023, and shall remain in effect until September 30, 2024.

(2) Roanoke Gas forthwith shall file, with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, revised tariffs for Rider RNG and all workpapers supporting the total revenue requirement and rates, all of which shall reflect the findings and requirements set forth in this Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/Pages/Case-Information.

(3) The Company shall monitor capital recovery in future Rider RNG updates to ensure that the proper amount is recovered from customers in the proper periods.

(4) Roanoke Gas shall file an application to update Rider RNG by May 30, 2024, and include the annual reports required by Code § 56-625 E and Enactment Clause 3 of Va. Acts chs. 128 and 759 (2022) regarding reductions in methane and carbon dioxide equivalent emissions.

(5) This matter is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ See, e.g., Staff Report at 7-12, 21-24, 26-27.

⁷ *Id.* at 7, 26.

⁸ *Id.* at 12, 26.

⁹ Response at 3.

¹⁰ *Id.* at 4.

¹¹ Supplemental Response at 1.

¹² *Id.*

**CASE NO. PUR-2023-00099
OCTOBER 10, 2023**

APPLICATION OF
PITTSYLVANIA CSG LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, Pittsylvania CSG LLC ("Pittsylvania" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On August 16, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 28, 2023, and to file proof of service on or before September 5, 2023. On August 28, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 11, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 18, 2023. On September 18, 2023, Staff filed its Report, which summarized Staff's investigation of Pittsylvania's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that Pittsylvania be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

The Procedural Order further provided that Pittsylvania may file any response to the Report on or before September 25, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Pittsylvania's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Pittsylvania is hereby granted license No. SS-52 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ Report at 3-5.

² *Id.* at 5.

**CASE NO. PUR-2023-00100
OCTOBER 26, 2023**

APPLICATION OF
FAIRFIELD LEE SOLAR LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, Fairfield Lee Solar LLC ("Fairfield" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On August 16, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 28, 2023, and to file proof of service on or before September 5, 2023. On August 28, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 11, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 18, 2023. On September 18, 2023, Staff filed its Report, which summarized Staff's investigation of Fairfield's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that Fairfield be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

The Procedural Order further provided that Fairfield may file any response to the Report on or before September 25, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Fairfield's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Fairfield is hereby granted license No. SS-53 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ Staff Report at 4-5.

² *Id.* at 5.

**CASE NO. PUR-2023-00103
OCTOBER 6, 2023**

APPLICATION OF
WAYNESBORO BRIDGE SOLAR LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, Waynesboro Bridge Solar LLC ("Waynesboro Bridge" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On August 21, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 31, 2023, and to file proof of service on or before September 7, 2023. On August 28, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 14, 2023. On September 13, 2023, three public comments supporting the use of clean energy in the Commonwealth were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 21, 2023. On September 21, 2023, Staff filed its Report, which summarized Staff's investigation of Waynesboro Bridge's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that Waynesboro Bridge be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

¹ Staff Report at 4-5.

² *Id.* at 5.

The Procedural Order further provided that Waynesboro Bridge may file any response to the Report on or before September 28, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that Waynesboro Bridge's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Waynesboro Bridge is hereby granted license No. SS-54 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00104
OCTOBER 6, 2023**

APPLICATION OF
WHITE STONE OCRAN SOLAR LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, White Stone Ocran Solar LLC ("White Stone" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").

On August 21, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 31, 2023, and to file proof of service on or before September 7, 2023. On August 28, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 14, 2023. On September 13, 2023, one public comment was filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 21, 2023. On September 21, 2023, Staff filed its Report, which summarized Staff's investigation of White Stone's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that White Stone be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

The Procedural Order further provided that White Stone may file any response to the Report on or before September 28, 2023. No response was filed.

NOW THE COMMISSION, upon consideration of this matter, finds that White Stone's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) White Stone is hereby granted license No. SS-55 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ Staff Report at 4-5.

² *Id.* at 5.

**CASE NO. PUR-2023-00105
OCTOBER 13, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For approval of a proposed update to the rates, terms, and conditions of a universal service fee to be paid by retail customers to fund the PIPP, and for expedited consideration

FINAL ORDER

On July 11, 2023, Virginia Electric and Power Company ("Dominion" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") requesting approval of a proposed update to the rates, terms, and conditions of a universal service fee ("USF" or "Rider PIPP") to be paid by retail customers to fund the Percentage of Income Payment Program ("PIPP").

The PIPP was established as part of the 2020 Virginia Clean Economy Act ("VCEA")¹ as a mechanism designed to limit the electric utility payments of persons or households participating in certain, specified public assistance programs, based upon a percentage of their income, for customers of Dominion and Appalachian Power Company. The General Assembly further addressed the PIPP, its funding, and implementation, as part of the 2021 legislative session with the passage of Chapter 308 of the 2021 Virginia Acts of Assembly, Special Session I ("Chapter 308"). Among other things, Chapter 308 updated eligibility to be based on income thresholds relative to the federal poverty level. A PIPP-eligible utility customer is defined as, "any person or household whose income does not exceed 150 percent of the federal poverty level."²

The Commission issued an Order on July 29, 2021, in the initial PIPP proceeding, Case No. PUR-2020-00109 ("July 2021 Order") directing, among other things, that Dominion begin collecting the USF from statutorily designated customers to fund the estimated start-up costs that the Department of Social Services ("DSS") needed to establish the PIPP. The July 2021 Order further required Dominion to calculate a USF on a per kilowatt-hour ("kWh") basis to recover \$2.4 million on an annual basis, file tariffs reflecting such fee with the Commission, begin making payments to the state treasury to enable DSS to undertake the actions necessary to establish the PIPP, and defer its own PIPP administrative costs and seek their recovery at a later date.³

Additionally, the July 2021 Order required the Company to submit certain reporting and filing requirements within 60 days after promulgation of the DSS rules or guidelines.⁴ According to the Application, the DSS rules or guidelines were promulgated on June 26, 2023, and the Company has included information responsive to the Commission's reporting requirements.⁵ Dominion asserted that the Company and DSS are working towards a launch of the PIPP application process in November 2023, with the program being active and payments beginning on December 1, 2023.⁶ With the PIPP's start planned for December 1, 2023, Dominion proposes a rate effective date for Rider PIPP of November 1, 2023 so that funding within the PIPP-related state treasury fund is immediately available for program activities upon launch.⁷

Dominion proposed to collect \$72,674,635 from its customers in the Commonwealth to fund the PIPP, with \$64,345,594 being collected from Virginia jurisdictional customers.⁸ The Company proposed an updated Rider PIPP of \$0.000761 per kWh to take effect on November 1, 2023.⁹ Dominion's proposed rate year is November 1, 2023, through October 31, 2024 ("Rate Year").

On July 31, 2023, the Commission issued an Order for Notice and Comment ("Procedural Order") in this case that, among other things, directed the Company to provide notice to the public of its Application; provided interested persons an opportunity to comment and request a hearing on the Company's Application; and directed the Staff of the Commission ("Staff") to investigate the Application and file a report ("Staff Report"). On August 30, 2023, the Company filed proof of notice and proof of service in accordance with the Procedural Order. The Commission received one public comment on the Company's Application. One notice of participation was filed by the Office of the Attorney General's Division of Consumer Counsel.

On September 8, 2023, Staff filed its Staff Report recommending the Commission approve a Rate Year Virginia jurisdictional revenue requirement of \$62,771,633, which is \$1,573,961 lower than the Company's proposed revenue requirement.¹⁰

¹ 2020 Acts ch. 1193 and ch. 1194.

² Code § 56-576.

³ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Establishing the rates, terms and conditions of a universal fee to be paid by the retail customers of the Virginia Electric and Power Company*, Case No. PUR-2020-00109, 2021 S.C.C. Ann. Rept. 229, Order (July 29, 2021).

⁴ *Id.*

⁵ Application at i, 4-7.

⁶ Application at i.

⁷ *Id.* at 8.

⁸ *Id.* The balance is collected from non-jurisdictional customers in the Commonwealth.

⁹ *Id.*

¹⁰ Report at 25.

Staff recommended that the Commission direct the use of the Company's weighted average cost of debt of 2.011% to compute financing costs rather than the embedded cost of debt proposed by the Company.¹¹ Staff also recommended that the Company propose a revenue requirement true-up methodology, and that the Company file a detailed calculation and narrative to support such methodology, in its next Rider PIPP proceeding.¹² Staff noted it did not oppose the Company's revenue apportionment and rate design methodology for Rider PIPP.¹³ Staff recommended that the Commission direct the Company to continue to comply with the reporting and filing requirements included in the Commission's July 2021 Order in future Rider PIPP update proceedings.¹⁴

Lastly, Staff recommended that the Commission direct the Company to report on the following in future Rider PIPP update proceedings: (i) a percentile comparison of bill credits for PIPP participants in each category of heating source and the total population of PIPP participants; (ii) the Company's actual operations and maintenance ("O&M") expenses related to the PIPP and any true-up to actual that may be necessary through a future Rider PIPP; (iii) the PIPP participants' participation in utility-sponsored energy efficiency programs; (iv) the energy savings of PIPP participants resulting from utility-sponsored energy efficiency programs; (v) the PIPP participants' aggregate energy usage; and (vi) the average and total arrearage balances for the population of customers who enrolled in the PIPP (collectively, "Additional Reporting Requirements").¹⁵

On September 15, 2023, the Company filed its Rebuttal to the Staff Report, in which the Company stated it did not oppose Staff's updated revenue requirement or Staff's Proposed Reporting Requirements.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Staff's recommended revenue requirement of \$62,771,633, to be effective November 1, 2023, should be approved. The Commission further finds that Staff's unopposed recommendations should be adopted.

In granting this approval that results in a rate increase, the Commission notes its awareness of the economic pressures that are impacting all utility customers. We are sensitive to the effects of rate increases, especially in times such as these. The Commission, however, must follow the laws applicable to this case, as well as the findings of fact supported by the evidence in the record. This is what we have done herein.

Accordingly, IT IS ORDERED THAT:

(1) Rider PIPP is approved with a total Virginia jurisdictional revenue requirement of \$62,771,633, to be effective for service rendered during the Rate Year of November 1, 2023, to October 31, 2024.

(2) The Company shall use the weighted average cost of debt of 2.011% to compute financing costs.

(3) The Company forthwith shall file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as is necessary to comply with the directives set forth in this Final Order. The Clerk of the Commission shall retain such filings for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) The Company shall file an application to update its Rider PIPP on or before May 1, 2024. The Company shall propose therein a revenue requirement true-up methodology and file a detailed calculation and narrative to support such methodology. Such application shall also include information responsive to the Additional Reporting Requirements.

(5) In future PIPP update proceedings, the Company shall continue to comply with the reporting and filing requirements included in the Commission's July 2021 Order in Case No. PUR-2020-00109. Additionally, the Company shall include information responsive to the Additional Reporting Requirements in its future Rider PIPP filings.

(6) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.* at i, 25-26.

**CASE NO. PUR-2023-00107
AUGUST 18, 2023**

APPLICATION OF
NANSEMOND SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On June 15, 2023, Nansemond Solar, LLC ("Nansemond" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On July 6, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before July 14, 2023, and to file proof of service on or before July 21, 2023. On July 10, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before July 28, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before August 4, 2023. On August 4, 2023, Staff filed its Report, which summarized Staff's investigation of Nansemond's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Nansemond be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Nansemond may file any response to the Report on or before August 11, 2023. Nansemond filed a letter on August 4, 2023, requesting that the Commission grant the Company a license.

NOW THE COMMISSION, upon consideration of this matter, finds that Nansemond's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT :

(1) Nansemond is hereby granted license No. SS-45 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id.* at 5.

**CASE NO. PUR-2023-00107
AUGUST 29, 2023**

APPLICATION OF
NANSEMOND SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

CORRECTED ORDER GRANTING LICENSE

On June 15, 2023, Nansemond Solar, LLC ("Nansemond" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion").

In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On July 6, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before July 14, 2023, and to file proof of service on or before July 21, 2023. On July 10, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before July 28, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before August 4, 2023. On August 4, 2023, Staff filed its Report, which summarized Staff's investigation of Nansemond's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Nansemond be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that Nansemond may file any response to the Report on or before August 11, 2023. Nansemond filed a letter on August 4, 2023, requesting that the Commission grant the Company a license.

On August 18, 2023, the Commission issued an Order Granting License that incorrectly assigned license number SS-45 to Nansemond, instead of license number SS-46.

NOW THE COMMISSION, upon consideration of this matter, finds that Nansemond's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Nansemond is hereby granted license No. SS-46 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-4.

³ *Id.* at 5.

**CASE NO. PUR-2023-00108
AUGUST 28, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY and OHIO VALLEY ELECTRIC CORPORATION

For approval of an affiliate transaction pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On June 14, 2023, Appalachian Power Company ("APCo" or "Company") and Ohio Valley Electric Corporation ("OVEC") (collectively, "Applicants") filed an application ("Application") with the State Corporation Commission ("Commission") to request approval pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code")¹ of an affiliate transaction that allows APCo to re-consign its 2023 annual minimum quantity ("AMQ") of limestone ("Product") to OVEC ("Transfer"). The Applicants sought interim authority to conduct the 2023 AMQ Product Transfer transactions pending the Commission's final action on the Application. On June 20, 2023, the Commission issued an Order Granting Interim Approval.

The purpose of the 2023 AMQ Product Transfer is to alleviate storage constraints at APCo's Amos generating facility and to avoid demurrages or liquidated damages due to APCo's inability to accept and unload the Product shipments.² OVEC has agreed to pay the contract price for the Product and barge transportation costs.³

¹ Code § 56-88 *et seq.*

² Application at 4.

³ *Id.*

APCo represents that it will face no operational or reliability concerns at the Amos or Mountaineer generating facilities due to the proposed 2023 AMQ Product Transfer.⁴ APCo represents that it has sufficient existing Product inventory at the two facilities to operate without the 2023 AMQ Product.⁵

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff through its action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the proposed 2023 AMQ Product Transfer is in the public interest and is approved subject to the requirements listed in the Appendix attached hereto to this order.

Accordingly, it is ORDERED that:

- 1) The 2023 AMQ Product Transfer is approved subject to the requirements listed in the Appendix attached to this order.
- 2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁴ *Id.* at 5.

⁵ *Id.*

APPENDIX

- 1) The Commission's approval should extend for the duration of the 2023 AMQ Product Transfer transactions.
- 2) The Commission's approval should have no accounting or ratemaking implications.
- 3) The Commission's approval should be limited to the 2023 AMQ Product Transfer transactions specifically identified in the Application. If the Applicants seek a Transfer of any other assets, separate approval should be required.
- 4) APCo should maintain records, available to Staff upon request, demonstrating that the 2023 AMQ Product Transfer transactions are cost-beneficial to Virginia ratepayers. As APCo and OVEC are rate-regulated utilities, the 2023 AMQ Product Transfer transactions should be priced at the 2023 AMQ Product Transfer's full cost, including transportation costs. APCo should bear the burden, in any rate proceeding, of demonstrating that the 2023 AMQ Product Transfer transactions are priced as described above and excluded from APCo's Virginia utility cost of service.
- 5) Separate Commission approval should be required for any changes in the terms and conditions of the 2023 AMQ Product Transfer transactions.
- 6) The approval granted in this case should not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
- 7) The Commission should reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by the Commission.
- 8) APCo should include all transactions associated with the approved 2023 AMQ Product Transfer in its Annual Report of Affiliate Transactions ("ARAT") submitted to the Director of the Commission's Division of Utility Accounting and Finance ("UAF Director") by May 1 of each year, subject to administrative extension by the UAF Director. The ARAT should:
 - (a) List the case number in which the 2023 AMQ Product Transfer is approved; (b) List APCo, OVEC, and any other affiliate(s) involved in the 2023 AMQ Product Transfer; and (c) Include schedule(s) in Excel electronic media format, with formulas intact, listing the 2023 AMQ Product Transfer transactions by month, type of transaction, FERC account, and dollar amount as the transactions are recorded in APCo's books.

CASE NO. PUR-2023-00108 JUNE 20, 2023

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval of an affiliate transaction pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING INTERIM APPROVAL

On June 14, 2023, Appalachian Power Company ("APCo") and Ohio Valley Electric Corporation ("OVEC") (collectively, "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") to request approval pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code")¹ of an affiliate agreement between APCo and OVEC that allows APCo to re-consign its 2023 annual minimum quantity of limestone ("Product") to OVEC ("Transfer").²

¹ Code § 56-76 *et seq.* ("Affiliates Act").

² Application at 1 and 4. The Transfer consists of multiple Product shipments that will take place over 2023.

The purpose of the Transfer is to alleviate storage constraints at APCo's Amos generating facility ("Amos Facility") and to avoid demurrages or liquidated damages due to APCo's inability to accept and unload the Product shipments.³ OVEC has agreed to pay the contract price for the Product inclusive of transportation costs.⁴

Due to the imminent arrival of Product shipments at the Amos Facility, the Applicants request that the Commission grant interim approval for the Transfer until the Commission has had an opportunity to act on the Application.

NOW THE COMMISSION, upon consideration of the foregoing and being advised by the Staff of the Commission ("Staff"), finds that granting interim authority while the Application is under review is not detrimental to the public interest. Therefore, the Applicants' request for interim authority is granted subject to the Commission's final order in this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is hereby docketed and assigned Case No. PUR-2023-00108.
- (2) The Applicant is granted interim authority to conduct the Transfer subject to further action by the Commission.
- (3) APCo shall separately track and record all costs associated with each Product shipment, including but not limited to transportation, unloading, reconsignment, and any administrative, operational, or financial costs, with such records available to the Staff upon request.
- (4) This case is continued pending final order of the Commission.

Commissioner Patricia L. West participated in this matter.

³ *Id.* at 4.

⁴ *Id.*

**CASE NO. PUR-2023-00109
SEPTEMBER 8, 2023**

APPLICATION OF
TWENTYFIFTY LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On July 19, 2023, TwentyFifty LLC ("TwentyFifty" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On July 31, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 7, 2023, and to file proof of service on or before August 14, 2023. On August 10, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before August 21, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before August 28, 2023. On August 28, 2023, Staff filed its Report, which summarized Staff's investigation of TwentyFifty's Application and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that TwentyFifty be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that TwentyFifty may file any response to the Report on or before September 5, 2023. No response was filed.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id.* at 5.

NOW THE COMMISSION, upon consideration of this matter, finds that TwentyFifty's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) TwentyFifty is hereby granted license No. SS-47 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00112
NOVEMBER 3, 2023**

PETITION OF
VIRGINIA ELECTRIC AND POWER COMPANY

For a financing order authorizing the issuance of deferred fuel cost bonds pursuant to Va. Code § 56-249.6:2

FINANCING ORDER

During its 2023 Session, the Virginia General Assembly enacted Chapters 775 (House Bill 1770) and 757 (Senate Bill 1265). These duplicate Acts of Assembly, referred to herein as the "Act," became effective July 1, 2023. The Act, *inter alia*, creates a new financing vehicle, utility cost recovery charge securitization, that may be used by an electric utility to recover certain deferred fuel costs, codified at § 249.6:2 of Title 56 of the Code of Virginia ("Va. Code") (the "Securitization Statute").¹ Under the Securitization Statute, an electric utility may seek authorization to issue deferred fuel cost bonds that are secured by deferred fuel cost property, including a dedicated deferred fuel cost charge that is separate and distinct from the utility's base rates or fuel factor.

On July 3, 2023, Virginia Electric and Power Company ("Dominion" or the "Company") filed with the State Corporation Commission of Virginia ("Commission") its petition ("Petition") for a financing order pursuant to Va. Code § 56-249.6:2 to finance certain deferred fuel cost balances through deferred fuel cost bonds.

Specifically, the Petition seeks:

- i. To finance the deferred fuel costs and associated Up-front Financing Costs ("Up-front Financing Costs") through a securitization;²
- ii. For approval of the proposed securitization financing structure;
- iii. For approval to sponsor the issuance of Deferred Fuel Cost Bonds³ secured by the pledge of Deferred Fuel Cost Property, in one or more series or tranches in an aggregate principal amount not to exceed the Securitizable Balance (as of the date the first series Deferred Fuel Cost Bonds are issued);
- iv. For approval of the Financing Costs, including up-front Financing Costs incurred in connection with the issuance of Deferred Fuel Cost Bonds and on-going Financing Costs ("On-going Financing Costs" and collectively, with the Up-front Financing Costs, the "Financing Costs");
- v. For approval to create Deferred Fuel Cost Property, including the right to (i) impose, bill, charge, collect and receive nonbypassable Deferred Fuel Cost Charges sufficient to recover the principal of, and interest on, the Deferred Fuel Cost Bonds plus On-going Financing Costs; and (ii) obtain periodic formulaic adjustments to the Deferred Fuel Cost Property as provided in this Financing Order; and
- vi. For approval of the tariff to implement the Deferred Fuel Cost Charges.

¹ While the General Assembly enacted the Securitization Statute as Va. Code § 56-249.6:1, the Virginia Code Commission subsequently codified the law as Va. Code § 56-249.6:2 to avoid duplicative statute numbers. Accordingly, all references to the Securitization Statute in this Financing Order, including the case name, are to the codified statute, Va. Code § 56-249.6:2.

² As defined herein.

³ All capitalized terms not otherwise defined herein shall have the meaning assigned to them in Va. Code § 56-249.6:2 O and refer specifically to Dominion's particular transaction approved herein.

On July 14, 2023, the Commission issued its Order for Notice and Hearing ("July Procedural Order") that: docketed the Petition in Case No. PUR-2023-00112; directed Dominion to provide notice of the Petition; and combined Case Nos. PUR-2023-00067⁴ and PUR-2023-00112 for all purposes including discovery, pre-filing testimony, and hearing dates – without the cases or case numbers being consolidated – to the extent practicable, as set forth therein. In combining these two cases, the Commission, among other things, directed future filings to be filed in both cases and established a combined hearing on both the Fuel Application and the Petition.⁵ The July Procedural Order also, *inter alia*, assigned the Hearing Examiner appointed to Case No. PUR-2023-00067 to conduct all further combined proceedings in these matters on behalf of the Commission and to file a combined report.

Notices of participation were filed in both proceedings by the following: the Virginia Committee for Fair Utility Rates ("Committee"); Appalachian Voices; the Office of the Attorney General, Division of Consumer Counsel ("Consumer Counsel"); Virginia Energy Purchasing Governmental Association ("VEPGA"); Calpine Energy Solutions, LLC ("Calpine"); Direct Energy Business, LLC, and Direct Energy Services, LLC (collectively, "Direct Energy"); the Virginia Poverty Law Center ("VPLC"); and the Data Center Coalition ("Coalition").⁶ The Coalition for Community Solar Access ("CCSA") filed a notice of participation in Case No. PUR-2023-00067 only.

Prefiled testimony was filed in these cases by Dominion, Appalachian Voices, Direct Energy, VEPGA, Consumer Counsel and the Staff of the Commission ("Staff"). The Commission also received public comments on the combined cases. The portion of the combined hearing that the May Procedural Order scheduled to receive any public witness testimony on September 5, 2023, was cancelled after no one signed up to testify. On September 6-7, 2023, the combined hearing was conducted in the Commission's courtroom to receive the evidence of the case participants for a combined evidentiary record.⁷ Dominion, Appalachian Voices, Direct Energy, Calpine, the Coalition, the Committee, VEPGA, VPLC, Consumer Counsel and Staff participated at the hearing.

On September 25, 2023, the Combined Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report") was filed in both Case Nos. PUR-2023-00067 and PUR-2023-00112 containing a thorough analysis of the record and findings and recommendations on each case. On October 3, 2023, comments on the Report were filed by: Dominion, Appalachian Voices, Direct Energy, Calpine, the Coalition, the Committee, VEPGA, VPLC, Consumer Counsel and Staff.⁸

As set forth in the Petition, and updated during this proceeding, Dominion requests authorization to issue Deferred Fuel Cost Bonds in the amount of approximately \$1.28191 billion, which consists of \$1.26938 billion of deferred fuel costs, plus Up-front Financing Costs of issuing the Deferred Fuel Cost Bonds of approximately \$12.53 million (the "Securizable Balance").⁹

Code of Virginia

Va. Code § 56-249.6:2 A provides that:

Notwithstanding the provisions of § 56-249.6 or Chapter 3 (§ 56-55 et seq.), an electric utility, on or before July 1, 2024, may petition the Commission for a financing order and the Commission shall either issue (i) such financing order or (ii) an order rejecting the petition, no more than four months from the date of filing such petition and in accordance with the requirements of subdivision 2.

Under Va. Code § 56-249.6:2 A 1, the petition shall include:

(i) an estimate of the total amount of deferred fuel costs that the electric utility has incurred over the time period noted in the petition; (ii) an indication of whether the electric utility proposes to finance all or a portion of the deferred fuel costs using one or more series or tranches of deferred fuel cost bonds; (iii) an estimate and details of the financing costs related to the deferred fuel costs to be financed through the deferred fuel cost bonds; (iv) an estimate of the deferred fuel cost charges necessary to recover the deferred fuel costs and all financing costs and the proposed period for recovery of such costs;

⁴ On May 1, 2023, Dominion filed an application ("Fuel Application") pursuant to Va. Code § 56-249.6 seeking a change in the Company's fuel factor effective July 1, 2023. In its Fuel Application, Dominion proposed a current period fuel factor rate of 2.8587 cents per kilowatt-hour ("¢/kWh") to recover the Company's estimated Virginia jurisdictional fuel expenses for July 1, 2023, through June 30, 2024. Dominion also presented a prior period fuel factor rate of 1.4716¢/kWh. Instead of implementing the total fuel factor rate of 4.3303¢/kWh, Dominion's Fuel Application requested that the Commission approve implementation of the current period fuel factor rate of 2.8587¢/kWh on an interim basis on July 1, 2023, while suspending implementation of the prior period fuel factor rate pending consideration of a securitization petition that the Company would file on or around July 3, 2023. On May 12, 2023, the Commission issued its Order Establishing 2023-2024 Fuel Factor Proceeding ("May Procedural Order") that, *inter alia*, docketed the Fuel Application as Case No. PUR-2023-00067 and authorized Dominion to place its proposed current period factor rate of 2.8587¢/kWh into effect on an interim basis for usage on and after July 1, 2023.

⁵ The July Procedural Order directed future filings in Case No. PUR-2023-00112 to also be filed in Case No. PUR-2023-00067. A Hearing Examiner's Ruling issued on July 14, 2023, directed that future filings in Case No. PUR-2023-00067 also be filed in Case No. PUR-2023-00112.

⁶ The Coalition filed a timely notice of participation in Case No. PUR-2023-00067. On August 30, 2023, the Coalition filed a Notice of Participation and Motion to Accept Late Filing to intervene in Case No. PUR-2023-00112, which was granted by a Hearing Examiner's Ruling issued on September 1, 2023.

⁷ At its request, CCSA was excused from the hearing.

⁸ On October 10, 2023, Dominion filed the Reply Comments of Virginia Electric and Power Company to Commission Staff Comments, and Motion for Leave and for Expedited Consideration ("Motion"). No responses to the Motion were filed. Based on the facts and circumstances herein, the Commission grants the Motion.

⁹ See, e.g., Ex. 7.

(v) a description of any benefits expected to result from the issuance of deferred fuel cost bonds, including the avoidance of or significant mitigation of abrupt and significant increases in rates to the electric utility's customers for the applicable time period; and (vi) direct testimony and exhibits supporting the petition. If the electric utility proposes to finance a portion of the deferred fuel costs, the electric utility shall identify in the petition the specific amount of deferred fuel costs for the applicable time period to be financed using deferred fuel cost bonds.

A financing order issued by the Commission pursuant to Va. Code § 56-249.6:2 shall include the following:

- i. The amount of deferred fuel costs to be financed using deferred fuel cost bonds. The Commission shall describe and estimate the amount of financing costs that may be recovered through deferred fuel cost charges. The financing order shall also specify the period over which deferred fuel costs and financing costs may be recovered and whether the deferred fuel cost bonds may be offered and issued in one or more series or tranches during a fixed period not to exceed one year after the date of the financing order;
- ii. A finding that the proposed issuance of deferred fuel cost bonds is in the public interest and the associated deferred fuel cost charges are just and reasonable;
- iii. A finding that the structuring and pricing of the deferred fuel cost bonds are reasonably expected to result in reasonable deferred fuel cost charges consistent with market conditions at the time the deferred fuel cost bonds are priced and the terms set forth in such financing order;
- iv. A requirement that, for so long as the deferred fuel cost bonds are outstanding and until all financing costs have been paid in full, the imposition and collection of deferred fuel cost charges authorized under a financing order shall be nonbypassable and paid by all retail customers of the electric utility, irrespective of the generation supplier of such customer, except for an exempt retail access customer;
- v. A formula-based true-up mechanism for making annual adjustments to the deferred fuel cost charges that customers are required to pay pursuant to the financing order and for making any adjustments that are necessary to correct for any overcollection or undercollection of the charges or to otherwise ensure the timely payment of deferred fuel cost bonds and financing costs and other required amounts and charges payable in connection with the deferred fuel cost bonds;
- vi. The deferred fuel cost property that is, or shall be, created in favor of an electric utility or its successors or assignees and that shall be used to pay or secure deferred fuel cost bonds and all financing costs;
- vii. The authority of the electric utility to establish the terms and conditions of the deferred fuel cost bonds, including repayment schedules, expected interest rates, the issuance in one or more series or tranches with different maturity dates, and other financing costs;
- viii. A finding that the deferred fuel cost charges shall be allocated among customer classes in accordance with the methodology approved in the electric utility's last fuel factor proceeding;
- ix. A requirement that after the final terms of an issuance of deferred fuel cost bonds have been established and before the issuance of deferred fuel cost bonds, the electric utility determines the resulting initial deferred fuel cost charge in accordance with the financing order and that such initial deferred fuel cost charge be final and effective upon the issuance of such deferred fuel cost bonds without further Commission action so long as such initial deferred fuel cost charge is consistent with the financing order;
- x. A method of tracing funds collected as deferred fuel cost charges, or other proceeds of deferred fuel cost property, and a requirement that such method be the method of tracing such funds and determining the identifiable cash proceeds of any deferred fuel cost property subject to the financing order under applicable law; and
- xi. Any other conditions not otherwise inconsistent with this section that the Commission determines are appropriate.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds as follows:¹⁰

COSTS ELIGIBLE FOR FINANCING

Deferred fuel costs

The Commission finds that Dominion's deferred fuel costs in the amount of \$1,281,910,000, inclusive of Up-Front Financing Costs, subject to adjustments through the issuance of the Deferred Fuel Cost Bonds, are eligible for financing through securitization and recovery through Deferred Fuel Cost Charges.¹¹

¹⁰ The Commission has fully considered the evidence and arguments in the record supporting and opposing the positions of all participants. *See also Board of Supervisors of Loudoun County v. State Corp. Comm'n*, 292 Va. 444, 454 n.10 (2016) ("We note that even in the absence of this representation by the Commission, pursuant to our governing standard of review, the Commission's decision comes to us with a presumption that it considered all of the evidence of record.") (citation omitted).

¹¹ As acknowledged by the Company, Staff shall audit the Company's deferred fuel balance as of June 30, 2023, in the context of Dominion's fuel factor and any potential adjustments shall be addressed as part of the fuel factor. *See, e.g.*, Tr. 375-381; Report at 89-90.

Further, the Commission finds, subject to the requirements and conditions herein, (i) that the proposed issuance of Deferred Fuel Cost Bonds is in the public interest and the associated Deferred Fuel Cost Charges are just and reasonable; and (ii) that the structuring and pricing of the Deferred Fuel Cost Bonds are reasonably expected to result in reasonable deferred fuel cost charges consistent with market conditions at the time the Deferred Fuel Cost Bonds are priced and the terms set forth in this Financing Order (collectively, the "Statutory Cost Objectives").

In issuing a Financing Order as recommended by the Hearing Examiner, the Commission adopts the Hearing Examiner's analysis and findings consistent with this Financing Order. In addition, the Commission agrees with the Hearing Examiner's recommendation to require Dominion to certify quantifiable customer benefits from securitization, measured by both lower bill impacts and a positive net present value ("NPV") compared to Staff's alternative option once the final structure and terms of the bond issuance are determined and prior to issuance of the bonds.¹² We further find the weighted average cost of capital shall be used as the discount rate in that NPV calculation.¹³

Up-front Financing Costs

The Company's proposed Up-front Financing Costs, in the estimated amount of \$12,530,000, are reasonable and eligible for recovery through securitization pursuant to Va. Code § 56-249.6:2 A 2 b (1) and O. Any under-recovery of Up-front Financing Costs will be eligible for future recovery in base rates.

STRUCTURE OF ISSUANCE

Dominion's proposed financing structure adheres to the requirements of the Act.

Special Purpose Entities

For purposes of securitization, it is reasonable for Dominion to utilize one or more Special Purpose Entities ("SPEs"), each of which will be a Delaware limited liability company ("LLC") with Dominion as its sole member. Any such SPE will be an "assignee" as defined in Va. Code § 56-249.6:2 O, when an interest in Deferred Fuel Cost Property is transferred, other than as security, to such SPE, and such SPE may issue Deferred Fuel Cost Bonds in accordance with this Financing Order.

Deferred Fuel Cost Property

It is reasonable for Dominion to sell or otherwise transfer Deferred Fuel Cost Property to the SPE pursuant to the terms of this Financing Order. Upon the transfer by Dominion of the Deferred Fuel Cost Property to the SPE, that SPE will have all of the rights, title and interest of Dominion with respect to such Deferred Fuel Cost Property, including, consistent with the Act, the right to impose, bill, charge, collect and receive the Deferred Fuel Cost Charges authorized by this Financing Order and to obtain periodic formulaic adjustments to each Deferred Fuel Cost Charge. Such Deferred Fuel Cost Property is expected to be pledged by the SPE to, and held and administered by, a trustee as collateral for payment of the Deferred Fuel Cost Bonds to ensure the Statutory Cost Objectives are achieved.

The Commonwealth of Virginia and its agencies, including the Commission, have pledged to and agree with bondholders, the owners of the Deferred Fuel Cost Property, and other financing parties, that the Commonwealth and its agencies, including the Commission, will not alter the provisions of the Securitization Statute, which authorize the Commission to create Deferred Fuel Cost Property or take or permit any action that impairs the value of the Deferred Fuel Cost Property, as further described in Va. Code § 56-249.6:2 J 1.

Further, the Commonwealth and its agencies, including this Commission, will not take or permit any action that impairs or would impair the value of Deferred Fuel Cost Property or the security for the Deferred Fuel Cost Bonds or revises the deferred fuel costs for which recovery is authorized, or in any way impair the rights and remedies of the bondholders, assignees, or other financing parties.

Transaction Documents

The Company's and the SPE's entry into a Purchase and Sale Agreement, Administration Agreement, Limited Liability Company Agreement ("LLC Agreement"), Indenture, and Servicing Agreement, current forms of which are filed as exhibits to Company Witness Darius A. Johnson's testimony ("Transaction Documents") is necessary to facilitate the transaction.¹⁴ An exemption from the requirements of Va. Code § 56-77 A for these affiliate contracts or arrangements is in the public interest and granted pursuant to Va. Code § 56-77 B. As a condition of the exemption granted herein, Dominion shall include the following information in its Annual Report of Affiliate Transactions submitted each year to the Director of the Division of Utility Accounting and Finance, in Microsoft Excel format with formulas intact, for the duration of the Company's roles under the Servicing and Administration Agreements:

- a. A schedule of the Deferred Fuel Cost Charges collected by the Company and remitted to the SPE, by month and by dollar amount;
- b. A schedule that quantifies the fees paid by the SPE to the Company, by type of fee, by month, by FERC account where the proceeds from each fee is recorded on the Company's books, and by dollar amount;
- c. A schedule that quantifies the Company's internal and external costs to carry out its responsibilities under the Servicing and Administration Agreements, by agreement, by type of cost, by month, by FERC account where each cost is recorded on the Company's books, and by dollar amount; and

¹² See, e.g., Report at 94, 104.

¹³ See, e.g., *id.* at 94.

¹⁴ See Ex. 19 (Johnson Direct) at Schedules 1 – 5. These Transaction Documents are subject to change to incorporate rating agency and other considerations.

d. A schedule that quantifies any other charges or fees to/from the Company from/to SPE, by type of charge, by month, by FERC account where each charge or fee is recorded on the Company's books, and by dollar amount.

Offering and Sale of Bonds

Dominion is hereby authorized to sponsor the issuance of the Deferred Fuel Cost Bonds through a negotiated sale or other sales option to achieve the Statutory Cost Objectives. As recommended by Staff, the Commission finds that it is in the public interest for the Staff to monitor each phase of the offering and issuance, and the Company shall work with Staff to effectuate such monitoring.¹⁵

Amortization, Interest Rates, and Credit Ratings of Deferred Fuel Cost Bonds

The expected term of the scheduled final payment date of the last maturing series or tranche of bonds issued pursuant to the authority granted herein, as determined in the reasonable discretion of Dominion, should be no more than approximately 7.25 years from the issuance of the series of Deferred Fuel Cost Bonds. The legal maturity date of each tranche may be longer than the scheduled final payment date for that series or tranche.

The Commission finds that each series or tranche of the Deferred Fuel Cost Bonds should have a fixed interest rate, determined consistent with current market conditions.

Dominion should strive to achieve AAA-equivalent credit ratings on the Deferred Fuel Cost Bonds, and Dominion is authorized to provide the necessary credit enhancements, included in the recovery of related costs as On-going Financing Costs, to achieve such ratings.¹⁶

Security for the Deferred Fuel Cost Bonds

Dominion's utilization of a collection account, including a general subaccount, a capital subaccount and an excess funds subaccount within the SPE, is reasonable and appropriate. The SPE sponsored by Dominion may include other subaccounts in the collection account, if necessary, to obtain AAA-equivalent ratings on a series of Deferred Fuel Cost Bonds.

Dominion as Initial Servicer of the Deferred Fuel Cost Bonds

Dominion's proposal to act as initial servicer of the Deferred Fuel Cost Bonds is reasonable and appropriate. Dominion will continue to act as servicer unless the Commission approves a change of control of Dominion, or as otherwise provided in the Servicing Agreement.¹⁷

The on-going servicing fee for Dominion, acting as the initial servicer, in an annual amount of 0.05 percent of the initial principal amount of the Deferred Fuel Cost Bonds plus out-of-pocket expenses provided for in the Servicing Agreement, is necessary to compensate the servicer adequately on an arms-length basis and ensure the high credit quality of the Deferred Fuel Cost Bonds.

Dominion as Administrator of the SPE

Dominion's proposal to act as an administrator of the SPE under the proposed financing transaction is reasonable and appropriate.

The on-going fee to be paid to the administrator of \$100,000 per year plus out-of-pocket expenses provided for in the Administration Agreement is necessary to cover the costs and expenses of administering the SPE and to preserve the integrity of the bankruptcy-remote structure of the SPE and the high credit quality of the Deferred Fuel Cost Bonds.

On-going Financing Costs

The On-going Financing Costs identified in Dominion's Petition and that are identified in Attachment 4 of the form Issuance Advice Letter ("IAL"), which is Appendix B to this Financing Order, qualify as financing costs eligible for recovery pursuant to Va. Code § 56-249.6:2 O.

It is appropriate for Dominion to credit back to customers all periodic servicing and administration fees in excess of Dominion's or an affiliate of Dominion's incremental cost of performing the servicer or administrator function in the next rate case when costs and revenues associated with the servicing and administration fees will be included in the cost of service, but only to the extent such crediting does not impair the AAA-equivalent ratings on the Deferred Fuel Cost Bonds.

Deferred Fuel Cost Bonds to be Treated as "Debt" for Federal Income Tax Purposes

Dominion shall structure the Deferred Fuel Cost Bond transactions in a way that meets all requirements for the Internal Revenue Service's ("IRS") Revenue Procedure 2005-62.

¹⁵ Ex. 38 (Myers) at 31.

¹⁶ Ordering Paragraph (22) authorizes Dominion to make a capital contribution to the SPE. The "necessary credit enhancements" includable in On-Going Financing Costs, as identified in the above paragraph, refers to the ability to draw capital from the associated sub-account to ensure the timely payment of the interest and principal. Funds drawn down in this way would be replenished when the nonypassable rate is subsequently trued-up. Tr. 160.

¹⁷ Tr. 571; Dominion Comments on the Combined Report of D. Mathias Roussy, Jr., Hearing Examiner at 5-6.

DEFERRED FUEL COST CHARGESImposition and Computation of Deferred Fuel Cost Charges

To repay the Deferred Fuel Cost Bonds and On-going Financing Costs, the SPE sponsored by Dominion is authorized to impose the Deferred Fuel Cost Charges to be collected by Dominion acting as initial servicer, as a nonbypassable per-kWh charge from all retail customers of the Company, irrespective of the generation supplier of such customer, except for opt out, and exempt or partially exempt retail access customers as defined in Va. Code § 56-249.6:2 O, until the Deferred Fuel Cost Bonds and related Financing Costs are paid in full.¹⁸

The Securitizable Balance to be financed using Deferred Fuel Cost Bonds shall be determined in accordance with the calculation shown in Appendix A to this Financing Order.

The proposed allocation methodology of the Deferred Fuel Cost Charges is based upon Dominion's existing (and previously approved) allocation methodology in the Company's last fuel factor proceeding and should be approved, pursuant to Va. Code § 56-249.6:2 A 2 b (8).

The Commonwealth of Virginia and its agencies, including the Commission, have pledged to and agree with bondholders, the owners of the Deferred Fuel Cost Property, and other financing parties that the Commonwealth and its agencies, including the Commission, will not, except for changes made pursuant to the formulaic true-up mechanism ("True-Up Mechanism"), reduce, alter, or impair the Deferred Fuel Cost Charges until any and all principal, interest, premium, Financing Costs and other fees, expenses or charges incurred, and any contracts to be performed, in connection with the Deferred Fuel Cost Bonds have been paid and performed in full, as further described in Va. Code § 56-249.6:2 J 1 (d).

Subsequent to the transfer of Deferred Fuel Cost Property to an assignee or the issuance of Deferred Fuel Cost Bonds authorized herein, whichever is earlier, this Financing Order shall be irrevocable and, except for changes made pursuant to the formula-based mechanism authorized herein, the Commission shall not amend, modify, or terminate this Financing Order by any subsequent action or reduce, impair, postpone, terminate, or otherwise adjust deferred fuel cost charges approved in the Financing Order. Upon issuance of this Financing Order, Dominion shall retain sole discretion regarding whether to assign, sell, or otherwise transfer Deferred Fuel Cost Property or to cause Deferred Fuel Cost Bonds to be issued, including the right to defer or postpone such assignment, sale, transfer or issuance.

Treatment of Deferred Fuel Cost Charges in Tariffs and on Retail Customer Bills

Dominion's proposed Virginia jurisdictional Deferred Fuel Cost Charge Tariff and Pro-Rata Share of Fuel Deferral Charges Tariff¹⁹ comply with Va. Code § 56-249.6:2 C and are appropriate for use in this proceeding.

The Commission clarifies the methodology approved herein for calculating the pro rata share to be paid by partially exempt customers under the Pro-Rata Share of Fuel Deferral Charges Tariff. Specifically, the Commission's approval of Dominion's proposed tariff language requires the following order of operation. First, Dominion shall calculate the *total numerical sum* of the applicable cents per kilowatt-hour charge per month from the table in the tariff multiplied by the partially exempt customer's kilowatt-hours of Electricity Supply Service purchased from Dominion for each respective month. Because the monthly kilowatt-hour charges in the table include both positive and negative values, the monthly calculations will result in both positive and negative values. The numerical total sum required in this first step is the sum of those positive and negative values. Second, the charge for service pursuant to this tariff shall be the greater of (a) the total numerical sum calculated above, or (b) zero.²⁰

Dominion is authorized and directed to include the Deferred Fuel Cost Charge on each customer's bill as a separate line item and include both the rate and the amount of the charge on each bill as required by Va. Code § 56-249.6:2 C 2 and a statement that the SPE is the owner of the rights to the Deferred Fuel Cost Charges and that Dominion is acting as a servicer for the SPE as required by Va. Code § 56-249.6:2 C 1.

True-Up of Deferred Fuel Cost Charges

The True-Up Mechanism and associated procedures described in Dominion's Tariff, and Appendices B and C hereto, are reasonable and appropriate and are hereby approved.

JUST AND REASONABLE DEFERRED FUEL COST CHARGES

Subject to the requirements and conditions of this Financing Order, the issuance of Deferred Fuel Cost Bonds is in the public interest and the associated Deferred Fuel Cost Charges are just and reasonable. Further, the IAL process can confirm that customers will benefit, on a net present value basis, from the issuance.

¹⁸ In so directing, the Commission agrees, for the reasons set forth in the Report, with the Hearing Examiner's determinations that: (i) "future Dominion customers may not bypass the nonbypassable charge" and (ii) that "[t]he plain language of Va. Code § 56-577 A 3 b expressly treats each facility on a non-contiguous site as an individual customer, regardless of whether those facilities are owned by the same person or company" with respect to exempt retail access customers. Report at 82-85, 94-96.

¹⁹ Ex. 54 (Stuller Rebuttal) at Schedules 3, 6.

²⁰ See, e.g., *id.* at Schedule 6.

ISSUANCE ADVICE LETTER PROCESS

Because the actual structure and pricing of the Deferred Fuel Cost Bonds are unknown as of the issuance of this Financing Order, following determination of the final terms of the Deferred Fuel Cost Bonds and before issuance of the Deferred Fuel Cost Bonds, Dominion will file with the Commission for each series of Deferred Fuel Cost Bonds, an IAL, as well as a form of True-Up Adjustment Letter ("TUAL," and together with the IAL, the "IAL/TUAL") in substantially the forms attached hereto as Appendices B and C. The initial Deferred Fuel Cost Charge and the final terms of the Deferred Fuel Cost Bonds described in the IAL/TUAL will be final unless before noon on the third business day after pricing of the Deferred Fuel Cost Bonds the Commission issues an order finding that the proposed issuance does not comply with the standards of this Financing Order as follows: (1) the aggregate principal amount of Deferred Fuel Cost Bonds issued does not exceed the Securitizable Balance; (2) the Deferred Fuel Cost Bonds will be issued in one or more series comprised of one or more tranches having a scheduled final payment date of no longer than approximately 7.25 years; (3) the Deferred Fuel Cost Bonds have received a preliminary rating of Aaa(sf) / AAA(sf) from at least two of the three major rating agencies; (4) the Deferred Fuel Cost Bonds are structured to achieve substantially level debt service payments on an annual basis; (5) the issuance of the Deferred Fuel Cost Bonds has been structured in accordance with IRS Rev. Proc. 2005-62; and (6) the structuring and pricing of the Deferred Fuel Cost Bonds resulted in reasonable Deferred Fuel Cost Charges consistent with market conditions at the time the Deferred Fuel Cost Bonds are priced and the terms and conditions set forth in this Financing Order (collectively, the "Standards of the Financing Order").

AUTHORITY

It is appropriate to grant Dominion authority to establish the final terms and conditions of the Deferred Fuel Cost Bonds and, at its option, to cause one or more series or tranches of Deferred Fuel Cost Bonds to be issued.

CONCLUSION

This Financing Order adheres to the statutory requirements outlined by the Securitization Statute necessary to issue a financing order authorizing a public utility to finance deferred fuel costs.

Accordingly, IT IS ORDERED THAT:

Approvals

- (1) Approval of Petition. Dominion's Petition for the issuance of a financing order pursuant to the Securitization Statute is approved, as provided in this Financing Order.
- (2) Authority to Securitize. Dominion's Petition for Financing Order authorizing the issuances sponsored by Dominion of Deferred Fuel Cost Bonds in one or more series is granted, subject to the terms set forth in this Financing Order. Dominion is hereby authorized to sponsor the issuance of Deferred Fuel Cost Bonds secured by the pledge of Deferred Fuel Cost Property, in one or more series or tranches in an aggregate principal amount not to exceed the Securitizable Balance (as of the date the first series of Deferred Fuel Cost Bonds are issued). The proceeds are to be used to finance the equivalent of (i) recovery of Deferred Fuel Costs; plus (ii) recovery of the Up-front Financing Costs incurred in connection with issuance of the Deferred Fuel Cost Bonds. Up-front Financing Costs and On-going Financing Costs are subject to update, adjustment and approval pursuant to the terms of this Financing Order and the IAL procedures as provided by this Financing Order.
- (3) Recovery of Excess Up-front Financing Costs. Dominion's approach for recovery of any prudently incurred excess amounts of Up-front Financing Costs is reasonable.
- (4) Recovery of Deferred Fuel Cost Charges. The SPE sponsored by Dominion shall impose on, and Dominion shall collect, as initial servicer, from all existing and future retail customers of the Company, irrespective of the generation provider of such customers, except for opt-out, and exempt or partially exempt retail access customers as defined in Va. Code § 56-249.6:2 O, as provided in this Financing Order, Deferred Fuel Charges in an amount sufficient to provide for the timely recovery of its Periodic Payment Requirement detailed in this Financing Order (including, without limitation, payment of principal and interest on the Deferred Fuel Cost Bonds and On-going Financing Costs).
- (5) Approval of Tariffs. The form of the Virginia jurisdictional Deferred Fuel Cost Charge Tariff as shown in Dominion Witness Stuller's rebuttal Schedule 3 is approved. The Pro-Rata Share of Fuel Deferral Charges Tariff shown in Dominion Witness Stuller's rebuttal Schedule 6 is approved.²¹
- (6) True-Up Mechanism. The True-Up Mechanism identified in Appendix B to this Financing Order is approved and shall be applied at least semi-annually (and at least quarterly beginning 12 months prior to the last scheduled final payment date of the last maturing tranche of a series of Deferred Fuel Cost Bonds). Interim true-ups at any time are also approved.
- (7) Form Agreements. The Commission finds good cause to authorize Dominion to provide service to the SPE under the Servicing Agreement and for the Servicing Agreement to become effective following the effectiveness of the IAL. The Commission finds good cause to authorize Dominion to administer the SPE under the Administration Agreement and for the Administration Agreement to become effective following the effectiveness of the IAL. The Commission finds good cause to authorize Dominion to enter into the Purchase and Sale Agreement with the SPE to become effective following the effectiveness of the IAL.

²¹ *Id.*

(8) Commonwealth and Commission Pledges. The SPE issuing Deferred Fuel Cost Bonds is authorized, pursuant to Va. Code § 56-249.6:2 J 2 and this Financing Order, to include the Commonwealth of Virginia pledge, and a pledge by the Commission, with respect to Deferred Fuel Cost Property and Deferred Fuel Cost Bonds and related documentation as provided for in Va. Code § 56-249.6:2 J 1. The Commission finds that these Commission and Commonwealth Pledges will constitute a pledge to bondholders, the owners of Deferred Fuel Cost Property, the SPE issuing Deferred Fuel Cost Bonds, and other financing parties. The Commission further acknowledges that the SPE issuing the Deferred Fuel Cost Bonds would be considered financing parties for purposes of Va. Code § 56-249.6:2 J.

(9) Structure. The proposed transaction structure for the Deferred Fuel Cost Bonds, as set forth in the body of this Financing Order is approved.

Reports and Accounting

(10) Issuance Advice Letter. Dominion shall file a combined IAL/TUAL in final form with the Commission within one business day after actual pricing of the Deferred Fuel Cost Bonds, substantially in the form of Appendix C to this Financing Order describing the final structure and terms of the Deferred Fuel Bond issuance, including an updated accounting of the Up-front Financing Costs, and On-going Financing Costs. Finally, the combined IAL/TUAL shall include a certification from Dominion, that the structuring, pricing and Financing Costs of the Deferred Fuel Cost Bonds achieved the Statutory Cost Objectives. The Commission's review of the IAL/TUAL shall be limited to determining whether the transaction complies with the Standards of this Financing Order and whether Dominion has delivered the required certification. Unless the Commission issues an order stopping the Deferred Fuel Cost Bond issuance before noon on the third business day after pricing, the transaction shall be final, irrevocable and incontestable and shall proceed without any further action of this Commission. The Commission shall only issue an order to stop the transaction if the Commission determines that (a) the transaction does not comply with the Standards of this Financing Order, or (b) Dominion has not delivered the required certification. Prior to the filing of the IAL/TUAL and through the period ending with the issuance of the Deferred Fuel Cost Bonds, Dominion will, to extent requested by the Commission, provide the Commission or its Staff with timely information so that the Commission acting for itself or through its Staff can remain informed of all material aspects relating to the structuring and pricing of, and Financing Costs relating to the Deferred Fuel Cost Bonds and participate as directed.

(11) True-Up Adjustment Letter. Dominion or its assignee(s) are authorized to recover the Periodic Payment Requirement and shall file with the Commission at least semi-annually (and at least quarterly beginning 12 months prior to the last scheduled payment date of the latest maturing tranche of Deferred Fuel Cost Bonds) a TUAL as described in this Financing Order that shall be based upon the cumulative differences, regardless of the reason, between the Periodic Payment Requirement and the actual amount of Deferred Fuel Cost Charge remittances to the trustee for the series of Deferred Fuel Cost Bonds. Upon the filing of a TUAL made pursuant to this Financing Order, the Commission shall either administratively approve the requested true-up calculation in writing or inform the servicer of any mathematical or clerical errors in its calculation within 30 days following the servicer's true-up filing. Notification and correction of any mathematical or clerical errors shall be made so that the true-up is implemented within 30 days of the servicer's filing of a TUAL and no potential modification to correct an error in a TUAL shall delay its effective date and any correction or modification which could not be made prior to the effective date shall be made in the next TUAL. Upon administrative approval or the passage of 30 days without notification of a mathematical or clerical error, no further action of the Commission will be required prior to implementation of the true-up.

(12) Changes to Deferred Fuel Cost Charges. Upon any change to Deferred Fuel Cost Charges stemming from the True-Up Mechanism, Dominion shall file appropriately-revised tariff sheets with the Commission, provided, however, that approval of the Deferred Fuel Cost Charges shall not be delayed or otherwise adversely impacted by the Commission's decision with respect to the tariff.

(13) Imposition and Collection, Nonbypassability. Dominion, including its sponsored SPE, is authorized to impose, bill, charge, collect, receive, and adjust from time to time pursuant to the True-Up Mechanism (as described in this Order) a Deferred Fuel Cost Charge, to be collected on a per kWh basis from each of its existing and future retail customers, irrespective of the generation supplier of such customer, except for an opt-out, exempt or partially exempt retail access customer, until the related Deferred Fuel Cost Bonds are paid in full and all related Financing Costs and other costs of the bonds have been recovered in full. Such Deferred Fuel Cost Charges shall be nonbypassable charges that are separate and apart from Dominion's base rates and shall be paid by all Dominion jurisdictional existing and future customers receiving transmission or distribution service, or both, from Dominion or its successors or assignees under Commission-approved rate schedules as provided in this Financing Order. Such Deferred Fuel Cost Charges shall be in amounts sufficient to ensure the timely payment of Dominion's Deferred Fuel Cost Bonds as detailed in this Financing Order and the IAL (including payment of principal of and interest on the Deferred Fuel Cost Bonds and On-going Financing Costs).

(14) Allocation. The Deferred Fuel Cost Charges shall be allocated to the customer classes in accordance with the methodology approved in the Company's last fuel factor proceeding, Case No. PUR-2022-00064.

(15) Collection Period. This Financing Order and the Deferred Fuel Cost Charges authorized hereby shall remain in effect until the Deferred Fuel Cost Bonds and all Financing Costs (including tax liabilities) related thereto have been paid or recovered in full. This Financing Order shall remain in effect and unabated notwithstanding the reorganization, bankruptcy or other insolvency proceedings of Dominion or its successors or assignees.

(16) Following repayment of Deferred Fuel Cost Bonds and the relevant Financing Costs authorized in this Financing Order and release of the funds by the indenture trustee, each SPE shall distribute the final balance of its collection account to Dominion and Dominion shall credit other electric rates and charges by a like amount, less the amount of the relevant capital subaccount and any unpaid return on invested capital due to Dominion as set forth in the body of this Financing Order.

(17) Ownership Notification and Separate Line Item Charge. The electric bills of Dominion must explicitly reflect that a portion of the charges on such bill represents Deferred Fuel Cost Charges approved in this Financing Order and must include a statement to the effect that the SPE is the owner of the rights to Deferred Fuel Charges and that Dominion is acting as servicer for the SPE. The tariff applicable to customers must indicate the Deferred Fuel Cost Charges and the ownership of that charge. Dominion shall identify amounts owed with respect to its Deferred Fuel Cost Property as a separate line item on individual electric bills.

Deferred Fuel Cost Property

(18) Outside Costs. Costs associated with the Commission's outside consultant and any outside counsel, to the extent such costs are eligible for compensation and approved for payment under the terms of such party's contractual arrangements with the Commission, as such arrangements may be modified by any amendment entered into at the Commission's sole discretion, will qualify as Up-front Financing Costs and be paid from proceeds of Deferred Fuel Cost Bonds.

(19) Creation of Deferred Fuel Cost Property. The creation of Dominion's Deferred Fuel Cost Property as described in this Financing Order is approved and, upon transfer of the Deferred Fuel Cost Property to the SPE, shall be created, and shall consist of: (1) all rights and interests of Dominion or its successors or assignees under this Financing Order, including the right to impose, bill, charge, collect and receive Deferred Fuel Charges authorized in this Financing Order and as initial servicer to obtain periodic adjustments to such charges as provided in this Financing Order, and (2) all revenues, collections, claims, rights to payments, payments, money or proceeds arising from the rights and interests specified in this Financing Order, regardless of whether such revenues, collections, claims, rights to payment, payments, money or proceeds are imposed, billed, charged, received, collected or maintained together with or commingled with other revenues, collections, rights to payment, payments, money or proceeds. The creation of Deferred Fuel Cost Property is conditioned upon, and shall be simultaneous with, the sale or other transfer of the Deferred Fuel Cost Property to the SPE, the issuance of the Deferred Fuel Cost Bonds and the pledge of the Deferred Fuel Cost Property to secure a series of Deferred Fuel Cost Bonds.

(20) Deferred Fuel Cost Property Existence. The Deferred Fuel Cost Property shall exist until the Deferred Fuel Cost Bonds are paid in full and all Financing Costs and other related costs have been recovered in full.

(21) Irrevocability. Upon the earlier of either (i) the transfer of the Deferred Fuel Cost Property or (ii) issuance of the Deferred Fuel Cost Bonds, this Financing Order is irrevocable and, except for changes made pursuant to the formula-based mechanism authorized in this Financing Order, the Commission may not amend, modify, or terminate this Financing Order by any subsequent action or reduce, impair, postpone, terminate or otherwise adjust the Deferred Fuel Cost Charges approved in this Financing Order.

Structure of Securitization

(22) SPE. Dominion is authorized to utilize one or more SPEs to be structured as discussed in this Financing Order. Dominion is authorized to execute one or more LLC Agreements, consistent with the form included as Schedule 4 to Company Witness Johnson's testimony and the terms and conditions of this Financing Order. The SPE shall be funded with an amount of capital that is sufficient for the SPE to carry out its intended functions as contemplated in the Petition and this Financing Order. The Commission approves an initial capital contribution of 0.5 percent of the initial aggregate principal amount of a series of Deferred Fuel Cost Bonds or such other amount required to obtain the highest credit ratings. The capital contributions by Dominion to the SPE shall be funded by Dominion and not from the proceeds of the sale of Deferred Fuel Cost Bonds. Dominion will be permitted to earn a rate of return on its invested capital in its SPE equal to the rate of interest payable on the longest maturing tranche of Deferred Fuel Cost Bonds and this return on invested capital should be a component of the Periodic Payment Requirement.

(23) Servicing and Administration Fees. The servicing and administration fees collected by Dominion or any affiliate of Dominion, acting as either the servicer or the administrator under the Servicing Agreement or Administration Agreement, respectively, will be included in Dominion's cost of service such that Dominion will credit back all periodic servicing fees in excess of Dominion's or an affiliate of Dominion's incremental costs of performing servicing as administration functions, but only to the extent the AAA-equivalent ratings on the Deferred Fuel Cost Bonds are not impaired. The expenses incurred by Dominion or such affiliate to perform obligations under the Servicing Agreement or Administration Agreement not otherwise recovered through the Deferred Fuel Charges will likewise be included in Dominion's cost of service.

(24) Dominion as Servicer. Dominion shall act as initial servicer under the proposed financing transaction and is granted flexibility to act as initial servicer pursuant to the Servicing Agreement discussed in this Financing Order.

(25) Third Party Servicer. If the Commonwealth of Virginia or the Commission decides to allow billing, collection and remittance of the Deferred Fuel Charges by a third-party servicer within the Dominion service territory, such authorization will be consistent with the rating agencies' requirements necessary for the Deferred Fuel Cost Bonds to receive and maintain the targeted AAA-equivalent rating.

(26) Issuance. In accordance with the terms of this Financing Order and subject to the criteria and procedures described herein, the SPE is authorized to issue Deferred Fuel Cost Bonds in an aggregate principal amount not to exceed the Securitizable Balance (as of the date the Deferred Fuel Cost Bonds are issued) and may pledge to an indenture trustee, as collateral for payment of the Deferred Fuel Cost Bonds, the Deferred Fuel Cost Property, including the SPE's right to receive the related Deferred Fuel Cost Charges as and when collected, the SPE's rights under the Servicing Agreement and other collateral described in the Indenture. As provided in Va. Code § 56-249.6:2 A 2 e, Dominion retains sole discretion regarding whether to assign, sell or otherwise transfer Deferred Fuel Property or to cause the Deferred Fuel Cost Bonds to be issued, including the right to defer or postpone such assignment, sale, transfer or issuance and the Commission will not refuse to allow Dominion to recover Deferred Fuel Costs in an otherwise permissible fashion.

(27) IRS Safe Harbor Provisions. Dominion shall be responsible to structure the Deferred Fuel Cost Bond transactions in a way that complies with the "safe harbor" provisions of IRS Revenue Procedure 2005-62.

(28) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00113
SEPTEMBER 18, 2023**

APPLICATION OF
A & N ELECTRIC COOPERATIVE and A & N INNOVATIVE SOLUTIONS, INC.

For approval of affiliate arrangements

ORDER GRANTING APPROVAL

On June 30, 2023, A & N Electric Cooperative ("ANEC" or the "Cooperative") and A & N Innovative Solutions, Inc. ("Solutions") (collectively, the "Applicants")¹ filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),² requesting approval to: (1) enter into a Master Services Agreement ("MSA"), (2) enter into a Line of Credit Agreement ("LCA"), and (3) provide \$126,000 of funding through an equity contribution ("Equity Contribution") to Solutions. On August 21, 2023, the review period was extended until September 28, 2023.

Under the proposed arrangements, the Cooperative will provide services ("Services") and funds to Solutions for the purpose of establishing a network of electric vehicle ("EV") charging stations in the Cooperative's service territory and surrounding areas. Under the proposed MSA, ANEC represents that it will supply management, supervisory, construction, engineering, accounting, legal, financial, and other support Services to Solutions.³ The Applicants represent that the prices charged to Solutions for the Services under the MSA are based on the higher of the Cooperative's fully distributed cost or market prices.⁴ The Applicants state that Solutions will receive Services from the Cooperative related only to establishing, constructing, maintaining, and operating EV charging stations.⁵

The Applicants represent that under the proposed LCA, ANEC will provide a \$500,000 line of credit to Solutions to provide working capital on an as-needed basis for the normal operations of Solutions' business.⁶ The Applicants state that the LCA is for an initial term of five years, and automatically renews for successive one-year terms unless terminated by either party.⁷ The Applicants further state that ANEC will provide Solutions with approximately \$126,000 through an Equity Contribution to support projects such as the initial development and implementation of EV charging stations.⁸

The Applicants provided journal entries for labor expense allocation, the Cooperative's investment in Solutions, the line of credit to Solutions, providing goods and Services to Solutions, and providing equipment to Solutions.⁹ The Applicants state that Solutions will use funds from the Cooperative related only to establishing, constructing, maintaining, and operating the EV charging stations.¹⁰

The Applicants represent that benefits of the deployment of EV charging stations will provide the Cooperative an additional stream of revenue from electricity sales to EV owners and will also ensure that the Cooperative's service territory is well positioned to attract investment and retain existing businesses.¹¹

NOW THE COMMISSION, upon consideration of this matter, having been advised by the Commission Staff through its Action Brief and having considered the Company's comments thereon, is of the opinion and finds that the proposed MSA, LCA, and Equity Contribution are in the public interest and should be approved subject to certain requirements set forth in the Appendix attached hereto.

¹ Solutions is a wholly-owned subsidiary of the Cooperative formed to engage in unregulated business activities. Application at 2.

² Code § 56-76 *et seq.*

³ Application at 3.

⁴ Application at Exhibit A, question C3.

⁵ Staff Action Brief at 5 (citing Applicants' response to DR 3-30.)

⁶ Application at 3-4. *See also* Staff Action Brief at 5 (citing Applicants' response to DR 1-8).

⁷ Application at 3.

⁸ *Id.* at 4.

⁹ Application at Exhibit D. *See also* Staff Action Brief at 6 (citing Applicants' response to Staff DR 1-11.)

¹⁰ Staff Action Brief at 6 (citing Applicants' response to DR 3-30.)

¹¹ Staff Action Brief at 7 (citing Applicant's response to DR 4-1.) The Applicants represent that the EV charging stations will be served under existing tariffs charged to other business customers. *See also* Application at Exhibit A, question E5.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to § 56-77 of the Code, the Applicants are hereby granted approval to enter into the proposed MSA, LCA, and Equity Contribution effective as of the date of this Order Granting Approval, subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

APPENDIX

(1) The Commission's approval of the MSA and LCA shall extend five years from the effective date of the order in this case. If the Cooperative wishes to continue under the MSA or LCA beyond that date, separate approval shall be required.

(2) The Commission's approval shall have no accounting or ratemaking implications.

(3) The Commission's approval shall be limited to the EV charging station activities described in the Application and in the Applicants' responses to Staff Data Requests. If Solutions wishes to use funds or receive Services¹² from the Cooperative unrelated to EV charging station activities, separate approval shall be required.

(4) ANEC shall be required to maintain records demonstrating that the MSA is cost beneficial to Virginia ratepayers. For any Service that Solutions receives from ANEC where a market may exist, ANEC shall investigate and compare its costs to the market price and Solutions shall pay to ANEC the higher of cost or market. Records of such investigations and comparisons shall be available for Staff to review upon request. ANEC shall bear the burden of proving, in any rate proceeding, that it complied with the Commission's affiliate asymmetric pricing policy for any Services provided to Solutions under the approved MSA.

(5) The Commission's approval shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

(6) Separate Commission approval shall be required for any changes in the terms and conditions of the MSA or LCA.

(7) The Commission shall reserve the right to examine the books and records of the Cooperative and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

(8) The Applicants shall carry the appropriate insurance coverage to mitigate any risks associated with constructing, operating, and maintaining the EV charging stations.

(9) The Cooperative shall appropriately train its employee(s) to operate and maintain the EV charging stations in compliance with all federal and state laws and regulations.

(10) The Cooperative shall include all transactions associated with the MSA and LCA in its Annual Report of Affiliate Transactions ("ARAT") submitted to the Commission's Director of Utility Accounting and Finance ("UAF Director") on May 1 of each year, subject to administrative extension by the UAF Director. The Cooperative shall report in its ARAT the MSA and LCA transactions by: (a) case number; (b) affiliate; (c) agreement; (d) service category; (e) FERC account; (f) month; and (g) amount, in Excel electronic media format (with formulas attached), as the transactions are recorded in the Cooperative's books.

(11) The Cooperative shall comply with § 56-231.34:1 of the Code and with Rules 20 VAC 5-203-10 *et seq.* of the Commission's Regulations Governing the Separation of Regulated and Unregulated Businesses of Utility Consumer Services Cooperatives and Utility Aggregation Cooperatives in the conduct of their business between the Cooperative and Solutions. Specifically, pursuant to Rule 20 VAC 5-203-30(B), the Cooperative shall submit to the UAF Director: (1) a listing and description of internal controls that prevent the practices enumerated in Subsection A of Rule 20 VAC 5-203-30; and (2) a listing and description of controls effecting the Codes of Conduct set forth in Rule 20 VAC 5-203-40, within ninety (90) days of the effective date of the order in this case.

¹² The Services are identified in detail in Appendix B of the Staff Action Brief.

**CASE NO. PUR-2023-00114
AUGUST 17, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY and DOMINION ENERGY, INC.

For approval of authority to issue up to \$3.25 billion in common stock to parent under Chapters 3 and 4 of Title 56 of the Code of Virginia

ORDER GRANTING AUTHORITY

On July 3, 2023, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("DEV" or the "Company") and Dominion Energy, Inc. ("DEI") (together, "Applicants") filed an application ("Application") with the State Corporation Commission ("Commission") under Chapters 3¹ and 4² of Title 56 of the Code of Virginia ("Code") requesting approval of authority to issue up to \$3.25 billion of the Company's common stock to DEI. The Applicants paid the requisite fee of \$250. On July 11, 2023, the Commission entered an Extension Order extending the time for review of the Application for an additional 30 days.

According to the Application, the \$3.25 billion aggregate principal amount will be based on the sale of authorized but unissued shares of the Company's common stock ("Common Stock"). The Company states that the purchase price per share of the Common Stock will be set at the book value per share of the Company's outstanding common stock, determined on the basis of the Company's latest unaudited financial statements prior to the sale of the Common Stock.³ The Company further states that the aggregate sale price of the Common Stock will not exceed \$3.25 billion.⁴

The Company states that since the proposed sale of Common Stock will be a private transaction between the Company and DEI, the expenses directly associated with the sale will be de minimis.⁵ The Company will be pay its share for any such expenses.

The Application states that net proceeds from the sale of Common Stock may be used for: (i) funding capital requirements, including construction, upgrades and maintenance throughout DEV's system, and investment to modernize and harden existing electric grid infrastructure; (ii) the refunding of a portion of outstanding securities; and (iii) other general corporate purposes.⁶

NOW THE COMMISSION, upon consideration of the Application and having been advised by its Staff through Staff's action brief and having considered the Applicant's comments thereon, is of the opinion and finds that approval of the Application, subject to the requirements set forth in the Appendix attached to this Order, will not be detrimental to the public interest.

Accordingly, IT IS ORDERED THAT :

- (1) DEV is hereby granted approval of the Application as described herein subject to the requirements set forth in the Appendix attached to this order.
- (2) This matter is continued for further orders of the Commission.

Commissioner Patricia L. West participated in this matter.

¹ Code § 56-55 *et seq.*

² Code § 56-76 *et seq.*

³ Application at 3.

⁴ Application, Exhibit B.

⁵ Application at 4.

⁶ *Id.* at 3.

APPENDIX

1. DEV shall be authorized to issue up to \$3.25 billion in aggregate of its Common Stock under the terms and conditions and for the purposes set forth in the Application from the date of this Order Granting Authority through December 31, 2023.
2. DEV shall submit a preliminary report of action within ten (10) days after the issuance of any Common Stock, to include the date of issuance, total shares sold, the purchase price per share, and the net proceeds to DEV.
3. Within sixty (60) days of the end of each calendar quarter in which Common Stock are issued, DEV shall file a more detailed report to include the information required in Paragraph 2, above, as well as an itemized list of actual expenses to date associated with the Common Stock issuances, use of proceeds, the cumulative amount of Common Stock issued under the authority granted herein, the amount of Common Stock remaining to be issued, and a balance sheet reflecting the actions taken.
4. On or before March 31, 2024, DEV shall file a final report of action to include all information required in Paragraph 3, above, that incorporates then-current actual expenses and fees paid for the proposed Common Stock issuances.
5. The approval granted in this case shall have no accounting or ratemaking implications.
6. This matter shall remain under the continued review, audit, and appropriate directive of the Commission.
7. DEV should include all transactions associated with the issuance of Common Stock in its Annual Report of Affiliate Transactions, submitted to the UAF Director by May 1 of each year, subject to administrative extension by the UAF Director.

**CASE NO. PUR-2023-00115
OCTOBER 10, 2023**

APPLICATION OF
HUDSON FIBER NETWORK (VIRGINIA), LLC

For cancellation and reissuance of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect a company name change

ORDER REISSUING CERTIFICATES

On August 14, 2023, Hudson Fiber Network (Virginia), LLC ("Company") completed the filing of an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to the Company by the Commission¹ be cancelled and reissued to reflect a company name change ("Application").² The Company submitted proof of its name change to ExteNet Telecom Solutions (Virginia) LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the Company's name should be cancelled and reissued in the name of ExteNet Telecom Solutions (Virginia) LLC.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2023-00115.
- (2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-767, heretofore issued to Hudson Fiber Network (Virginia), LLC is hereby cancelled and shall be reissued as Certificate No. T-767a in the name of ExteNet Telecom Solutions (Virginia) LLC.
- (3) The certificate of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, Certificate No. TT-307A, heretofore issued to Hudson Fiber Network (Virginia), LLC is hereby cancelled and shall be reissued as Certificate No. TT-307B in the name of ExteNet Telecom Solutions (Virginia) LLC.
- (4) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of Hudson Fiber Network (Virginia), LLC shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.
- (5) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹ See *Application of Hudson Fiber Network (Virginia), LLC, For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia*, Case No. PUR-2019-00152, Doc. Con. Cen. No. 200140184, Final Order (Jan. 30, 2020).

² The Company filed an Amended Exhibit B to its Application on August 15, 2023.

**CASE NO. PUR-2023-00116
NOVEMBER 13, 2023**

APPLICATION OF
FIBER ROADS, LLC

For cancellation and reissuance of certificate of public convenience and necessity

ORDER REISSUING CERTIFICATE

On July 5, 2023, Fiber Roads, LLC ("Company") filed an application with the State Corporation Commission ("Commission") requesting that the certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia issued to the Company by the Commission¹ be cancelled and reissued in connection with the Company's conversion from a Virginia limited liability company to a Delaware limited liability company ("Application"). With its Application, the Company submitted proof of the conversion; its current legal name, Fiber Roads, LLC as a company domesticated under the laws of Delaware; and its certificate of registration to transact business in Virginia as such.²

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the Company's name should be cancelled and reissued in the name of the Delaware limited liability company Fiber Roads, LLC.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2023-00116.
- (2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia Certificate No. T-694 is hereby cancelled and shall be reissued as Certificate No. T-694a in the name of Fiber Roads, LLC.
- (3) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online referencing Certificate No. T-694 shall be replaced reflecting Certificate No. T-694a.
- (4) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹ See *Application of Fiber Roads, LLC, For a certificate of public convenience and necessity to provide local exchange telecommunications services*, Case No. PUC-2009-00061, 2010 S.C.C. Ann. Rept. 226, Final Order (Jan. 28, 2010).

² See Application at Exhibit A.

**CASE NO. PUR-2023-00119
DECEMBER 6, 2023**

APPLICATION OF
COLUMBIA GAS OF VIRGINIA, INC.

For approval to amend and extend its SAVE Plan pursuant to Virginia Code § 56-604, and for approval to implement a 2024 SAVE Rider in accordance with Section 20 of its General Terms and Conditions

ORDER GRANTING APPROVAL

On August 15, 2023, Columbia Gas of Virginia, Inc. ("CVA" or "Company"), filed an application ("Application") pursuant to Chapter 26 of Title 56 of the Code of Virginia ("Code"), known as the Steps to Advance Virginia's Energy Plan (SAVE) Act ("SAVE Act"),¹ for (1) approval to amend and extend its SAVE Plan pursuant to the SAVE Act; and (2) for approval to implement a SAVE Rider for calendar year 2024, inclusive of the costs associated with the Company's Advanced Leak Detection and Repair Program ("ALDAR Program").² Pursuant to Code § 56-604 B, the Commission must approve or deny a natural gas utility's application to amend a previously approved plan within 120 days of the filing of the Application.

The Company requested authority to extend its SAVE Plan for three years (calendar years 2024 through 2026) ("Phase 5 SAVE Plan").³ CVA proposed that during this three-year extended term, the Company would be authorized to spend up to \$69 million in 2024, \$67 million in 2025, and \$73 million in 2026 for a total of \$209 million.⁴

¹ Code § 56-603 *et seq.*

² Application at 1.

³ *Id.*

⁴ *Id.*

The Company requested authorization to exceed this investment by 10% on an annual basis and 10% on a cumulative basis, for a Phase 5 SAVE Plan maximum spend of \$229.9 million.⁵ CVA further requested authorization to include costs associated with its ALDAR Program in its Phase 5 SAVE Plan.⁶ The Company also requested approval to implement its 2024 SAVE Rider, which is based on a \$69 million projected SAVE eligible capital program for 2024, deferred 2022 and projected 2024 costs associated with the Company's ALDAR Program, and the true-up of the recovery of the actual SAVE cost of service for the calendar year 2022, to be effective with the first billing unit of January 2024 through the last billing unit of December 2024.⁷

CVA has proposed a 2022 True-Up Factor credit of \$535,548 and a 2024 Projected Factor of \$12,419,565, for a total proposed SAVE revenue requirement of \$11,884,017.⁸ As proposed, the 2024 SAVE Rider would increase residential customers' bills by \$1.77 per month, for a total proposed monthly SAVE Rider rate of \$2.73.⁹

On August 31, 2023, the Commission issued an Order for Notice and Comment which, among other things, provided interested persons the opportunity to file comments, requests for hearing, and notices of participation in this case; required the Staff of the Commission ("Staff") to file a report ("Staff Report"); and permitted the Company to respond to the Staff Report, any comments, or requests for hearing. No comments, notices of participation, or requests for hearing were filed in this proceeding.

The Staff Report was filed on October 25, 2023, in which Staff made the following findings and recommendations:¹⁰

Pipeline Safety Findings and Recommendations

1. The inclusion of the Company's ALDAR Program in its Phase 5 [SAVE Plan] to add a new vehicle equipped with Picarro technology appears to be a SAVE-eligible initiative.
2. The Company should be required to track any such replacements it undertakes, including: (1) footage of main, if any, replaced; (2) footage of service line, if any, replaced; (3) a detailed description of any non-main, non-service line facility replaced; (4) the material type of the replaced facility (e.g. first-generation plastic, pre-1971 coated steel main, etc.); and (5) supporting details that show how the project was identified through the Company's ALDAR Program.
3. The Company should be required to report any and all replacement projects undertaken as a result of enhanced leak detection activities since its last SAVE filing each time it makes a new SAVE filing.
4. The replacement of blanket mains and services, along with certain risers that have been identified as prone to failure identified in this case and previously approved for SAVE replacement appear to continue to be SAVE-eligible.
5. The replacement of certain sections of the VAM-1 and DVA-6 identified in this case and previously approved for SAVE replacement appear to continue to be SAVE-eligible.
6. The replacement of certain components at the Reston/Stuart Road [Point of Delivery ("POD")], the Petersburg POD, and the Portsmouth/Lambert Trail POD identified in this case and previously approved for SAVE replacement appear to continue to be SAVE-eligible.
7. The replacement of certain components at the Ecoff POD, the Stanardsville POD, and the Warrenton POD identified in this case appear to be SAVE-eligible.

Accounting and Finance Findings and Recommendations

1. Staff recommends a revenue requirement of \$11,891,838. This is \$7,821 greater than the amount requested by the Company and included in the Order for Notice and [Comment]. As such, the Commission may wish to limit the revenue requirement to the amount included in the Order for Notice and [Comment].

Rate Analysis Findings and Recommendations

1. Staff recommends the proposed Schedule SGS1/SGTS1 SAVE charge should be rounded to \$2.98, which reflects the accurate SAVE charge as rounded to the nearest cent.
2. Staff recommends the proposed Schedule LGS2/TS2 should be rounded to \$1,379.09, which reflects the accurate SAVE charge as rounded to the nearest cent.

⁵ *Id.*

⁶ *Id.* at 1-2.

⁷ *Id.* at 2.

⁸ *Id.* at Schedule 1.

⁹ *Id.* at Schedule 17 at 4, 5.

¹⁰ Staff Report at 27-28.

3. Should the Commission approve a revenue requirement that differs from the Company's requested revenue requirement, Staff recommends that the corresponding SAVE Rider charges be adjusted with the revenue apportionment and rate design methodology proposed by the Company.

Environmental Justice Findings and Recommendations

1. Staff is unopposed to the Company's representations regarding environmental justice in the instant case.

CVA filed a response letter ("Response") to the Staff Report on November 8, 2023. CVA stated that after reviewing an adjustment in the Staff Report, the Company believes that the entire 2024 rate base amounts (retirements, plant in service, construction work in progress, and cost of removal) for Measuring and Regulating Equipment and Services were inadvertently switched.¹¹ CVA further stated that after correcting for these amounts, the Projected Factor revenue requirement is \$12,541,155, which is approximately \$121,000 greater than the Company's requested Projected Factor Revenue Requirement and the amount included in the Commission's Order for Notice and Comment.¹² CVA stated that it does not oppose limiting the revenue requirement to the amount included in the Order for Notice and Comment, noting that the potential under-recovery would be addressed and reflected in a future True-Up Factor.¹³ Lastly, the Company requested that the Commission accept Staff's recommendations.¹⁴

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Company's Application to amend its SAVE Plan should be approved subject to Staff's recommendations. Further, the Commission approves a True-Up Factor credit of \$535,548 and a 2024 Projected Factor of \$12,419,565, for a total proposed SAVE revenue requirement of \$11,884,017, to be effective with the first billing unit of January 2024 through the final billing unit of December 2024.

Accordingly, IT IS ORDERED THAT:

- (1) CVA's Application to amend its SAVE Plan is approved as set forth herein.
- (2) CVA's SAVE Rider is approved with a True-Up Factor credit of \$535,548 and a 2024 Projected Factor of \$12,419,565, for a total proposed SAVE revenue requirement of \$11,884,017.
- (3) Rates consistent with this Order shall become effective with the first billing unit of January 2024 and shall remain in effect through the last billing unit of December 2024.
- (4) CVA forthwith shall file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.
- (5) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹¹ Response at 1.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* at 2.

**CASE NO. PUR-2023-00120
SEPTEMBER 8, 2023**

APPLICATION OF
6TH STREET SOLAR I, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On July 11, 2023, 6th Street Solar 1, LLC ("6th Street" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion").

In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

¹ 20 VAC 5-340-10 *et seq.*

On July 31, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 11, 2023, and to file proof of service on or before August 18, 2023. On August 9, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before August 25, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 1, 2023. On September 1, 2023, Staff filed its Report, which summarized Staff's investigation of 6th Street's Application and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that 6th Street be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that 6th Street may file any response to the Report on or before September 8, 2023. 6th Street filed a letter on September 6, 2023, requesting that the Commission grant the Company a license.

NOW THE COMMISSION, upon consideration of this matter, finds that 6th Street's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) 6th Street is hereby granted license No. SS-48 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

² Report at 3-5.

³ *Id.* at 5.

**CASE NO. PUR-2023-00121
SEPTEMBER 8, 2023**

APPLICATION OF
FFP VA CHESAPEAKE PROJECT1, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On July 11, 2023, FFP VA Chesapeake Project1, LLC ("FFP" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On July 31, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 11, 2023, and to file proof of service on or before August 18, 2023. On August 9, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before August 25, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 1, 2023.

On September 1, 2023, Staff filed its Report, which summarized Staff's investigation of FFP's Application and evaluated the Company's financial condition and technical fitness.²

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

Based on its review of the Application, Staff recommended that FFP be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that FFP may file any response to the Report on or before September 8, 2023. FFP filed a letter on September 6, 2023, requesting that the Commission grant the Company a license.

NOW THE COMMISSION, upon consideration of this matter, finds that FFP's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) FFP is hereby granted license No. SS-49 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

³ *Id.* at 5.

**CASE NO. PUR-2023-00122
SEPTEMBER 11, 2023**

APPLICATION OF
SELF I SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On July 11, 2023, Self I Solar, LLC ("SIS" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").¹

On July 31, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 11, 2023, and to file proof of service on or before August 18, 2023. On August 9, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before August 25, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 1, 2023. On September 1, 2023, Staff filed its Report, which summarized Staff's investigation of SIS's Application and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that SIS be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Procedural Order further provided that SIS may file any response to the Report on or before September 8, 2023. SIS filed a letter on September 6, 2023, requesting that the Commission grant the Company a license.

NOW THE COMMISSION, upon consideration of this matter, finds that SIS's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

¹ 20 VAC 5-340-10 *et seq.*

² Report at 3-5.

³ *Id.* at 5.

Accordingly, IT IS ORDERED THAT:

(1) SIS is hereby granted license No. SS-50 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner Patricia L. West participated in this matter.

**CASE NO. PUR-2023-00124
SEPTEMBER 12, 2023**

APPLICATION OF
AQUA VIRGINIA, INC. and ESSENTIAL UTILITIES, INC.

For Approval of an Affiliate Services Agreement

ORDER GRANTING APPROVAL

On July 27, 2023, Aqua Virginia, Inc. ("Aqua Virginia"), and Essential Utilities, Inc. ("Essential")¹ (collectively, "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") to request approval of a revised Affiliated Interest Service Agreement ("Revised Agreement") between the Applicants, Essential Utilities Services, Inc. ("Essential Services"),² Aqua Services, Inc. ("Aqua Services"), and other affiliates ("Other Affiliates")³ (collectively, "Affiliates") pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code").⁴ The Commission approved the Applicants' current agreement ("Current Agreement") in Case No. PUR-2019-00221.⁵

Simultaneous with the Application filing, the Applicants filed a Motion for Waiver and Extension of Time ("Motion") requesting a waiver of the requirements of Code § 56-77 A, and extension of the Current Agreement, and an extension of time until December 27, 2023, to complete the study ("Study") directed by the 2019 Order.⁶ The Commission denied Joint Applicants' request to waive or otherwise exempt them from the requirements of Code § 56-77 A and B, and instead, granted Joint Applicants a limited extension of approval for the 2019 Agreement, pending the outcome of this 2023 Agreement case.⁷ The Commission further granted Aqua an extension of time until December 27, 2023, to complete and file (in the Company's pending 2023 Rate Case) the Commission mandated Study directed on page 5, ordering paragraph (4) of the 2020 Affiliate Order.⁸

Revised Agreement

Under Part I of the Revised Agreement, Aqua Virginia will receive 16 categories of corporate, administrative, and financial Services ("Centralized Service(s)") directly from Aqua Services and indirectly from Essential Services, through Aqua Services.⁹ The indirect Centralized Services are also known as PTS, or Pass-Through Services.

¹ Essential is a Pennsylvania-based public utility holding company that formerly did business as Aqua America, Inc. See Application at 1.

² Essential Services is the service company for Essential. See Attachment 1 of Application.

³ The Other Affiliates include Aqua Indiana, Inc., Aqua Texas, Inc., Aqua Resources, Inc., Aqua Pennsylvania Wastewater, Inc., Aqua Ohio, Inc., Aqua Illinois, Inc., Aqua North Carolina, Inc., Aqua Infrastructure, Inc., Aqua Pennsylvania, Inc., and Aqua New Jersey, Inc. See Application at 1.

⁴ § 56-76 *et seq.* ("Affiliates Act").

⁵ See *Application of Essential Utilities, Inc., and Aqua Virginia, Inc., For approval of an affiliate services agreement*, Case No. PUR-2019-00221, 2020 S.C.C. Ann. Rept. 401, Order Granting Approval (Oct. 20, 2020) ("2019 Order"). On May 25, 2021, the Applicants filed the agreement approved in that docket, the Current Agreement, which contained revisions that addressed most of the Commission's concerns in the 2019 Order. See *Application of Essential Utilities, Inc., and Aqua Virginia, Inc., For approval of an affiliate services agreement*, Case No. PUR-2019-00221, Doc. Con. Cen. No. 210610049, Order on Motion (June 2, 2021).

⁶ 2019 Order, Appendix Requirement Number ("App. Req. No.") 5.

⁷ See *Application of Essential Utilities, Inc., and Aqua Virginia, Inc., For Approval of an Affiliate Services Agreement*, Case No. PUR-2023-00124, Doc. Con. Ctr. No. 230830142, Order on Request for Waiver and Extension of Time at 7 (Aug. 21, 2023). ("Order on Waiver/Time Extension") [*Internal Citations Omitted*].

⁸ *Id.*

⁹ The Centralized Services include (A) Accounting and Financial Services; (B) Administration; (C) Communications; (D) Corporate Secretarial; (E) Customer Service and Billing; (F) Engineering; (G) Financial; (H) Fleet Services; (I) Human Resources; (J) Information Services; (K) Operation; (L) Rates and Regulatory; (M) Risk Management; (N) Water Quality; (O) Legal; and (P) Purchasing, Contracts and Sales of Real Estate. See Exhibit B, Attachment 2 of Application.

Under Part II of the Revised Agreement, Aqua Virginia will receive and provide ("exchange") directly, six categories of accounting, administrative, and operational services ("Affiliate Services")¹⁰ with the Other Affiliates.

Pursuant to Articles 2 and 3 of the Revised Agreement, Aqua Virginia agrees to pay Aqua Services the lower of cost or market for any Centralized Services provided to Aqua Virginia in accordance with the Commission's asymmetric pricing policy for transactions between Aqua Virginia and unregulated affiliates.

Pursuant to Articles 6 and 7 of the Revised Agreement, Aqua Virginia and the Aqua Affiliates agree to pay fully distributed cost for any Affiliate Services exchanged between Aqua Virginia and rate-regulated Affiliates. For any Affiliate Services exchanged between Aqua Virginia and unregulated Affiliates, the Commission's asymmetric pricing policy requires Aqua Virginia to charge the higher of cost or market for services provided and pay the lower of cost or market for services received.

Pursuant to Article 3a of the Revised Agreement, the information technology assets of Aqua Services ("IT Assets")¹¹ will be allocated among all rate-regulated Affiliates, including Aqua Virginia. Pursuant to Section 3a.4 of the Revised Agreement, the allocations of Aqua Services' IT Assets will have no ratemaking implications for Aqua Virginia, which will be determined in rate proceedings under Chapter 10 of Title 56 of the Code.

2019 Order Measures

In the 2019 Order, the Commission identified several concerns with the structure of the Current Agreement and directed Aqua Virginia to take measures to address those concerns. The proposed Revised Agreement addresses those concerns.

In the 2019 Order, the Commission identified multiple open-ended clauses, and directed the Applicants to eliminate them.¹² The Revised Agreement contains no such clauses.

In the 2019 Order, the Commission expressed concerns over the potential for PTS Transactions and directed Aqua Virginia to provide an acknowledgement that the Commission regulates PTS Transactions for the limited purpose of determining the amount of such costs that are includible in Aqua Virginia's utility cost of service.¹³ The Revised Agreement includes Section 12.9.1, which states that the Affiliates provide an express acknowledgement that the Commission regulates recovery of any indirect Pass-Through Services costs that pass from the Affiliates through Aqua Services to Aqua Virginia, and the Commission must determine the amount of such costs that are includible in Aqua Virginia's cost of service.

In the 2019 Order, the Commission expressed concerns that the Current Agreement could be interpreted to permit debt/equity financing from Essential or another Affiliate without prior Commission approval.¹⁴ The Revised Agreement includes Section 12.9.2, which states that the Affiliates provide an express acknowledgement that Aqua Virginia cannot obtain debt/equity financing from Essential or any Essential affiliate without the separate and express approval of the Commission pursuant to Chapters 3 and 4 of Title 56 of the Code.

In the 2019 Order, the Commission expressed concerns about sharing customer information with third parties and directed that such information should not be shared without prior customer notice and consent.¹⁵ The Revised Agreement includes Sections 11.1 and 11.2, which state that Aqua Virginia and the Affiliates agree to exchange only such information as necessary to perform their obligations under the Revised Agreement. Such information will be treated as confidential and will not be disclosed to third parties unless required by law and the appropriate regulatory agencies. The confidentiality policy does not apply to information that (a) is or becomes public; (b) is obtained by the Affiliates on a non-confidential basis; or (c) becomes available to Aqua Virginia on a non-confidential basis.

In the 2019 Order, the Commission directed that:

- 5) The Applicants shall conduct a Study to: (i) identify and describe the Indirect Services; (ii) detail their benefits to Aqua Virginia; (iii) discuss and justify their pricing; (iv) provide a method to exclude non-utility costs; and (v) develop and maintain auditable records to establish satisfactory proof of the costs charged to Aqua Virginia consistent with the public interest as required in Code §§ 56-78 and 56-79. The Applicants shall file a Study Report detailing the results of the Study within two (2) years of the effective date of the Order Granting Approval in this case, with the Study Report updated as necessary for use in current and future rate proceedings.¹⁶

On August 21, 2023, in response to the Applicants' Motion, the Commission issued an Order on Request for Waiver and Extension of Time that, among other things, granted the Applicants an extension of time until December 27, 2023, to complete the Study, provided that:

¹⁰ The Affiliate Services include (A) Administration; (B) Accounting and Financial Services; (C) General Labor; (D) Engineering; (E) Metering Service; and (F) Lab Testing. See Exhibit C, Attachment 2 of Application.

¹¹ Pursuant to 3a.2 of the Revised Agreement, the IT Assets include: (A) the customer information database; (B) the fixed asset software package; (C) the financial services data base; and (D) the mainframe hardware and software supporting the systems and network. See Attachment 2 of Application at 8.

¹² See 2019 Order, 2020 S.C.C. Ann. Rept. at 402-3 (App. Req. No. 2).

¹³ *Id.* (App. Req. No. 3).

¹⁴ *Id.* (App. Req. No. 6).

¹⁵ *Id.* (App. Req. No. 7).

¹⁶ *Id.* (App. Req. No. 5).

Such Study shall strictly comport with the directives established in the [2019 Order], shall apply to all affiliate transactions occurring between October 20, 2020 through the actual December 27, 2023 filing date of the Study, and shall include *inter alia*, any and all changed circumstances regarding the allocation of costs of Indirect Services from Aqua Services to Aqua Virginia.¹⁷

NOW THE COMMISSION, upon consideration of this matter and having been advised by Staff through Staff's action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the Revised Agreement as filed is in the public interest and is approved subject to the requirements listed in the Appendix attached to this order. With approval of the Revised Agreement herein, the extension of the 2019 Agreement approved in the Order on Waiver/Time Extension is moot.¹⁸ The extension authorized for the filing of the Study Report in the Order of Waiver/Time Extension remains in full effect.¹⁹

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Revised Agreement is approved subject to the requirements listed in the Appendix attached to this order.

(2) With approval of the Revised Agreement herein, the extension of the 2019 Agreement approved in the Order on Waiver/Time Extension is moot and the extension authorized for the filing of the Study Report in the Order of Waiver/Time Extension remains in full effect.

(3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹⁷ Order on Waiver/Time Extension, Ordering Paragraph (3) at 7.

¹⁸ *Id.*, Ordering Paragraph (2) at 7.

¹⁹ *Id.*, Ordering Paragraph (3) at 7.

APPENDIX

1) The Commission's approval of the Revised Agreement shall extend for five years from the effective date of the Order Granting Approval in this case.

2) The Commission's approval shall have no accounting or ratemaking implications.

3) The Commission's approval of the Revised Agreement shall be limited to the Centralized Services and Affiliate Services (collectively, "Services") that are specifically identified and described in Exhibits B and C of the Application. If Aqua Virginia and the Affiliates wish to exchange additional goods or Services under the Revised Agreement, separate Commission approval shall be required.

4) Separate Commission approval shall be required for Aqua Virginia to exchange Services with any affiliated third parties (other than the Affiliates) under the Revised Agreement.

5) Separate Commission approval shall be required for any changes in the terms and conditions of the Revised Agreement.

6) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.

7) The Commission shall reserve the right to examine the books and records of Aqua Virginia and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

8) Aqua Virginia shall be required to maintain records demonstrating that the Centralized Services provided to Aqua Virginia and the Affiliate Services exchanged between Aqua Virginia and the Affiliates under the Revised Agreement, are cost beneficial to Virginia ratepayers. For Centralized Services received from Aqua Services, Aqua Virginia shall pay the lower of cost or market where a market exists. Affiliate Services exchanged between Aqua Virginia and rate-regulated Affiliates shall be priced at cost. For Affiliate Services received from unregulated Affiliates, Aqua Virginia shall pay the lower of cost or market where a market exists. For Affiliate Services provided to unregulated Affiliates, Aqua Virginia shall charge the higher of cost or market where a market exists. Records of investigations and comparisons with market prices shall be available to Staff upon request. Aqua Virginia shall bear the burden of proving, in any rate proceeding, that any Centralized Services and Affiliate Services exchanged between Aqua Virginia and its Affiliates are priced in accordance with the Commission's asymmetric pricing policy as described above.

9) Aqua Virginia shall file with the Commission an executed copy of the Revised Agreement within 60 days after the effective date of the Order Granting Approval in this case, subject to administrative extension by the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director").

10) Aqua Services shall maintain original cost records (invoices, etc.) of all Pass-Through Services ("PTS") transactions and provide a detailed annual report of all indirect Centralized Services charges that originate with a third-party Affiliate and pass-through Aqua Services to Aqua Virginia (collectively, "PTS Report"). The PTS Report, which shall be included with Aqua Virginia's Annual Report of Affiliate Transactions ("ARAT"), shall report each third-party Affiliate's (including Aqua Services') indirect Centralized Services charges by Affiliate, month, service category, USOA²⁰ account, and expense and capital amounts, in Excel electronic media format (with formulas included), as the transactions are recorded in Aqua Virginia's books.

11) Aqua Virginia shall include all transactions associated with the Revised Agreement in its ARAT submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. Aqua Virginia shall report in its ARAT the Revised Agreement's transactions by: (a) case number; (b) Affiliate; (c) agreement/arrangement; (d) service category; (e) USOA account; (f) month and (g) amount, in Excel electronic media format (with formulas included), as the transactions are recorded in Aqua Virginia's books.

²⁰ USOA stands for Uniform System of Accounts.

**CASE NO. PUR-2023-00125
NOVEMBER 15, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For authority to amend the Company's Commission-approved Natural Gas Conservation and Ratemaking Efficiency Plan

FINAL ORDER

On August 16, 2023, Washington Gas Light Company ("WGL" or the "Company") filed an application ("Application") pursuant to 5 VAC 5-20-80 of the State Corporation Commission's ("Commission") Rules of Practice and Procedure¹ and Code § 56-600 *et seq.*, known as the Natural Gas Conservation and Ratemaking Efficiency ("CARE") Act, for approval of an Amended Conservation and Ratemaking Efficiency Plan, which contemplated only limited revisions to the Amended CARE Plan approved in Case No. PUR-2021-00288.² The Company states it is not proposing any changes either to the CARE Cost Adjustment or CARE Ratemaking Adjustment computations that were included with the Company's Application in Case No. PUR-2021-00288.³

Specifically, the Company proposes to revise the rebate structure and savings calculation methodology for one of the approved residential programs based on energy savings for the first year of this program not meeting projected levels.⁴ WGL states its proposed revisions are expected to improve energy savings for the remaining two years of the program and achieve program energy savings targets that were originally filed in the Company's Phase 5 Plan.⁵ WGL is not proposing any revisions either to the budget or the CARE Program Portfolio approved in Case No. PUR-2021-00288.⁶

WGL states that the most recent evaluation, measurement, and verification ("EM&V") report showed that the Residential New Construction Program generated verified savings and "builders stated that the program incentive was responsible for their decision to install energy efficient equipment instead of baseline equipment."⁷ The Company notes that despite initial interest from builders, the gross energy savings for the Residential New Construction Program were 64% below the estimated target for the first twelve-month period of the Phase 5 Amended CARE Plan, with indications of cascading energy saving performance impacts for the subsequent two program years.⁸ To address the current and expected lower-than-expected energy savings, WGL proposes to incorporate a modified rebate structure and advanced energy modeling system to fully capture energy savings, which if approved, the Company asserts will enable it to meet the three-year energy savings target described in Case No. PUR-2021-00288.⁹

The Amended CARE Plan requested by the Company comprises the following revisions: (i) a new rebate structure; and (ii) an advanced energy modelling system to fully capture energy savings for the Residential New Construction Program approved in Case No. PUR-2021-00288.¹⁰ The Company seeks approval to incorporate a rebate structure that would incentivize builders to construct homes to the specifications of the nationally recognized ENERGY STAR new construction certification program, and for every home submitted to WGL that is ENERGY STAR version 3.1 certified, the Company will pay an additional per-home rebate and claim whole-home energy savings modeled by qualified Home Energy Rating System Program raters.¹¹ Per WGL, the proposed incentive structure will be considered additive to the existing, Commission approved, equipment-based structure, enabling both ENERGY STAR homebuilders and standard homebuilders to participate and benefit from the program.¹²

¹ 5 VAC 5-20-10 *et seq.*

² Application at 1. *See Application of Washington Gas Light Company for approval to Amend its Approved Natural Gas Conservation and Ratemaking Efficiency Plan*, Case No. PUR-2021-00288, 2022 S.C.C. Ann. Rept. 433, Final Order (April 13, 2022).

³ *Id.* at 11.

⁴ *Id.* at 1-2.

⁵ *Id.* at 2.

⁶ Application at 5.

⁷ *Id.* at 6.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 8.

¹¹ *Id.* at 10.

¹² *Id.*

On August 29, 2023, the Commission issued an Order for Notice and Comment which, among other things, directed WGL to provide notice of its Application; established a procedural schedule, including the opportunity for interested persons to file comments, notices of participation, and requests for hearing; directed the Commission's Staff ("Staff") to investigate the Application and file a report ("Staff Report") containing its findings and recommendations; and appointed a Hearing Examiner to rule on any discovery matters that arise during the course of this proceeding and any motions *pro hac vice* that are filed. No notices of participation or requests for hearing were received, and no comments were submitted regarding the Application.

On October 23, 2023, the Staff Report was filed. Staff states that it has reviewed the Company's proposed revisions, updated benefit-cost analysis, and updated EM&V Plan, and does not oppose the Company's proposed Amended CARE Plan.¹³ Staff recommended that the Commission establish a cap on the recoverable costs of the Residential New Construction Program equal to the budget of \$1,825,852, which was established for this program in the Case No. PUR-2021-00288.¹⁴

On November 9, 2023, WGL filed a letter confirming that it had no comments or objections to Staff's findings and recommendations contained in the Staff Report.¹⁵

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that WGL's Amended CARE Plan is in the public interest and compliant with the CARE Act. The Commission further finds that a cap is established on the recoverable costs of the Residential New Construction Program, and shall be equal to the budget of \$1,825,852, previously established in Case No. PUR-2021-00288.¹⁶

Accordingly, IT IS ORDERED THAT:

- (1) WGL's Amended CARE Plan is approved subject to the requirements set forth herein.
- (2) The Commission hereby establishes a cap on the recoverable costs of the Residential New Construction Program equal to the budget of \$1,825,852, previously established in Case No. PUR-2021-00288.
- (3) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹³ Staff Report at 12.

¹⁴ *Id.* at 12-13.

¹⁵ The Commission accepts this letter as comments filed out of time by WGL.

¹⁶ Staff Report at 13.

**CASE NO. PUR-2023-00128
NOVEMBER 13, 2023**

APPLICATION OF
ULTIMATE ENERGY ADVISORS, LLC

For a license to conduct business as a competitive service provider

ORDER GRANTING LICENSE

On July 19, 2023, Ultimate Energy Advisors, L.L.C. ("Ultimate Energy" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a competitive service provider. Ultimate Energy seeks authority to provide retail electric and natural gas aggregation service to eligible commercial, industrial, and governmental customers throughout Virginia. In its Application, the Company attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").

On August 29, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon the utilities listed in Attachment A to the Procedural Order on or before September 8, 2023, and to file proof of service on or before September 15, 2023. On September 12, 2023, the Company filed its proof of service.

The Procedural Order also directed any comments in the matter be filed with the Clerk of the Commission on or before September 22, 2023. No comments were filed in the case.

The Staff filed its Report on September 27, 2023, which summarized Ultimate Energy's proposal and evaluated its financial condition and technical fitness. Based on its review of the Application, Staff recommended that Ultimate Energy be granted a license to conduct business as an electric and natural gas aggregator to eligible commercial, industrial, governmental, and residential customers throughout Virginia.

NOW THE COMMISSION, upon consideration of the Application, the case record, and applicable law, finds that Ultimate Energy's Application for a license to provide competitive electric and natural gas aggregation services should be granted, subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Ultimate Energy is hereby granted license No. A-129 to provide electric and natural gas aggregation services to eligible commercial, industrial, and governmental customers throughout Virginia. This license to act as a competitive service provider is granted subject to the provisions of the Retail Access Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00130
DECEMBER 8, 2023**

APPLICATION OF
NUBY RUN SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, Nuby Run Solar, LLC ("Nuby Run" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia.¹ The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").²

On September 1, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 14, 2023, and to file proof of service on or before September 21, 2023. On September 12, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 28, 2023. On September 18, 2023, one public comment was filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Staff Report") to be filed on or before October 5, 2023. Staff filed its Staff Report on October 5, 2023, which summarized Staff's investigation of Nuby Run's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that Nuby Run be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order also provided the Company an opportunity to comment on the Staff Report on or before October 12, 2023. No response was filed.

On October 5, 2023, pursuant to Rule 5 VAC 5-20-170, *Confidential information*, of the Commission's Rules of Practice and Procedure, a Motion of the Staff for Ruling on Confidentiality ("Motion") was filed in the case. Staff's Motion challenged significant redactions contained in the public version of the Application, specifically to the Company's dispute resolution procedure, customer agreements, and the low-income plan (collectively "Redacted Information").⁵ In its Motion, Staff asked the Commission to direct the Company to file a response to demonstrate why the Redacted Information should be afforded confidential treatment.⁶

On November 8, 2023, the Company filed a revised public application that declassified certain Redacted Information. Staff reviewed the Company's revised public application and filed a letter to withdraw its Motion on November 15, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Nuby Run's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

¹ The Company filed public and confidential versions of the Application on July 25, 2023, and the registration fee was received on August 4, 2023, to complete the filing of the Application.

² 20 VAC 5-340-10 *et seq.*

³ Staff Report at 4-5.

⁴ *Id.* at 5.

⁵ Motion at 1-2.

⁶ *Id.* at 3.

Accordingly, IT IS ORDERED THAT:

- (1) Nuby Run is hereby granted license No. SS-60 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00131
DECEMBER 8, 2023**

APPLICATION OF
ELAM ROAD SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 7, 2023, Elam Road Solar, LLC ("Elam Road" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia.¹ The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").²

On August 28, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 22, 2023, and to file proof of service on or before September 29, 2023. On September 12, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 6, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Staff Report") to be filed on or before October 13, 2023. Staff filed its Staff Report on October 13, 2023, which summarized Staff's investigation of Elam Road's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that Elam Road be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order also provided the Company an opportunity to comment on the Staff Report on or before October 23, 2023. No response was filed.

On October 6, 2023, pursuant to Rule 5 VAC 5-20-170, *Confidential information*, of the Commission's Rules of Practice and Procedure, a Motion of the Staff for Ruling on Confidentiality ("Motion") was filed in the case. Staff's Motion challenged significant redactions contained in the public version of the Application, specifically to the Company's dispute resolution procedure, customer agreements, and the low-income plan (collectively "Redacted Information").⁵ In its Motion, Staff asked the Commission to direct the Company to file a response to demonstrate why the Redacted Information should be afforded confidential treatment.⁶

On November 8, 2023, the Company filed a revised public application that declassified certain Redacted Information. Staff reviewed the Company's revised public application and filed a letter to withdraw its Motion on November 15, 2023.

¹ The Company filed public and confidential versions of the Application on July 25, 2023, and the registration fee was received on August 7, 2023, to complete the filing of the Application.

² 20 VAC 5-340-10 *et seq.*

³ Staff Report at 4-5.

⁴ *Id.* at 5.

⁵ Motion at 1-2.

⁶ *Id.* at 3.

NOW THE COMMISSION, upon consideration of this matter, finds that Elam Road's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Elam Road is hereby granted license No. SS-61 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00132
DECEMBER 8, 2023**

APPLICATION OF
SANDALE SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 7, 2023, Sandale Solar, LLC ("Sandale" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia.¹ The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").²

On August 28, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 22, 2023, and to file proof of service on or before September 29, 2023. On September 12, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 6, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Staff Report") to be filed on or before October 13, 2023. Staff filed its Staff Report on October 13, 2023, which summarized Staff's investigation of Sandale's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that Sandale be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order also provided the Company an opportunity to comment on the Staff Report on or before October 20, 2023. No response was filed.

On October 6, 2023, pursuant to Rule 5 VAC 5-20-170, *Confidential information*, of the Commission's Rules of Practice and Procedure, a Motion of the Staff for Ruling on Confidentiality ("Motion") was filed in the case. Staff's Motion challenged significant redactions contained in the public version of the Application, specifically to the Company's dispute resolution procedure, customer agreements, and the low-income plan (collectively "Redacted Information").⁵ In its Motion, Staff asked the Commission to direct the Company to file a response to demonstrate why the Redacted Information should be afforded confidential treatment.⁶

¹ The Company filed public and confidential versions of the Application on July 25, 2023, and the registration fee was received on August 7, 2023, to complete the filing of the Application.

² 20 VAC 5-340-10 *et seq.*

³ Staff Report at 4-5.

⁴ *Id.* at 5.

⁵ Motion at 1-2.

⁶ *Id.* at 3.

On November 8, 2023, the Company filed a revised public application that declassified certain Redacted Information. Staff reviewed the Company's revised public application and filed a letter to withdraw its Motion on November 15, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Sandale's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Sandale is hereby granted license No. SS-62 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00133
DECEMBER 11, 2023**

APPLICATION OF
SWEET SPRING SOLAR LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 4, 2023, Sweet Spring Solar LLC ("Sweet Spring" or "Company") completed the filing of an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia.¹ The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules").²

On September 1, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 15, 2023, and to file proof of service on or before September 22, 2023. On September 12, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 29, 2023. On September 13, 2023, one public comment was filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Staff Report") to be filed on or before October 6, 2023. Staff filed its Staff Report on October 6, 2023, which summarized Staff's investigation of Sweet Spring's proposal and evaluated the Company's financial condition and technical fitness.³ Based on its review of the Application, Staff recommended that Sweet Spring be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.⁴

The Procedural Order also provided the Company an opportunity to comment on the Staff Report on or before October 13, 2023. No response was filed.

On October 6, 2023, pursuant to Rule 5 VAC 5-20-170, *Confidential information*, of the Commission's Rules of Practice and Procedure, a Motion of the Staff for Ruling on Confidentiality ("Motion") was filed in the case. Staff's Motion challenged significant redactions contained in the public version of the Application, specifically to the Company's dispute resolution procedure, customer agreements, and the low-income plan (collectively "Redacted Information").⁵ In its Motion, Staff asked the Commission to direct the Company to file a response to demonstrate why the Redacted Information should be afforded confidential treatment.⁶

¹ The Company filed public and confidential versions of the Application on July 25, 2023, and the registration fee was received on August 4, 2023, to complete the filing of the Application.

² 20 VAC 5-340-10 *et seq.*

³ Staff Report at 4-5.

⁴ *Id.* at 5.

⁵ Motion at 1-2.

⁶ *Id.* at 3.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

On November 8, 2023, the Company filed a revised public application that declassified certain Redacted Information. Staff reviewed the Company's revised public application and filed a letter to withdraw its Motion on November 15, 2023.

NOW THE COMMISSION, upon consideration of this matter, finds that Sweet Spring's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Sweet Spring is hereby granted license No. SS-63 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00135
AUGUST 21, 2023**

APPLICATION OF
GETGO COMMUNICATIONS VIRGINIA LLC

For cancellation of certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services

ORDER CANCELLING CERTIFICATES

On July 24, 2023, GetGo Communications Virginia LLC ("GetGo" or "Company") filed a letter application with the State Corporation Commission ("Commission") requesting cancellation of the certificates of public convenience and necessity ("Certificates") issued to the Company to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia ("Application").¹ In support of its Application, GetGo states that the Company's business model has evolved and it no longer provides telecommunications services of any kind. Further, GetGo states that the public convenience and necessity will not be adversely affected by the cancellation of its Certificates as there are currently no retail customers receiving regulated telecommunications services from the Company in Virginia.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Certificate No. T-729a and Certificate No. TT-276B should be cancelled, and that any tariffs on file associated with the Certificates should be cancelled.

Accordingly, IT IS ORDERED THAT :

(1) This matter is docketed as Case No. PUR-2023-00135.

(2) Certificate T-729a, issued to GetGo Communications Virginia LLC to provide local exchange telecommunications services, is hereby cancelled.

(3) Certificate TT-276B, issued to GetGo Communications Virginia LLC to provide interexchange telecommunications services, is hereby cancelled.

(4) Any tariffs on file with the Commission associated with Certificate No. T-729a and Certificate No. TT-276B are hereby cancelled.

(5) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ See *Application of Citrix Communications Virginia LLC, For amended and reissued certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect a company name change*, Case No. PUC-2016-00054, 2017 S.C.C. Ann. Rept. 274, Order Reissuing Certificates (Jan.11, 2017) (granting Certificate No. T-729a and Certificate No. TT-276B).

**CASE NO. PUR-2023-00139
OCTOBER 6, 2023**

APPLICATION OF
SRE SO4 VA SO, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On July 28, 2023, SRE SO4 VA SO, LLC ("SO4" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Programs ("Shared Solar Rules"). Also on July 28, 2023, SO4 filed a Motion for Entry of Protective Order.

On August 16, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before August 24, 2023, and to file proof of service on or before August 31, 2023. The Commission further appointed a Hearing Examiner to rule on any discovery issues that arose during the course of this proceeding. The Hearing Examiner ruled on the Company's protective order motion on August 16, 2023.

On August 31, 2023, the Company filed an unopposed Motion to Accept Late Service, stating that "[d]ue to a miscommunication, S[O4] did not serve a copy of the [Notice] Order upon Dominion until August 31, 2023."¹ Along with this Motion, SO4 provided its timely filed proof of service.

In addition to the aforementioned directives, the Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before September 7, 2023. No comments were filed. The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report") to be filed on or before September 14, 2023. Staff filed its report on September 14, 2023, which summarized Staff's investigation of SO4's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that SO4 be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³ The Commission provided the Company an opportunity to comment on Staff's Report on or before September 21, 2023. No comments on the Staff Report were filed.

NOW THE COMMISSION, upon consideration of this matter, finds that SO4's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below. The Commission further finds that, given the unopposed nature of the Company's Motion to Accept Late Service, such motion shall be and is hereby granted.

Accordingly, IT IS ORDERED THAT:

- (1) SO4 is hereby granted license No. SS-51 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) The Company's unopposed Motion to Accept Late Service is granted.
- (3) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (4) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ Motion at 1.

² Staff Report at 4-5.

³ *Id.* at 5.

**CASE NO. PUR-2023-00140
AUGUST 15, 2023**

APPLICATION OF
APPALACHIAN POWER COMPANY

For approval to transfer utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On July 28, 2023, Appalachian Power Company ("APCo") filed an Application with the State Corporation Commission ("Commission") to request approval pursuant to Chapter 5¹ of Title 56 of the Code of Virginia ("Code") of a transfer ("Transfer") of certain distribution facilities ("Facilities") located at the Cardinal CG Company ("Cardinal") manufacturing plant ("Plant") in Abingdon, Virginia.

Cardinal is a wholly owned subsidiary of Cardinal Glass Industries, an industry leader in the development of residential glass for windows and doors. Cardinal manufactures coated glass and optical mirrors at its Plant. APCo provides electricity to the Cardinal Plant via a single 12.5 kilovolt meter ("Meter") located on the east side of the Plant. Cardinal is the only customer on the circuit and owns all distribution facilities downstream from the Meter.²

Cardinal is planning a 215,000 square foot addition to the Plant ("Expansion"). The Application states that, in order to efficiently serve the Expansion facilities as well as the existing Cardinal Plant, APCo needs to relocate its Meter to the northeastern corner of the Expansion area. To accommodate the relocation of the Meter, Cardinal has agreed to purchase APCo's Facilities past the relocated Meter, which consist of four grounded poles along with associated wires, insulators, and other hardware. APCo proposes to transfer the Facilities to Cardinal at their net book value, which is \$3,044.³ To meet the deadlines for construction of the Expansion, APCo states that it must complete the relocation of its Meter by August 14, 2023.⁴

NOW THE COMMISSION, upon consideration of the unique circumstances of this case and having been advised by the Commission Staff through its action brief, is of the opinion and finds that the Transfer will not impair or jeopardize adequate service to the public at just and reasonable rates and is approved subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

- (1) The Transfer is approved subject to the requirements listed in the Appendix attached to this Order.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ § 56-88 *et seq.*

² Application at 2.

³ *Id.*

⁴ *Id.* at 3.

APPENDIX

- 1) The approved Transfer is limited to the APCo Facilities as described in the Application, and the approved Transfer price is the APCo Facilities' net book value at closing.
- 2) The Commission's approval shall have no accounting or ratemaking implications.
- 3) APCo shall file a Report of Action ("Report") with the Commission within thirty (30) days of the closing of the Transfer. The Report shall include the closing date of the Transfer, the actual amount of the Transfer, and the actual accounting journal entries for the Transfer (as they are recorded on APCo's books).

**CASE NO. PUR-2023-00143
OCTOBER 30, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY and AMERICAN WATER WORKS SERVICE COMPANY, INC.

For approval of a leasing arrangement under Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On August 9, 2023, Virginia-American Water Company ("Virginia-American") and American Water Works Service Company, Inc. ("Service Company") (collectively, the "Applicants")¹ filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),² requesting to extend the approval of a leasing arrangement ("Lease Arrangement") by which the Service Company leases office space, furniture, fixtures, and equipment ("FFE"), and obtains property, operations, and maintenance services, from an affiliate, One Water Street, LLC ("OWS"). On September 26, 2023, the Commission issued an order extending the time for review until November 7, 2023.

OWS owns and operates an office building located at 1 Water Street, Camden, New Jersey, which is American Water's corporate headquarters. The Applicants state that OWS charges the Service Company, its primary tenant, a monthly bill for: (1) base rent; (2) operations, maintenance, insurance and tax costs; and (3) FFE costs (collectively, "OWS Lease Costs").³ The OWS Lease Costs are then allocated and charged to all companies served by the Service Company, including Virginia-American.⁴ The Applicants represent that none of the OWS Lease Costs are charged directly to Virginia-American.⁵ The Lease Arrangement was previously approved by the Commission in Case No. PUR-2018-00138.⁶

The initial term of the Lease Arrangement is fifteen years, with a five- and ten-year rent reset provision.⁷ The base rent includes an annual escalator of 2.28%.⁸ Neither party to the Lease Arrangement proposed an adjustment to the base rent in 2023 other than the annual escalator.⁹ The Applicants represent that the rent paid under the Lease Arrangement continues to be lower than that available in the market for equivalent office facilities.¹⁰ The Applicants' market comparison is shown in the Action Brief of the Commission Staff ("Staff"). The Applicants also provided the amount of the rent paid by the Service Company to OWS that has been allocated to Virginia-American over the last five years.¹¹

The Applicants represent that the benefits of the Lease Arrangement include improved collaboration and knowledge sharing, increased efficiency, utilization of green construction/sustainable building methods, and the ability to attract and retain a talented workforce.¹²

During its Application review, Staff discovered that two amendments were made to the Lease Arrangement ("Amended Lease Arrangement") since the 2018 Order. Virginia-American did not notify the Commission or seek approval of the amendments pursuant to Ordering Paragraph (5) of the 2018 Order.

NOW THE COMMISSION, upon consideration of this matter, having been advised by Staff through its Action Brief, and having considered the Applicants' comments thereon, is of the opinion and finds that the Amended Lease Arrangement is in the public interest and should be approved subject to certain requirements set forth in the Appendix attached hereto. We specifically direct Virginia-American to seek separate prior approval for any further changes to the terms and conditions of the Amended Lease Arrangement.

¹ The Applicants are wholly-owned subsidiaries of American Water Works Company, Inc. ("American Water").

² Code § 56-76 *et seq.*

³ See Application at Exhibit 1, question A2.

⁴ See Application at 5, paragraph 8.

⁵ Application at Exhibit 1, question A2.

⁶ See *Application of Virginia-American Water Company and American Water Works Service Company, Inc., For Approval of a leasing arrangement under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00138, 2018 S.C.C Ann. Rept. 522, Order Granting Approval (Nov 15, 2018) ("2018 Order").

⁷ Application at Exhibit 1, question A3.

⁸ *Id.*

⁹ *Id.* at question D3.

¹⁰ *Id.*

¹¹ See Applicants' response to Staff DR 1-2.

¹² See Application at Exhibit 1, question E4.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to § 56-77 of the Code, the Applicants are hereby granted approval of the Amended Leasing Arrangement effective as of the date of this Order Granting Approval, subject to the requirements set forth in the Appendix attached hereto.

(2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

APPENDIX

(1) The Commission approves the Amended Lease Arrangement for five years from the effective date of the Order in this case. Should the Applicants wish to extend the Amended Lease Arrangement beyond that date, separate approval shall be required.

(2) The Commission's approval shall have no accounting or ratemaking implications.

(3) The Commission's approval shall not preclude the Commission from exercising its authority under Va. Code § 56-76 *et seq.* hereafter.

(4) Separate prior Commission approval shall be required for any changes in the terms and conditions of the Amended Lease Arrangement.

(5) The Commission reserves the right to examine the books and records of Virginia-American and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.

(6) The Applicants shall be required to maintain records, available to Staff upon request, which demonstrate that the Amended Lease Arrangement is cost-beneficial to Virginia ratepayers. For all allocated Amended Lease Arrangement services, Virginia-American shall pay the lower of cost or market where a market exists. Virginia-American shall bear the burden of proving, in any rate proceeding, that all Amended Lease Arrangement services allocated to Virginia-American are priced in accordance with the Commission's pricing policy for affiliate transactions.

(7) Virginia-American shall include all transactions associated with the Amended Lease Arrangement in its Annual Report of Affiliate Transactions submitted to the Director of the Division of Utility Accounting and Finance ("UAF Director") on May 1 of each year, subject to administrative extension by the UAF Director.

CASE NO. PUR-2023-00144 SEPTEMBER 12, 2023

APPLICATION OF
FUSION CLOUD SERVICES, LLC

For approval of a partial discontinuance of competitive telecommunications service in the Commonwealth of Virginia pursuant to 20 VAC 5-423-30

ORDER PERMITTING PARTIAL DISCONTINUANCE OF SERVICE

On August 11, 2023, Fusion Cloud Services, LLC ("Fusion Cloud" or "Company") filed with the State Corporation Commission ("Commission") an application pursuant to 20 VAC 5-423-30 of the Commission's Rules Governing the Discontinuance of Local Exchange Telecommunications Services Provided by Competitive Local Exchange Carriers, 20 VAC 5-423-10 *et seq.*, for authority to discontinue specified telecommunications services to a limited number of business customers in the Commonwealth of Virginia ("Application").¹ Specifically, Fusion Cloud seeks to discontinue certain copper-based T-1 or Ethernet-Over-DSL services currently provided to two end-user business customers in Virginia on September 22, 2023, or as soon thereafter as the necessary regulatory approvals are obtained.²

In support of its Application, Fusion Cloud states that underlying carriers that provide last-mile access to Fusion Cloud have implemented historic rate increases and/or have notified the Company that they will cease providing these access services.³ Fusion Cloud states that it has determined that it is no longer economically viable to continue providing these services.⁴ Fusion Cloud states that it has notified the two Virginia customers about the planned discontinuance of these services, apprising them of their choice to change to an alternative service provided by Fusion Cloud or to move to a new service provider.⁵

¹ Application at 1.

² *Id.*

³ *Id.* at 2.

⁴ *Id.*

⁵ *Id.* at 2 and 4.

Fusion Cloud states that it provided written notice to the two Virginia customers on August 7, 2023, approximately 45 days prior to the proposed discontinuance, and provided a sample of this notice with its Application.⁶ The Company represents that the notice provided to customers included the information required under 20 VAC 5-423-30.⁷

Fusion Cloud states that in addition to the written notices, Fusion Cloud representatives are conducting ongoing customer outreach regarding the proposed discontinuance and will continue to do so between now and September 22, 2023, to facilitate the customers' decision-making.⁸ Fusion Cloud states that it will continue to operate in Virginia as a competitive provider of other advanced communications services.⁹

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that Fusion Cloud's Application should be granted. The Commission's primary concern with authorizing discontinuance of any telecommunications services is providing adequate notice to affected customers. Upon consideration of the notice provided by the Company as well as the additional representations made in the Application, we find that customers have been provided with sufficient notice.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2023-00144.
- (2) Fusion Cloud is authorized to discontinue providing certain telecommunications services to customers in Virginia as described in the Application.
- (3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

⁶ *Id.* at 5 and Attachment A.

⁷ *Id.* at 5.

⁸ *Id.* at 5-6.

⁹ *Id.* at 6.

**CASE NO. PUR-2023-00147
NOVEMBER 9, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY, BELLFLOWER HOLDINGS, LLC, and CHICORY HOLDINGS, LLC.

For approval to enter into Bills of Sale and Assignment Agreements pursuant to Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On August 16, 2023, Virginia Electric and Power Company ("DEV" or the "Company"), Bellflower Holdings, LLC ("Bellflower Holdings"), and Chicory Holdings, LLC ("Chicory Holdings") (collectively, the "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ seeking approval to enter into affiliate Bills of Sale and Assignment Agreements (the "Agreements") for the sale and conveyance by Bellflower Holdings to DEV of the Bellflower Solar Project in Brunswick County, Virginia, and for the sale and conveyance by Chicory Holdings to the Company of the Chicory Solar Project in Mecklenburg County, Virginia. The Applicants also filed a Motion for Protective Order ("Motion") in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.²

Bellflower Holdings and Chicory Holdings are North Carolina limited liability companies that hold assets related to the Bellflower Solar Project and the Chicory Solar Project (collectively, the "Solar Projects"), respectively, and are wholly owned indirect subsidiaries of Dominion Energy, Inc ("DEI"). DEV is an operating subsidiary of DEI. Accordingly, Bellflower Holdings, Chicory Holdings and DEV are affiliated interests pursuant to § 56-76 of the Affiliates Act.

The Bellflower Solar Project site in Brunswick County is approximately 7,800 acres under lease option, being developed as four separate solar systems, each delivering 150 megawatt alternating current ("MWac") into a common substation for interconnection with the existing 500 kilovolt ("kV") transmission system that traverses Brunswick County in the project area. The Chicory Solar Project site is approximately 673 acres (together with the property from the Bellflower Solar Project, the "Solar Projects Properties"). The Chicory Solar Project is being developed to deliver 69.5 MWac via interconnection to the South Hill – Broadnax 115 kV line.

¹ Code § 56-76 *et seq.* ("Affiliates Act").

² 5 VAC 5-20-10 *et seq.*

DEV states that it requires Commission approval under the Affiliates Act to enter into the Agreements to effectuate the sale and conveyance of the Bellflower Solar Project and the Chicory Solar Project, so that DEV may use these in the future to comply with Virginia Clean Economy Act ("VCEA") requirements. As stated in the Application, the Agreements involve the sale and conveyance of substantially all of the assets of both Solar Projects. These assets include contractual and property interests, such as leases, zoning permits, interconnection assets, and diligence assets.³ The Agreements provide for the assignment of all rights, titles, and interests in and to lease agreements related to the Solar Projects Properties to DEV.⁴

The Applicants represent that the purchase price of the Solar Projects is set to be the net book value ("NBV") of the Solar Projects as of the effective date of the Agreements.⁵ The Applicants assert that even with an estimated NBV increase, the final purchase price would still be less than the market price,⁶ which would be in compliance with the Commission's asymmetric pricing policy for affiliate transactions. The Applicants also indicate that they must seek approval of the Agreements by the North Carolina Utilities Commission ("NCUC").⁷

DEV asserts that the Agreements are in the public interest as it allows DEV to work toward achieving its own clean energy goals and complying with VCEA renewable energy requirements.⁸ The Applicants state that these Agreements have a sale price that is significantly below the market values of the Solar Projects, resulting in savings to DEV and its customers compared to purchasing solar projects in the market.⁹ DEV anticipates construction for the Bellflower Project to begin in 2026 and to be placed into service as early as 2028. DEV also anticipates construction for the Chicory Project to begin in 2028 and to be placed into service as early as 2030.¹⁰ DEV states that it plans to seek a Certificate of Public Convenience and Necessity for the Solar Projects and will seek cost recovery through a rate adjustment clause as part of its annual Clean Energy filings.¹¹

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff ("Staff") through Staff's action brief, and having considered the Company's comments thereon, is of the opinion and finds that the Agreements are in the public interest and should be approved subject to the requirements listed in the Appendix attached to this Order. The Commission also finds that the Applicants' Motion is no longer necessary and, therefore, should be denied.¹²

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Company is hereby granted approval of the Agreements, subject to the requirements set forth in the Appendix attached hereto.

(2) The Applicants' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(3) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

³ See DEV response to Staff Data Request 1-4, which is attached to Staff's Action Brief in this case filed concurrently with this Order.

⁴ Application at 5.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at 6.

⁸ *Id.* at 7.

⁹ *Id.*

¹⁰ See DEV response to Staff Data Request 1-6, which is attached to Staff's Action Brief in this case filed concurrently with this Order.

¹¹ *Id.*

¹² The Commission held the Applicants' Motion in abeyance and has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot, but direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

APPENDIX

- 1) The Commission's approval shall be conditioned upon the Applicants receiving approval of the Agreements from the NCUC. The Commission's approval shall be effective the latter of the date of the final order in this case or the date of the NCUC's approval of the Agreements. The Commission's approval of the Agreements shall be effective for two (2) years. If the transactions are not consummated by that date, further approval shall be required.
- 2) The Commission's approval of the Agreements shall not constitute approval to operate the Bellflower Solar Project or Chicory Solar Project. The Commission's approval of the Agreements also shall not constitute approval of cost recovery associated therewith.
- 3) The Commission's approval shall have no accounting or ratemaking implications.
- 4) The Commission's approval shall be limited to the sale and conveyance of the Bellflower Solar Project and Chicory Solar Project assets specifically described in the Agreements. Should DEV wish to purchase assets not specifically identified in the Agreements from Bellflower Holdings or Chicory Holdings, separate Commission approval shall be required.
- 5) DEV shall be required to maintain records, available to Staff upon request, to verify that any assets received by DEV from Bellflower Holdings or Chicory Holdings under the Agreements are priced at the lower of cost or market where a market exists.
- 6) The Commission's approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.*, hereafter.
- 7) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreements.
- 8) The Commission shall reserve the right to examine the books and records of DEV and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.
- 9) DEV shall file signed and executed copies of the approved Agreements within thirty (30) days after the effective date of the Agreements, subject to administrative extension by the Director of the Division of Utility Accounting and Finance ("UAF Director").
- 10) DEV shall file a Report of Action ("Report") within sixty (60) days of DEV's consummation of the Bellflower Solar Project and Chicory Solar Project acquisitions. The Report shall list DEV, the affiliates(s), the date of closing, the assets transferred, and DEV's accounting journal entries by date, FERC¹³ account and amount for recording the transactions.
- 11) DEV shall reference the Report by Applicants, case number, and Report filing date in its Annual Report of Affiliate Transactions ("ARAT") following the transaction, which is submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director.

¹³ FERC stands for Federal Energy Regulatory Commission.

**CASE NO. PUR-2023-00150
NOVEMBER 16, 2023**

APPLICATION OF
DOGWOOD LANE SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 17, 2023, Dogwood Lane Solar, LLC ("Dogwood" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56 594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5 340 30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules"). On August 17, 2023, the Company also filed a Motion for Entry of a Protective Order.

On August 30, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 27, 2023, and to file proof of service on or before October 4, 2023. On September 14, 2023, the Company filed proof of service.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 11, 2023. A public comment was filed by the Philadelphia-Baltimore-Washington Laborers' District Council ("PBWLDC") in the case on October 11, 2023. In its comments, PBWLDC requested the Commission require Summit Ridge Energy, LLC ("SRE"), Dogwood's parent company and the developer of the proposed solar facility, to publish certain data regarding the labor and employment practices of SRE and its contractors.¹

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before October 18, 2023. Staff filed its report on October 18, 2023, which summarized Staff's investigation of Dogwood's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Dogwood be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Commission provided the Company an opportunity to comment on Staff's Report on or before October 25, 2023. On October 25, 2023, Dogwood filed a letter requesting the Commission grant Dogwood a license as a subscriber organization.

NOW THE COMMISSION, upon consideration of this matter, finds that Dogwood's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

- (1) Dogwood is hereby granted license No. SS-56 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.
- (2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.
- (3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ The comments filed by Council are not contemplated by the Shared Solar Rules and address matters beyond the limited scope of this licensing proceeding.

² Staff Report at 4-5.

³ *Id.* at 5.

**CASE NO. PUR-2023-00151
NOVEMBER 15, 2023**

APPLICATION OF
MARTIN TRAIL FARM, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 17, 2023, Martin Trail Farm, LLC ("Martin Trail" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20-VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules"). On August 17, 2023, the Company also filed a Motion for Entry of a Protective Order.

On August 30, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 27, 2023, and to file proof of service on or before October 4, 2023. On September 13, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 11, 2023. On October 11, 2023, a public comment was filed by the West Virginia & Appalachian Laborers' District Council ("WVALDC") in the case. In its comments, WVALDC requested the Commission require Summit Ridge Energy, LLC ("SRE"), Martin Trail's parent company and the developer of the proposed solar facility, to publish certain data regarding the labor and employment practices of SRE and its contractors.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Staff Report") to be filed on or before October 18, 2023. Staff filed its report on October 18, 2023, which summarized Staff's investigation of Martin Trail's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that Martin Trail be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

The Commission provided the Company an opportunity to comment on the Staff Report on or before October 25, 2023. On October 25, 2023, the Company filed a letter requesting the Commission grant Martin Trail a license as a subscriber organization.

NOW THE COMMISSION, upon consideration of this matter, finds that Martin Trail's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Martin Trail is hereby granted license No. SS-57 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ Staff Report at 4-5.

² *Id.* at 5.

**CASE NO. PUR-2023-00152
NOVEMBER 9, 2023**

APPLICATION OF
POWELL CREEK SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 17, 2023, Powell Creek Solar, LLC ("Powell Creek" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56-594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5 340 30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules"). On August 17, 2023, the Company also filed a Motion for Entry of a Protective Order.

On August 30, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 27, 2023, and to file proof of service on or before October 4, 2023. On September 20, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 11, 2023. A public comment was filed by the Philadelphia-Baltimore-Washington Laborers' District Council ("PBWLDC") in the case on October 11, 2023. In its comments, PBWLDC requested the Commission require Summit Ridge Energy, LLC ("SRE"), Powell Creek's parent company and the developer of the proposed solar facility, to publish certain data regarding the labor and employment practices of SRE and its contractors.¹

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before October 18, 2023. Staff filed its report on October 18, 2023, which summarized Staff's investigation of Powell Creek's proposal and evaluated the Company's financial condition and technical fitness. Based on its review of the Application, Staff recommended that Powell Creek be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.² The Commission provided the Company an opportunity to comment on Staff's Report on or before October 25, 2023. On October 25, 2023, the Company filed a letter requesting the Commission grant Powell Creek a license as a subscriber organization.

¹ The comments filed by PBWLDC are not contemplated by the Shared Solar Rules and address matters beyond the limited scope of this licensing proceeding.

² Staff Report at 5.

NOW THE COMMISSION, upon consideration of this matter, finds that Powell Creek's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Powell Creek is hereby granted license No. SS-58 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00153
NOVEMBER 20, 2023**

APPLICATION OF
ROUTE 360 SOLAR, LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On August 17, 2023, Route 360 Solar, LLC ("Route 360" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program ("Shared Solar Program") established pursuant to § 56 594.3 of the Code of Virginia. The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5 340 30 B of the Commission's Rules Governing Shared Solar Program ("Shared Solar Rules"). On August 17, 2023, the Company also filed a Motion for Entry of a Protective Order.

On August 31, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before September 27, 2023, and to file proof of service on or before October 4, 2023. On September 20, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before October 11, 2023. A public comment was filed by the Philadelphia-Baltimore-Washington Laborers' District Council ("PBWLDC") in the case on October 11, 2023. In its comments, PBWLDC requested the Commission require Summit Ridge Energy, LLC ("SRE"), Route 360's parent company and the developer of the proposed solar facility, to publish certain data regarding the labor and employment practices of SRE and its contractors.¹

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before October 18, 2023. Staff filed its report on October 18, 2023, which summarized Staff's investigation of Route 360's proposal and evaluated the Company's financial condition and technical fitness.² Based on its review of the Application, Staff recommended that Route 360 be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.³

The Commission provided the Company an opportunity to comment on Staff's Report on or before October 25, 2023. On October 25, 2023, the Company filed a letter requesting the Commission grant Route 360 a license as a subscriber organization.

NOW THE COMMISSION, upon consideration of this matter, finds that Route 360's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Route 360 is hereby granted license No. SS-59 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

¹ The comments filed by Council are not contemplated by the Shared Solar Rules and address matters beyond the limited scope of this licensing proceeding.

² Staff Report at 4-5.

³ *Id.* at 5.

**CASE NO. PUR-2023-00158
OCTOBER 23, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY and AMERICAN WATER WORKS COMPANY, INC.

For authority to receive capital contributions from an affiliate pursuant to Va. Code § 56-76 *et seq.*

ORDER GRANTING APPROVAL

On August 30, 2023, Virginia-American Water Company ("Virginia-American" or "Company") and American Water Works Company, Inc. ("AWW") filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ seeking authority to receive equity capital contributions from AWW, Virginia-American's parent company affiliate.

Virginia-American requests authority to receive up to the aggregate amount of \$50 million of equity capital contributions from time to time through December 31, 2024.² The Company states that the proceeds of these capital contributions may be used for one or more of the following purposes: (1) the repayment of all or a portion of Virginia-American's outstanding short-term debt; (2) the purchase, acquisition, construction and/or improvement of new or existing properties and facilities; (3) the refinancing of long-term securities; and (4) for general corporate purposes.³ The Company further states that the proposed authority will provide Virginia-American with more flexibility in financing its capital needs through year end 2024.⁴

On September 11, 2023, due to the complexity of the issues presented in this case, the Commission issued an order extending the statutory deadline in this case from October 30, 2023, to November 29, 2023.

NOW THE COMMISSION, upon consideration of this matter and having been advised by Commission Staff through its action brief and the Company's supporting comments⁵ thereto, is of the opinion and finds that the authority requested is in the public interest and shall be approved subject to certain requirements set forth in the Appendix attached hereto.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to § 56-77 of the Code, Virginia-American is hereby granted approval to receive equity capital contributions as requested in the Application effective as of the date of this Order, subject to the requirements set forth in the Appendix attached to this Order.

(2) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹ Code § 56-76 *et seq.*

² Application at 2.

³ *Id.*

⁴ *Id.*

⁵ While the Company's comments were generally supportive of Staff's Action Brief, Virginia-American did advise that: "the Company has determined that the anticipated in-service date for the Low Service Intake Replacement project referenced in the response [to Staff data request no. 3-6] has changed to June 30, 2026, due to permitting delays with the project." Response at 1.

While this "in-service" date does differ from the December 31, 2025 "in-service" date the Company originally provided, Staff raised no objection to the change, and it appears that this late filed information has no material effect on the relief requested in the Application.

APPENDIX

- 1) Virginia-American shall be authorized, effective as of the date of the Order Granting Approval in this case, to receive up to the aggregate amount of \$50 million of equity capital contributions from AWW, from time to time, through December 31, 2024, under the terms and conditions and for the purposes stated in the Application.
- 2) All equity capital contributions received by Virginia-American, pursuant to the authority granted in this case, shall be reported to show the date and amount of each respective contribution in Virginia-American's Annual Report of Affiliate Transactions submitted to the Director of the Division of Utility Accounting and Finance ("UAF Director") on or before April 1 of each year, subject to administrative extension by the UAF Director.
- 3) The Commission's approval shall have no accounting or ratemaking implications. Specifically, the approval granted in this case shall not guarantee the recovery of any costs directly or indirectly related to the proposed cash capital contributions.
- 4) The approval granted in this case shall not preclude the Commission from exercising its authority under the provisions of § 56-76 *et seq.* hereafter.
- 5) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case whether or not such affiliate is regulated by this Commission.

**CASE NO. PUR-2023-00164
DECEMBER 11, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For approval of service agreements

ORDER GRANTING APPROVAL

On September 15, 2023, Washington Gas Light Company ("WGL" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") to request: (1) continued approval of 25 shared service agreements ("Shared Service Agreements") with 25 affiliates ("Affiliates"); (2) continued approval of an affiliate corporate services agreement ("Corporate Services Agreement"); and (3) new approval of an Agreement for Filing Consolidated Income Tax Returns and For Allocation of Liabilities and Benefits Arising from such Consolidated Tax Returns Between AltaGas Services (U.S.) Inc. ("ASUS"), and Subsidiary Companies ("Tax Sharing Agreement") (collectively, "Agreements"),¹ for five years pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code").²

Shared Services Agreements

The current Shared Services Agreements were previously approved in Case Nos. PUR -2018-00130, PUR -2020-00058, PUR -2020-00224, and PUR -2022-00060.³ Under the proposed Shared Services Agreements, WGL will provide each Affiliate with the specific selection of Shared Services listed in each Affiliate's Shared Services Agreement.⁴ The total menu of Shared Services includes: (1) Accounting and Tax; (2) Accounts Payable; (3) Cash Receipts; (4) Corporate Communications; (5) Corporate Public Policy; (6) Executive Officers; (7) Facilities and Transportation; (8) Finance; (9) Gas Supply Operations; (10) Human Resources and Benefits; (11) Information Technology Services; (12) Internal Audit; (13) Material Procurement; (14) Office of the General Counsel; (15) Payroll; (16) Regulatory Affairs; (17) Strategy and Corporate Development; (18) Supply Chain; (19) Sustainability; and (20) Utility Operations, Engineering, Construction and Safety.⁵

¹ The Commission Staff ("Staff") Action Brief filed concurrently with this Order contains an appendix listing each Affiliate, its short cite in the Application, and the selection of services ("Services") that WGL will provide to or receive from each Affiliate under the Agreements. See Staff Action Brief Appendix C ("SAB Appendix C"). The term "Services" refers collectively to the shared services ("Shared Services") and the corporate governance services ("Pass-Through Services") that are provided, received, or exchanged under the Agreements.

² Code § 56-76 *et seq.* ("Affiliates Act").

³ See *Application of Washington Gas Light Company, For approval of service agreements*, Case No. PUR-2018-00130, 2018 S.C.C. Ann. Rept. 509, Order Granting Approval (Dec. 17, 2018); *Application of Washington Gas Light Company, For approval of a revised service agreement*, Case No. PUR-2020-00058, 2020 S.C.C. Ann. Rept. 483, Order Granting Approval (Jun. 23, 2020); *Application of Washington Gas Light Company, For approval of service agreement*, Case No. PUR-2020-00224, 2020 S.C.C. Ann. Rept. 619, Order Granting Approval (Dec. 16, 2020); and *Application of Washington Gas Light Company, For approval of service agreement*, Case No. PUR-2022-00060, 2022 S.C.C. Ann. Rept. 546, Order Granting Approval (May 24, 2022).

⁴ See SAB Appendix C.

⁵ *Id.*

WGL will also receive as well as provide (*i.e.*, exchange) certain Shared Services with SEMCO, its rate-regulated utility affiliate located in Michigan. WGL will specifically receive the following Shared Services from SEMCO: (1) Accounting and Tax; (2) Accounts Payable; (3) Cash Receipts; (4) Environmental, Health and Safety Services; (5) Executive Officers; (6) Human Resources and Benefits Strategy and Services; (7) Information Technology Services; (8) Payroll; and (9) Supply Chain Services.⁶

The Shared Services will be priced at cost, which WGL represents is equivalent to market rates and, therefore, is consistent with the Commission's asymmetric pricing policy for affiliate transactions.⁷

Corporate Services Agreement

The current Corporate Services Agreement was approved in Case No. PUR -2017-00177.⁸ The proposed Corporate Service Agreement provides for AltaGas, the senior parent of ASUS and WGL, to provide Pass-Through Services to WGL. The nine proposed Pass-Through Services include (1) Board of Directors; (2) Executive Management; (3) Finance; (4) Accounting and Tax; (5) Legal; (6) Compliance; (7) Digital/Information Technology; (8) Office Services and Human Resources; and (9) Supply Chain Services.⁹

The proposed service categories include some revisions. The prior "IT/Enterprise Resources Planning/Procurement" service category is being replaced by the "Digital/Information Technology" and "Supply Chain" service categories to more accurately describe going forward business operations. Similarly, the prior "Legal and Compliance" service category is being divided into separate "Legal" and "Compliance" categories to capture expected growing obligations related to environmental, social, and governance ("ESG") initiatives and other corporate compliance activities.¹⁰

WGL also proposes some revisions to the descriptions of the Pass-Through Services. WGL represents that the proposed descriptions will list the specific functions within each service category in order to promote additional context and transparency. For example, the proposed descriptions will include task-related business operations, ESG compliance, and cybersecurity requirements that WGL contemplates going forward.¹¹

The pricing of the proposed Pass-Through Service costs will remain substantively the same, with the Pass-Through Services continuing to be priced at cost with no mark-up or profit of any kind.¹²

Tax Sharing Agreement

WGL seeks approval of a new Tax Sharing Agreement to replace the existing Policy for Filing Consolidated Income Tax Returns and for Allocation of Liabilities and Benefits Arising from such Consolidated Tax Returns between AltaGas Services (U.S.) Inc.¹³ and Subsidiary Companies ("Policy"), which was approved in Case No. PUR-2018-00115.¹⁴

The proposed Tax Sharing Agreement provides for ASUS to maintain books and records, collect and disburse funds, and prepare and file consolidated U.S. federal tax returns on behalf of its consolidated tax group ("Group") members ("Members")¹⁵ in accordance with Sections 1501 and 1502 of the U.S. Tax Code.¹⁶ The Tax Sharing Agreement also provides for ASUS to perform the same duties on behalf of its Members in filing returns with the taxing authorities of any state, municipality, or other political subdivision.¹⁷

⁶ *Id.*

⁷ See Application at 15 and Application, Appendix E at 10.

⁸ See *Application of Washington Gas Light Company, For approval of Service Agreement*, Case No. PUR-2017-00177, 2018 S.C.C. Ann. Rept. 331, Order Granting Approval (Mar. 15, 2018).

⁹ See SAB Appendix C.

¹⁰ See Application at 17.

¹¹ *Id.*

¹² *Id.*

¹³ ASUS is the U.S. parent of the Members through stock ownership pursuant to Section 1504(a) of the Internal Revenue Code of 1986, as amended ("U.S. Tax Code"). See Appendix C of the Application at 1.

¹⁴ See *Application of Washington Gas Light Company, For Authority to Participate in Tax Sharing Policy*, Case No. PUR-2018-00115, 2018 S.C.C. Ann. Rept. 483, Order Granting Approval (Oct. 12, 2018).

¹⁵ See Application at 25-6.

¹⁶ See Application, Appendix C at 1 & 2.

¹⁷ *Id.* at 2.

The proposed Tax Sharing Agreement provides that each Member will pay its separate standalone tax liability, and nothing more. If a *regulated* Member has standalone net operating losses or tax credits ("Attributes") that are utilized by the Group, the Member will be reimbursed by the Group for the use of its Attributes within 90 days after the filing of the Group tax return with the taxing authorities. In a departure from the existing Policy, if an *unregulated* Member has Attributes that are utilized by the Group, the Member will receive reimbursement only if ASUS can determine that the Member could have utilized the Attribute on a standalone basis.

WGL represents that the advantages of filing a consolidated tax return include:

- (a) Being able to centralize the planning, reporting, and paying of the tax;
- (b) Offsetting the profits of one company against the losses of another;
- (c) Offsetting capital gains against capital losses;
- (d) No tax on intercompany distributions; and
- (e) Deferring the recognition of gain on intercompany transactions.¹⁸

WGL further represents that it will continue to compute its federal or state income taxes on a standalone basis for ratemaking purposes, and there will be no changes to WGL's accounting or ratemaking treatment for accumulated deferred income taxes ("ADIT") including excess ADIT, ADIT credits, and net operating losses (net operating loss carryforwards and carrybacks).¹⁹

Convenience Billings

Beginning with WGL's 2024 Cost Allocation Manual ("CAM"), WGL proposes to exclude from the list of CAM transactions, items that the Company represents are "pass through" items or "convenience billings."²⁰ As an example, WGL may pay on behalf of the Affiliates for charges from unaffiliated third party providers of services to the Affiliates.²¹ WGL considers these charges to be convenience billings flowing through WGL to the Affiliates for their convenience and benefit, and may include external audit fees, employee benefits, license fees or corporate insurance.²² The time spent by WGL employees providing the accounting service will continue to be direct charged to the Affiliate, but the invoice amounts from the unaffiliated third parties will be excluded from WGL's CAM.²³

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through Staff's Action Brief and having considered the Company's comments ("Comments") thereon, is of the opinion and finds that the Agreements are in the public interest and are approved subject to the requirements ("Requirement(s)") listed in the Appendix attached to this Order. We do not object to WGL's proposal to remove convenience billings from its CAM, but we find that such measures do represent affiliated inter-company receivables/payables transactions subject to the Affiliates Act. Therefore, we will require WGL to provide in its Annual Report of Affiliate Transactions ("ARAT") a narrative describing the types of convenience billings and a summary report listing the convenience billings by affiliate, FERC²⁴ account, and annual billed amount. We also adopt the revisions to Appendix Requirement Nos. 11²⁵ and 13²⁶ that WGL proposed in its Comments.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code § 56-77, the Agreements are approved subject to the requirements listed in the Appendix.
- (2) This case is dismissed.

¹⁸ See Application at 22.

¹⁹ *Id.* at 22-23.

²⁰ See Application at 15.

²¹ *Id.*

²² *Id.*

²³ *Id.*

²⁴ FERC stands for Federal Energy Regulatory Commission.

²⁵ Appendix Requirement No. 11 was revised to include language that states: "If there are no differences between WGL's actual and standalone allocation of federal and state income tax liabilities, WGL shall provide a signed representation to that effect in its ARAT in lieu of the Reconciliation."

²⁶ Appendix Requirement No. 13, sub-item (d) was revised to add the words "or aligned department" to "services category." WGL further clarified in its Comments on this Requirement, that its compliance therewith may include "FERC account data by month, separately."

APPENDIX

- (1) The Commission's approval of the Agreements shall extend for five years from the effective date of the Order Granting Approval in this case.
- (2) The Commission's approval shall have no accounting or ratemaking implications.
- (3) The Commission shall reserve the right to reflect ratemaking adjustments to WGL's income taxes in the course of any Commission review and analysis of WGL's cost of service in the future.
- (4) The Commission's approval shall be limited to the Services²⁷ that are specifically identified and described in each of the Agreements. If WGL and the Affiliates wish to exchange additional goods or Services under the Agreements, separate Commission approval shall be required.
- (5) Separate Commission approval shall be required for WGL to exchange Services with any affiliated third parties (other than the Affiliates) under the Agreements.
- (6) Separate Commission approval shall be required for any changes in the terms and conditions of the Agreements.
- (7) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
- (8) The Commission shall reserve the right to examine the books and records of WGL and any Affiliates in connection with the approval granted in this case, whether or not such Affiliate is regulated by this Commission.
- (9) WGL shall be required to maintain records demonstrating that the Services exchanged with the Affiliates under the Agreements are cost beneficial to Virginia ratepayers. For Services exchanged with regulated Affiliates, the pricing shall be at fully distributed cost. For Services provided to unregulated Affiliates, WGL shall charge the higher of cost or market where a market exists. For Services received from unregulated Affiliates, WGL shall pay the lower of cost or market where a market exists. Records of investigations and comparisons with market prices shall be available to Staff upon request. WGL shall bear the burden of proving, in any rate proceeding, that any Services exchanged between WGL and its Affiliates under the Agreements are priced in accordance with the Commission's asymmetric pricing policy for affiliate transactions as described above.
- (10) WGL shall file with the Commission executed copies of the approved Agreements within 90 days after the effective date of the Order Granting Approval in this case, subject to administrative extension by the Commission's Director of the Division of Utility Accounting and Finance ("UAF Director").
- (11) WGL shall prepare an annual detailed reconciliation ("Reconciliation") of any differences between its actual allocation of federal and state income tax liabilities and what such liabilities would have been on a standalone return basis. The Reconciliation shall be included in WGL's ARAT that is submitted to the UAF Director by May 1 of each year, subject to administrative extension by the UAF Director. If there are no differences between WGL's actual and standalone allocation of federal and state income tax liabilities, WGL shall provide a signed representation to that effect in its ARAT in lieu of the Reconciliation.
- (12) WGL shall include in its ARAT a narrative description of the types of convenience billings and a summary report listing the convenience billings by Affiliate, FERC account, and annual billed amount.
- (13) WGL shall include all transactions associated with the Agreements in its ARAT. WGL shall report the Agreements' transactions in its ARAT by: (a) case number; (b) Affiliate; (c) Agreement; (d) services category or aligned department; (e) FERC account; (f) month; and (g) amount, in Excel electronic media format (with formulas included), as the transactions are recorded in WGL's books.

²⁷ The term "Services" refers collectively to the Shared Services and Pass-Through Services that are provided, received, or exchanged under the Agreements.

**CASE NO. PUR-2023-00167
DECEMBER 19, 2023**

APPLICATION OF
WASHINGTON GAS LIGHT COMPANY

For approval of the SAVE rider for calendar year 2024

ORDER GRANTING APPROVAL

On September 19, 2023, Washington Gas Light Company ("WGL" or "Company") filed an application with the State Corporation Commission ("Commission") pursuant to § 56-603 *et seq.* of the Code of Virginia ("Code"), known as the Steps to Advance Virginia's Energy (SAVE) Plan Act. WGL filed a revised application ("Application") on September 28, 2023. Through the Application, WGL seeks approval of its SAVE Plan Rider for calendar year 2024 ("2024 SAVE Rider").

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The Application outlined the two components that comprise the proposed monthly SAVE Riders (for each customer class) for calendar year 2024: (1) the Current Factor, which is based on eligible infrastructure replacement costs for 2024 SAVE Plan programs, and (2) the Reconciliation Factor, computed in accordance with Code § 56-604 E of the SAVE Act, to recognize any difference between actual eligible infrastructure replacement costs and the amounts recovered under the SAVE Rider, for the twelve-month period from May 1, 2022 to April 30, 2023.¹

On October 6, 2023, the Commission issued an Order for Notice and Comment, which, among other things, established a procedural schedule; permitted interested persons to file comments or request a hearing on the Application; and directed the Staff of the Commission ("Staff") to file a report ("Staff Report") on the Application containing their findings and recommendations. No public comments, notices of participation, or requests for hearing were filed in this matter.

The Staff Report was filed on November 20, 2023. Therein, Staff made the following recommendations:

- (1) Staff recommends a total SAVE revenue requirement of \$27,457,513, comprising a Reconciliation Factor of \$6,518,558 and a Current Factor of \$20,938,955, to be effective January 1, 2024. Staff's recommended revenue requirement is approximately \$142,000 less than that proposed by WGL.
- (2) The Company should be directed to evaluate its SAVE reconciliation methodology and, if any methodology improvements are identified, such improvements may be proposed in next year's SAVE filing. However, the Company should also present calculations based on its historic reconciliation methodology so that the Commission will be equipped to identify the relative difference between the historic and proposed methodologies and approve the one of its choosing.
- (3) The additional footage of pipe identified for replacement as part of the Strip 2 replacement project and the valve risers identified for replacement in Transmission Program 4 appear to be eligible infrastructure replacement projects as defined by § 56-603 of the Code.
- (4) Staff does not take a position on whether the replacement of Valve G-13 on the 20-Mile Loop is an eligible infrastructure replacement project, as the Company is no longer seeking to include that project in its SAVE Plan for 2024.
- (5) Staff does not oppose the Company's proposed revenue apportionment and rate design methodology. Should the Commission approve a revenue requirement that differs from the revenue requirement proposed by WGL, Staff recommends that the 2024 SAVE Rider rates be adjusted in accordance with the revenue apportionment and rate design methodology proposed by WGL.²

On November 27, 2023, the Company filed comments on the Staff Report, stating that it did not object to Staff's recommended revenue requirement.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that WGL's SAVE Rider for calendar year 2024 should be approved with a total SAVE revenue requirement of \$27,457,513, comprising a Reconciliation Factor of \$6,518,558 and a Current Factor of \$20,938,955. The Commission further finds that Staff's recommendation regarding WGL's reconciliation methodology is reasonable and should be adopted.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-603 *et seq.*, the Company's Application is approved as provided herein. Rates consistent with this Order shall become effective beginning January 1, 2024, and shall remain in effect until December 31, 2024.

(2) WGL's 2024 SAVE Rider for calendar year 2024 is approved, with a total SAVE revenue requirement of \$27,457,513, comprising a Reconciliation Factor of \$6,518,558 and a Current Factor of \$20,938,955.

(3) WGL forthwith shall file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) The Company is directed to evaluate its SAVE reconciliation methodology and, if any methodology improvements are identified, such improvements may be proposed in next year's SAVE filing. In such filing, the Company shall also include, for comparison purposes, calculations based on its historic reconciliation methodology.

(5) This matter is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹ Application at 5-6.

² Staff Report at 1-2.

**CASE NO. PUR-2023-00170
DECEMBER 12, 2023**

APPLICATION OF
MOBILITIE, LLC

For amended and reissued certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services to reflect a company name change

ORDER REISSUING CERTIFICATES

On October 10, 2023, Mobilitie, LLC ("Mobilitie" or "Company") completed the filing of an application with the State Corporation Commission ("Commission") requesting that the certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia issued to Mobilitie¹ be amended to reflect a company name change ("Application"). The Company submitted proof of its name change to Boldyn Networks US LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificates in the name of Mobilitie should be cancelled and reissued in the name of Boldyn Networks US LLC.

Accordingly, IT IS ORDERED THAT:

(1) This case is docketed and assigned Case No. PUR-2023-00170.

(2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-668, heretofore issued to Mobilitie, hereby is cancelled and shall be reissued as Certificate No. T-668a in the name Boldyn Networks US LLC.

(3) The certificate of public convenience and necessity to provide interexchange telecommunications services in the Commonwealth of Virginia, Certificate No. TT-234A, heretofore issued to Mobilitie, hereby is cancelled and shall be reissued as Certificate No. TT-234B, in the name Boldyn Networks US LLC.

(4) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of Mobilitie, shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.

(5) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹ See *Application of Mobilitie, LLC, For certificates of public convenience and necessity to provide local exchange and interexchange telecommunications services*, Case No. PUC-2007-00026, 2007 S.C.C. Ann. Rept. 256, Final Order (July 12, 2007).

**CASE NO. PUR-2023-00173
OCTOBER 12, 2023**

APPLICATION OF
ATMOS ENERGY CORPORATION

For authority to incur short-term indebtedness pursuant to Title 56, Chapter 3 of the Virginia Code

ORDER GRANTING AUTHORITY

On September 26, 2023, Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") under Chapter 3 of Title 56 of the Code of Virginia ("Code")¹ requesting authority to incur short-term indebtedness in an amount totaling not more than \$3.6 billion during a 12-month period from January 1, 2024, to December 31, 2024.² The requested amount of short-term indebtedness is in excess of twelve percent of Atmos' total capitalization as defined in § 56-65.1 of the Code, and, thus, requires prior Commission approval. Atmos paid the requisite fee of \$250.

NOW THE COMMISSION, upon consideration of the Application and having been advised by its Staff, is of the opinion and finds that, subject to the requirements set forth in the Appendix attached hereto, approval of the authority requested in the Application will not be detrimental to the public interest.

¹ Code § 56-55 *et seq.*

² Application at 1.

Accordingly, IT IS ORDERED THAT:

(1) Atmos is authorized to incur short-term indebtedness in excess of twelve percent of its total capitalization, with a limit of up to \$3.6 billion at any one time, subject to the requirements set forth in the Appendix attached hereto.

(2) This matter remains under the continued review, audit, and appropriate directive of the Commission.

Commissioner James C. Dimitri participated in this matter.

APPENDIX

1) Atmos is authorized to incur short-term indebtedness up to the maximum outstanding limit at any one time of \$3.6 billion during the period January 1, 2024, through December 31, 2024, under the terms and conditions and for the purposes set forth in the Application.

2) Atmos shall file with the Commission a report of action on or before March 14, 2025, to include the daily maximum amount of short-term indebtedness outstanding and the daily weighted average balance and cost rate for each month during the period of authority, along with a balance sheet as of December 31, 2024.

3) The authority granted in this case shall have no accounting or ratemaking implications.

4) If Atmos wishes to obtain authority beyond December 31, 2024, the Company shall file an application for such authority no later than October 31, 2024.

CASE NO. PUR-2023-00174 NOVEMBER 13, 2023

APPLICATION OF
NORTHERN VIRGINIA ELECTRIC COOPERATIVE

For Authority to Provide Parent Loan Guarantee to Affiliate Pursuant to Virginia Code Title 56, Chapters 3 and 4

ORDER GRANTING APPROVAL

On September 26, 2023, Northern Virginia Electric Cooperative ("NOVEC"), filed with the State Corporation Commission ("Commission") an application ("Application") together with a motion for interim authority ("Motion"), pursuant to Chapters 3 and 4 of Title 56 of the Code of Virginia ("Code"),¹ to provide a parent loan guarantee ("Guarantee") for the debt of its affiliate, NOVEC Energy Solutions ("NES"). On October 6, 2023, the Commission issued an order granting NOVEC's Motion, docketing the proceeding, and extending the time for review by an additional 30 days ("October Order").

As stated in its Application, NOVEC seeks authority to Guarantee the debt of NES in an amount not to exceed \$15,000,000, through January 23, 2030. NOVEC states that the Guarantee will provide NES with a lower cost credit support alternative accepted by counterparties necessary for NES to participate in the competitive commodity natural gas markets as a competitive service provider of natural gas.² NOVEC states that a benefit of the requested authority is that any associated increase in NES revenues and margins will be available to distribute back to NOVEC members pursuant to the direction of the NOVEC Board of Directors.³ The Guarantee authority requested is also consistent with the amount and purpose of authority previously granted in Case No. PUE-2014-00122.⁴

NOW THE COMMISSION, upon consideration of this matter and having been advised by its Staff through Staff's action brief and having considered NOVEC's comments thereon, is of the opinion and finds that the proposed Guarantee is not detrimental to the public interest and is approved, subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

(1) NOVEC hereby is granted authority to guarantee the debt of NES in an amount not to exceed \$15,000,000, through the requested period ending January 23, 2030.

(2) The interim authority granted in the Commission's October Order in this case is hereby terminated and superseded by Ordering Paragraph (1).

(3) This case is dismissed. Commissioner James C. Dimitri participated in this matter.

¹ See Code § 56-55 *et seq.* and § 56-76 *et seq.*

² See Application, Attachment 1.

³ *Id.*

⁴ *Application of Northern Virginia Electric Cooperative, For an increase in parental loan guarantee limit on behalf of affiliates*, Case No. PUE-2014-00122, 2015 S.C.C. Ann. Rept. 260, Order Granting Authority (Jan. 23, 2015).

APPENDIX

- 1) Separate Commission approval shall be required for any changes to the term, amount, or conditions of the Guarantee as represented in the Application.
- 2) NOVEC shall update and report all cumulative, outstanding Guarantee obligations incurred and payments made on behalf of NES in its Annual Report of Affiliate Transactions submitted to the Director of the Commission's Division of Utility Accounting and Finance ("UAF Director") on May 1 of each year through the authorized term of the Guarantee, subject to administrative extension by the UAF Director. Such report shall indicate the purpose and amount of each respective obligation, the accounts to which it is recorded and booked, and when it is scheduled to end.
- 3) NOVEC shall provide notice to the UAF Director within 30 days of any payments made by NOVEC on behalf of NES under the Guarantee, with the notice to indicate the purpose and amount of such payments.
- 4) The Commission's approval shall have no accounting or ratemaking implications.
- 5) The approval granted in this case shall not preclude the Commission from exercising its authority under the provisions of Code § 56-76 *et seq.* hereafter.
- 6) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the approval granted in this case whether or not such affiliate is regulated by this Commission.

**CASE NO. PUR-2023-00174
OCTOBER 6, 2023**

APPLICATION OF
NORTHERN VIRGINIA ELECTRIC COOPERATIVE

For Authority to Provide Parent Loan Guarantee to Affiliate Pursuant to Virginia Code Title 56, Chapters 3 and 4

ORDER GRANTING MOTION FOR INTERIM AUTHORITY AND EXTENDING TIME FOR REVIEW

On September 26, 2023, Northern Virginia Electric Cooperative ("NOVEC"), filed with the State Corporation Commission ("Commission") an application ("Application") together with a motion for interim authority ("Motion") for authority, pursuant to Chapters 3 and 4 of Title 56 of the Code of Virginia ("Code"),¹ to provide a parent loan guarantee ("Guarantee") for the debt of its affiliate, NOVEC Energy Solutions ("NES").

In its Application, NOVEC seeks authority to continue the Guarantee for the debt of NES in an amount not to exceed \$15,000,000 through January 23, 2030, consistent with the authority previously granted in Case No. PUE-2014-00122.² In its Motion, NOVEC further requests interim authority to continue the Guarantee for NES debt in an amount not to exceed \$15,000,000 until such time as a final order is entered in this proceeding.

Pursuant to Code § 56-61, the Commission must act on the Application within 25 days of its filing or the Application will be deemed approved by operation of law. This statute authorizes the Commission to "extend the original twenty-five day period not to exceed an additional thirty days unless the Commission shall conclude that fifty-five days is not a sufficient time in which fully to investigate and determine whether such certificate shall be issued, in which event it shall by written order extend the time for a specific period..."

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that NOVEC's request for interim authority, pending a final order on the Company's Application, should be granted.³ The Commission is further of the opinion and finds it is appropriate, pursuant to Code § 56-61, to extend the review period for an additional 30 days.

Accordingly, IT IS ORDERED THAT:

- (1) This case hereby is docketed and assigned Case No. PUR-2023-00174.
- (2) NOVEC hereby is granted interim authority to continue to provide a Guarantee for the debt of NES in an amount not to exceed \$15,000,000, pending a final order of the Commission.
- (3) Pursuant to Code § 56-61, the period of time for review of the issues presented by the captioned Application is extended for an additional 30 days.
- (4) This case is continued generally pending further order of the Commission.
Commissioner James C. Dimitri participated in this matter.

¹ See Code §§ 56-55 *et seq.* and 56-76 *et seq.*

² *Application of Northern Virginia Electric Cooperative, For an increase in parental loan guarantee limit on behalf of affiliates*, Case No. PUE-2014-00122, 2015 S.C.C. Ann. Rept. 260, Order Granting Authority (Jan. 23, 2015).

³ The approval granted herein terminates upon the entry of the Commission's final order in this proceeding.

**CASE NO. PUR-2023-00176
DECEMBER 18, 2023**

APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY AND DOMINION ENERGY TECHNICAL SOLUTIONS, INC.

For approval of a Revised Affiliate Services Agreement and future exemptions from the filing and prior approval requirements under Chapter 4 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On October 5, 2023, Virginia Electric and Power Company ("DEV" or "Company") and Dominion Energy Technical Solutions, Inc. ("DETS") (collectively, "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission"), pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"),¹ and Requirement (1) of the Appendix to the Commission's December 21, 2020 Order Granting Approval in Case No. PUR -2020-00229,² requesting approval of a revised Affiliate Services Agreement ("Revised Agreement"), under which DETS will continue to provide services to DEV at the Company's election.³ The Applicants request approval of the Revised Agreement for a three-year term with an effective date of January 1, 2024.⁴

In addition, for other affiliates not identified in the instant Application ("Future Affiliates") that would annually bill less than \$500,000 for any one Service (and less than \$2 million in total Services) to DEV, the Company requests that the Commission approve the same exemption ("Exemption") from the future filing and prior approval requirements under the Affiliates Act as granted in the Commission's 2020 Order, so long as the Future Affiliates execute the revised Form Affiliate Services Agreement in the form set forth in the Application (the "Revised Form Agreement").⁵

On November 22, 2023, the Applicants filed a Motion for Entry of a Protective Ruling ("Motion") in accordance with Rule 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure.⁶

DETS is a Virginia corporation and a wholly owned direct subsidiary of Dominion Energy, Inc. ("DEI"), that provides engineering, construction, and other services, including building transmission lines and substations, for DEI subsidiaries as well as unaffiliated third parties. DEV is an operating subsidiary of DEI. DETS and DEV are affiliated interests pursuant to § 56-76 of the Affiliates Act.

Through the current Affiliate Services Agreement ("Existing Agreement") and the current Form Affiliate Services Agreement ("Existing Form Agreement"), DEV asserts that it has been able to leverage the skills and talents of the affiliates' and Future Affiliates' personnel to provide reliable and cost-effective electric service to its customers.

The Applicants represent that the proposed revisions to the Revised Agreement include: 1) removing the Fuel Procurement and Environmental Commodities services category from the list of Services; 2) renaming the External Affairs services category to External Affairs & Corporate Communications to be consistent with the name change in the revised DES Services Agreement;⁷ and 3) the Applicants deleted Exhibit IV of the Existing Agreement, the Agreement to Adhere and Protect CSOI,⁸ because it was duplicative of Section XIV of the Revised Agreement, and renamed what was originally Exhibit V in the Existing Agreement, Confidential System Operation Information, as Exhibit IV in the Revised Agreement.⁹

¹ Code § 56-76 *et seq.* ("Affiliates Act").

² See *Application of Virginia Electric and Power Company and Dominion Generation, Inc., Dominion Energy Nuclear Connecticut, Inc., Dominion Energy Technical Solutions, Inc., and Dominion Energy Fuel Services, Inc., For approval of Revised Affiliate Services Agreements and future exemptions from the filing and prior approval requirements under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2020-00229, 2020 S.C.C. Ann. Rept. 625, Order Granting Approval (Dec. 21, 2020) ("2020 Order").

³ Under the proposed Revised Agreement between DEV and DETS, the Company has elected to receive only one service (Operations) from DETS, out of the 13 available services ("Service(s)") listed in Exhibit II to the Revised Agreement.

⁴ The Company also filed a separate application with the Commission in Case No. PUR-2023-00148, requesting approval of a revised DES Services Agreement, effective January 1, 2024, with Dominion Energy Services, Inc. ("DES"). The revised DES Services Agreement was approved by the Commission on October 30, 2023. See *Application of Virginia Electric and Power Company and Dominion Energy Services, Inc., For approval of a Revised Services Agreement under Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2023-00148, Doc. Con. Cen. No. 231050073, Order Granting Approval (Oct. 30, 2023) ("DES Order").

⁵ The Applicants represent that the Revised Form Agreement has limited revisions consistent with those described in the Application for the Revised Agreement. See Application at 2. Under the Revised Form Agreement, DEV can elect to receive any of the 13 Services from any Future Affiliate so long as the Exemption thresholds are not exceeded.

⁶ 5 VAC 5-20-10 *et seq.*

⁷ See *supra* n.4.

⁸ "CSOI" stands for Confidential System Operation Information.

⁹ Application at 7 and Exhibit IV of Attachment C.

The Applicants assert that the Revised Agreement is in the public interest as it allows DEV to receive Services from DETS in order to continue to fulfill its public service obligations in both a reliable and a cost-effective manner.¹⁰ Under the proposed Revised Agreement, DEV will only receive Operations services from DETS on an as-needed basis and will benefit from the economies of scale associated with receiving such services.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the Revised Agreement, the Revised Form Agreement, and the Exemption from the filing and prior approval requirements under the Affiliates Act, are in the public interest and should be approved subject to certain requirements set forth in the Appendix attached hereto. The Commission also finds that the Applicants' Motion is no longer necessary and, therefore, should be denied.¹¹

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-77, the Applicants are hereby granted approval of the Revised Agreement and the Revised Form Agreement, subject to the requirements set forth in the Appendix attached hereto.

(2) Pursuant to Code § 56-77 B, the Company is hereby granted the Exemption from the filing and prior approval requirements under the Affiliates Act of affiliate services agreements with any Future Affiliates, provided that the Future Affiliate executes the Revised Form Agreement in the form set forth in the Application, and that such transactions are reported in the Company's Annual Report of Affiliate Transactions ("ARAT"), subject to the requirements set forth in the Appendix attached to this Order.

(3) The Applicants' Motion is denied; however, we direct the Clerk of the Commission to retain the confidential information to which the Motion pertains under seal.

(4) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

¹⁰ See DEV response to Staff Data Request 1-1, attached to Staff's action brief filed concurrently with this Order.

¹¹ The Commission held the Applicants' Motion in abeyance and has not received a request for leave to review the confidential information submitted in this proceeding. Accordingly, we deny the Motion as moot but direct the Clerk of the Commission to retain the confidential information, to which the Motion pertains under seal.

APPENDIX

- 1) The Commission's approval of the Revised Agreement and the Revised Form Agreement shall extend for three (3) years from January 1, 2024, to December 31, 2026. Should the Applicants wish to continue under the Revised Agreement and/or continue to use the Revised Form Agreement beyond the three-year period, separate Commission approval shall be required.
- 2) DEV shall monitor billings for transactions for which the Exemption from the filing and prior approval requirements of the Affiliates Act is granted in this case to ensure that, if it appears as though annual billings will exceed \$500,000 for any one of the Services¹² or \$2 million in total, an application is filed with the Commission for approval under the Affiliates Act prior to such annual billings exceeding those levels.
- 3) The Commission shall reserve the right to revoke any Exemptions granted in this case at any time that such revocation is deemed to be in the public interest.
- 4) The Commission's approval shall have no accounting or ratemaking implications.
- 5) The Commission's approval of the Revised Agreement shall be limited to the specific Services identified in the Revised Agreement. If DEV wishes to obtain additional Services not specifically identified in the Revised Agreement, separate Commission approval shall be required. DEV shall also be required to seek separate Commission approval for any changes to the selected services provided by Future Affiliates to DEV under each of the respective Revised Form Agreements if such services are more than \$500,000 per service per year to DEV for the receipt of such services or \$2 million in total per year.
- 6) DEV shall be required to maintain records demonstrating that any Services provided to DEV under the Revised Agreement and Revised Form Agreement are cost beneficial to ratepayers. Services provided to DEV shall be priced at the lower of cost or market value where a market exists. Records of investigations and comparisons with market prices shall be available to Staff upon request. DEV shall bear the burden of proving, in any rate proceeding, that any services provided to DEV under the Revised Agreement or Revised Form Agreement are priced in accordance with the Commission's pricing for affiliate transactions as described above.
- 7) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.*, hereafter.
- 8) Separate Commission approval shall be required for any changes in the terms and conditions of the Revised Agreement or Revised Form Agreement.
- 9) The Commission shall reserve the right to examine the books and records of DEV and any affiliate in connection with the approval granted in this case, whether or not such affiliate is regulated by this Commission.
- 10) DEV shall file with the Commission a signed and executed copy of the approved Revised Agreement within thirty (30) days of its effective date, subject to administrative extension by the Director of the Division of Utility Accounting and Finance ("UAF Director").
- 11) DEV shall include all transactions associated with the Revised Agreement and Revised Form Agreement in its Annual Report of Affiliate Transactions ("ARAT"), submitted to the UAF Director on May 1 of each year, subject to administrative extension by the UAF Director. The ARAT shall:
 - (a) List the latest case number in which the Revised Agreement and/or Revised Form Agreement was approved;
 - (b) List DEV, the affiliate(s), and the Services; and
 - (c) Include schedule(s) in Excel electronic spreadsheet format with formulas intact, listing the prior year's Revised Agreement and Revised Form Agreement transactions by month, Federal Energy Regulatory Commission account, and dollar amount (as the transactions are recorded in DEV's books).
- 12) DEV shall be required to provide written notice to the Commission's UAF Director within fifteen (15) days of any election, by either DEV or DETS, of new Services not currently selected in the Revised Agreement, regardless of the cost of such Services. In the case where new Services are selected, DEV shall include that information in its ARAT.
- 13) Separate Affiliates Act approval shall be required for any affiliate to provide Services to DEV through the engagement of any affiliated third parties under the Revised Agreement or Revised Form Agreement.
- 14) All requirements regarding the Revised Agreement between DEV and DETS shall also apply to transactions between DEV and Future Affiliates to which the Exemption from the filing and prior approval requirements of the Affiliates Act applies.
- 15) Signed and executed copies of all Revised Form Agreements involving Future Affiliates and DEV, for which an Exemption from the filing and prior approval requirements of the Affiliates Act is granted in this case, shall be submitted with DEV's ARAT.

¹² See Attachment B, Exhibits I and II of the Revised Agreement and Revised Form Agreement. The Services include (1) Accounting; (2) Information Technology, Electronic Transmission and Computer Services; (3) Software/Hardware Pooling; (4) Operations; (5) Business Services; (6) Corporate Planning; (7) Supply Chain; (8) Rates and Regulatory; (9) Research; (10) Customer Services; (11) Energy Marketing; (12) External Affairs & Corporate Communications; and (13) Office Space and Equipment.

**CASE NO. PUR-2023-00180
DECEMBER 12, 2023**

APPLICATION OF
VIRGINIA NATURAL GAS, INC.

For approval of its 2023 SAVE Rider update

ORDER GRANTING APPROVAL

On September 29, 2023, pursuant to § 56-604 E of Chapter 26 of Title 56 of the Code of Virginia ("Code"), Virginia Natural Gas, Inc. ("VNG" or "Company") filed with the State Corporation Commission ("Commission") its annual rider update with respect to the Company's Commission-approved Steps to Advance Virginia's Energy Plan ("SAVE Plan"), under which VNG's SAVE Rider is reconciled and adjusted. Through the Application, VNG seeks approval of its SAVE Plan Rider for calendar year 2024 ("2024 SAVE Rider").

The Application outlined the components that comprise the proposed 2024 SAVE Rider: the SAVE Actual Cost Adjustment ("True-Up Factor") and the Annual SAVE Factor ("Projected Factor").¹ According to the Company, the True-Up Factor is an adjustment that ensures that the SAVE Rider recovers no more or less than the actual cost of implementing the SAVE Plan projects during the prior calendar year.² The Company stated that the Projected Factor is the calculation of the revenue requirement related to the cumulative SAVE Plan infrastructure investment through the period for which the proposed updated SAVE Rider will be in effect, January 1, 2024, through December 31, 2024.

On October 12, 2023, the Commission issued an Order for Notice and Comment which, among other things, provided interested persons the opportunity to file comments, requests for hearing, and notices of participation in this case; required the Staff of the Commission ("Staff") to file a report ("Staff Report"); and permitted the Company to respond to the Staff Report, any comments, or requests for hearing. No comments, notices of participation, or requests for hearing were filed in this proceeding.

The Staff Report was filed on November 20, 2023, in which Staff recommended that the Commission approve a total 2024 SAVE Rider revenue requirement of \$10,683,913, which is \$124,048 less than VNG's proposed revenue requirement of \$10,807,961.³

Staff's recommended revenue requirement comprised a True-Up Factor of (\$807,429) and a Projected Factor of \$11,491,342.⁴ Further, Staff found that the cost allocation and rate design methodologies proposed by the Company are consistent with the methodologies previously approved by the Commission, and Staff submitted that these methodologies continue to reflect appropriate cost causation principles.⁵

VNG filed a response letter ("Response") to the Staff Report on November 30, 2023, which stated that the Company did not oppose Staff's proposed adjustments.⁶ The Company requested that the Commission approve the Application, with a total 2024 SAVE Rider revenue requirement of \$10,683,913.⁷

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that VNG's SAVE Rider for calendar year 2024 should be approved with a total SAVE revenue requirement of \$10,683,913, comprising a True-Up Factor of (\$807,429) and a Projected Factor of \$11,491,342.

Accordingly, IT IS ORDERED THAT:

(1) Pursuant to Code § 56-603 *et seq.*, the Company's Application is approved as provided herein. Rates consistent with this Order shall become effective beginning January 1, 2024, and shall remain in effect until December 31, 2024.

(2) VNG's 2024 SAVE Rider for calendar year 2024 is approved, with a revenue requirement of \$10,683,913 comprising a True-Up Factor of (\$807,429) and a Projected Factor of \$11,491,342.

(3) VNG forthwith shall file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and shall submit the same to the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) This matter is dismissed. Commissioner James C. Dimitri participated in this matter.

¹ Application at 8; Direct Testimony of Moses Dagadu ("Dagadu Direct") at 3.

² Application at 8-9; Dagadu Direct at 3.

³ Staff Report at 1, 12-13.

⁴ Staff Report at Schedule 1.

⁵ *Id.* at 1, 12-13.

⁶ Response at 1.

⁷ *Id.* at 2.

**CASE NO. PUR-2023-00186
NOVEMBER 14, 2023**

APPLICATION OF
METTEL OF VA, INC.,

For cancellation and reissuance of certificate of public convenience and necessity to reflect a company name change

ORDER REISSUING CERTIFICATE

On October 4, 2023, MetTel of VA, Inc. ("Company"), filed an application with the State Corporation Commission ("Commission") requesting that the certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia issued to the Company by the Commission¹ be cancelled and reissued to reflect a company name change ("Application"). The Company submitted proof of its name change to MetTel of VA, LLC.

NOW THE COMMISSION, having considered the Application and applicable law, is of the opinion and finds that the existing certificate in the Company's name should be cancelled and reissued in the name of MetTel of VA, LLC.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUR-2023-00186.
- (2) The certificate of public convenience and necessity to provide local exchange telecommunications services in the Commonwealth of Virginia, Certificate No. T-541, heretofore issued to MetTel of VA, Inc., is hereby cancelled and shall be reissued as Certificate No. T-541a in the name of MetTel of VA, LLC.
- (3) Any tariffs on file with the Commission's Division of Public Utility Regulation or product guide available online in the name of MetTel of VA, Inc., shall be replaced reflecting the name change within forty-five (45) days of the date of entry of this Order.
- (4) This case is dismissed. Commissioner James C. Dimitri participated in this matter.

¹ See *Application of MetTel of VA, Inc., For a certificate of public convenience and necessity to provide local exchange telecommunications services*, Case No. PUC-2000-00200, 2001 S.C.C. Ann. Rept. 263, Final Order (Feb. 20, 2001).

**CASE NO. PUR-2023-00188
DECEMBER 18, 2023**

APPLICATION OF
LDS SOLAR LLC

For licensure as a non-exempt shared solar subscriber organization

ORDER GRANTING LICENSE

On October 13, 2023, Larry Davis Solar LLC ("LDS" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to conduct business as a non-exempt subscriber organization in the shared solar program established pursuant to § 56-594.3 of the Code of Virginia ("Code"). The Company seeks authority to provide service to subscribers in the service territory of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"). In its Application, the Company attested that it would abide by all applicable laws of the Commonwealth and regulations of the Commission as required by 20 VAC 5-340-30 B of the Commission's Rules Governing Shared Solar Program. On October 13, 2023, the Company also filed a Motion for Entry of a Protective Order ("Motion").

On October 30, 2023, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring the Company to serve a copy of the Procedural Order electronically upon Dominion on or before November 14, 2023, and to file proof of service on or before November 21, 2023. On November 3, 2023, the Company filed proof of service.

The Procedural Order also directed that any comments on the Application be filed with the Clerk of the Commission on or before November 28, 2023. No comments were filed.

The Procedural Order further directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report to be filed on or before December 5, 2023. Staff filed its Staff Report on December 5, 2023, which summarized Staff's investigation of LDS's proposal and evaluated the Company's financial condition and technical fitness.¹ Based on its review of the Application, Staff recommended that LDS be granted a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program.²

¹ Staff Report at 4-5.

² *Id.* at 5.

The Procedural Order also provided the Company an opportunity to comment on the Staff Report on or before December 12, 2023. On December 6, 2023, the Company filed a letter to respectfully request the Commission grant the license.

NOW THE COMMISSION, upon consideration of this matter, finds that LDS's Application for a license to conduct business as a non-exempt subscriber organization in the Shared Solar Program should be granted subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) LDS is hereby granted license No. SS-64 to provide shared solar subscription services in the service territory of Dominion. This license to act as a non-exempt subscriber organization is granted subject to the provisions of the Shared Solar Rules, this Order, and other applicable statutes.

(2) The licensure provided for herein is not valid authority for the provision of any product or service not identified herein and within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. PUR-2023-00193
DECEMBER 20, 2023**

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE and CENTRAL VIRGINIA SERVICES, INC.

For authority to continue participation in Agreements pursuant to Va. Code §§ 56-77 *et seq.*

ORDER GRANTING INTERIM AUTHORITY

On December 1, 2023, Central Virginia Electric Cooperative and Central Virginia Services, Inc. (collectively, "Applicants"), filed a joint application ("Application") with the State Corporation Commission ("Commission") for authority to continue participation in agreements pursuant to Virginia Code § 56-77 *et seq.*¹

The Applicants seek approval of a Management Services Agreement, a Fiber Optic Lease Agreement, a Broadband Network Services Subscriber Agreement, and a Line of Credit Agreement (collectively "Affiliate Agreements");² and a credit card allocation arrangement ("Allocation Arrangement") (together, the "Agreements") for an additional five-year period.

In the Application submitted Friday, December 1, 2023, the Applicants requested additional interim authority for the Allocation Arrangement.³ The current authority granted in Case No. PUR-2018-00152⁴ expired on Sunday, December 3, 2023.

NOW THE COMMISSION, upon consideration of the foregoing, finds that granting interim authority while Commission Staff reviews the Application is not detrimental to the public interest. Therefore, the Applicants' request is granted pending the Commission's final order in this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) The Applicants' request for interim authority to operate pursuant to the Allocation Arrangement pending the Commission's final order in this proceeding is granted.

(2) This case is continued.

Commissioner James C. Dimitri participated in this matter.

¹ Chapter 4 of Title 56 of the Code of Virginia ("Affiliates Act").

² On October 23, 2023, the Commission granted the Applicants' Motion for Interim Authority to continue operating under the Management Services Agreement, Fiber Optic Lease Agreement, Broadband Network Services Subscriber Agreement, and Line of Credit Agreement approved by the Commission in Case No. PUR-2018-00113. See *Application of Central Virginia Electric Cooperative and Central Virginia Services, Inc., For authority to continue participation in Agreements pursuant to Va. Code §§ 56-77 et seq.*, Case No. PUR-2023-00193, Doc. Con. Cen. No. 231040037, Order Granting Motion for Interim Authority (Oct. 23, 2023).

³ See Application at 2.

⁴ See *Joint Application of Central Virginia Electric Cooperative and Central Virginia Services, Inc., For approval pursuant to Chapter 3 and Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2018-00152, 2018 S.C.C. Ann. Rept. 530, Final Order (Dec. 3, 2018).

**CASE NO. PUR-2023-00193
OCTOBER 23, 2023**

APPLICATION OF
CENTRAL VIRGINIA ELECTRIC COOPERATIVE AND CENTRAL VIRGINIA SERVICES, INC.

For authority to continue participation in Agreements pursuant to Va. Code §§ 56-77 *et seq.*

ORDER GRANTING MOTION FOR INTERIM AUTHORITY

On July 25, 2018, Central Virginia Electric Cooperative ("CVEC") and Central Virginia Services, Inc. ("CVSI") (collectively, "Applicants"), completed the filing of an application ("Application") with the State Corporation Commission ("Commission") requesting approval of affiliate agreements pursuant to Chapter 4 of Title 56 of the Code of Virginia ("Code"). CVSI is a wholly owned subsidiary of CVEC. The affiliate agreements consist of a Management Services Agreement, a Fiber Optic Lease Agreement, a Broadband Network Services Subscriber Agreement, and a Line of Credit Agreement ("Affiliate Agreements"). The approval of the Affiliate Agreements permits CVEC and CVSI to establish a fiber optic network to improve CVEC's ability to monitor and control its electric distribution system while also providing CVEC's members with access to high-speed broadband internet access and related services in its service territory. On October 23, 2018, the Commission issued its Final Order approving the Affiliate Agreements for a period of 5 years.¹

On October 17, 2023, the Applicants filed a "Motion for Interim Authority for Continuation of Approved Affiliate Agreements and for Expedited Consideration ("Motion)". The Applicants state, in the Motion, that the Commission's current approval of the Affiliate Agreements expires on October 23, 2023. The Applicants request interim authority to continue operating under the Affiliate Agreements pending the filing of a full application under the Affiliates Act within 60 days of a Commission Order granting the Motion.²

NOW THE COMMISSION, upon consideration of the foregoing, finds that granting interim authority while the Applicants prepare their application is not detrimental to the public interest. Therefore, CVEC and CVSI's Motion is granted pending the Commission's final order in this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is hereby docketed and assigned Case No. PUR-2023-00193.
- (2) The Applicants' Motion for interim authority to operate pursuant to the Affiliate Agreements pending the Commission's final order in this proceeding is granted.
- (3) This case is continued.

Commissioner James C. Dimitri participated in this matter.

¹ See *Application of Central Virginia Electric Cooperative and Central Virginia, Inc., For approval of affiliate arrangements*, Case No. PUR-2018-00113, Final Order (Oct. 23, 2018).

² Motion at 2-3.

**CASE NO. PUR-2023-00194
DECEMBER 14, 2023**

APPLICATION OF
VIRGINIA-AMERICAN WATER COMPANY

For a general increase in rates

ORDER FOR NOTICE AND HEARING

On November 1, 2023, Virginia-American Water Company ("Virginia-American" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for a general increase in rates.¹ The Company filed its Application pursuant to Chapter 10 of Title 56 of the Code of Virginia ("Code")² and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities.³ Virginia-American also filed a Motion for Protective Ruling in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure ("Rules of Practice").⁴

¹ A memorandum of completeness was filed on November 27, 2023, finding the Application complete as of November 20, 2023.

² Code § 56-232 *et seq.*

³ 20 VAC 5-201-10 *et seq.*

⁴ 5 VAC 5-20-10 *et seq.*

The Company requests authority to increase its rates to produce additional annual jurisdictional sales revenues of \$19.7 million, a 30.16% increase over present pro forma revenues.⁵ Virginia-American states that this increase includes an annual water service rate increase of \$15.2 million, or 29.00%, and a wastewater service rate increase of \$4.5 million, or 34.88%.⁶ The Company indicates that this rate request is based on a 10.95% proposed return on common equity.⁷ A list of the Company's proposed rates is included in the notice section of this Order.

In its Application, Virginia-American proposes to complete its third and final phase of the rate consolidation that moves the Company's district-specific rates for water service to a consolidated statewide single tariff pricing ("STP") rate structure over the course of three general rate cases.⁸ The Company states that its proposal recovers each class's revenue requirement through a single set of statewide minimum service charge rates and through volumetric rates that are specific to each rate class.⁹ Virginia-American proposes that its consolidated base rates be effective on and after May 1, 2024, on an interim basis and subject to refund, and proposes that the final phase of consolidating the Company's Purchase Water Surcharge ("PWS") occur at the PWS's next rate change following the issuance of a final order in this proceeding, as the PWS adjusts biannually on the first of January and June.¹⁰

The Company further requests that the Commission approve consolidated service connection fees across the Company's service territories.¹¹ Specifically, Virginia-American is proposing a consolidated \$2,000 service connection fee for 3/4" service lines.¹² Virginia-American states that it does not propose implementing the consolidated fee until after a final order is issued in this proceeding approving a final service connection fee and will continue to apply its current service connection fees during the period interim rates are in effect.¹³

The Company proposes a revenue decoupling mechanism ("RDM") that it states is an alternative rate design mechanism that will function as an automatic rate adjustment clause.¹⁴ Virginia-American states that the RDM compares the revenues collected under the traditional customer-facing rate design with the revenues that would have been collected through a straight fixed variable pricing rate design on a forward-looking basis and accrues the differences to be either credited to customers or collected from customers at a later time.¹⁵ The Company further states that it would make a filing with the Commission on or before January 31 each year, and Commission Staff ("Staff") and other parties would have 60 days to review any necessary reconciliation amount that would then be charged from April 1 through December 31 of that calendar year under the proposed RDM tariff.¹⁶ The Company proposes the RDM become effective after a final order in this proceeding approving the RDM.¹⁷

Virginia-American also proposes a universal affordability tariff for water and wastewater service that would provide discounts both to the basic meter charge and to the volumetric charges on participating customers' bills whose bills for Basic Water Service are expected to exceed 2% of household income.¹⁸ Should the Commission approve the proposed universal affordability tariff, the Company requests that the final approved residential volumetric rates in this proceeding be calculated to incorporate recovery from non-participating customers of the amount of discounts provided based on an assumed 10% participation.¹⁹ Virginia-American further requests that it be permitted to defer the difference between the assumed discount incorporated into final rates and the actual discount provided, and the Company states that any deferred amounts would be reconciled annually and recovered or credited to customers through the Company's proposed RDM tariff.²⁰ The Company also requests authority to defer the actual administrative costs, which the Company states will vary based on actual participation in the tariff.²¹

⁵ Application at 2.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.* at 3-4.

⁹ *Id.* at 4.

¹⁰ *Id.*

¹¹ *Id.* at 5.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.* at 5-6.

¹⁷ *Id.* at 6.

¹⁸ *Id.*

¹⁹ *Id.* at 7.

²⁰ *Id.*

²¹ *Id.*

In addition, the Company proposes to include electronic payment fees charged by the Company's third-party payment processor in the Company's cost of service.²² Virginia-American states that if approved by the Commission, customers would not be required to pay these third-party fees in order to pay their bills from the Company.²³

Virginia-American states that it completed the acquisition of the water system of the Town of Waverly ("Waverly System") on May 17, 2022.²⁴ The Company now proposes to establish a new rate schedule for service to customers served by the Waverly System effective June 1, 2024.²⁵ The Company further proposes that the rates for the Waverly System be gradually adjusted over the course of two rate cases, with the first adjustment occurring in this proceeding, to transition into the statewide STP structure.²⁶

Virginia-American states that it completed the acquisition of the assets of E.L. Goddard, Inc. ("Goddard Systems"), on August 2, 2023.²⁷ The Company proposes to move the rates in the Goddard Systems, which is part of the Company's Eastern District, to align with its statewide tariff proposed in this Application.²⁸

The Company states that on June 27, 2023, it filed a petition ("Cape Charles Petition") seeking authority from the Commission to acquire the water and wastewater systems of the Town of Cape Charles ("Cape Charles Systems").²⁹

Virginia-American states that if the Cape Charles Petition is approved, the Company proposes the water rates for the Cape Charles Systems be consolidated with the Company's statewide STP rates and the wastewater rates for the Cape Charles Systems be consolidated with the Prince William wastewater rates.³⁰ The Company further proposes that at the time it closes on the acquisition of the Cape Charles Systems, the existing Cape Charles rates be made interim and then adjusted following a final order in this proceeding, with the difference between the existing Cape Charles rates and the final rates approved in this proceeding being refunded to customers with interest.³¹

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that Virginia-American should provide notice of its Application; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application as well as public witness testimony; interested persons and the public should have an opportunity to file comments on the Application or participate as respondents in this proceeding; and the Staff should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon. We further find that a Hearing Examiner should be appointed to conduct further proceedings in this matter on behalf of the Commission, including ruling on Virginia-American's Motion for Protective Ruling and filing a final report.

We note that the proposed revenue requirement, if approved, would result in an increase to customer bills. Pursuant to Code § 56-238, the Commission suspends Virginia-American's proposed rates for a period of 180 days, the maximum allowed by law. In so doing, the Commission notes its awareness of the economic pressures that are impacting all utility customers. The Company may, but is not required to, implement the proposed rate increase on and after May 18, 2024, on an interim basis and subject to refund with interest. The Company shall not implement the proposed consolidated service connection fee, the RDM or the universal affordability tariff on an interim basis.

To promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct the electronic filing of testimony and pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUR-2023-00194.

(2) All pleadings in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice. Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

²² *Id.*

²³ *Id.*

²⁴ *Id.* at 8.

²⁵ *Id.* at 8-9.

²⁶ *Id.* at 9.

²⁷ Direct Testimony of Charles J. Piekanski at 3 n.3; *see* Application at 9.

²⁸ Application at 9.

²⁹ *Id.* at 9-10. *See Petition of Virginia-American Water Company, For authority to acquire utility assets at fair market value pursuant to the Utility Transfers Act, Va. Code § 56-88 et seq. and 20 VAC 5-210-10 et seq., and for a Certificate of Public Convenience and Necessity pursuant to the Utilities Facilities Act, Va. Code § 56-265.3*, Case No. PUR-2023-00016, Doc. Con. Cen. No. 230760097, Order for Notice and Hearing (July 31, 2023).

³⁰ Application at 10.

³¹ *Id.*

(3) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

(4) As provided by Code § 12.1-31 and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to conduct further proceedings in this matter on behalf of the Commission, including ruling on Virginia-American's Motion for Protective Order, and to file a final report. A copy of each filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners.³²

(5) Pursuant to Code § 56-238, Virginia-American may, but is not required to, implement its proposed rates on an interim basis, subject to refund with interest, for service rendered on and after May 18, 2024. The Company shall not implement the proposed consolidated service connection fee, the RDM or the universal affordability tariff on an interim basis.

(6) On or before March 18, 2024, Virginia-American shall file a bond with the Commission in the amount of \$19.7 million payable to the Commission and conditioned to ensure the prompt refund by the Company to those entitled thereto of all amounts the Company shall collect in excess of such rates and charges as the Commission may finally fix and determine.

(7) The Commission hereby schedules a telephonic portion of the hearing for the receipt of testimony from public witnesses on the Application, as follows:

- (a) The portion of the hearing for the receipt of testimony from public witnesses on the Application shall be convened telephonically on September 24, 2024.
- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before September 18, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.
- (d) Beginning at 10 a.m. on September 24, 2024, the Hearing Examiner appointed to this case will telephone sequentially each person who has signed up to testify as provided above.
- (e) This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(8) The evidentiary portion of the hearing shall be convened at 10 a.m., on September 24, 2024, or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony and evidence of Virginia-American, any respondents, and Staff on the Application.

(9) An electronic copy of the public version of the Application may be obtained by submitting a written request to counsel for the Company: Timothy E. Biller, Esquire, Andrea D. Gardner, Esquire, and C. Dixon Wallace III, Esquire, Hunton Andrews Kurth LLP, Riverfront Plaza, 951 East Byrd Street, Richmond, Virginia, 23219, or tbiller@huntonak.com, agardner@huntonak.com, and cwallace@huntonak.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.

(10) On or before January 19, 2024, Virginia-American shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's Virginia service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION BY
VIRGINIA-AMERICAN WATER COMPANY,
FOR A GENERAL INCREASE IN RATES
CASE NO. PUR-2023-00194

On November 1, 2023, Virginia-American Water Company ("Virginia-American" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for a general increase in rates. The Company filed its Application pursuant to Chapter 10 of Title 56 of the Code of Virginia ("Code") and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-owned Gas and Water Utilities.

The Company requests authority to increase its rates to produce additional annual jurisdictional sales revenues of \$19.7 million, a 30.16% increase over present pro forma revenues. Virginia-American states that this increase includes an annual water service rate increase of \$15.2 million, or 29.00%, and a wastewater service rate increase of \$4.5 million, or 34.88%. The Company indicates that this rate request is based on a 10.95% proposed return on common equity.

³² Such electronic copies shall be sent to: OHEParalegals@scc.virginia.gov.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

The rates proposed for water and wastewater service in this Application are as follows:
General Metered Water Service, effective on and after May 18, 2024 (Applicable to Alexandria, Prince William Water, Hopewell, and Eastern (including Goddard Systems) Districts):

Minimum Service Rates	
Meter Size	Proposed Rates
5/8"	\$18.00
3/4"	\$27.00
1"	\$45.00
1 1/2"	\$75.00
2"	\$120.00
3"	\$225.00
4"	\$375.00
6"	\$750.00
8"	\$1,200.00
10"	\$1,650.00
12"	\$3,225.00
16"	\$6,870.00

Potable Volumetric Rates Per 100 Gallons		
Class	Rate Block	Proposed Rates
Residential	First 2,000 GPM	-
Residential	Over 2,000 GPM	\$1.07710
Commercial	First 2,000 GPM	-
Commercial	Over 2,000 GPM	\$0.50170
Industrial Potable	First 2,000 GPM	-
Industrial Potable	Next 13,000 GPM	\$1.06540
Industrial Potable	Next 2,229,000 GPM	\$0.75420
Industrial Potable	Next 5,236,000 GPM	\$0.44160
Industrial Potable	Next 37,400,000 GPM	\$0.16010
Industrial Potable	Over 44,880,000 GPM	\$0.23230

Non-Potable Volumetric Rates Per 100 Gallons		
Class	Rate Block	Proposed Rates
Small	First 7,480,000 GPM	\$0.26320
Small	Over 7,480,000 GPM	\$0.20540
Large	First 7,480,000 GPM	\$0.21550
Large	Over 7,480,000 GPM	\$0.17770

Wastewater, effective on and after May 18, 2024 (Applicable to Prince William Wastewater District):

Minimum Service Rates	
Meter Size	Proposed Rates
5/8"	\$25.00
3/4"	\$38.00
1"	\$63.00
1 1/2"	\$125.00
2"	\$200.00
3"	\$375.00
4"	\$625.00
Unmetered	\$50.00

Volumetric Rates Per 100 Gallons	
Rate Block	Proposed Rates
First 2,000 GPM	-
Over 2,000 GPM	\$1.01210

Water service in and around the Town of Waverly, effective on and after June 1, 2024:

Minimum Service Rates	
Meter Size	Proposed Rates
5/8"	\$18.00
3/4"	\$27.00
1"	\$45.00
1 1/2"	\$75.00
2"	\$120.00
3"	\$225.00
4"	\$375.00
6"	\$750.00
8"	\$1,200.00
10"	\$1,650.00
12"	\$3,225.00
16"	\$6,870.00

Volumetric Rates Per 100 Gallons		
Class	Rate Block	Proposed Rates
Residential	First 2,000 GPM	-
Residential	Over 2,000 GPM	\$0.60660
Commercial	First 2,000 GPM	-
Commercial	Over 2,000 GPM	\$0.37390

In its Application, Virginia-American proposes to complete its third and final phase of the rate consolidation that moves the Company's district-specific rates for water service to a consolidated statewide single tariff pricing ("STP") rate structure over the course of three general rate cases. The Company states that its proposal recovers each class's revenue requirement through a single set of statewide minimum service charge rates and through volumetric rates that are specific to each rate class. Virginia-American proposes that the final phase of consolidating the Company's Purchase Water Surcharge ("PWS") occur at the PWS's next rate change following the issuance of a final order in this proceeding, as the PWS adjusts biannually on the first of January and June.

The Company further requests that the Commission approve consolidated service connection fees across the Company's service territories. Specifically, Virginia-American is proposing a consolidated \$2,000 service connection fee for 3/4" service lines. Virginia-American states that it does not propose implementing the consolidated fee until after a final order is issued in this proceeding approving a final service connection fee and will continue to apply its current service connection fees during the period interim rates are in effect.

The Company proposes a revenue decoupling mechanism ("RDM") that it states is an alternative rate design mechanism that will function as an automatic rate adjustment clause. Virginia-American states that the RDM compares the revenues collected under the traditional customer-facing rate design with the revenues that would have been collected through a straight fixed variable pricing rate design on a forward-looking basis and accrues the differences to be either credited to customers or collected from customers at a later time. The Company further states that it would make a filing with the Commission on or before January 31 each year, and Commission Staff ("Staff") and other parties would have 60 days to review any necessary reconciliation amount that would then be charged from April 1 through December 31 of that calendar year under the proposed RDM tariff. The Company proposes the RDM become effective after a final order in this proceeding approving the RDM.

Virginia-American also proposes a universal affordability tariff for water and wastewater service that would provide discounts both to the basic meter charge and to the volumetric charges on participating customers' bills whose bills for Basic Water Service are expected to exceed 2% of household income. Should the Commission approve the proposed universal affordability tariff, the Company requests that the final approved residential volumetric rates in this proceeding be calculated to incorporate recovery from non-participating customers of the amount of discounts provided based on an assumed 10% participation.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Virginia-American further requests that it be permitted to defer the difference between the assumed discount incorporated into final rates and the actual discount provided, and the Company states that any deferred amounts would be reconciled annually and recovered or credited to customers through the Company's proposed RDM tariff. The Company also requests authority to defer the actual administrative costs, which the Company states will vary based on actual participation in the tariff.

In addition, the Company proposes to include electronic payment fees charged by the Company's third-party payment processor in the Company's cost of service. Virginia-American states that if approved by the Commission, customers would not be required to pay these third-party fees in order to pay their bills from the Company.

Virginia-American states that it completed the acquisition of the water system of the Town of Waverly ("Waverly System") on May 17, 2022. The Company now proposes to establish a new rate schedule for service to customers served by the Waverly System effective June 1, 2024. The Company further proposes that the rates for the Waverly System be gradually adjusted over the course of two rate cases, with the first adjustment occurring in this proceeding, to transition into the statewide STP structure.

Virginia-American states that it completed the acquisition of the assets of E.L. Goddard, Inc. ("Goddard Systems"), on August 2, 2023. The Company proposes to move the rates in the Goddard Systems, which is part of the Company's Eastern District, to align with its statewide tariff proposed in this Application.

The Company states that on June 27, 2023, it filed a petition ("Cape Charles Petition") seeking authority from the Commission to acquire the water and wastewater systems of the Town of Cape Charles ("Cape Charles Systems"). Virginia-American states that if the Cape Charles Petition is approved, the Company proposes the water rates for the Cape Charles Systems be consolidated with the Company's statewide STP rates and the wastewater rates for the Cape Charles Systems be consolidated with the Prince William wastewater rates. The Company further proposes that at the time it closes on the acquisition of the Cape Charles Systems, the existing Cape Charles rates be made interim and then adjusted following a final order in this proceeding, with the difference between the existing Cape Charles rates and the final rates approved in this proceeding being refunded to customers with interest.

The details of these and other proposals are set forth in the Company's Application. Interested persons are encouraged to review the Company's Application, testimony and supporting exhibits for the details of these proposals.

TAKE NOTICE that the Commission may adopt rates, charges and/or terms and conditions that differ from those appearing in the Company's Application and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public hearing on the Application. The Commission noted that the proposed revenue requirement, if approved, would result in an increase to customer bills. Pursuant to Code § 56-238, the Commission suspended Virginia-American's proposed rates for a period of 180 days, the maximum allowed by law, and permitted Virginia-American to implement the proposed rate increase on an interim basis, subject to refund with interest, on and after May 18, 2024. The Commission did not permit the proposed consolidated service connection fee, the RDM or the universal affordability tariff to be implemented on an interim basis.

On September 24, 2024, at 10 a.m., the Hearing Examiner will hold a telephonic portion of the hearing, for the purpose of receiving the testimony of public witnesses. On or before September 18, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Hearing Examiner to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

On September 24, 2024, at 10 a.m., or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Hearing Examiner will convene a hearing to receive testimony and evidence related to the Application from Virginia-American, any respondents, and the Commission's Staff.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of testimony and pleadings, unless they contain confidential information, and has required electronic service on parties to this proceeding.

An electronic copy of the public version of the Application may be obtained by submitting a written request to counsel for the Company: Timothy E. Biller, Esquire, Andrea D. Gardner, Esquire, and C. Dixon Wallace III, Esquire, Hunton Andrews Kurth LLP, Riverfront Plaza, 951 East Byrd Street, Richmond, Virginia, 23219, or tbiller@huntonak.com, agardner@huntonak.com, and cwallace@huntonak.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before September 18, 2024, any interested person may submit comments on the Application electronically by following the instructions on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2023-00194.

On or before April 19, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at: scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Notices of participation shall include the email address of the party or its counsel. The respondent shall serve a copy of the notice of participation on counsel to Virginia-American. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00194.

On or before June 28, 2024, each respondent may file electronically with the Clerk of the Commission at scc.virginia.gov/clk/efiling any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Commission's Staff, Virginia-American, and all other respondents. In all filings, respondents shall comply with the Commission's Rules of Practice, as modified by the Commission's Order for Notice and Hearing, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00194.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Hearing, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice, the Commission's Order for Notice and Hearing, the public version of the Application and other documents filed in this case may be viewed on the Commission's website at: scc.virginia.gov/pages/Case-Information.

VIRGINIA-AMERICAN WATER COMPANY

(11) On or before January 19, 2024, Virginia-American shall serve a copy of the notice prescribed in Ordering Paragraph (10) of this Order directly on the Company's customers in accordance with the provisions of Code § 56-237.1 B. Service shall either be made by first-class mail to the customary place of business or residence of the person served or may be included as a prominent and legible bill insert in each customer's respective bill. For those customers who have expressly approved service of bills and other correspondence by electronic means, the notice prescribed in Ordering Paragraph (10) of this Order may be sent electronically.

(12) On or before January 19, 2024, Virginia-American shall serve a copy of this Order for Notice and Hearing on the following local officials, to the extent the position exists, in each county, city, and town in which the Company provides service in the Commonwealth of Virginia: the chairman of the board of supervisors and county attorney of each county, and the mayor or manager (or equivalent official) and city or town attorney of every city and town. Service shall be made electronically where possible; if electronic service is not possible, service shall be made by either personal delivery or first-class mail to the customary place of business or residence of the person served.

(13) On or before March 22, 2024, Virginia-American shall file proof of the notice and service required by Ordering Paragraphs (10), (11) and (12), including the name, title, and address of each official served, with the Clerk of the Commission by filing electronically at scc.virginia.gov/clk/efiling.

(14) On or before September 18, 2024, any interested person may file comments on the Application by following the instructions found on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2023-00194.

(15) On or before April 19, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (14). Such notice of participation shall include the email addresses of such parties or their counsel. The respondent shall serve a copy of the notice of participation on counsel to Virginia-American. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2023-00194.

(16) Within five (5) business days of receipt of a notice of participation as a respondent, Virginia-American shall serve upon the respondent a copy of the public version of the Application and supporting materials, unless these materials already have been provided to the respondent.

(17) On or before June 28, 2024, each respondent may file, with the Clerk of the Commission at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address in Ordering Paragraph (14). Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Rules of Practice, as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2023-00194.

(18) Staff shall investigate the Application. On or before August 16, 2024, Staff shall file with the Clerk of the Commission its testimony and exhibits, and each Staff witness's testimony shall include a summary not to exceed one page. Staff shall serve a copy thereof on counsel to Virginia-American and all respondents.

(19) On or before September 6, 2024, Virginia-American shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. Virginia-American shall serve a copy of its rebuttal testimony and exhibits on Staff and all respondents.

(20) All documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(21) The Rules of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to the Staff.³³ Except as modified herein, discovery shall be in accordance with Part IV of the Rules of Practice, 5 VAC 5-20-240 *et seq.*

(22) This matter is continued.

Commissioner James C. Dimitri participated in this matter.

³³ The assigned Staff attorney is identified on the Commission's website, scc.virginia.gov/pages/Case-Information, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2023-00194, in the appropriate box.

CASE NO. PUR-2023-00205 DECEMBER 18, 2023

APPLICATION OF VIRGINIA NATURAL GAS, INC and SOUTHERN COMPANY GAS, AGL SERVICES COMPANY,
and SOUTHERN COMPANY GAS CAPITAL CORPORATION

For authority to issue Short-Term Debt, Long-Term Debt and Common Stock to an Affiliate under Chapters 3 and 4, Title 56
of the Code of Virginia and request to modify Utility Money Pool Agreement

ORDER GRANTING APPROVAL

On November 15, 2023, Virginia Natural Gas, Inc. ("VNG"), jointly with Southern Company Gas ("GAS"), AGL Services Company ("ASC"), and Southern Gas Capital Corporation ("GAS Capital") ("Financing Affiliates") (collectively with VNG, "Applicants"), filed an application ("Application") with the State Corporation Commission ("Commission") to request authority to issue short-term debt, long-term debt and common stock to an affiliate under Chapters 3¹ and 4² of Title 56 of the Code of Virginia ("Code"). Specifically, the Applicants request authority for VNG to finance its operations by:

- (1) Issuance of short-term debt in an amount not to exceed \$300 million³ through participation in a Utility Money Pool established by GAS and administered by ASC;
- (2) Issuance of long-term debt to GAS in an amount not to exceed \$250 million annually for new issuances during 2024-2027; and
- (3) Issuance of common stock to GAS in an amount not to exceed \$300 million annually for new issuances during 2024-2027.⁴

The Applicants represent that the amount of short-term debt borrowing authority requested is an increase of \$100 million from what was previously authorized in Case No. PUR-2021-00258.⁵ The purpose of the proposed increase in short-term debt requested is to provide VNG with the flexibility to plan for and meet working capital requirements and to finance its permanent capital requirements when favorable market conditions exist.

Loans to the Utility Money Pool participants are made on open account advances for periods less than 12 months.⁶ Borrowings will be payable on demand together with all interest accrued thereto. Interest on borrowings will accrue daily at an interest rate that will be determined based on the source of funds available in the Utility Money Pool. The Utility Money Pool interest rates vary day-to-day based upon market conditions and are based on GAS's actual borrowing costs.⁷

¹ Code § 56-55 *et seq.*

² Code § 56-76 *et seq.*

³ See Application at 2.

⁴ *Id.*

⁵ See *Application of Virginia Natural Gas, Inc. (Principal Applicant), and Southern Company Gas, AGL Services Company, and Southern Company Gas Capital Corporation (Affiliate Applicants), for authority to issue short-term debt, long-term debt and common stock to an affiliate under Chapters 3 and 4, Title 56 of the Code of Virginia*, Case No. PUR-2021-00258, 2021 S.C.C. Ann. Rept. 567, Order Granting Approval (Dec. 10, 2021).

⁶ See Exhibit A Financing Summary Page 2 of 5 attached to the Application.

⁷ See Exhibit A Financing Summary Page 4 of 5 attached to the Application.

The purpose of the proposed long-term debt and common stock issuances requested is to reduce VNG's borrowings under the Utility Money Pool, to pay or refinance other obligations of VNG, to fund distribution system capital improvement projects, and to accomplish other public utility purposes, which may include the construction, completion, extension or improvement of facilities and the maintenance and improvement of service.⁸

VNG anticipates long-term debt and common stock issuance during the calendar years 2024 through 2027. The timing of the debt and equity issuances will depend on the total cost and completion dates of major capital improvement projects as well as overall capital spending levels. The long-term note(s) will be payable to ASC over a period of time to be determined by the officers of GAS, not to exceed 30 years. The note(s) may be prepaid by VNG at any time after issuance without penalty. The terms and conditions of the long-term debt note(s) will mirror the notes of GAS's issue. The sale price to GAS of VNG common stock will be set at the book value per share of VNG's then outstanding common stock, which will be determined on the basis of the most recently available unaudited financial statements.⁹

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Staff through its action brief and having considered the Applicants' comments thereon, is of the opinion and finds that the proposed short- and long-term debt and equity financing appears consistent with past authority and should not be detrimental to the public interest. Therefore, we shall authorize the proposed financing subject to the requirements listed in the Appendix attached to this Order.

Accordingly, IT IS ORDERED THAT:

(1) The Applicants are hereby authorized to conduct the proposed short-term and long-term debt and equity financing subject to the limits and requirements listed in the Appendix attached to this Order.

(2) This matter is continued.

Commissioner James C. Dimitri participated in this matter.

⁸ See Application at 8.

⁹ See Application at 9.

APPENDIX

1) VNG shall be authorized to borrow and invest in the Utility Money Pool with aggregate borrowings not to exceed \$300 million, and to annually issue up to \$250 million of long-term debt and \$300 million of common stock to Financing Affiliates under the terms and conditions and for the purposes as represented in the Application through December 31, 2027. If the Applicants wish to extend the financing authority beyond that date, separate approval shall be required via a filing made no later than November 1, 2027.

- 2) Separate Commission approval shall be required to alter or amend the terms and conditions for participation in the Utility Money Pool or to change the Utility Money Pool participants.
- 3) The Commission's approval shall have no accounting or ratemaking implications
- 4) The approval granted in this case shall not preclude the Commission from exercising its authority under Code § 56-76 *et seq.* hereafter.
- 5) The Applicants shall provide the Commission's Division of Utility Accounting and Finance with at least thirty (30) days' advance notice of the prospective date and amount of any dividend payment by VNG to any affiliate.
- 6) The Commission shall reserve the right to examine the books and records of any affiliate in connection with the authority granted in this case, whether or not such affiliate is regulated by the Commission.
- 7) The Applicants shall, within ten (10) days after the issuance of any common stock or long-term debt pursuant to the authority granted herein, file a preliminary report with the Clerk of the Commission. Such report shall include the date of issuance, type of security, amount issued, and the respective interest rate, date of maturity, and other terms and conditions of any issuance.
- 8) The Applicants shall file interim reports of action on or before March 17 of 2025, 2026, and 2027, for authority executed during the preceding calendar year, to include:

(a) A schedule of Utility Money Pool borrowings by month, segmented by borrower (whether VNG or an affiliate);

(b) Monthly schedules that separately reflect short-term debt interest expense, each type of allocated Utility Money Pool fee, and an explanation of how both the interest rate and allocated fee have been calculated; and

(c) A detailed report describing common stock and long-term debt securities issued pursuant to the authority granted herein. Such report should include the information noted in Requirement No. 7 above, the cumulative amount issued to date for each type of security and the amount of authorized but unissued securities that remain, a general statement concerning the purposes for which the securities were issued, a summary of all issuance costs incurred to date for each respective security issued, and a balance sheet reflecting the actions taken.

- 9) The Applicants shall file a final report of action with the Clerk of the Commission on or before March 17, 2028, for authority executed during the 2027 calendar year, to include:
- (a) A monthly schedule of Utility Money Pool borrowings, segmented by borrower (whether VNG or an affiliate);
 - (b) Monthly schedules that separately reflect short-term debt interest expense, each type of allocated Utility Money Pool fee, and an explanation of how both the interest rate and allocated fee have been calculated; and
 - (c) A detailed report describing common stock and long-term debt securities issued pursuant to the authority granted herein. Such report should include the information noted in Requirement No. 7 above, the cumulative amount issued to date for each type of security and the amount of authorized but unissued securities that remain, a general statement concerning the purposes for which the securities were issued, a summary of all issuance costs incurred to date for each respective security issued, and a balance sheet reflecting the actions taken.
- 10) VNG shall include in its Annual Report of Affiliate Transactions, submitted to the Director of the Commission's Division of Utility Accounting and Finance by May 1 of each year, a reference to each of the aforementioned reports of actions by case number, type of financing, and date report filed.

**CASE NO. PUR-2023-00211
DECEMBER 18, 2023**

JOINT PETITION OF
SHENANDOAH TELEPHONE COMPANY, SHENTEL BROADBAND HOLDING INC., and SHENTEL BROADBAND OPERATIONS LLC

For approval pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia

ORDER GRANTING APPROVAL

On November 17, 2023, Shenandoah Telephone Company ("Shenandoah"),¹ Shentel Broadband Holding Inc. ("SBH"), and Shentel Broadband Operations LLC ("Shentel Operations") (collectively, "Petitioners"),² filed a Joint Petition ("Petition") with the State Corporation Commission ("Commission"), pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia ("Code"),³ requesting approval of a pro forma reorganization where newly formed entities, SBH and Shentel Operations, will acquire control of Shenandoah ("Transfer").

Pursuant to an internal corporate reorganization, the newly created companies, SBH and Shentel Operations, will be placed in between Shenandoah and its ultimate parent company, ShenCom. The Petitioners assert that the Transfer will not involve any change to the operations of Shenandoah. The Petitioners further state that Shenandoah will continue to provide services to the public at just and reasonable rates. Information provided with the Petition indicates that Shenandoah will continue to have the financial, managerial, and technical resources necessary to provide telecommunications services in Virginia.

NOW THE COMMISSION, upon consideration of this matter and having been advised by the Commission Staff, is of the opinion and finds that the above-described Transfer should be approved.

Accordingly, IT IS ORDERED THAT:

- (1) Pursuant to Code §§ 56-88.1 and 56-90, the Petitioners hereby are granted approval of the Transfer as described herein.
- (2) The Petitioners shall file a report of action with the Commission's Document Control Center within thirty (30) days after closing of the Transfer, which shall note the date the Transfer occurred.

Commissioner James C. Dimitri participated in this matter.

¹ Shenandoah is an incumbent local exchange carrier authorized to provide telecommunications services in the Shenandoah Valley of Virginia pursuant to certificates of public convenience and necessity issued by the Commission. See, e.g., *Application of Shenandoah Telephone Company, For cancellation of certificate of public convenience and necessity for the provision of interexchange telecommunications services and for cancellation of certificate of public convenience and necessity for the provision of local exchange telecommunications services and reissuance in new name*, Case No. PUC-2011-00030, 2011 S.C.C. Ann. Rept. 256, Final Order (Apr. 14, 2011).

² Shenandoah Telecommunications Company ("ShenCom"), Shenandoah's ultimate and current direct parent, is also considered a Petitioner, and has provided the statutorily required verifications. See Petition at 1, n. 1.

³ Code § 56-88 *et seq.*

DIVISION OF SECURITIES AND RETAIL FRANCHISING**CASE NO. SEC-2018-00016
JULY 31, 2023**COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

DANIEL J. ANGLIN, JR. and PRINCE HENRY MANAGEMENT, LLC,
Defendants**SETTLEMENT ORDER**

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Daniel J. Anglin, Jr. ("Anglin") and Prince Henry Management, LLC ("PHM") (together, "Defendants") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Anglin, through PHM, managed Prince Henry Navigator I, LLC; Prince Henry Navigator II, LLC; and Prince Henry Navigator III, LLC (together, "Funds"). According to the Funds' operating agreements, PHM was responsible for directing and exercising full control over all of the Funds' investment-related activities. However, neither PHM nor Anglin was properly registered in Virginia as an investment advisor or investment advisor representative.

The Division has alleged that from 2007 to 2019, Defendants provided and were compensated for providing investment advisory services to Virginia residents who invested in the Funds, without being registered to transact such business in violation of § 13.1-504(A) of the Act. The Division also has alleged that, in violation of § 13.1-502(3) of the Act, Defendants received excessive management fees and other unauthorized payments.

If any provisions of the Act are violated, the Commission is authorized by § 13.1-518(A) of the Act to require payment of the costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521(A) of the Act to impose a civil penalty; by § 13.1-521(C) of the Act to order rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

When contacted by the Division regarding the above issues, Defendants cooperated with the Division and provided clarifying documents and information regarding these matters. Defendants neither admit nor deny the allegations made herein but admit to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, Defendants have made an offer of settlement to the Division wherein Defendants will abide by and comply with the following terms:

- (1) Defendants will send a copy of this Order to all of the Funds' investors within thirty (30) days from the date of entry of this Order;
- (2) Defendants will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Four Thousand Dollars (\$4,000) in monetary penalties;
- (3) Defendants will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Thousand Dollars (\$2,000) to defray the costs of investigation in this matter; and
- (4) Defendants will not violate the Act in the future.

The Division supports Defendants' settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) Defendants shall fully comply with the terms of the settlement stated herein.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of Defendants' failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2018-00026
FEBRUARY 13, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
THOMAS GREGORY COOK,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Thomas Gregory Cook ("Cook" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Based on its investigation, the Division alleges that, since 2019, Cook has failed to make certain restitution payments and provide information, pursuant to settlement orders previously entered by the Commission in Case No. SEC-1999-00074. The Commission, under § 13.1-521 of the Act, is authorized to enforce compliance with these orders through imposition of a civil penalty.

The Division also alleges that, from March 2013 through September 2017, Cook engaged in other unlawful activities which not only violated the previously entered settlement orders in Case No. SEC-1999-00074 requiring that he "not violate the Act ... in the future," but also constituted new and independent violations of the Act. Specifically, from March 2013 through September 2017, Cook, a Virginia resident, offered and sold approximately \$871,500 in security investments on behalf of Lime Lion Group, Inc., Lime Lion Holdings, LLC, and Fantank, LLC (collectively, "Lime Lion"), as well as GreenComm Technologies, LLC ("GreenComm"), to 11 investors, including 8 Virginia residents. Cook was not registered as an agent to transact such business and thus violated § 13.1-504(A)(i) of the Act.

Furthermore, the Division alleges that, in connection with the offer and sale of these securities, Cook failed to disclose to investors his prior federal criminal conviction for securities fraud in *United States v. Cook, et al.*, Case No. 5:03-cr-10054 (W.D. Va.) (2006), and the Commission's previous settlement orders entered in Case No. SEC-1999-00074. Cook also failed to disclose to investors that he was receiving 40% in fees or commissions from Lime Lion and GreenComm for conducting the offer and sale of these securities, even though investors had been told that only 5% of investment proceeds would be paid to registered broker-dealers or agents. By omitting to state such material facts and thereby misleading investors, Cook violated § 13.1-502(2) of the Act.

If any Commission order issued pursuant to the Act or any provisions of the Act are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, and in lieu of the Division's bringing a formal enforcement proceeding against the Defendant, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

(1) The Defendant will, within ten (10) days of the signing of the Admission and Consent by the Defendant and the Defendant's counsel, make all remaining restitution payments owed to five (5) investors, as previously ordered by the Commission in Case No. SEC-1999-00074, in the total amount of Seven Thousand Four Hundred Sixty Dollars and Fifteen Cents (\$7,460.15), as directed by the Division based on the list of investor names and payment amounts provided to the Defendant;¹

(2) The Defendant will pay to the Treasurer of Virginia a total amount of Twenty-Four Thousand Dollars (\$24,000) in monetary penalties, consisting of ninety-six (96) monthly payments of Two Hundred Fifty Dollars (\$250) due by the first calendar day of each month, with the first payment being made by December 1, 2022;²

(3) The Defendant agrees to be permanently enjoined from acting as an investment advisor representative, broker-dealer agent, or agent of an issuer in Virginia;

(4) The Defendant agrees to be permanently enjoined from offering and selling securities and engaging, partnering, or associating with other agents or affiliates to offer and sell securities in and from Virginia; and

(5) The Defendant agrees not to violate the Act or any order of the Commission in the future.

The Division supports the Defendant's offer of settlement and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

¹ The Division reports that the Defendant has deposited funds for the remaining restitution payments into an escrow account maintained by the Defendant's counsel.

² The Division reports that, to date, the Defendant has made three monthly penalty payments.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2020-00009
FEBRUARY 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

METROPOLITAN CAPITAL STRATEGIES, LLC, SHARON SNOW, DAVID SCHOMBERT and S SQUARED CAPITAL PARTNERS, LP,
Defendants

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Metropolitan Capital Strategies, LLC ("Metropolitan"), Sharon Snow ("Snow"), David Schombert ("Schombert"), and S Squared Capital Partners, LP ("S Squared") (collectively, "Defendants") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Metropolitan was a Virginia limited liability company with a principal office address at 11951 Freedom Drive, Suite 1300, Reston, Virginia 20190. Metropolitan was an investment advisory firm first registered in Virginia on January 18, 2007, and continuously registered in Virginia from August 2, 2013 until December 22, 2021. Snow was the Chief Executive Officer and Chief Compliance Officer of Metropolitan and was registered in Virginia as an investment advisor representative with Metropolitan from April 23, 2009 until December 22, 2021. Schombert was the President and Chief Investment Officer of Metropolitan and was registered in Virginia as an investment advisor representative with Metropolitan from April 26, 2007 until December 22, 2021. S Squared is a limited partnership formed in Delaware on February 11, 2013 and at all relevant times acted as a private investment fund operated and managed by Metropolitan, Snow, and Schombert.

Based on its investigation, the Division alleges that from 2015 until 2018, Snow and Schombert obtained funds from investors by means of untrue statements of a material fact in violation of § 13.1-502 (2) of the Act. The Division alleges that in or around July 2015, Snow and Schombert began operating S Squared. Metropolitan was the investment manager of S Squared. The Division alleges that from July 2015 to May 2018, Snow, Schombert, and S Squared solicited funds from certain investors for investments in the S Squared fund. The Division alleges that in connection with the offer and sale of these S Squared securities, Snow and Schombert provided prospective investors with a Private Placement Memorandum that contained untrue statements of a material fact and omissions of a material fact, in violation of § 13.1-502 (2) of the Act.

The Division further alleges that Metropolitan, as an investment advisor, made unsuitable recommendations to certain clients in violation of Rule 21 VAC 5-80-200 A 1 of the Commission's rules regarding investment advisors, 21 VAC 5-80-10 *et seq.* ("Rules"), by recommending that these clients invest a significant portion of their retirement assets into S Squared – an unsuitable recommendation given the clients' ages, financial situations, risk tolerances, and needs. The Division also alleges that Metropolitan violated Rule 21 VAC 5-80-200 A 10 by charging an unreasonable investment advisory fee to a client (the "Virginia Client") in light of the fees charged by other investment advisors or federal covered advisors providing essentially the same services. The Division further alleges that Snow and Schombert, as investment advisor representatives, violated Rule 21 VAC 5-80-200 B 1 by making unsuitable recommendations to certain clients, given the clients' investment objectives, financial situations, and needs. The Division also alleges that Snow and Schombert, as investment advisor representatives, violated Rule 21 VAC 5-80-200 B 10 by, again, failing to act primarily for the benefit of the Virginia Client in charging the Virginia Client an unreasonable investment advisory fee, in light of the fees charged by other investment advisor representatives providing essentially the same services.

If any provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendants neither admit nor deny the allegations made herein but admit to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendants have made an offer of settlement to the Division wherein the Defendants will abide by and comply with the following terms:

- (1) Within ninety (90) days after the entry of this Order, the Defendants will pay, jointly and severally, a restitution payment in the amount of Forty Thousand Dollars (\$40,000) to the Virginia Client;

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- (2) Within one hundred and twenty (120) days after the entry of this Order, the Defendants will submit proof to the Division of the restitution payment made to the Virginia Client;
- (3) Metropolitan agrees not to apply or reapply for registration in Virginia as an investment advisor, broker-dealer, or issuer;
- (4) Snow agrees not to apply or reapply for registration in Virginia as an investment advisor representative, broker-dealer agent, or agent of the issuer;
- (5) Schombert agrees not to apply or reapply for registration in Virginia as an investment advisor representative, broker-dealer agent, or agent of the issuer;
- (6) The Defendants will pay, jointly and severally, to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Twenty-Five Thousand Dollars (\$25,000) in monetary penalty;
- (7) The Defendants will pay, jointly and severally, to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Thousand Dollars (\$2,000) to defray the costs of investigation in this matter; and
- (8) The Defendants will not violate the Act in the future.

The Division supports the Defendants' settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendants shall fully comply with the terms of the settlement stated herein.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendants' failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2020-00014
NOVEMBER 30, 2023**

COMMONWEALTH OF VIRGINIA, *ex. rel.*
STATE CORPORATION COMMISSION
v.
REDE WEALTH, LLC,
Defendant

SETTLEMENT ORDER

The Division of Securities and Retail Franchising ("Division") of the State Corporation Commission ("Commission") conducted an investigation of Rede Wealth, LLC ("Rede Wealth" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

Rede Wealth is a Delaware limited liability company with a location at 600 Peter Jefferson Parkway, Suite 250, Charlottesville, Virginia 22911. Rede Wealth registered with the Securities and Exchange Commission as an investment advisor on January 2, 2015, and notice filed with the Division on January 16, 2015. From January 16, 2015 to August 13, 2019, Rede Wealth employed five individuals, three of whom were registered as investment advisor representatives. Based on information obtained during the Division's investigation, effective January 1, 2019, Rede Wealth reduced the role of one of its three investment advisor representatives to that of a solicitor due to Rede Wealth's dissatisfaction with the performance of that investment advisor representative ("the IAR") in his employment. On August 13, 2019, Rede Wealth terminated its association with the IAR completely.

Based on its investigation, the Division alleges that, while the IAR was employed, Rede Wealth violated Rule 21 VAC 5-80-200 A of the Commission's rules regarding investment advisors and investment advisor representatives ("Rules"), 21 VAC 5-80-10 *et seq.*, by allowing the IAR to continue servicing client accounts despite the IAR's alleged pattern of unprofessional and concerning conduct.

If the provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-506 of the Act to revoke the Defendant's registration; by § 13.1-518 A of the Act to impose costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose certain civil penalties; by § 13.1-521 C of the Act to order the defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

- (1) The Defendant will pay to the Treasurer of Virginia, within one year of the entry of this Order, the amount of Thirty Thousand Dollars (\$30,000) in monetary penalties;
- (2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Five Thousand Dollars (\$5,000) to defray the costs of investigation in this matter; and
- (3) The Defendant will not violate the Act or Rules in the future.

The Division supports the Defendant's offer of settlement and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) This Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2021-00044
MARCH 9, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
KAIROS INVESTING, LLC, and DAVID CLARK TAYLOR,
Defendants

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Kairos Investing, LLC ("Kairos") and David Clark Taylor ("Taylor") (collectively, "Defendants") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Kairos is a Virginia limited liability company with an office address at 4507 Overcup Court, Fairfax, Virginia 22032. Taylor is the founder and chief investment officer of Kairos. Neither of the Defendants has previously registered with the Division as an investment advisor or an investment advisor representative in Virginia.

Based on the investigation, the Division alleges that from January 2015 to June 2021, Defendants provided investment advisory services to Virginia residents without being registered with the Division as an investment advisor or an investment advisor representative, respectively, in violation of § 13.1-504 A of the Act. The Division also alleges that Kairos employed an investment advisor representative who was not registered with the Division, in violation of § 13.1-504 C of the Act. Additionally, the Division alleges that Kairos violated § 13.1-503 C 1 of the Act by entering into investment advisory contracts that did not contain the following required written statement: "That the investment advisor shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client." Further, the Division alleges that the Defendants directly or indirectly used an advertisement that referred to past specific recommendations of the investment advisor or investment advisor representative that were or would have been profitable to any person, in violation of Rule 21 VAC 5-80-200 of the Commission's rules governing investment advisors and investment advisor representatives, 21 VAC 5-80-10 *et seq.* ("Rules").

If the provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order the defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendants neither admit nor deny the allegations made herein but admit to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendants have made an offer of settlement to the Division wherein the Defendants will abide by and comply with the following terms:

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(1) Within thirty (30) days of the entry of this Order, the Defendants will engage the services of, and enter into a contract with, an independent third-party compliance firm, approved by the Division ("Compliance Firm"), to monitor compliance-related activity of the Defendants for a period of at least one (1) year beginning on the date of entry of this Order. The contract shall require that the Compliance Firm review Kairos' compliance with all applicable securities laws, including all annual and proposed amendments to the Form ADV, and review all of the Defendants' proposed advertising and marketing materials;

(2) The Defendants, within thirty (30) days of the entry of this Order, will send a copy of this Order to each of their Virginia investment advisory clients;

(3) The Defendants will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Thousand Dollars (\$2,000) in monetary penalties;

(4) The Defendants will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Hundred Fifty Dollars (\$250) to defray the costs of investigation in this matter; and

(5) The Defendants will not violate the Act in the future.

The Division supports the Defendants' settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The settlement is accepted.

(2) The Defendants shall fully comply with the terms of the settlement stated herein.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendants' failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2022-00001
JANUARY 26, 2023**

COMMONWEALTH OF VIRGINIA, *ex. rel.*
STATE CORPORATION COMMISSION

v.
MICHAEL ROBERT FINNIE,
Defendant

SETTLEMENT ORDER

The Division of Securities and Retail Franchising ("Division") of the State Corporation Commission ("Commission") conducted an investigation of Michael Robert Finnie ("Finnie" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

From December 17, 2010 through February 19, 2014, and again, from February 26, 2016 through July 31, 2018 ("Relevant Period"), Finnie was employed as an investment advisor representative by Securities America Advisors, Inc., a federal covered advisor. Finnie has been a registered investment advisor representative in Virginia since May 8, 1996.

Based on its investigation, the Division alleges that during the Relevant Period, Finnie recommended that clients purchase interest in certain investments in violation of Rule 21 VAC 5-80-200 B. 1. of the Commission's rules regarding Investment Advisors, 21 VAC 5-80-10 *et seq.*, ("Rules"), applicable to investment advisor representatives, as such recommendations were not suitable for the clients. The Division alleges that in multiple instances, Finnie's clients had no prior experience investing in such securities, and the investments represented a significant portion of their assets. The Division further alleges that despite the clients having requested additional cash income from their investments, their returns were actually re-invested into the original securities. For these reasons, the Division alleges that Finnie did not act primarily for the benefit of his clients in these instances, as required by the Rules.

If the provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-506 of the Act to revoke a defendant's registration; by § 13.1-518 A. of the Act to impose costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A. of the Act to impose a civil penalty; by § 13.1-521 C. of the Act to order the defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

- (1) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Twenty Thousand Dollars (\$20,000) in monetary penalty;
- (2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Five Hundred Dollars (\$1,500) to defray the costs of investigation in this matter; and
- (3) The Defendant will not violate the Act in the future.

The Division supports the Defendant's offer of settlement and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) This Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2022-00026
JULY 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
SELFIE WRLD, LLC,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Selfie WRLD, LLC ("Selfie WRLD" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

Selfie WRLD is an Iowa limited liability company established on April 27, 2020, with a corporate office location of 1003 NW Mills Court, Ankeny, Iowa 50023. Selfie WRLD offers and sells franchises that provide "do-it-yourself photography studios with multiple creative backdrops." Selfie WRLD applied for registration with the Division in April 2021 and again in October 2021. Selfie WRLD's registration application is currently pending.

Based on its investigation, the Division alleges that, prior to April 2021, Selfie WRLD offered and sold a total of two unregistered franchises ("Virginia Franchises") to two separate individuals to be operated in Virginia in violation of § 13.1-560 of the Act. On or about February 2022, one of the franchisees ("Former Franchisee") sold their unregistered franchise to the other franchisee ("Current Franchisee"), who currently owns both unregistered franchises located in Virginia. The Division further alleges that the Defendant violated § 13.1-563 (4) of the Act by failing to provide the Current Franchisee and Former Franchisee with copies of the franchise agreement, and the Commission's required disclosure document in connection with the offer and sale of the Virginia Franchises.

If the provisions of the Act are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make a written offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Current Franchisee as follows:

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- a. The Defendant will send the Rescission Offer, by certified mail, to the Current Franchisee. The Rescission Offer will include an offer to return the initial franchise fee paid (\$15,000) for each Virginia Franchise, as defined by § 13.1-559 of the Act. The Rescission Offer must contain a provision that allows the Current Franchisee thirty (30) days from the date of receipt to provide the Defendant with written notification of the Current Franchisee's decision to accept or reject the Rescission Offer.
 - b. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least ten (10) days prior to sending it to the Current Franchisee.
 - c. The Defendant will include with the Rescission Offer a copy of this Order.
 - d. If the Current Franchisee accepts the Rescission Offer, the Defendant will make payment of the initial franchise fee (\$15,000) to the Current Franchisee for each Virginia Franchise for which Current Franchisee has accepted rescission within fifteen (15) days of receipt of the written acceptance.
 - e. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that the Current Franchisee received the Rescission Offer, the Current Franchisee's response, and, if applicable, the initial franchise fee amount paid and the date that payment was sent to the Current Franchisee.
2. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Four Thousand Dollars (\$4,000) in monetary penalty.
 3. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Five Hundred Dollars (\$500) to defray the costs of investigation.
 4. The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2022-00034
JULY 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
FATBURGER NORTH AMERICA, INC.,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Fatburger North America, Inc. ("Fatburger" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

Fatburger is a Delaware corporation with a principal office location of 9720 Wilshire Boulevard, Suite 500, Beverly Hills, California 90212. Fatburger offers and sells franchises that provide primarily hamburgers to the public in a fast casual restaurant system. Fatburger was registered with the Division in 1993 and again in 2018. Fatburger's registration expired on December 7, 2019.

Based on its investigation, the Division alleges that, from December 2020 through August 2021, Fatburger offered and sold two unregistered franchises to one individual to be operated in Virginia and a third unregistered franchise to a business entity to be operated in Virginia (collectively, "Virginia Franchises") in violation of § 13.1-560 of the Act. The Division further alleges that the Defendant violated § 13.1-563 (4) (ii) of the Act by failing to provide the purchasers of the Virginia Franchises (collectively, "Virginia Franchisees") with the Commission's required disclosure document in connection with the offer and sale of the Virginia Franchises.

If the provisions of the Act are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make an offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Virginia Franchisees as follows:

- a. The Defendant will send the Rescission Offer, by certified mail, to each of the Virginia Franchisees. The Rescission Offer will include an offer to return the initial franchise fee, as defined by § 13.1-559 of the Act, paid by each of the Virginia Franchisees. The Rescission Offer must contain a provision that allows each of the Virginia Franchisees thirty (30) days from the date of receipt to provide the Defendant with written notification of each Virginia Franchisee's decision to accept or reject the Rescission Offer.
- b. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least twenty (20) days prior to sending it to the Virginia Franchisees.
- c. The Defendant will include a copy of this Order with the Rescission Offer sent to each of the Virginia Franchisees.
- d. If either of the Virginia Franchisees accepts the Rescission Offer, the Defendant will make payment of the initial franchise fee to the Virginia Franchisee(s) within fifteen (15) days of receipt of the written acceptance.
- e. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that each Virginia Franchisee received the Rescission Offer, each of the Virginia Franchisees' responses, and, if applicable, the initial franchise fee amount paid and the date that payment was sent to each of the Virginia Franchisees.

2. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Twenty-Four Thousand Dollars (\$24,000) in monetary penalty.

3. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Three Thousand Dollars (\$3,000) to defray the costs of investigation.

4. The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2022-00035
MARCH 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
OVERTIME FRANCHISE LLC,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Overtime Franchise LLC ("Overtime" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

Overtime is a Virginia limited liability company. Overtime offers and sells franchises that provide a service focused on youth athletic activities. Overtime was previously registered with the Division. Overtime's registration expired on August 2, 2018.

Based on its investigation, the Division alleges that, from May 2019 through August 2021, the Defendant offered and sold to five franchisees ("Virginia Franchisees") five unregistered franchises to be operated in Virginia, in violation of § 13.1-560 of the Act. The Division further alleges that, from April 2019 through July 2021, the Defendant violated § 13.1-563 (4) (ii) of the Act by failing to provide the five Virginia Franchisees with the Commission's required disclosure document in connection with the offer and sale of the franchises.

If the provisions of the Act are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make an offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Virginia Franchisees as follows:

- a. The Defendant will send the Rescission Offer, by certified mail, to each of the five Virginia Franchisees. The Rescission Offer will include an offer to return the franchise fee, as defined by § 13.1-559 of the Act, paid by each of the Virginia Franchisees. The Rescission Offer will allow each of the Virginia Franchisees thirty (30) days from the date of receipt to provide the Defendant with written notification of the individual Virginia Franchisee's decision to accept or reject the Rescission Offer.
- b. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least ten (10) days prior to sending it to the Virginia Franchisees.
- c. The Defendant will include a copy of this Order with the Rescission Offer to each of the Virginia Franchisees.
- d. If any of the Virginia Franchisees accepts the Rescission Offer, the Defendant will make payment of the franchise fee to the Virginia Franchisee(s) within fifteen (15) days of receipt of the written acceptance.
- e. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that each Virginia Franchisee received the Rescission Offer, each of the Virginia Franchisees' responses, and, if applicable, the franchise fee amount paid and the date that payment was sent to each of the Virginia Franchisees.

2. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Fifteen Thousand Dollars (\$15,000) in monetary penalties.

3. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Two Thousand Four Hundred Dollars (\$2,400) to defray the costs of investigation.

4. The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2022-00036
MARCH 1, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

COREY TAYLOR,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Corey Taylor ("Taylor" or "Defendant"), a Virginia resident, pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Based on its investigation, the Division alleges that, from 2018 to 2020, several entities that Taylor controlled – SyndiCap Investment and Securities Management, LLC, Private Mortgage Arbitrage Fund, LLC, and Pinnacle Capital Partners Fund 1, LLC (together, "Issuers") – offered and sold unregistered, non-exempted securities in violation of § 13.1-507 of the Act, totaling more than \$300,000 in securities investments.

The Division alleges that, in conducting the offer and sale of the securities, Taylor acted as an unregistered agent of the Issuers, in further violation of § 13.1-504(A)(i) of the Act.

Additionally, the Division alleges that Taylor made various untrue statements of material fact to investors concerning the nature of the security investments and his actual experience and track record with respect to such investments, thus violating § 13.1-502(2) of the Act.

If any provisions of the Act are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521(A) of the Act to impose certain civil penalties; by § 13.1-521(C) of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, and in lieu of the Division's bringing a formal enforcement proceeding against the Defendant, the Defendant has made an offer of settlement to the Division wherein the Defendant will comply with the following terms:

- (1) The Defendant will, concurrently with the entry of this Settlement Order, make an initial restitution payment of Fifteen Thousand Dollars (\$15,000), as directed by the Division;
- (2) The Defendant will, within ninety (90) days of the entry of this Settlement Order, make a second restitution payment of Ten Thousand Dollars (\$10,000), as directed by the Division;
- (3) The Defendant will, within one hundred eighty (180) days of the entry of this Settlement Order, make a third restitution payment of Thirty-Five Thousand Dollars (\$35,000), as directed by the Division; and
- (4) The Defendant agrees not to violate the Act in the future.

The Division has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

CASE NO. SEC-2022-00038
JULY 12, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
 STATE CORPORATION COMMISSION

v.
 KING LOMBARDI ACQUISITIONS, INC., d/b/a VR BUSINESS BROKERS,
 Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of King Lombardi Acquisitions, Inc., d/b/a VR Business Brokers ("KLA" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

KLA is a Delaware corporation organized in 1999 with a principal office location at 2601 East Oakland Park Boulevard, Suite 300, Fort Lauderdale, Florida 33306. KLA has intermittently registered its franchise in Virginia since 2004. KLA's registration expired on March 2, 2019.

Based on its investigation, the Division alleges that, in or about August 2021, KLA offered and sold a franchise in Virginia to a purchaser ("Virginia Franchisee") without the franchise being registered with the Division in violation of § 13.1-560 of the Act. The Division further alleges that the Defendant violated § 12.1-13 of the Code by failing to comply with the terms of a 2008 Settlement Order entered by the Commission.¹

If the provisions of the Act or Code are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make an offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Virginia Franchisee as follows:

- a. The Defendant will send the Rescission Offer, by certified mail, to the Virginia Franchisee. The Rescission Offer will include an offer to return the initial franchise fee, as defined by § 13.1-559 of the Act, paid by the Virginia Franchisee. The Rescission Offer must contain a provision that allows the Virginia Franchisee thirty (30) days from the date of receipt to provide the Defendant with written notification of the Virginia Franchisee's decision to accept or reject the Rescission Offer.
- b. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least twenty (20) days prior to sending it to the Virginia Franchisee.
- c. The Defendant will include a copy of this Order with the Rescission Offer sent to the Virginia Franchisee.
- d. If the Virginia Franchisee accepts the Rescission Offer, the Defendant will make payment of the initial franchise fee to the Virginia Franchisee within fifteen (15) days of receipt of the written acceptance.
- e. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that the Virginia Franchisee received the Rescission Offer, the Virginia Franchisee's response, and, if applicable, the initial franchise fee amount paid and the date that payment was sent to the Virginia Franchisee.

2. The Defendant will pay to the Treasurer of Virginia the total amount of Eight Thousand Dollars (\$8,000) in monetary penalty. The Defendant shall make four (4) monthly installments of Two Thousand Dollars (\$2,000), with the first installment to be due on May 30, 2023. The subsequent installments will be due on or before the 30th day of each month thereafter.²

3. The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

¹ *Commonwealth of Virginia, ex rel. State Corporation Commission v. King Lombardi Acquisitions, Inc., d/b/a VR Business Brokers, et al.*, Case No. SEC-2008-00070, 2008 S.C.C. Ann. Rept. 657, Settlement Order (Sept. 3, 2008).

² The Division reports that, to date, the Defendant has made one payment.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2023-00004
APRIL 28, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
NEXO CAPITAL INC.,
Defendant

CONSENT ORDER

Nexo Capital Inc. ("Nexo Capital") is a financial services company that was incorporated in the Cayman Islands in 2018. Pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code"), the Division of Securities and Retail Franchising ("Division") of the Virginia State Corporation Commission ("Commission") participated in an investigation ("Investigation") in cooperation with state securities regulators from multiple jurisdictions ("Multistate Working Group")¹ and the U.S. Securities and Exchange Commission, to determine whether Nexo Capital's offer and sale to customers of interest-bearing digital asset accounts called Earn Interest Product ("EIP") accounts to customers from at least June 17, 2020 through December 6, 2022 ("Relevant Period") violated securities laws. Nexo Capital has never been registered in Virginia to offer and sell securities. In addition, Nexo Capital has never applied for the registration of any securities with the Division, or otherwise notified the Division of an applicable registration exemption.

Nexo Capital has cooperated with state securities regulators and the Multistate Working Group conducting the Investigation by responding to inquiries, providing documentary evidence and other materials, and providing access to facts relating to the Investigation.

Nexo Capital has reached an agreement with the Multistate Working Group to resolve the Investigation with respect to the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands (collectively, the "53 Jurisdictions").

Nexo Capital has advised the Multistate Working Group of its agreement to resolve the Investigation pursuant to the terms specified in this Consent Order (the "Order") and pursuant to the resolution recommendation by the Multistate Working Group (collectively, "multistate settlement"). As part of the multistate settlement, Nexo Capital agrees to: (1) cease and desist offering and selling the EIPs or any other security that is not registered or exempt from registration, to new clients in the United States; (2) cease accepting further investments or funds in the EIP accounts from current U.S. clients, unless and until the EIPs or other securities are registered or exempted from registration; and (3) make payment of up to a total of \$22,500,000.00 in settlement payments divided equally among the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands and paid to each of the 53 Jurisdictions that enter into a consent order pursuant to the terms of the multistate settlement.

As of the date of entry of this Order, Nexo Capital has amended and updated its terms of services, and any other terms or conditions of Nexo Capital's relationship with residents of the 53 Jurisdictions, to reflect that those residents of the 53 Jurisdictions are the title, beneficial, and legal owners of all fiat currency and digital assets held in their EIPs.

The Division has jurisdiction over this matter pursuant to § 13.1-518 of the Act. Nexo Capital further admits to the jurisdiction of the Commission in this matter and acknowledges its waiver of the right to a hearing set forth in § 13.1-521 of the Act. Solely for the purpose of terminating the Investigation and in settlement of the issues contained in this Order, Nexo Capital, without admitting or denying the facts and allegations contained herein, voluntarily consents to the entry of this Order and also waives any right to a hearing under § 13.1-521 of the Act and §§ 12.1-28 and 12.1-39 of the Code regarding this Order. Notwithstanding the foregoing, Nexo Capital will admit the findings of fact and conclusions of law for the purposes of exceptions to discharge in bankruptcy proceedings under any jurisdiction, including the proceedings set forth in Sections 523 and 1192 of the Bankruptcy Code, 11 U.S.C. §§ 523; 1192.

¹ State regulators from Washington, California, Kentucky, New York, Oklahoma, Indiana, Maryland, South Carolina, Vermont, and Wisconsin led this multi-state investigation as part of a North American Securities Administrators Association Working Group.

I. BACKGROUND²

1. Nexo Capital is a Cayman Islands corporation formed in 2018 with its principal place of business in Grand Cayman, Cayman Islands, that provides virtual currency-related financial services to retail and institutional borrowers in the United States, including trading, borrowing, and lending services. Nexo Capital has never applied for registration of any securities with the Division, or otherwise notified the Division of an applicable registration exemption.

2. Nexo Inc. is a Cayman Islands corporation formed in 2020. Nexo Inc. wholly owns Nexo Capital. Nexo Inc. has never applied for the registration of any securities with the Division, or otherwise notified the Division of an applicable registration exemption.

3. Nexo Financial LLC ("Nexo Financial") is a Delaware limited liability company formed in 2018 with its principal place of business in London, United Kingdom. Nexo Financial holds certain licenses, including money transmitter licenses and lending licenses in some states, but is not registered with the Division in any capacity.

4. Nexo Group comprises business entities organized primarily in European countries and territories, including, but not limited to, Nexo Inc., Nexo Capital, and Nexo Financial. The Nexo Group has never applied for the registration of any securities with the Division, or otherwise notified the Division of an applicable registration exemption.

5. Antoni Trenchev ("Trenchev") is a co-founder and Managing Partner of the Nexo Group and a director and manager of certain companies within the Nexo Group, including Nexo Capital. Trenchev is responsible for supervising day-to-day business activities of the Nexo Group companies, including ensuring their compliance with applicable legislation, rules, and regulations. Trenchev is not registered with the Division in any capacity.

6. From approximately September 26, 2022 to November 3, 2022, multiple states from the Multistate Working Group filed various regulatory orders and administrative notices alleging that Nexo Capital, Nexo Inc., and/or Trenchev were: 1) offering and selling unregistered securities in the form of EIPs; 2) transacting business as an unregistered broker-dealer or agent; 3) making untrue statements of fact or omitting material facts necessary to make the statements made, in light of the circumstances in which they were made, not misleading; and/or 4) engaging in dishonest or unethical practices in the securities or investment advisory business.

7. Beginning on February 19, 2022, Nexo Capital disallowed any new U.S. customers from opening an EIP account with Nexo Capital and disallowed any preexisting U.S. customers from adding additional EIPs into their current Nexo Capital accounts. On December 6, 2022, Nexo Capital ceased offering EIPs to customers nationwide, including to customers in Virginia.

A. The Division's Allegations Regarding the Offer and Sale of Securities Nationwide

8. During the Relevant Period, Nexo Capital offered and sold securities in the form of EIPs and marketed, offered, and sold those securities to over a thousand Virginia residents. The EIP enables customers to passively earn interest by loaning certain digital assets ("Eligible Earn Assets") to Nexo Capital. Nexo Capital's EIP customers had no part in selecting, monitoring, or reviewing the revenue-generating activities that Nexo Capital uses to earn this interest.

9. As of July 31, 2022, there were 1,546 Virginia EIP accounts earning interest with a total Virginia EIP savings wallet value of \$5,524,247.59. Nationally, there were 93,318 EIP accounts earning interest with a total EIP savings wallet value of \$800,260,000.

10. After opening an EIP account with Nexo Capital, a customer would transfer fiat currency (EUR, GBP, and USD) from a bank account to purchase Eligible Earn Assets using specialized software that stores and organizes the digital currency ("wallet"). Customers could also add cryptocurrency to their Nexo Capital wallet by transferring assets from another crypto exchange or wallet. In exchange, Nexo Capital would pay the customer a variable monthly interest rate.

11. Nexo Capital generated the interest it paid to EIP customers by deploying customers' digital assets in various ways, including staking, lending, arbitrage, and provision of liquidity on certain decentralized finance platforms, in addition to the lending of aggregated customer Eligible Earn Assets to retail and institutional borrowers. Nexo Capital pooled the loaned digital assets, and exercised full discretion over how much to hold, lend, and invest.

12. In Nexo Capital's EIP account arrangement, a customer agreed to invest their Eligible Earn Assets with Nexo Capital, in exchange for passively earning interest that was deposited into the customer's EIP savings wallet. EIP customers began accruing interest 24 hours after investing Eligible Earn Assets with Nexo Capital.

13. Nexo Capital offered their customers EIP accounts in the form of either a Flex EIP Savings Wallet Term ("Flex Term Investment") or a Fixed EIP Savings Wallet Term ("Fixed Term Investment"). Interest from a customer's Eligible Earn Assets was credited to a customer's EIP savings wallet either at the expiration of the Fixed Term Investment or daily for a Flex Term Investment.

14. For a Flex Term Investment, there was no required "holding" time for a customer to lend their Eligible Earn Assets, and these customers could withdraw their Eligible Earn Assets at any time subject to the terms and conditions of a Nexo Capital wallet.

15. For a Fixed Term Investment, customers were unable to withdraw their Eligible Earn Assets for the duration of a defined term. When investing in a Fixed Term Investment, a customer could elect to use Nexo Capital's "automatic renewal" feature to rollover their investment at the end of the defined term.

² The following sections set forth information gathered over the course of the Investigation.

16. Nexo Capital adjusted the interest rates payable on EIPs for particular digital assets periodically, and typically at the start of each month. Nexo Capital set the rates based, in part, on the yield that Nexo Capital could generate from lending to institutional borrowers, and thus interest rates were correlated with the efforts that Nexo Capital put in to generate that yield. Other factors influencing the interest rate included the length of the Eligible Earn Assets loan, the type of cryptocurrency loaned, and whether the customer had a Flex Term Investment or a Fixed Term Investment. Generally, the longer that a customer agreed to maintain their Eligible Earn Assets with Nexo Capital, the higher the rate of return. According to Nexo Capital's EIP terms and conditions, interest "shall be subject to revision from time to time, at [Nexo Capital's] sole and absolute discretion."

17. Included in the EIP terms and conditions, customers were required to acknowledge that they:

...understand and agree that we [Nexo Capital] might convert, pledge, re-pledge, hypothecate, rehypothecate, sell, lend, or otherwise transfer, dispose of or use any amount of any Digital Assets in regard to which you use the Nexo Earn Interest Product, separately or together with other property, and for any period of time, and without retaining in our [Nexo Capital's] possession and/or control for delivery a like amount thereof or any other assets, at our [Nexo Capital's] sole and absolute discretion.

18. As such, any profit earned by Nexo Capital customers was earned solely through the efforts of Nexo Capital with means determined solely by Nexo Capital.

19. Nexo Capital pooled and deployed customer Eligible Earn Assets with other customers' Eligible Earn Assets and similar, Nexo Capital-owned assets—e.g., Eligible Earn Assets in Bitcoin with other Nexo Capital-owned Bitcoin assets. As such, Nexo Capital had complete control over how the Eligible Earn Assets were used to generate interest.

B. The Division's Allegations Regarding Nexo Capital's Failure to Comply with Registration Requirements

20. During the Relevant Period, Nexo Capital offered and sold securities in Virginia that were not registered with the Division or exempted from registration.

21. During the Relevant Period, Nexo Capital offered and sold securities in Virginia without being registered as a broker-dealer or agent with the Division.

II. Summary of Alleged Violations

22. The EIPs are securities as defined in § 13.1-501 of the Act.

23. During the Relevant Period, Nexo Capital's offer and sale of securities in Virginia that were not registered with the Division or exempted from registration violated § 13.1-507 of the Act.

24. During the Relevant Period, Nexo Capital's offer and sale of securities in Virginia without being registered as a broker-dealer or agent with the Division violated § 13.1-504 of the Act.

25. If the provisions of the Act are violated, the Commission is further authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose certain civil penalties; by § 13.1-521 C of the Act to order the defendant to make rescission or restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

III. Settlement Offer

26. Nexo Capital shall cease and desist offering or selling EIPs or any security that is not registered or exempt to new customers in Virginia. Nexo Capital shall cease and desist accepting further investments or funds in the EIPs by Virginia customers unless and until the EIPs or other securities have been properly registered or are otherwise exempt from registration under the Act.

27. Nexo Capital shall pay \$424,528.30 in monetary penalties to the Treasurer of Virginia, in four installments as set forth below.

28. Except as provided in Paragraph 30 below, this settlement resolves any action the Division could commence against Nexo Capital under § 13.1-507 of the Act concerning the offer and sale of EIPs without registration or otherwise complying with an exemption during the Relevant Period.

29. The Division reserves the right to investigate additional potential violations of Virginia securities laws and/or regulations and initiate any appropriate enforcement action.

30. This settlement is entered into solely for the purpose of resolving the referenced multistate Investigation and is not intended to be used for any other purpose. Other than the obligations and provisions set forth therein, this settlement does not limit or create liability for Nexo Capital nor limit or create defenses for Nexo Capital to any claims.

31. This settlement and the order of any other State in any proceeding related to Nexo Capital's agreement to resolve the above-referenced multistate Investigation (collectively, the "Orders") shall not be used as sole grounds to deny registration or exemption of securities issued by Nexo Capital.

32. This settlement is not intended to subject any Covered Persons³ to any disqualifications under the laws of the United States, any state, the District of Columbia, Puerto Rico, or the U.S. Virgin Islands, or under the rules or regulations of any securities or commodities regulator or self-regulatory organization, including, without limitation, any disqualification from relying upon the state or federal registration exemptions or safe harbor provisions.

³ "Covered Persons" means Nexo Capital, its parent, or any of its affiliates and their current or former officers, directors, employees, or other persons that could otherwise be disqualified as a result of the Orders.

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33. This settlement does not preclude Nexo Capital from paying interest or returns to existing clients, refunding principal to customers consistent with the terms of the EIPs, or otherwise lawfully dealing with existing clientele.

34. Nexo Capital agrees not to violate the Act in the future.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that Nexo Capital's settlement offer should be accepted.

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

1. The Commission accepts Nexo Capital's settlement offer.
2. Nexo Capital is to immediately cease and desist from offering or selling the EIPs or any security that is not registered or exempt to new customers in Virginia and cease and desist accepting further investments or funds in the EIPs by current Virginia customers, unless and until the EIPs or other securities are registered with the Division or otherwise exempt from registration under the Act.
3. Nexo Capital shall require verification of the identity of all new account holders to ensure that it does not provide services to Virginia residents and shall implement IP-based geo-blocking restricting access to prospective new account holders from Virginia on Nexo Capital's app, websites, and services.
4. As set forth below, Nexo Capital is to pay \$424,528.30 in monetary penalties to the Treasurer of Virginia in the following installments:
 - a. \$141,509.44 immediately upon entry of this Order;
 - b. \$94,339.62 within 90 days of entry of this Order;
 - c. \$94,339.62 within 180 days of entry of this Order; and
 - d. \$94,339.62 within 270 days of entry of this Order.
5. This Order shall be binding upon Nexo Capital, its parent and affiliates, and their respective successors and assigns with respect to the provisions above and all future obligations, responsibilities, undertakings, commitments, limitations, restrictions, events, and conditions.
6. The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of Nexo Capital's failure to comply with the terms set forth herein.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00006
NOVEMBER 20, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
JENNIFER WAPPAUS,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Jennifer Wappaus ("Defendant" or "Wappaus") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Wappaus has been registered in Virginia as an investment advisor representative since October 1, 2009. From December 1, 2016 to June 19, 2020, Wappaus was an investment advisor representative with PagnatoKarp Partners, LLC ("PagnatoKarp"), a federally covered investment advisor.

Based on its investigation, the Division alleges that between December 1, 2016 and March 17, 2017, Wappaus, while acting as an investment advisor representative for PagnatoKarp, failed to disclose to multiple clients in writing a material conflict of interest which could reasonably have been expected to impair the rendering of unbiased and objective advice, in violation of Rule 21 VAC 5-80-200 B 11 of the Commission's rules regarding investment advisors, 21 VAC 5-80-10 *et seq.* ("Rules"). Specifically, according to information obtained by the Division during its investigation, when moving their accounts from Metropolitan Capital Strategies to PagnatoKarp, multiple clients (including relatives and close family friends of Wappaus) elected to maintain investments in S Squared, a hedge fund operated by Sharon Snow, Wappaus' mother. The Division alleges that Wappaus did not provide written disclosure of her relationship with Snow to the clients.

If any provisions of the Act or Rules are violated, the Commission is authorized by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

(1) The Defendant will pay to the Treasurer of Virginia, within one year of the entry of this Order, the amount of Twenty-Five Thousand Dollars (\$25,000) in monetary penalty; and

(2) The Defendant will not violate the Act or the Rules in the future.

The Division supports the Defendant's settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

(1) The settlement is accepted.

(2) The Defendant shall fully comply with the terms of the settlement stated herein.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

CASE NO. SEC-2023-00008
APRIL 5, 2023

APPLICATION OF
NATIONAL COVENANT PROPERTIES

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On February 27, 2023, National Covenant Properties ("NCP") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that NCP's 5-Year Fixed Rate Renewable Certificates, 12-Month Fixed Rate Renewable Certificates, 30-Month Fixed Rate Renewable Certificates, Variable Rate Certificates, Demand Investment Accounts, Term Individual Retirement Account Certificates, Demand Individual Retirement Account Certificates, and Health Savings Account Certificates (collectively, the "Certificates and Accounts") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, NCP asserts, among other things, that: (i) NCP is an Illinois corporation operating not for private profit but exclusively for religious, charitable and educational purposes; (ii) NCP intends to offer and sell the Certificates and Accounts in an approximate aggregate amount of up to \$200,000,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold by agents of the issuer who are registered under the Act; and (iv) NCP will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Certificates and Accounts described herein.

Based upon the facts asserted by NCP in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Certificates and Accounts described above are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, NCP shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

CASE NO. SEC-2023-00009
MAY 26, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
 STATE CORPORATION COMMISSION
 v.
 RBC CAPITAL MARKETS, LLC,
 Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of RBC Capital Markets, LLC ("RBC" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

RBC has a principal office at 3 World Financial Center, 200 Vesey Street, New York, New York 10281 and has been a federal covered advisor since 1977. RBC has been registered as a broker-dealer in Virginia since 1993, and also filed notice with the Division as an investment advisor in 1993.

Based on its investigation, the Division alleges that the Defendant is a federal covered advisor. The Division further alleges that from February 1, 2021 through the present, the Defendant employed an unregistered investment advisor representative having a place of business in the Commonwealth in violation of § 13.1-504 C (ii) of the Act.

If any provisions of the Act are violated, the Commission is authorized by § 13.1-518 A of the Act to require payment of the costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegation made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from this allegation, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

- (1) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Ten Thousand Dollars (\$10,000) in monetary penalty;
- (2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Dollars (\$1,000) to defray the costs of investigation in this matter; and
- (3) The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement stated herein.
- (3) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

CASE NO. SEC-2023-00013
APRIL 27, 2023

APPLICATION OF
COLUMBIA UNION REVOLVING FUND

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On March 29, 2023, Columbia Union Revolving Fund ("CURF") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that CURF's 90-day Demand Promissory Notes ("Notes") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, CURF asserts, among other things, that: (i) CURF is a Delaware corporation operating not for private profit but exclusively for religious, charitable and educational purposes; (ii) CURF intends to offer and sell the Notes in an approximate aggregate amount of up to \$40,000,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold by registered agents of the issuer who are registered under the Act; and (iv) CURF will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Notes described herein.

Based upon the facts asserted by CURF in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby **ADJUDGE** and **ORDER**, that the Notes described above are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, CURF shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

CASE NO. SEC-2023-00014
MAY 16, 2023

APPLICATION OF
CAPITAL IMPACT PARTNERS

For registration of securities pursuant to § 13.1-510 of the Code of Virginia

ORDER EFFECTING REGISTRATION OF SECURITIES BY QUALIFICATION

On March 31, 2023, Capital Impact Partners ("CIP") submitted to the State Corporation Commission ("Commission") a written registration statement, with attached exhibits ("Application"), requesting that its Capital Impact Investment Notes ("Notes") be registered by qualification pursuant to § 13.1-510 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia. The requisite fee of Five Hundred Dollars (\$500) has been paid.

In support of its Application, CIP asserts, among other things, that: (i) CIP is a District of Columbia nonprofit corporation formed on December 30, 1982; and (ii) CIP intends to offer and sell the Notes for an aggregate amount of up to \$200,000,000. The Notes will be offered and sold by registered broker-dealers.

NOW THE COMMISSION, based on the facts asserted by CIP in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, is of the opinion and finds, and does hereby **ADJUDGE** and **ORDER**, that the securities described above are registered for offer and sale in the Commonwealth of Virginia through a prospectus, a copy of which is filed as a part of the record in this case, and only by such broker-dealers that are registered under the Act.

Commissioner Patricia L. West participated in this matter.

CASE NO. SEC-2023-00015
MAY 19, 2023

APPLICATION OF
GRACE BROTHERS INVESTMENT FOUNDATION, INC.

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On March 1, 2023, Grace Brethren Investment Foundation, Inc. ("GBIF") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that GBIF's Demand Investments be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, GBIF asserts, among other things, that: (i) GBIF is an Indiana corporation operating not for private profit but exclusively for religious, charitable, and educational purposes; (ii) GBIF intends to offer and sell the Demand Investments in an approximate aggregate amount of up to \$100,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the Application; (iii) said securities are to be offered and sold by registered agents of the issuer who are registered under the Act; and (iv) GBIF will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Demand Investments described herein.

Based upon the facts asserted by GBIF in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby **ADJUDGE** and **ORDER**, that the Demand Investments described above are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, GBIF shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00016
JULY 6, 2023**

APPLICATION OF
MISSION INVESTMENT FUND OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On April 10, 2023, Mission Investment Fund of the Evangelical Lutheran Church in America ("Mission Fund") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that Mission Fund's Demand Investments, Fixed and Adjustable Interest Rate Term Investments, MIF4KIDZ Investments, and the IRA/CESA/HSA program (collectively, the "Investments") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, Mission Fund asserts, among other things, that: (i) Mission Fund is a Minnesota corporation operating not for private profit but exclusively for religious purposes; (ii) Mission Fund intends to offer and sell the Investments in an approximate aggregate amount of up to \$500,000,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold by registered agents of the issuer who are registered under the Act; and (iv) Mission Fund will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Investments described herein.

Based upon the facts asserted by Mission Fund in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby **ADJUDGE** and **ORDER**, that the Investment described above are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, Mission Fund shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00017
JUNE 15, 2023**

APPLICATION OF
THE SOLOMON FOUNDATION

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On April 19, 2023, The Solomon Foundation ("Foundation") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that the Foundation's Demand Certificates and Time Certificates (collectively, the "Certificates") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, the Foundation asserts, among other things, that: (i) the Foundation is a Colorado nonprofit corporation organized exclusively for charitable and religious purposes; (ii) the Foundation intends to offer and sell the Certificates in an approximate aggregate amount of up to \$650,000,000 on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold by registered agents of the issuer who are registered under the Act; and (iv) the Foundation will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Certificates described herein.

Based upon the facts asserted by the Foundation in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Certificates described above are exempt from the securities registration requirements of the Act. IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, the Foundation shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

CASE NO. SEC-2023-00018
JULY 27, 2023

APPLICATION OF
THE BAPTIST FOUNDATION OF OKLAHOMA d/b/a WATERSEDGE MINISTRY SERVICES

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On April 27, 2023, The Baptist Foundation of Oklahoma d/b/a WatersEdge Ministry Services ("WEMS") submitted a written application, with attached exhibits ("Application"), requesting that the Enhanced Cash Fund Deposits and the Term Deposits (collectively, the "Notes") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, WEMS asserts, among other things, that: (i) WEMS is an Oklahoma corporation operating not for private profit but exclusively for religious, charitable and educational purposes; (ii) WEMS intends to offer and sell the Notes in an approximate aggregate amount of up to \$275 million on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold only by an officer of WEMS who is a registered agent of the issuer and is registered under the Act, and the officer will not be compensated for any sales efforts; and (iv) WEMS will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Notes described herein.

Based upon the facts asserted by WEMS in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Notes described above are exempt from the securities registration requirements of the Act. IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, WEMS shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

CASE NO. SEC-2023-00019
JULY 11, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
BRIAN CEKADA,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Brian Cekada ("Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Based on its investigation, the Division alleges that from September 2021 to May 2022, the Defendant transacted business in Virginia by offering and selling a security in the Cayman Crypto Fund (the "Fund"), without being registered with the Division as an agent of the issuer, in violation of § 13.1-504 A (i) of the Act.

If any provisions of the Act are violated, the Commission is authorized by § 13.1-518 A of the Act to require payment of the costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegation made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from this allegation, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

(1) The Defendant will immediately close the Fund to any further investments, and the Defendant will provide the Division with a signed affidavit attesting the same.

(2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Five Thousand Dollars (\$5,000) in monetary penalty;

(3) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Dollars (\$1,000) to defray the costs of investigation in this matter; and

(4) The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be, and is hereby, accepted.

Accordingly, IT IS ORDERED THAT:

(1) The settlement is accepted.

(2) The Defendant shall fully comply with the terms of the settlement stated herein.

(3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2023-00021
OCTOBER 4, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CELEBRATION TITLE FRANCHISING, LLC,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Celebration Title Franchising, LLC ("Celebration" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

Celebration is a Florida limited liability company. Celebration offers and sells franchises that provide real estate title services as well as escrow, closing, and settlement services. Celebration has never been registered with the Division.

Based on its investigation, the Division alleges that, in or around July 2022, the Defendant offered and sold a franchise in Virginia to a purchaser ("Virginia Franchisee") without the franchise being registered with the Division in violation of § 13.1-560 of the Act. The Division further alleges that the Defendant violated § 13.1-563 (4) of the Act by failing to provide the Virginia Franchisee with the Commission's required disclosure document in connection with the offer and sale of the franchise.

If the provisions of the Act are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make an offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Virginia Franchisee as follows:

- a. The Defendant will send the Rescission Offer, by certified mail, to the Virginia Franchisee. The Rescission Offer will include an offer to return the franchise fee (\$35,000), as defined by § 13.1-559 of the Act, paid by the Virginia Franchisee. The Rescission Offer must contain a provision that allows the Virginia Franchisee thirty (30) days from the date of receipt to provide the Defendant with written notification of the Virginia Franchisee's decision to accept or reject the Rescission Offer.
- b. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least ten (10) days prior to sending it to the Virginia Franchisee.

- c. The Defendant will include a copy of this Order with the Rescission Offer sent to the Virginia Franchisee.
- d. If the Virginia Franchisee accepts the Rescission Offer, the Defendant will make payment of the franchise fee (\$35,000) to the Virginia Franchisee within fifteen (15) days of receipt of the written acceptance.
- e. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that the Virginia Franchisee received the Rescission Offer, the Virginia Franchisee's response, and, if applicable, the franchise fee amount paid and the date that payment was sent to the Virginia Franchisee.

2. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Seven Thousand Dollars (\$7,000) in monetary penalty.

3. The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Dollars (\$1,000) to defray the costs of investigation.

4. The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2023-00022
JULY 11, 2023**

APPLICATION OF
OCONEE FINANCIAL CORPORATION

For registration of securities pursuant to § 13.1-510 of the Code of Virginia

ORDER EFFECTING REGISTRATION OF SECURITIES BY QUALIFICATION

On April 3, 2023, Oconee Financial Corporation ("OFC") submitted to the State Corporation Commission ("Commission") a written registration statement, with attached exhibits ("Application"), requesting that its Common Stock be registered by qualification pursuant to § 13.1-510 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia. The requisite fee of Five Hundred Dollars (\$500) has been paid.

In support of its Application, OFC asserts, among other things, that: (i) OFC is a Georgia corporation and registered holding bank company formed on August 27, 1998; and (ii) OFC intends to offer and sell the Common Stock for an aggregate amount of up to \$4,312,490. The Common Stock will be offered and sold by a registered broker-dealer.

NOW THE COMMISSION, based on the facts asserted by OFC in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the securities described above are registered for offer and sale in the Commonwealth of Virginia through an offering circular, a copy of which is filed as a part of the record in this case, and only by a broker-dealer that is registered under the Act.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00023
JULY 10, 2023**

APPLICATION OF
CALVERT IMPACT CLIMATE, INC.

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On March 10, 2023, Calvert Impact Climate, Inc. ("CIC") submitted a written application, with attached exhibits, as amended, ("Application"), requesting that the CPACE Asset-Backed Notes ("Notes") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, CIC asserts, among other things, that: (i) CIC is a Delaware nonstock corporation operating exclusively for charitable and educational purposes; (ii) CIC intends to offer and sell the Notes in an approximate aggregate amount of up to \$400 million on terms and conditions as more fully described in the Prospectus filed as a part of the Application; and (iii) said securities are to be offered and sold by a broker-dealer who is registered under the Act.

Based upon the facts asserted by CIC in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Notes described above are exempt from the securities registration requirements of the Act.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00025
JULY 31, 2023**

APPLICATION OF
CALVARY REVIVAL CHURCH

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On May 15, 2023, Calvary Revival Church ("CRC") submitted to the Virginia State Corporation Commission ("Commission") a written application, with attached exhibits ("Application"), requesting that First Mortgage Bonds (Series 2023 Simple Interest Bonds) (hereinafter, "First Mortgage Bonds") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, CRC asserts, among other things, that: (i) CRC is a Virginia nonprofit corporation operating exclusively for religious, charitable, and educational purposes; (ii) CRC intends to offer and sell the First Mortgage Bonds in an approximate aggregate amount of up to \$7,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the Application; and (iii) said securities are to be offered and sold by a broker dealer who is registered under the Act.

Based upon the facts asserted by CRC in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the First Mortgage Bonds described above are exempt from the securities registration requirements of the Act.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00026
AUGUST 3, 2023**

APPLICATION OF
CENTURY HOUSING CORPORATION

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On June 23, 2023, Century Housing Corporation ("Century Housing") submitted a written application, with attached exhibits ("Application"), requesting that the Century Sustainable Impact Notes ("Notes") be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, Century Housing asserts, among other things, that: (i) Century Housing is a California corporation operating not for private profit but exclusively for charitable and educational purposes; (ii) Century Housing intends to offer and sell the Notes in an approximate aggregate amount of up to \$150 million on terms and conditions as more fully described in the Prospectus filed as a part of the Application; (iii) said securities are to be offered and sold by broker-dealers who are registered under the Act; and (iv) Century Housing will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Notes described herein.

Based upon the facts asserted by Century Housing in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Notes described above are exempt from the securities registration requirements of the Act. IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, Century Housing shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00027
OCTOBER 23, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

TEDDY BEAR MOBILE, INC.,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Teddy Bear Mobile, Inc. ("TBM" or "Defendant") pursuant to § 13.1-567 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia ("Code").

TBM is a Delaware corporation formed in 2019. TBM offers mobile teddy bear stuffing services, and franchisees travel to various localities and children's functions. TBM has never registered its franchise in Virginia.

Based on its investigation, the Division alleges that, on or about March 19, 2019, TBM offered and sold an unregistered franchise in Virginia to a purchaser ("Virginia Franchisee") to be operated in Virginia in violation of § 13.1-560 of the Act. The Division further alleges that the Defendant violated § 13.1-563 (4) of the Act by failing to provide the Virginia Franchisee with a copy of the franchise agreement, and the Commission's required disclosure document in connection with the offer and sale of the Virginia franchise.

If the provisions of the Act or Code are violated, the Commission is authorized by § 13.1-562 of the Act to revoke a defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain civil penalties and to request that a defendant make rescission and restitution, and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegations made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

1. The Defendant will make an offer of rescission ("Rescission Offer") within thirty (30) days of the entry of this Order to the Virginia Franchisee as follows:

- a. The Defendant will send the Rescission Offer, by certified mail, to the Virginia Franchisee. The Rescission Offer will include an offer to return the initial franchise fee, as defined by § 13.1-559 of the Act, paid by the Virginia Franchisee. The Rescission Offer must contain a provision that allows the Virginia Franchisee thirty (30) days from the date of receipt to provide the Defendant with written notification of the Virginia Franchisee's decision to accept or reject the Rescission Offer.
- b. The Rescission Offer will contain a statement that notifies the Virginia Franchisee that if the Virginia Franchisee rejects the Rescission Offer and remains a franchisee of the Defendant, any additional franchise location(s) the Virginia Franchisee wishes to open with TBM may only be done if TBM is registered with the Division at the time of the offer or sale of franchises in Virginia.
- c. The Defendant will provide the Division with a copy of the Rescission Offer, for review and comment, at least ten (10) days prior to sending it to the Virginia Franchisee.
- d. The Defendant will include a copy of this Order with the Rescission Offer sent to the Virginia Franchisee.
- e. If the Virginia Franchisee accepts the Rescission Offer, the Defendant will make payment of the initial franchise fee to the Virginia Franchisee within fifteen (15) days of receipt of the written acceptance.

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f. Within ninety (90) days from the date of entry of this Order, the Defendant will submit to the Division an affidavit, executed by an authorized representative of the Defendant, containing the date that the Virginia Franchisee received the Rescission Offer, the Virginia Franchisee's response, and, if applicable, the initial franchise fee amount paid and the date that payment was sent to the Virginia Franchisee.

2. The Defendant will pay to the Treasurer of Virginia the total amount of Three Thousand Dollars (\$3,000) in monetary penalty. The Defendant shall make six (6) monthly installments of Five Hundred Dollars (\$500), with the first installment to be due within thirty (30) days from the date of entry of this Order. The subsequent installments will be due on or before the last day of each month thereafter.

3. The Defendant will not violate the Act in the future.
The Division supports the Defendant's settlement offer and recommends that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement.
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms of the settlement.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2023-00033
SEPTEMBER 15, 2023**

APPLICATION OF
LUTHERAN CHURCH EXTENSION FUND - MISSOURI SYNOD

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On August 28, 2023, the Lutheran Church Extension Fund - Missouri Synod ("LCEF") submitted to the Virginia State Corporation Commission ("Commission") a written application with attached exhibits ("Application") requesting that the LCEF's Young Investor ("Y.I.") Stamps, Dedicated Certificates, Family Emergency StewardAccount Certificates, StewardAccount Certificates, Gold Tier StewardAccount Certificates, Y.I. StewardAccount Certificates, FlexPlus Certificates, Fixed-Rate Term Notes, Floating-Rate Term Notes, Congregation Demand Certificates, and Congregation StewardAccount Certificates (collectively, the "Certificates") that LCEF intends to offer and sell in Virginia be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, the LCEF asserts, among other things, that: (i) the LCEF is a Missouri corporation operating not for private profit but exclusively for religious, educational, and charitable purposes; (ii) the LCEF intends to offer and sell the Certificates in an approximate aggregate amount of up to \$75 million on terms and conditions as more fully described in the Offering Circular filed as a part of the Application; (iii) said securities are to be offered and sold by a registered agent of the issuer; and (iv) the LCEF will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Certificates described herein.

Based upon the facts asserted by the LCEF in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Certificates are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, the LCEF shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner Patricia L. West participated in this matter.

**CASE NO. SEC-2023-00035
NOVEMBER 27, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
EQUITAS CAPITAL ADVISORS, LLC,
Defendant

SETTLEMENT ORDER

The State Corporation Commission's ("Commission") Division of Securities and Retail Franchising ("Division") conducted an investigation of Equitas Capital Advisors, LLC ("Equitas" or "Defendant") pursuant to § 13.1-518 of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia ("Code").

Equitas is an investment advisory firm and since 2003, a federal covered advisor registered with the U.S. Securities and Exchange Commission. Equitas has a principal office in Louisiana and has never been registered as an investment advisor in Virginia.

Based on its investigation, the Division alleges that from about April 1, 2022 to on or about August 14, 2023, the Defendant employed an investment advisor representative with a place of business in Virginia who was not registered in Virginia, in violation of § 13.1-504 C (ii) of the Act.

If any provisions of the Act are violated, the Commission is authorized by § 13.1-518 A of the Act to require payment of the costs of investigation; by § 13.1-519 of the Act to issue temporary or permanent injunctions; by § 13.1-521 A of the Act to impose a civil penalty; by § 13.1-521 C of the Act to order a defendant to make rescission and restitution; and by § 12.1-15 of the Code to settle matters within its jurisdiction.

The Defendant neither admits nor denies the allegation made herein but admits to the Commission's jurisdiction and authority to enter this Settlement Order ("Order").

As a proposal to settle all matters arising from this allegation, the Defendant has made an offer of settlement to the Division wherein the Defendant will abide by and comply with the following terms:

- (1) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of Four Thousand Dollars (\$4,000) in monetary penalty;
- (2) The Defendant will pay to the Treasurer of Virginia, contemporaneously with the entry of this Order, the amount of One Thousand Dollars (\$1,000) to defray the costs of investigation in this matter; and
- (3) The Defendant will not violate the Act in the future.

The Division supports the Defendant's settlement offer and has recommended that the Commission accept the settlement.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the settlement should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The settlement is accepted.
- (2) The Defendant shall fully comply with the terms of the settlement stated herein.
- (3) This case is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. SEC-2023-00036
OCTOBER 26, 2023**

APPLICATION OF
LOCAL INITIATIVES SUPPORT CORPORATION

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On September 14, 2023, the Local Initiatives Support Corporation ("LISC") submitted to the Virginia State Corporation Commission ("Commission") a written application with attached exhibits ("Application") requesting that the Impact Notes ("Notes") that LISC intends to offer and sell in Virginia be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, the LISC asserts, among other things, that: (i) the LISC is a New York corporation organized and operating not for private profit but exclusively for educational and charitable purposes; (ii) the LISC intends to offer and sell the Notes in an approximate aggregate amount of up to \$250,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the Application; (iii) said securities are to be offered and sold by a registered broker-dealer; and (iv) the LISC will discontinue issuer transactions for all other securities previously exempted by the Commission upon the grant of the exemption for the offering of the Notes described herein.

Based upon the facts asserted by the LISC in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Notes are exempt from the securities registration requirements of the Act.

IT IS FURTHER ORDERED that, upon entry of this Order of Exemption, the LISC shall discontinue issuer transactions for all other securities previously exempted by the Commission.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. SEC-2023-00040
DECEMBER 18, 2023**

APPLICATION OF
ANABAPTIST FINANCIAL

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On November 1, 2023, Anabaptist Financial ("Anabaptist") submitted to the Virginia State Corporation Commission ("Commission") a written application with attached exhibits ("Application") requesting that unsecured investment agreements that Anabaptist intends to offer and sell in Virginia be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, Anabaptist asserts, among other things, that: (i) Anabaptist is a Pennsylvania corporation organized and operating not for private profit but exclusively for religious, educational and charitable purposes; (ii) Anabaptist intends to offer and sell the unsecured investment agreements in an approximate aggregate amount of up to \$75,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the Application; and (iii) said securities are to be offered and sold by a registered agent of the issuer.

Based upon the facts asserted by Anabaptist in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the unsecured investment agreements are exempt from the securities registration requirements of the Act.

Commissioner James C. Dimitri participated in this matter.

**CASE NO. SEC-2023-00041
DECEMBER 18, 2023**

APPLICATION OF
COOPERATIVE FUND OF THE NORTHEAST

For an Order of Exemption under § 13.1-514.1 B of the Code of Virginia

ORDER OF EXEMPTION

On November 1, 2023, the Cooperative Fund of the Northeast ("CFNE") submitted to the Virginia State Corporation Commission ("Commission") a written application with attached exhibits ("Application") requesting that the Demand and Term Notes ("Notes") that CFNE intends to offer and sell in Virginia be exempted from the securities registration requirements of the Virginia Securities Act ("Act"), § 13.1-501 *et seq.* of the Code of Virginia.

In support of its Application, the CFNE asserts, among other things, that: (i) the CFNE is a Massachusetts corporation organized and operating not for private profit but exclusively for educational and charitable purposes; (ii) the CFNE intends to offer and sell the Notes in an approximate aggregate amount of up to \$55,000,000 on terms and conditions as more fully described in the Prospectus filed as a part of the Application; and (iii) said securities are to be offered and sold by a registered agent of the issuer.

Based upon the facts asserted by the CFNE in the Application, and upon the recommendation of the Division of Securities and Retail Franchising, pursuant to the provisions of § 13.1-514.1 B of the Act, the Commission is of the opinion and finds, and does hereby ADJUDGE and ORDER, that the Notes are exempt from the securities registration requirements of the Act.

Commissioner James C. Dimitri participated in this matter.

DIVISION OF UTILITY AND RAILROAD SAFETY**CASE NO. URS-2019-00435
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
TMORGAN CONSTRUCTION LLC,
Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued an Amended Rule to Show Cause ("Rule") against TMorgan Construction LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated provisions of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").¹

Specifically, the Rule alleged that on or about August 14, 2019, the Defendant, while excavating at or near 8918 Blooming Place, Chesterfield County, Virginia: (1) failed to expose the underground utility line to its extremities by hand digging, in violation of Code § 56-265.24 A; and (2) failed to maintain a reasonable clearance between the marked location of an underground utility line and the cutting edge or point of any mechanized equipment, in violation of 20 VAC 5-309-140 (4) of the Damage Prevention Rules. Additionally, the Rule alleged that on or about September 6, 2019, the Defendant damaged a one-inch plastic gas service line operated by Columbia Gas of Virginia, Inc., located at or near 11200 Midlothian Turnpike, Chesterfield County, Virginia, while excavating. The Rule alleged that the Defendant failed to exercise due care at all times to protect the underground utility line when exposing these lines by hand digging, in violation of Code § 56-265.24 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 5, 2022, the matter was heard by D. Mathias Roussy, Jr., Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.² Additionally, proof of service of the Rule on the Defendant; the prefiled written testimonies of Christopher Shawn Rush, Senior Safety Specialist for the Division and Robert DeAtley, Senior Safety Specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.³ Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for each violation of the Act and Damage Prevention Rules, for a total fine of \$7,500.⁴

On October 20, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that: (i) the Defendant violated Code § 56-265.24 A on two occasions; and (ii) the Defendant violated Rule 20 VAC 5-309-140 (4) in one instance.⁵ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$7,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁶ The Hearing Examiner invited the parties to file comments in response to the Report within twenty-one (21) days from the date of the Report.⁷ No comments were filed.

¹ On August 16, 2021, the Commission issued a Rule to Show Cause against the Defendant for alleged violations of Code § 56-265.24 A and 20 VAC 5-309-140 (4) of the Commission's Rules for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.* ("Damage Prevention Rules"). The Rule to Show Cause set the matter for hearing on November 3, 2021, before a Hearing Examiner, and directed the Defendant to file a response to the Rule on or before October 14, 2021. On November 3, 2021, the Division made an oral Motion for Continuance and for Reissuance of the Rule to Show Cause ("Continuance"), advising that the Defendant's registered agent does not reside at the address on file with the Commission. On December 7, 2021, the Hearing Examiner issued a Ruling certifying the Continuance and recommending that the Commission enter an Amended Rule to Show Cause in this matter.

² Tr. at 26-27.

³ Tr. at 25-26; Ex. 1 (Proof of certified mailing of the Rule to the Defendant); Ex. 2 (Proof of personal service of the Rule on the Defendant); Ex. 3 (prefiled testimonies of Christopher Shawn Rush and Robert DeAtley); and Ex. 4 (Clerk's Information System entry for the Defendant).

⁴ Tr. at 26.

⁵ See, e.g., Report at 5.

⁶ See, e.g., Report at 5-6.

⁷ See, e.g., Report at 6.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁸

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁹
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Seven Thousand Five Hundred Dollars (\$7,500) hereby is imposed on the Defendant for the violations found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2019-00435 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

⁸ See Report.

⁹ The Commission adopts the Report in its entirety.

**CASE NO. URS-2021-00107
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
S & S REMODELING LLC,
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against S & S Remodeling LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about October 6, 2020, Defendant damaged a one-half-inch plastic gas service line operated by Virginia Natural Gas, Inc., located at or near 1240 Northvale Drive, Virginia Beach, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 5, 2022, the matter was heard by D. Mathias Roussy, Jr., Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division.

The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

¹ Tr. at 8.

² Tr. at 6-8; Ex. 1 (Proof of certified mailing of the Rule to the Defendant's registered agent); Ex. 2 (Proof of personal service of the Rule on the Defendant); Ex. 3 (prefiled testimony of Joseph Barrett Williams), and Ex. 4 (Clerk's Information System entry for the Defendant).

³ Tr. at 8.

On October 20, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵

The Hearing Examiner invited the parties to file comments in response to the Report within twenty-one (21) days from the date of the Report.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00107 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

⁴ See, e.g., Report at 3.

⁵ See, e.g., Report at 3-4.

⁶ See, e.g., Report at 3-4.

⁷ See Report.

⁸ The Commission adopts the Report in its entirety.

**CASE NO. URS-2021-00119
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
JARAMILLO MASONRY, LLC,
Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Jaramillo Masonry, LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about October 13, 2020, Defendant damaged a one-half-inch copper gas service line operated by Washington Gas Light Company, located at or near 803 North Danville Street, Arlington County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 6, 2022, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 21, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before November 14, 2022.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00119 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Tr. at 9.

² Tr. at 7-9; Ex. 1 (Proof of certified mailing of the Rule to the Defendant); Ex. 2 (Proof of posted service of the Rule on the Defendant); Ex. 3 (prefiled testimony of Joseph Barrett Williams); and Ex. 4 (Clerk's Information System entry for the Defendant).

³ Tr. at 9.

⁴ See, e.g., Report at 3-4.

⁵ See, e.g., Report at 3-4.

⁶ See, e.g., Report at 5.

⁷ See Report.

⁸ The Commission adopts the Report in its entirety.

**CASE NO. URS-2021-00190
JULY 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

INFINITE TELECOM LLC,
Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Infinite Telecom LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about December 21, 2020, the Defendant damaged a two-inch plastic gas main operated by Columbia Gas of Virginia, Inc., located at or near 217 Pennsylvania Avenue, Lynchburg, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

On September 29, 2022, the Division filed a Motion to Dismiss Rule to Show Cause ("Motion"). In support of its Motion, the Division stated that subsequent to the issuance of the Rule, the Division determined that an alternative enforcement method is appropriate in this case.

On September 30, 2022, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was filed. The Hearing Examiner found that the Division's Motion should be granted and recommended that the Commission dismiss the Rule without prejudice.¹

NOW THE COMMISSION, upon consideration of the Rule, the Report, the record, and the applicable statutes, is of the opinion and finds that the findings in the Report should be adopted, the Division's Motion should be granted, and that this case should be dismissed without prejudice.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹ Report at 1.

**CASE NO. URS-2021-00198
JULY 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

SMART MOVE CONSTRUCTION LLC,
Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Smart Move Construction LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated provisions of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about December 18, 2020, the Defendant damaged a one-half-inch plastic gas service line operated by Virginia Natural Gas, Inc., located at or near 5167 Westerly Drive, Virginia Beach, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A; and failed to expose the underground utility line to its extremities by hand digging, in violation of Code § 56-265.24 A.

On September 21, 2022, the Division filed a Motion to Dismiss Rule to Show Cause ("Motion"). In support of its Motion, the Division stated that subsequent to the issuance of the Rule, the Division determined that an alternative enforcement method is appropriate in this case.

On September 22, 2022, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was filed. The Hearing Examiner found that the Division's Motion should be granted and recommended that the Commission dismiss the Rule without prejudice.¹

NOW THE COMMISSION, upon consideration of the Rule, the Report, the record, and the applicable statutes, is of the opinion and finds that the findings in the Report should be adopted, the Division's Motion should be granted, and that this case should be dismissed without prejudice.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹ Report at 1.

CASE NO. URS-2021-00234
FEBRUARY 6, 2023

COMMONWEALTH OF VIRGINIA, *ex rel.*
 STATE CORPORATION COMMISSION
 v.
 DANIELS INNOVATION CONCEPTS LLC,
 Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Daniels Innovation Concepts LLC ("Defendant") which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about March 11, 2021, Defendant damaged a three-quarter-inch plastic gas service line operated by Washington Gas Light Company, located at or near 111 Alpine Meadow Road, Frederick County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 6, 2022, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 21, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before November 14, 2022.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.

¹ Tr. at 12.

² Tr. at 10-12; Ex. 1 (Proof of personal service of the Rule on the Defendant); Ex. 2 (Proof of certified mailing of the Rule to the Defendant); Ex. 3 (prefiled testimony of Joseph Barrett Williams) and Ex. 4 (Clerk's Information System entry for the Defendant).

³ Tr. at 12.

⁴ *See, e.g.*, Report at 3-4.

⁵ *See, e.g.*, Report at 3-4.

⁶ *See, e.g.*, Report at 5.

⁷ *See* Report.

⁸ The Commission adopts the Report in its entirety.

(4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00234 shall be referenced in any document transmitting payment of the penalty imposed herein.

(5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.

(6) The Defendant hereby is enjoined from any further violations of the Act.

(7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. URS-2021-00280
JULY 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

PRECISION FOUNDATION & CONCRETE LLC,
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Precision Foundation & Concrete LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about February 20, 2021, the Defendant damaged a three-quarter-inch plastic gas service line operated by Virginia Natural Gas, Inc., located at or near 960 Scenic Boulevard, Chesapeake, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

On September 21, 2022, the Division filed a Motion to Dismiss Rule to Show Cause ("Motion"). In support of its Motion, the Division stated that subsequent to the issuance of the Rule and upon further investigation, Staff believes that the Defendant may no longer be operating in the Commonwealth.

On September 22, 2022, the Report of D. Mathias Roussy, Jr., Hearing Examiner ("Report"), was filed. The Hearing Examiner found that the Division's Motion should be granted and recommended that the Commission dismiss the Rule without prejudice.¹

NOW THE COMMISSION, upon consideration of the Rule, the Report, the record, and the applicable statutes, is of the opinion and finds that the findings in the Report should be adopted, the Division's Motion should be granted, and that this case should be dismissed without prejudice.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹ Report at 1-2.

**CASE NO. URS-2021-00325
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

HERRERA CONCRETE,
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Herrera Concrete ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

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Specifically, the Rule alleged that on or about April 21, 2021, Defendant damaged a two-inch plastic gas main operated by Washington Gas Light Company, located at or near 13055 Lee Jackson Memorial Highway, Fairfax County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 5, 2022, the matter was heard by D. Mathias Roussy, Jr., Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Maryland Secretary of State Business Entity Database entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 20, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report within twenty-one (21) days from the date of the Report.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00325 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Tr. at 20.

² Tr. at 18-20; Ex. 1 (Information from the Maryland Secretary of State Business Entity Database showing the Defendant's business status and principal address); Ex. 2 (Proof of service of the Rule on the Defendant by the Secretary of the Commonwealth); Ex. 3 (Proof of certified mailing of the Rule on the Defendant); and Ex. 4 (prefiled testimony of Joseph Barrett Williams).

³ Tr. at 20.

⁴ See, e.g., Report at 3.

⁵ See, e.g., Report at 3-4.

⁶ See, e.g., Report at 3-4.

⁷ See Report.

⁸ The Commission adopts the Report in its entirety.

**CASE NO. URS-2021-00326
SEPTEMBER 15, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

CLOUD TOWER ENTERPRISES LLC,
Defendant

FINAL ORDER

On March 8, 2023, the State Corporation Commission ("Commission") issued an Amended Rule to Show Cause ("Rule") against Cloud Tower Enterprises, LLC ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code") and of the Commission's Rules for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.* ("Damage Prevention Rules").

Specifically, the Rule alleged that on or about March 4, 2021, Defendant damaged a four-inch plastic gas main operated by Richmond Gas Works, located at or near the intersection of Brook Road and Brook Run Drive, Henrico County, Virginia, while excavating. The Rule alleged that the Defendant failed to take all reasonable steps necessary to properly protect, support and backfill the underground utility line, in violation of Code § 56-265.24; failed to expose all utility lines which were in the bore path by hand digging to establish the underground utility line's location prior to commencing bore, in violation of 20 VAC 5-309-150 (A) (6) of the Damage Prevention Rules; and failed to visually check the drill head as it passed through potholes, entrances, and exit pits, in violation of 20 VAC 5-309-150 (A) (8) of the Damage Prevention Rules.

The Rule directed the Defendant to file a pleading responsive to the allegations set forth in the Rule with the Clerk of the Commission on or before May 3, 2023. The Defendant failed to file a responsive pleading.

On May 17, 2023, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefilled written testimony of Robert DeAtley, a safety specialist for the Division; and information regarding the business status of the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$7,500 for violations of the Act and Damage Prevention Rules.³

On June 1, 2023, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found by clear and convincing evidence that the Defendant violated Code § 56-265.24 A and 20 VAC 5-309-150 (A) (6) and (A) (8) of the Damage Prevention Rules.⁴ The Hearing Examiner recommended that the Commission enter an order that adopts the findings in the Report; grants the Division's Motion; penalizes the Defendant the sum of \$7,500 pursuant to § 56-265.32 of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before June 22, 2023.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Report should be adopted.

Accordingly, IT IS ORDERED THAT:

- (1) The Commission adopts the Report.
- (2) The Division's Motion hereby is granted.

(3) In accordance with the Commission's regulatory duties and powers, and pursuant to § 56-265.32 of the Code, judgment is entered against the Defendant and a civil penalty of Seven Thousand Five Hundred Dollars (\$7,500) hereby is imposed on the Defendant for the violations found by the Hearing Examiner.

(4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00326 shall be referenced in any document transmitting payment of the penalty imposed herein.

¹ Tr. at 12.

² Tr. at 9-12; Ex. 1 (Proof of service on the Defendant); Ex. 2 (Prefiled testimony of Robert DeAtley); Ex. 3 (CIS information for the Defendant).

³ Tr. at 12.

⁴ Report at 5.

⁵ *Id.* at 5-6.

⁶ *Id.*

(5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.

(6) The Defendant hereby is enjoined from any further violations of the Act.

(7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. URS-2021-00343
JULY 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

BRIAN BERTLEFF, INDIVIDUALLY AND D/B/A DECKS ON DEMAND,
Defendant

FINAL ORDER

On July 18, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Brian Bertleff, individually and d/b/a Decks on Demand ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about May 7, 2021, the Defendant damaged a one-half-inch plastic gas service line operated by Columbia Gas of Virginia, Inc., located at or near 18 Lantern Way, Portsmouth, Virginia, while excavating. The Rule further alleged that on or about May 19, 2021, the Defendant damaged a one-half-inch plastic gas service line operated by Columbia Gas of Virginia, Inc., located at or near 16 Lantern Way, Portsmouth, Virginia, while excavating. In each of the occasions above, the Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

On September 21, 2022, the Division filed a Motion to Dismiss Rule to Show Cause ("Motion"). In support of its Motion, the Division stated that subsequent to the issuance of the Rule and upon further investigation, Staff believes that the Defendant may no longer be operating in the Commonwealth.

On September 22, 2022, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was filed. The Hearing Examiner found that the Division's Motion should be granted and recommended that the Commission dismiss the Rule without prejudice.¹

NOW THE COMMISSION, upon consideration of the Rule, the Report, the record, and the applicable statutes, is of the opinion and finds that the findings in the Report should be adopted, the Division's Motion should be granted, and that this case should be dismissed without prejudice.

Accordingly, IT IS SO ORDERED.

Commissioner Patricia L. West participated in this matter.

¹ Report at 1.

**CASE NO. URS-2021-00347
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

PALMA S LANDSCAPE LLC,
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Palma S Landscape LLC ("Defendant") which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about May 10, 2021, Defendant damaged a three-quarter-inch plastic gas service line operated by Washington Gas Light Company, located at or near 107 Ayer Hill Avenue, Fairfax County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 5, 2022, the matter was heard by D. Mathias Roussy, Jr., Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Robert DeAtley, a Senior Safety Specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 20, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report within twenty-one (21) days from the date of the Report.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00347 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

¹ Tr. at 23.

² Tr. at 22-23; Ex. 1 (Proof of certified mailing of the Rule to the Defendant); Ex. 2 (Clerk's Information System entry for the Defendant); and Ex. 3 (prefiled testimony of Robert DeAtley).

³ Tr. at 23.

⁴ See, e.g., Report at 3.

⁵ See, e.g., Report at 3-4.

⁶ See, e.g., Report at 3-4.

⁷ See Report.

⁸ The Commission adopts the Report in its entirety.

**CASE NO. URS-2021-00432
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
A & K REMODELING SERVICES LLC,
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against A & K Remodeling Services LLC ("Defendant") which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about May 10, 2021, Defendant damaged a one-half-inch plastic gas service line operated by Roanoke Gas Company, located at or near 1017 Anchor Drive, Roanoke County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 6, 2022, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 21, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before November 14, 2022.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violation found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00432 shall be referenced in any document transmitting payment of the penalty imposed herein.

¹ Tr. at 15.

² Tr. at 14-15; Ex. 1 (Proof of certified mailing of the Rule to the Defendant); Ex. 2 (prefiled testimony of Joseph Barrett Williams); and Ex. 3 (Clerk's Information System entry for the Defendant).

³ Tr. at 15.

⁴ *See, e.g.*, Report at 3-4.

⁵ *See, e.g.*, Report at 3-4.

⁶ *See, e.g.*, Report at 5.

⁷ *See* Report.

⁸ The Commission adopts the Report in its entirety.

(5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.

(6) The Defendant hereby is enjoined from any further violations of the Act.

This case hereby is dismissed. Commissioner Patricia L. West participated in this matter.

**CASE NO. URS-2021-00434
FEBRUARY 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

INNER HARBOR LOGISTICS LLC, D/B/A AMERICAN EXTERIORS AND MASONRY
Defendant

FINAL ORDER

On July 13, 2022, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Inner Harbor Logistics LLC, d/b/a American Exteriors and Masonry ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated a provision of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about August 11, 2021, Defendant damaged a three-quarter-inch plastic gas service line operated by Washington Gas Light Company, located at or near 20779 Red Cedar Drive, Loudoun County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

The Rule directed the Defendant to file a responsive pleading expressly admitting or denying the allegations set forth in the Rule and presenting any affirmative defenses to the allegations in the Rule with the Clerk of the Commission on or before September 14, 2022. The Defendant failed to file a responsive pleading.

On October 6, 2022, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant; the prefiled written testimony of Joseph Barrett Williams, a safety specialist for the Division; and the Clerk's Information System entry for the Defendant were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$2,500 for violation of the Act.³

On October 21, 2022, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found, among other things, that based on the evidence presented by the Division, the Division had proved by clear and convincing evidence that the Defendant violated Code § 56-265.17 A in one instance by failing to notify the notification center before beginning excavation.⁴ The Hearing Examiner recommended that the Commission enter an order that, among other things, holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the sum of \$2,500 pursuant to § 56-265.32 A of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before November 14, 2022.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the findings and recommendations of the Report should be adopted.⁷

¹ Tr. at 20.

² Tr. at 17-20; Ex. 1 (Proof of certified mailing of the Rule to the Defendant's registered agent); Ex. 2 (prefiled testimony of Joseph Barrett Williams) and Ex. 3 (Clerk's Information System entry for the Defendant).

³ Tr. at 20.

⁴ See, e.g., Report at 3-4.

⁵ See, e.g., Report at 3-4.

⁶ See, e.g., Report at 4-5.

⁷ See Report.

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report hereby are adopted.⁸
- (2) The Division's Motion hereby is granted.
- (3) In accordance with the Commission's findings herein, judgment is entered against the Defendant and a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) hereby is imposed on the Defendant for the violations found by the Hearing Examiner.
- (4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2021-00434 shall be referenced in any document transmitting payment of the penalty imposed herein.
- (5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.
- (6) The Defendant hereby is enjoined from any further violations of the Act.
- (7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

⁸ The Commission adopts the Report in its entirety.

**CASE NO. URS-2022-00005
AUGUST 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
SOLUTIONS FIBER OPTIC INC.,
Defendant

FINAL ORDER

On March 1, 2023, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Solutions Fiber Optic Inc. ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated provisions of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about August 28, 2021, the Defendant damaged a one-inch plastic gas service line operated by Columbia Gas of Virginia, Inc., located at or near 141 Spring Street, Fairfax County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A and failed to immediately notify the operator of the damage, in violation of Code § 56-265.24 D.

The Rule directed the Defendant to file a pleading responsive to the allegations set forth in the Rule with the Clerk of the Commission on or before May 3, 2023. The Defendant failed to file a responsive pleading.

On May 17, 2023, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing, and on this basis, the Division moved for default judgment ("Motion") against the Defendant.¹ Additionally, proof of service of the Rule on the Defendant, and the prefiled written testimony of Christopher Sean Rush, a safety specialist for the Division, were marked as exhibits and admitted into the record.² Counsel for the Division recommended that the Defendant be fined in the amount of \$5,000 for the violations of the Act.³

On June 1, 2023, the Hearing Examiner's Report ("Report") was filed. The Hearing Examiner found by clear and convincing evidence that the Defendant violated Code §§ 56-265.17 A and 56-265.24 D.⁴

¹ Tr. at 15-16.

² Tr. at 14-15; Ex. 1 (Proof of certified mailing of the Rule to Defendant's registered agent and proof of service on the Defendant by the Secretary of the Commonwealth); Ex. 2 (prefiled testimony of Christopher Sean Rush); and Ex. 3 (CIS information).

³ Tr. at 16.

⁴ Report at 4.

The Hearing Examiner recommended that the Commission enter an order that holds the Defendant in default; adopts the findings in the Report; penalizes the Defendant in the total amount of \$5,000 pursuant to § 56-265.32 of the Code, and enjoins the Defendant from future violations of the Act.⁵ The Hearing Examiner invited the parties to file comments in response to the Report on or before June 22, 2023.⁶ No comments were filed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Report should be adopted.

Accordingly, IT IS ORDERED THAT :

(1) The Commission adopts the Hearing Examiner's Report.

(2) The Division's Motion hereby is granted.

(3) In accordance with the Commission's regulatory duties and powers, and pursuant to § 56-265.32 of the Code, judgment is entered against the Defendant and a civil penalty of Five Thousand Dollars (\$5,000) hereby is imposed on the Defendant for the violations found by the Hearing Examiner.

(4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2022-00005 shall be referenced in any document transmitting payment of the penalty imposed herein.

(5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.

(6) The Defendant hereby is enjoined from any further violations of the Act.

(7) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

⁵ Report at 3-4.

⁶ *Id* at 5.

**CASE NO. URS-2022-00024
MAY 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

STAKE CENTER LOCATING, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between August 1, 2021, and December 10, 2021, listed in Attachment A, involving Stake Center Locating, Inc. ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on three occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on seven occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$11,150 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00024.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Eleven Thousand One Hundred Fifty Dollars (\$11,150) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00055
FEBRUARY 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
WASHINGTON GAS LIGHT COMPANY,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found in 49 U.S.C. § 60101 *et seq.*, formerly the Natural Gas Pipeline Safety Act, require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia to prescribe and enforce compliance with standards ("Safety Standards") for gas pipeline facilities used for intrastate transportation¹ and for hazardous liquid pipeline facilities used for intrastate transportation.² The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code") and to enforce the Safety Standards for hazardous liquid pipeline facilities under Code § 56-555. These statutes allow the Commission to impose the fines and penalties authorized therein.

The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards, has conducted various inspections of records, construction, operation, and maintenance activities involving Washington Gas Light Company ("Company" or "WGL"), the Defendant, and alleges that:

- (1) The Company is a person within the meaning of Code § 56-257.2.
- (2) The Company violated the Commission's Safety Standards by the following conduct:
 - (a) 49 C.F.R. § 192.63 (a) – Failure of the Company to use a component that is marked in accordance with the standard to which it was manufactured.
 - (b) 49 C.F.R. § 192.285 (a) – Failure of the Company to ensure that a person who makes a plastic pipe joint has been qualified under the applicable joining procedure.

¹ The Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as the minimum Safety Standards for gas pipeline facilities in Virginia. See *Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rep. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

² The Commission adopted Parts 195 and 199 of Title 49 of the Code of Federal Regulations to serve as the minimum Safety Standards for hazardous liquid pipeline facilities in Virginia. See *Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting rules to govern the safety of intrastate hazardous liquid pipelines pursuant to the Virginia Hazardous Liquid Pipeline Safety Act*, Case No. PUE-1994-00070, 1995 S.C.C. Ann. Rep. 327, Order Adopting Rules Governing the Safety of Hazardous Liquid Pipelines (Jan. 9, 1995). The Commission is authorized to enforce the Safety Standards for hazardous liquid pipeline facilities under Code § 56-555, which allows the Commission to impose the fines and penalties authorized therein.

- (c) 49 C.F.R. §192.605 (a) – Failure of the Company to have an adequate procedure for the repair of plastic pipelines.
- (d) 49 C.F.R. § 192.605 (a) – Failure of the Company to follow its Engineering and Operating Standards, Section 3222, by improperly downgrading a Grade 1 leak.
- (e) 49 C.F.R. § 192.605 (a) – Failure of the Company to follow its Engineering and Operating Standards, Section 4101, by not ensuring a pipeline was marked on the ground to within 2 feet of its actual location.
- (f) 49 C.F.R. § 192.605 (a) – Failure of the Company to follow on one occasion its Engineering and Operating Standards, Section 5374, by not using separate excavations for squeeze-off tools.
- (g) 49 C.F.R. § 192.751 (a) – Failure of the Company to take steps to minimize the danger of accidental ignition.
- (h) 49 C.F.R. § 199.105 (b) – Failure of the Company on three occasions to perform post-accident drug testing on an employee whose performance of a covered function either contributed to the accident or cannot be completely discounted as a contributing factor to the accident.
- (i) 49 C.F.R. § 199.225 (a) (1) – Failure of the Company on 10 occasions to perform post-accident alcohol testing on an employee whose performance of a covered function either contributed to the accident or cannot be completely discounted as a contributing factor to the accident.

The Company neither admits nor denies the allegations listed herein but admits to the Commission's jurisdiction and authority to enter this Order of Settlement ("Order").

As an offer to settle all matters arising from the allegations made against it herein, the Company represents and undertakes that:

(1) The Company shall be assessed a civil penalty in the amount of Two Hundred and Thirty-Eight Thousand Dollars (\$238,000), of which One Hundred and Eighty-Two Thousand Dollars (\$182,000) shall be paid contemporaneously with the entry of this Order. The remaining Fifty-Six Thousand Dollars (\$56,000) shall be due as outlined in Undertaking Paragraph (4) herein and may be suspended and subsequently vacated, in whole or in part, by the Commission, provided the Company timely takes the actions required by Undertaking Paragraph (2) herein and tenders the requisite certifications as required by Undertaking Paragraph (3).

(2) With the entry of this Order, the Company shall undertake the following remedial actions:

- (a) The Company shall discontinue use of Straub Coupling as a permanent repair on its plastic pipelines. By January 1, 2024, the Company shall discontinue the use of the Straub Coupling as a temporary repair on its pipelines.
- (b) The Company shall update the following language in its Engineering and Operating Standards Section 4086: "Use only natural gas-rated materials." Instead, the Company's procedures should reflect only the use of materials that meet the requirements of 49 C.F.R. § 192 by no later than October 1, 2022.
- (c) The Company shall amend its Operations and Maintenance Manual, Section 3222 - Leak Grading, Repair, and Monitoring Criteria, to require the following:
 - (i) a gas indication of 3 percent or more (gas in air) inside of substructure³ be graded as a Grade 1 leak;
 - (ii) any gas indication on a Company owned facility inside a structure⁴ be graded as a Grade 1 leak;⁵
 - (iii) any gas indication on a Company owned facility within 10 feet or less of a building wall be graded as a Grade 1 leak.⁶
- (d) The Company shall amend its Operations and Maintenance Manual, Section 5374 – Minimizing Personnel Exposure to Natural Gas, to require that during a repair of a plastic pipeline of 6 inches or greater, personnel shall perform a squeeze off in a separate location(s) from the repair site.

(3) On or before October 1, 2022, the Company shall tender to the Clerk of the Commission, with a copy to the Division, an affidavit detailing its compliance with Undertaking Paragraph (2) executed by the Vice President of the Company, certifying that the Company completed the remedial actions set forth herein. Such affidavit should reference Case No. URS-2022-00055.

³ For the purpose of this Order, gas indication inside a substructure means any combustible gas indicator reading of 3 percent or more (gas in air) in a small substructure, including a WGL substructure (valve box, test station box, etc.), from which gas could likely migrate.

⁴ For the purpose of this Order, a structure is any building designed for human occupancy.

⁵ The Company shall address any gas indication on non-Company owned facilities, not reportable to the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), inside a structure as a Grade 1 leak pursuant to its Grade 1 leak procedures.

⁶ The Company shall address any gas indication on non-Company owned facilities, not reportable to PHMSA, within 10 feet or less of a building wall as a Grade 1 leak pursuant to its Grade 1 leak procedures.

(4) Upon timely receipt of said affidavit, the Commission may vacate up to Fifty-Six Thousand Dollars (\$56,000) of the amount set forth in Undertaking Paragraph (1). Should the Company fail to tender the affidavit required by Undertaking Paragraph (3), or fail to take the action required by Undertaking Paragraph (2), payment of Fifty-Six Thousand Dollars (\$56,000) shall become due and payable, and the Company shall immediately notify the Division of the reasons for the Company's failure to accomplish the actions required by Undertaking Paragraphs (2) and (3). If, upon investigation, the Division and the Office of General Counsel determine that the reason for said failure justifies a payment lower than Fifty-Six Thousand Dollars (\$56,000), a reduction in the amount due may be recommended to the Commission. The Commission shall determine the amount due and, upon such determination, the Company shall immediately tender to the Commission said amount.

(5) This settlement does not prohibit the Commission Staff from submitting, in any present or future Commission proceeding involving the Company, any information discovered or obtained in the course of the Division's investigation and inspections described herein; nor does this settlement prohibit the Company from submitting information contradicting or mitigating the information submitted by the Commission Staff.

(6) Although the civil penalty in this Order is assessed to WGL, the probable violations can be attributed to WGL and its contractors. However, WGL is ultimately responsible for compliance with the Safety Standards. The Company shall bear the financial responsibility for this civil penalty. Any part of the civil penalty ordered herein that is recovered from contractors shall be credited to the accounts that were charged with the cost of the work performed.

(7) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Commission's Division of Utility Accounting and Finance within 90 days of such booking.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case is hereby docketed and assigned Case No. URS-2022-00055.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by WGL is hereby accepted.
- (3) Pursuant to Code § 56-257.2 B, the Company is hereby assessed a civil penalty in the amount of Two Hundred and Thirty-Eight Thousand Dollars (\$238,000).
- (4) On September 30, 2022, the Company filed an executed affidavit detailing its compliance with Undertaking Paragraph (2) of this Order.
- (5) The sum of One Hundred and Eighty-Two Thousand Dollars (\$182,000) tendered contemporaneously with the entry of this Order is accepted.
- (6) As the Company has timely complied with the actions required in Undertaking Paragraph (2) of this Order, the remaining Fifty-Six Thousand Dollars (\$56,000) is hereby vacated.
- (7) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00072
JULY 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
RED OAK LANDSCAPING SERVICE, INC.,
Defendant

FINAL ORDER

On February 21, 2023, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Red Oak Landscaping Service, Inc. ("Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated the Underground Utility Damage Prevention Act, Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code").

Specifically, the Rule alleged that on or about September 8, 2021, the Defendant damaged a two-inch plastic gas service line operated by Washington Gas Light Company, located at or near 435 South Washington Street, Fairfax County, Virginia, while excavating. The Rule alleged that the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.

On May 16, 2023, the Division filed a Motion to Dismiss Rule to Show Cause ("Motion"). In support of its Motion, the Division stated that subsequent to the issuance of the Rule and upon the investigation of new evidence, Staff believes that the Defendant may no longer be operating in the Commonwealth and that an alternate enforcement method is appropriate.

On May 16, 2023, the Report of A. Ann Berkebile, Senior Hearing Examiner ("Report"), was filed. The Hearing Examiner found that the Division's Motion should be granted and recommended that the Commission dismiss the Rule without prejudice.¹

NOW THE COMMISSION, upon consideration of the Rule, the Report, the record, and the applicable statutes, is of the opinion and finds that the findings in the Report should be adopted, the Division's Motion should be granted, and that this case should be dismissed without prejudice.

Accordingly, IT IS SO ORDERED. Commissioner Patricia L. West participated in this matter.

¹ Report at 1.

**CASE NO. URS-2022-00223
MAY 15, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
STAKE CENTER LOCATING, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between July 30, 2021, and February 25, 2022, listed in Attachment A, involving Stake Center Locating, Inc. ("Company"), the Defendant, and alleges that:

- (1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.
- (2) During the aforementioned period, the Company violated the Act by the following conduct:
 - (a) Failing on four occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on four occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$6,950 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00223.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Six Thousand Nine Hundred Fifty Dollars (\$6,950) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00225
APRIL 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
CABLE PROTECTION SERVICES, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between December 9, 2021, and June 30, 2022, listed in Attachment A, involving Cable Protection Services, Inc. ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on one occasion to accurately report the marking status of the underground utility line to the excavator-operator information exchange system by no later than 7 a.m. on the third working day following the excavator's notice to the notification center, in violation of Code § 56-265.19 A.
- (b) Failing on eleven occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$17,750 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00225.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Seventeen Thousand Seven Hundred Fifty Dollars (\$17,750) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of Attachment A and the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00226
APRIL 10, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
UTILIQUEST, LLC,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between January 24, 2021, and June 13, 2022, listed in Attachment A, involving Utiliquest, LLC ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on nine occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on ten occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.
- (c) Failing on two occasions to accurately report the marking status of the underground utility lines to the excavator-operator information exchange system by no later than 7 a.m. on the third working day following the excavator's notice to the notification center, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$19,550 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00226.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Nineteen Thousand Five Hundred Fifty Dollars (\$19,550) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO . URS-2022-00251
MAY 2, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

TK UNDERGROUND VA INC.,
Defendant

ORDER ACCEPTING OFFER OF SETTLEMENT AND DISMISSING PROCEEDING

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), after having conducted an investigation of this matter, alleges the following concerning TK Underground VA Inc. ("Company"):

- (1) On or about July 6, 2022, the Company excavated at or near Cedar Cove Lane, Chesapeake, Virginia.
- (2) On the occasion set out in paragraph (1) above, the Company failed in twenty-nine instances (29) to expose the underground utility lines to their extremities by hand digging, in violation of Code § 56-265.24 A.
- (3) On the occasion set out in paragraph (1) above, the Company failed to maintain a reasonable clearance between the marked location of an underground utility line and the cutting edge or point of any mechanized equipment, in violation of 20 VAC 5-309-140 (4) of the Commission's Rules for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.* ("Damage Prevention Rules").
- (4) On the occasion set out in paragraph (1) above, the Company failed in twenty-eight (28) instances to visually check the drill head as it passed through potholes, entrances, and exit pits, in violation of 20 VAC 5-309-150 (A) (8) of the Damage Prevention Rules.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order Accepting Offer of Settlement and Dismissing Proceeding.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company has offered, and agreed to comply with, the following terms and undertakings:

- (1) That it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$42,500.
- (2) That \$14,500 of said penalty will be vacated upon the condition that the Company conducts a training session for its employees on the subject of underground utility damage prevention and submits documentation evidencing the training session to the Commission contemporaneously with the entry of this Order.
- (3) That the \$28,000 balance of said penalty will be paid contemporaneously with the entry of this Order.

The Company has now complied fully with the terms and undertakings of the settlement as outlined herein. Documentation evidencing the training session on the subject of underground utility damage prevention has been submitted on a timely basis in accordance with the undertakings set forth above.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for acceptance of the Company's offer of settlement and evidence of training, hereby accepts this offer of settlement and evidence of training. Because the Company has complied with the terms and undertakings accepted herein, the remainder of the penalty should be vacated and this case dismissed.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00251.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The Company hereby is penalized in the amount of Forty-two Thousand Five Hundred Dollars (\$42,500).
- (4) The sum of Twenty-eight Thousand Dollars (\$28,000) tendered contemporaneously with the entry of this Order is accepted.
- (5) The remainder of the penalty amount, Fourteen Thousand Five Hundred Dollars (\$14,500), shall be vacated.
- (6) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00268
MAY 15, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
STAKE CENTER LOCATING, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between December 15, 2021, and August 19, 2022, listed in Attachment A, involving Stake Center Locating, Inc. ("Company"), the Defendant, and alleges that:

- (1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.
- (2) During the aforementioned period, the Company violated the Act by the following conduct:
 - (a) Failing on two occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on twelve occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$9,950 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00268.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Nine Thousand Nine Hundred Fifty Dollars (\$9,950) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00286
APRIL 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
UTILIQUEST, LLC,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between January 11, 2022, and August 19, 2022, listed in Attachment A, involving Utiliquest, LLC ("Company"), the Defendant, and alleges that:

- (1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.
- (2) During the aforementioned period, the Company violated the Act by the following conduct:
 - (a) Failing on ten occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on fifteen occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.
 - (c) Failing on one occasion to respond to an emergency notice as soon as possible but no later than three hours from the excavator's call to the notification center, in violation of Code § 56-265.19 H.
 - (d) Failing on two occasions to accurately report the marking status of the underground utility line to the excavator-operator information exchange system by no later than 7 a.m. on the third working day following the excavator's notice to the notification center, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$21,950 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00286.

- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Twenty-One Thousand Nine Hundred Fifty Dollars (\$21,950) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of Attachment A and the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00301
MARCH 6, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
LEWIS AQUATECH POOL SUPPLY, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), after having conducted an investigation of this matter, alleges the following concerning Lewis Aquatech Pool Supply, Inc. ("Company"):

- (1) On or about April 15, 2022, the Company damaged a three-quarter-inch plastic gas service line operated by Washington Gas Light Company, located at or near 210 North Quacker Lane, Alexandria, Virginia, while excavating.
- (2) On the occasion set out in paragraph (1) above, the Company failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A.
- (3) On the occasion set out in paragraph (1) above, the Company failed to promptly report the damage to the appropriate authorities by calling 911 after the escape of flammable, toxic, or hazardous gas due to excavation, in violation of 20 VAC 5-309-200 of the Commission's Rules for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.*

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$5,000 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00301.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Five Thousand Dollars (\$5,000) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00318
MAY 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
STAKE CENTER LOCATING, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between March 4, 2022, and August 17, 2022, listed in Attachment A, involving Stake Center Locating, Inc. ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on four occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on thirteen occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.
- (c) Failing on three occasions to report the status to the excavator-operator information exchange system, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$14,350 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00318.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Fourteen Thousand Three Hundred Fifty Dollars (\$14,350) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00320
APRIL 7, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
UTILIQUEST, LLC,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between March 22, 2022, and October 27, 2022, listed in Attachment A, involving Utiliquest, LLC ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on seven occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on twenty-two occasions to mark the underground utility lines within the time prescribed in the Act, in violation of and Code § 56-265.19 A.
- (c) Failing on two occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.17 C.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$28,700 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00320.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Twenty-Eight Thousand Seven Hundred Dollars (\$28,700) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent and the Attachment A is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2022-00334
AUGUST 14, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
CABLE PROTECTION SERVICES, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between March 29, 2022, and October 27, 2022, listed in Attachment A, involving Cable Protection Services, Inc. ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by failing on four occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$6,000 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT :

- (1) The captioned case hereby is docketed and assigned Case No. URS-2022-00334.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Six Thousand Dollars (\$6,000) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the attachment entitled "Attachment A" and the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00001
SEPTEMBER 11, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
TREY S. MANGIGIAN, INDIVIDUALLY AND
D/B/A MOSELEY EXCAVATING SERVICE INCORPORATED, Defendant

FINAL ORDER

On March 23, 2023, the State Corporation Commission ("Commission") issued a Rule to Show Cause ("Rule") against Trey S. Mangigian, individually and d/b/a Moseley Excavating Service Incorporated ("Mangigian" or "Defendant"), which set forth allegations by the Commission's Division of Utility and Railroad Safety ("Division") that the Defendant violated provisions of the Underground Utility Damage Prevention Act ("Act"), Chapter 10.3 (§ 56-265.14 *et seq.*) of Title 56 of the Code of Virginia ("Code") and of the Commission's Rule for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.* ("Damage Prevention Rules").

Specifically, the Rule alleged that on or about May 31, 2022, the Defendant damaged a two-inch plastic gas main operated by Columbia Gas of Virginia, Inc., located at or near 11219 Cypress Branch Lane, Chesterfield County, Virginia, while excavating. The Rule alleged that on this occasion, the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A; failed to immediately notify the operator of the damage, in violation of Code § 56-265.24 D; and failed to take immediate steps reasonably calculated to safeguard life, health, and property, in violation of Code § 56-265.24 E.

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The Rule further alleged that on or about October 14, 2022, the Defendant damaged a two-inch plastic gas main operated by Columbia Gas of Virginia, Inc., located at or near 8336 Cypress Pond Lane, Chesterfield County, Virginia, while excavating. The Rule alleged that on this occasion, the Defendant failed to notify the notification center before beginning excavation, in violation of Code § 56-265.17 A; failed to immediately notify the operator of the damage, in violation of Code § 56-265.24 D; failed to take immediate steps reasonably calculated to safeguard life, health, and property, in violation of Code § 56-265.24 E; and failed to promptly report the damage to the appropriate authorities by calling 911 after the escape of flammable, toxic, or hazardous gas due to excavation.

The Rule further noted that the Defendant had been enjoined by the Commission from further violations of the Act in its Final Order in Case No. URS-2017-00448 ("2018 Mangigian Order"),¹ and that each of the violations alleged in the Rule constituted violations of the 2018 Final Order.

The Defendant failed to file any response to the Rule.

On May 18, 2023, the matter was heard by A. Ann Berkebile, Senior Hearing Examiner. M. Aaron Campbell, Senior Counsel, and William H. Harrison IV, Associate General Counsel, appeared at the hearing as counsel for the Division. The Defendant failed to appear at the hearing.

The Senior Hearing Examiner's Report ("Report"), which was filed on June 7, 2023, contained the following findings and recommendations:²

Based upon the record of this case, and for the reasons explained above, I find:

1. The Defendant should be held in default;
2. The Defendant violated §§ 56-265.17 A, 56-265.24 D, and 56-265.24 E of the Code on May 31, 2022;
3. The Defendant committed three violations of the *2018 Mangigian Order* on May 31, 2022;
4. The Defendant violated §§ 56-265.17 A, 56-265.24 D, and 56-265.24 E of the Code on October 14, 2022;
5. The Defendant committed three violations of the *2018 Mangigian Order* on October 14, 2022;
6. The Defendant should be penalized in the amount of \$2,500 for each of his six violations of the Act and \$5,000 for each of his six violations of the *2018 Mangigian Order*, with a total civil penalty of \$45,000; and
7. The Division should be directed to monitor the Defendant's activities and to explore all possible options to achieve Mangigian's compliance with the Act and the Damage Prevention Rules.

Accordingly, I RECOMMEND the Commission enter an order:

1. *ADOPTING* the findings of this Report;
2. *GRANTING* the Division's Motion;
3. *IMPOSING* a total civil penalty of \$45,000 upon the Defendant;
4. *DIRECTING* the Division to monitor the Defendant's activities and to explore all possible options to achieve Mangigian's compliance with the Act and the Damage Prevention Rules; and
5. *PASSING* the papers herein to the file for ended causes.

NOW THE COMMISSION, upon consideration of this matter, hereby adopts the above findings and recommendations contained in the Senior Hearing Examiner's Report.³

Accordingly, IT IS ORDERED THAT:

- (1) The findings and recommendations of the Report with regard to proof of the violations and the penalty calculation hereby are adopted.
- (2) The Defendant is in default.

(3) In accordance with the Commission's regulatory duties and powers, and pursuant to § 56-265.32 of the Code, judgment is entered against the Defendant and a civil penalty of Forty-Five Thousand Dollars (\$45,000) hereby is imposed on the Defendant for the violations found by the Hearing Examiner.

¹ *Commonwealth of Virginia, ex rel. State Corporation Commission v. Trey Mangigian d/b/a Moseley Excavating Service Incorporated*, Case No. URS-2017-00448, Final Order (Nov. 1, 2018).

² Report at 9-10.

³ The Commission emphasizes that any decision *not* to impose additional remedies or penalties in this case was not made as a matter of law and is strictly limited to the instant proceeding. Moreover, the injunction encompassed in the 2018 Mangigian Order remains in full force and effect. Finally, the Commission also clarifies that, as evidenced in this record, the Division has reasonably attempted to achieve Mangigian's compliance with the Act and the Damage Prevention Rules, and while those reasonable efforts will carry on, the responsibility for compliance obviously continues to fall on Mangigian.

(4) Payment of the penalty imposed herein shall be made no later than sixty (60) days from the date of entry of this Final Order by cashier's check or money order, payable to the Treasurer of Virginia, and such payment shall be directed to the attention of Lauren Govoni, Director, Division of Utility and Railroad Safety, State Corporation Commission, Post Office Box 1197, Richmond, Virginia 23218. Case No. URS-2023-00001 shall be referenced in any document transmitting payment of the penalty imposed herein.

(5) The Division shall file a memorandum with the Clerk of the Commission within sixty-five (65) days of the entry of this Final Order advising whether the Defendant has transmitted the payment of the penalty imposed herein.

(6) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

**CASE NO. URS-2023-00041
DECEMBER 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
STAKE CENTER LOCATING, INC.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between May 2, 2022, and September 1, 2022, listed in Attachment A, involving Stake Center Locating, Inc. ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on two occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on eleven occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$8,900 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2023-00041.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Eight Thousand Nine Hundred Dollars (\$8,900) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent and the Attachment A is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00049
JULY 31, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
UTILIQUEST, LLC,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between April 21, 2022, and December 20, 2022, listed in Attachment A, involving Utiliquest, LLC ("Company"), the Defendant, and alleges that:

(1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.

(2) During the aforementioned period, the Company violated the Act by the following conduct:

- (a) Failing on eighteen occasions to mark the approximate horizontal locations of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
- (b) Failing on twenty-four occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.
- (c) Failing on one occasion to respond to an emergency notice as soon as possible but no later than three hours from the excavator's call to the notification center, in violation of Code § 56-265.19 H.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$43,550 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2023-00049.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Forty-Three Thousand Five Hundred Fifty Dollars (\$43,550) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.
Commissioner Patricia L. West participated in this matter.

NOTE: A copy of Attachment A and the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00071
AUGUST 16, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
WASHINGTON GAS LIGHT COMPANY,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found in 49 U.S.C. § 60101 *et seq.*, formerly the Natural Gas Pipeline Safety Act, require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and for pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia to prescribe and enforce compliance with standards ("Safety Standards") for gas pipeline facilities used for intrastate transportation¹ and for hazardous liquid pipeline facilities used for intrastate transportation.² The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code") and to enforce the Safety Standards for hazardous liquid pipeline facilities under Code § 56-555. These statutes allow the Commission to impose the fines and penalties authorized therein.

The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards, has conducted various inspections of records, construction, operation, and maintenance activities involving Washington Gas Light Company ("Company" or "WGL"), the Defendant, and alleges that:

- (1) The Company is a person within the meaning of Code § 56-257.2.
- (2) The Company violated the Commission's Safety Standards by the following conduct:
 - (a) 49 C.F.R. § 192.465 (a) – Failure of the Company on 90 occasions to perform a test at least once a year, not to exceed 15 months, to determine where the cathodic protections meet the requirements.
 - (b) 49 C.F.R. § 192.605 (a) - Failure of the Company on 20 occasions to follow its Engineering and Operating Standards, Section 4078 "Cathodic Protection Remedial Measures" by not taking action to resolve the loss of cathodic protection before the next monitoring cycle.

The Company neither admits nor denies the allegations listed herein but admits to the Commission's jurisdiction and authority to enter this Order of Settlement ("Order").

As an offer to settle all matters arising from the allegations made against it herein, the Company represents and undertakes that:

- (1) The Company shall be assessed a civil penalty in the amount of \$32,000, which shall be paid contemporaneously with the entry of this Order.
- (2) This settlement does not prohibit the Commission Staff from submitting, in any present or future Commission proceeding involving the Company, any information discovered or obtained in the course of the Division's investigation and inspections described herein, nor does this settlement prohibit the Company from submitting information contradicting or mitigating the information submitted by the Commission Staff.
- (3) Although the civil penalty in this Order is assessed to WGL, the probable violations can be attributed to WGL and its contractors. However, WGL is ultimately responsible for compliance with the Safety Standards. The Company shall bear the financial responsibility for this civil penalty. Any part of the civil penalty ordered herein that is recovered from contractors shall be credited to the accounts that were charged with the cost of the work performed.
- (4) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Commission's Division of Utility Accounting and Finance within 90 days of such booking.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case is hereby docketed and assigned Case No. URS-2023-00071.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by WGL is hereby accepted.
- (3) Pursuant to Code § 56-257.2 B, the Company is hereby assessed a civil penalty in the amount of Thirty-Two Thousand Dollars (\$32,000), which shall be paid contemporaneously with the entry of this Order.
- (4) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

¹ The Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as the minimum Safety Standards for gas pipeline facilities in Virginia. See *Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rep. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

² The Commission adopted Parts 195 and 199 of Title 49 of the Code of Federal Regulations to serve as the minimum Safety Standards for hazardous liquid pipeline facilities in Virginia. See *Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting rules to govern the safety of intrastate hazardous liquid pipelines pursuant to the Virginia Hazardous Liquid Pipeline Safety Act*, Case No. PUE-1994-00070, 1995 S.C.C. Ann. Rep. 327, Order Adopting Rules Governing the Safety of Hazardous Liquid Pipelines (Jan. 9, 1995).

**CASE NO. URS-2023-00072
JULY 10, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
WASHINGTON GAS LIGHT COMPANY,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found in 49 U.S.C. § 60101 *et seq.*, formerly the Natural Gas Pipeline Safety Act, require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and for pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia to prescribe and enforce compliance with standards ("Safety Standards") for gas pipeline facilities used for intrastate transportation¹ and for hazardous liquid pipeline facilities used for intrastate transportation.² The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code") and to enforce the Hazardous Liquid Safety Standards for hazardous liquid pipeline facilities under Code § 56-555. These statutes allow the Commission to impose the fines and penalties authorized therein.

The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards, has conducted various inspections of records, construction, operation, and maintenance activities involving Washington Gas Light Company ("Company" or "WGL"), the Defendant, and alleges that:

- (1) The Company is a person within the meaning of Code § 56-257.2.
- (2) The Company violated the Commission's Safety Standards by the following conduct:
 - (a) C.F.R. § 199.101 (a) - Failure of the Company to follow its written anti-drug plan by not identifying call center employees performing safety-sensitive functions in the emergency call center as covered employees.
 - (b) C.F.R. § 199.119 (a) - Failure of the Company to submit to PHMSA an annual Management Information System ("MIS") report of its anti-drug testing results.
 - (c) C.F.R. § 199.202 – Failure of the Company to follow its written alcohol misuse plan by not identifying call center employees performing safety-sensitive functions in the emergency call center as covered employees.
 - (d) C.F.R. § 199.229 – Failure of the Company to submit to PHMSA an annual MIS report of its alcohol testing results.
 - (e) Violation of a Commission Order, Case No. PUE-2009-00131³ – Failure of the Company to have written procedures that document the standard operating practices that Emergency Service Representatives must follow in the event of a gas leak.

The Company neither admits nor denies the allegations listed herein but admits to the Commission's jurisdiction and authority to enter this Order of Settlement ("Order").

As an offer to settle all matters arising from the allegations made against it herein, the Company represents and undertakes that:

- (1) The Company shall be assessed a civil penalty in the amount of \$118,000, which shall be paid contemporaneously with the entry of this Order.

¹ The Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards ("Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rep. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

² The Commission adopted Parts 195 and 199 of Title 49 of the Code of Federal Regulations to serve as minimum intrastate hazardous liquid pipeline safety standards ("Hazardous Liquid Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting rules to govern the safety of intrastate hazardous liquid pipelines pursuant to the Virginia Hazardous Liquid Pipeline Safety Act*, Case No. PUE-1994-00070, 1995 S.C.C. Ann. Rep. 327, Order Adopting Rules Governing the Safety of Hazardous Liquid Pipelines (Jan. 9, 1995).

³ *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the Matter of Investigating the Outsourcing of Washington Gas Light Company's Call Center Functions to Accenture LLP*, Case No. PUE-2009-00131, 2010 S.C.C. Ann. Rep. 415, Final Order (Aug. 13, 2010).

(2) This settlement does not prohibit the Commission Staff from submitting, in any present or future Commission proceeding involving the Company, any information discovered or obtained in the course of the Division's investigation and inspections described herein, nor does this settlement prohibit the Company from submitting information contradicting or mitigating the information submitted by the Commission Staff.

(3) Although the civil penalty in this Order is assessed to WGL, the probable violations can be attributed to WGL and its contractors. However, WGL is ultimately responsible for compliance with the Safety Standards. The Company shall bear the financial responsibility for this civil penalty. Any part of the civil penalty ordered herein that is recovered from contractors shall be credited to the accounts that were charged with the cost of the work performed.

(4) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Commission's Division of Utility Accounting and Finance within 90 days of such booking.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case is hereby docketed and assigned Case No. URS-2023-00072.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by WGL is hereby accepted.
- (3) Pursuant to Code § 56-257.2 B, the Company is hereby assessed a civil penalty in the amount of One Hundred Eighteen Thousand Dollars (\$118,000), which shall be paid contemporaneously with the entry of this Order.
- (4) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent form is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00131
SEPTEMBER 12, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
UTILIQUEST, LLC,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between August 17, 2022, and March 22, 2023, listed in Attachment A, involving Utiliquest, LLC ("Company"), the Defendant, and alleges that:

- (1) The Company is a contract locator as that term is defined in Code § 56-265.15 and, as a contract locator acting on behalf of an operator, if the Company fails to perform the duties imposed by Chapter 10.3 of Title 56 of the Code, it is subject to the civil penalties set out in Code § 56-265.32 pursuant to Code § 56-265.19 D.
- (2) During the aforementioned period, the Company violated the Act by the following conduct:
 - (a) Failing on seven occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on fifteen occasions to mark the underground utility lines within the time prescribed in the Act, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company represents and undertakes that it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$22,150 to be paid contemporaneously with the entry of this Order.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2023-00131.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Twenty-Two Thousand One-Hundred and Fifty Dollars (\$22,150) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent and attachment entitled "Attachment A" is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00134
DECEMBER 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
HOWARD, INC., G. L.,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), after having conducted an investigation of this matter, alleges that:

- (1) On or about June 27, 2022, Howard, Inc., G. L. ("Company"), damaged a one-inch plastic gas service line operated by Richmond Gas Works, located at or near 9209 Holbrook Drive, Henrico County, Virginia, while excavating.
- (2) On the occasion set out in paragraph (1) above, the Company failed to take all reasonable steps necessary to properly protect, support and backfill the underground utility line, in violation of Code § 56-265.24 A.
- (3) On the occasion set out in paragraph (1) above, the Company failed to expose the underground utility line to its extremities by hand digging within the excavation area when excavation was expected to come within two feet of the marked location of the underground utility line, in violation of Rule 20 VAC 5-309-140 (2) of the Commission's Rules for Enforcement of the Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.*

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As a proposal to settle all matters before the Commission arising from the Division's allegations herein, the Company has offered, and agreed to comply with, the following terms and undertakings:

- (1) That it will pay a civil penalty to the Commonwealth of Virginia in the amount of \$5,000 to be paid contemporaneously with the entry of this Order.
- (2) The Company will undertake a training session for its employees on the subject of underground utility damage prevention conducted by the Division and submit documentation evidencing the training session to the Commission contemporaneously with the entry of this Order.

The Company has now complied fully with the terms and undertakings of the settlement as outlined herein. Documentation evidencing the training session on the subject of underground utility damage prevention has been submitted on a timely basis in accordance with the undertakings set forth above.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for acceptance of the Company's offer of settlement and evidence of training, hereby accepts this offer of settlement and evidence of training.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS-2023-00134.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Five Thousand Dollars (\$5,000) tendered contemporaneously with the entry of this Order is accepted.

(4) This case hereby is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00169
AUGUST 18, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.

VIRGINIA NATURAL GAS, INC.,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found in 49 U.S.C. § 60101 *et seq.*, formerly the Natural Gas Pipeline Safety Act, require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and for pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia to prescribe and enforce compliance with standards ("Safety Standards") for gas pipeline facilities used for intrastate transportation¹ and for hazardous liquid pipeline facilities used for intrastate transportation.² The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code") and to enforce the Hazardous Liquid Safety Standards for hazardous liquid pipeline facilities under Code § 56-555. These statutes allow the Commission to impose the fines and penalties authorized therein.

The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards, has conducted various inspections of records, construction, operation, and maintenance activities involving Virginia Natural Gas, Inc., ("Company" or "VNG"), the Defendant, and alleges that:

- (1) The Company is a person within the meaning of Code § 56-257.2.
- (2) The Company violated the Commission's Safety Standards by the following conduct:
 - (a) 49 C.F.R. § 192.605 (a) Failure of the Company to follow procedure, Operations and Procedure Manual, Mechanical Joining Procedures – Stab Type Fitting, Division IV, Section 6, Procedure 6.4.3, developed to comply with § 192.273(b), by not chamfering the end of the pipe according to manufacturer's instructions.

The Company neither admits nor denies the allegations listed herein but admits to the Commission's jurisdiction and authority to enter this Order of Settlement ("Order").

As an offer to settle all matters arising from the allegations made against it herein, the Company represents and undertakes that:

- (1) The Company shall be assessed a civil penalty in the amount of \$10,000, which shall be paid contemporaneously with the entry of this Order.
- (2) This settlement does not prohibit the Commission Staff from submitting, in any present or future Commission proceeding involving the Company, any information discovered or obtained in the course of the Division's investigation and inspections described herein, nor does this settlement prohibit the Company from submitting information contradicting or mitigating the information submitted by the Commission Staff.

¹ The Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards ("Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rep. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

² The Commission adopted Parts 195 and 199 of Title 49 of the Code of Federal Regulations to serve as minimum intrastate hazardous liquid pipeline safety standards ("Hazardous Liquid Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting rules to govern the safety of intrastate hazardous liquid pipelines pursuant to the Virginia Hazardous Liquid Pipeline Safety Act*, Case No. PUE-1994-00070, 1995 S.C.C. Ann. Rep. 327, Order Adopting Rules Governing the Safety of Hazardous Liquid Pipelines (Jan. 9, 1995).

(3) Although the civil penalty in this Order is assessed to VNG, the probable violations can be attributed to VNG and its contractors. However, VNG is ultimately responsible for compliance with the Safety Standards. The Company shall bear the financial responsibility for this civil penalty. Any part of the civil penalty ordered herein that is recovered from contractors shall be credited to the accounts that were charged with the cost of the work performed.

(4) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Commission's Division of Utility Accounting and Finance within 90 days of such booking.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case is hereby docketed and assigned Case No. URS-2023-00169.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by VNG is hereby accepted.
- (3) Pursuant to Code § 56-257.2 B, the Company is hereby assessed a civil penalty in the amount of Ten Thousand Dollars (\$10,000), which shall be paid contemporaneously with the entry of this Order.
- (4) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00170
AUGUST 30, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
COLUMBIA GAS OF VIRGINIA, INC.,
Defendant

ORDER OF SETTLEMENT

The federal pipeline safety statutes found in 49 U.S.C. § 60101 *et seq.*, formerly the Natural Gas Pipeline Safety Act, require the Secretary of Transportation ("Secretary") to establish minimum federal safety standards for the transportation of gas and for pipeline facilities. The Secretary is further authorized to delegate to an appropriate state agency the authority to prescribe safety standards and enforce compliance with such standards over gas pipeline facilities used for intrastate transportation.

The State Corporation Commission ("Commission") has been designated as the appropriate state agency for the Commonwealth of Virginia to prescribe and enforce compliance with standards ("Safety Standards") for gas pipeline facilities used for intrastate transportation¹ and for hazardous liquid pipeline facilities used for intrastate transportation.² The Commission is authorized to enforce the Safety Standards for natural gas facilities under § 56-257.2 B of the Code of Virginia ("Code") and to enforce the Hazardous Liquid Safety Standards for hazardous liquid pipeline facilities under Code § 56-555. These statutes allow the Commission to impose the fines and penalties authorized therein.

The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of each jurisdictional gas company's compliance with the Safety Standards, has conducted various inspections of records, construction, operation, and maintenance activities involving Columbia Gas of Virginia, Inc. ("Company" or "CVA"), the Defendant, and alleges that:

- (1) The Company is a person within the meaning of Code § 56-257.2.

¹ The Commission adopted Parts 191, 192, 193, and 199 of Title 49 of the Code of Federal Regulations to serve as minimum gas pipeline safety standards ("Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting gas pipeline safety standards and reporting procedures for public service corporations providing gas service under Commission jurisdiction through transmission and distribution facilities located and operated within the Commonwealth of Virginia and granting other authorizations pertaining to the Gas Pipeline Safety Program*, Case No. PUE-1989-00052, 1989 S.C.C. Ann. Rep. 312, Order Vacating Previous Order and Adopting Standard Regulations and Procedures Pertaining to Gas Pipeline Safety in Virginia (July 6, 1989).

² The Commission adopted Parts 195 and 199 of Title 49 of the Code of Federal Regulations to serve as minimum intrastate hazardous liquid pipeline safety standards ("Hazardous Liquid Safety Standards") in Virginia. *See Commonwealth of Virginia ex rel. State Corporation Commission, Ex Parte: In the matter of adopting rules to govern the safety of intrastate hazardous liquid pipelines pursuant to the Virginia Hazardous Liquid Pipeline Safety Act*, Case No. PUE940070, 1995 S.C.C. Ann. Rep. 327, Order Adopting Rules Governing the Safety of Hazardous Liquid Pipelines (Jan. 9, 1995).

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- (2) The Company violated the Commission's Safety Standards by the following conduct:
- (a) 49 C.F.R. § 192.605 (a) - Failure of the Company to follow Gas Standard GS 1450.010(VA), Section 4, of its Operations and Maintenance Manual by not remediating an atmospheric corrosion condition within one year of the condition being reported.

The Company neither admits nor denies the allegations listed herein but admits to the Commission's jurisdiction and authority to enter this Order of Settlement ("Order").

As an offer to settle all matters arising from the allegations made against it herein, the Company represents and undertakes that:

(1) The Company shall be assessed a civil penalty in the amount of \$18,000, which shall be paid contemporaneously with the entry of this Order.

(2) This settlement does not prohibit the Commission Staff from submitting, in any present or future Commission proceeding involving the Company, any information discovered or obtained in the course of the Division's investigation and inspections described herein, nor does this settlement prohibit the Company from submitting information contradicting or mitigating the information submitted by the Commission Staff.

(3) Although the civil penalty in this Order is assessed to CVA, the probable violations can be attributed to CVA and its contractors. However, CVA is ultimately responsible for compliance with the Safety Standards. The Company shall bear the financial responsibility for this civil penalty. Any part of the civil penalty ordered herein that is recovered from contractors shall be credited to the accounts that were charged with the cost of the work performed.

(4) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the trial balance showing this entry with the Commission's Division of Utility Accounting and Finance within 90 days of such booking.

NOW THE COMMISSION, finding sufficient basis herein for the entry of this Order and in reliance on the Defendant's representations and undertakings set forth above, is of the opinion and finds that the offer of settlement set forth above should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case is hereby docketed and assigned Case No. URS-2023-00170.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by CVA is hereby accepted.
- (3) Pursuant to Code § 56-257.2 B, the Company is hereby assessed a civil penalty in the amount of Eighteen Thousand Dollars (\$18,000), which shall be paid contemporaneously with the entry of this Order.
- (4) This case is hereby dismissed.

Commissioner Patricia L. West participated in this matter.

NOTE: A copy of the Admission and Consent is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00185
DECEMBER 8, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION

v.
ROANOKE GAS COMPANY,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act ("Act"), Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between September 16, 2022, and February 6, 2023, listed in Attachment A, involving Roanoke Gas Company ("Company"), the Defendant, and alleges that:

- (1) During the aforementioned period, the Company violated the Code and/or Act by the following conduct:
 - (a) Failing on six occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on five occasions to mark the underground utility line by no later than 7 a.m. on the third working day following the excavator's notice to the notification center, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As an offer to settle all matters before the Commission arising from the Division's allegations made herein, the Company represents and undertakes that:

(1) The Company will pay a civil penalty to the Commonwealth of Virginia in the amount of \$15,350 to be paid contemporaneously with the entry of this Order.

(2) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates as part of the cost of service. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the journal entries made to record such amounts with the Commission's Division of Utility Accounting and Finance.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT:

- (1) The captioned case hereby is docketed and assigned Case No. URS -2023-00185.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Fifteen Thousand Three Hundred Fifty Dollars (\$15,350) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent and the Attachment A is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

**CASE NO. URS-2023-00335
DECEMBER 21, 2023**

COMMONWEALTH OF VIRGINIA, *ex rel.*
STATE CORPORATION COMMISSION
v.
ROANOKE GAS COMPANY,
Defendant

ORDER OF SETTLEMENT

Pursuant to § 56-265.30 of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is charged with enforcing the provisions of the Underground Utility Damage Prevention Act, Code § 56-265.14 *et seq.* The Commission's Division of Utility and Railroad Safety ("Division"), charged with the investigation of probable violations of the Act, has completed investigations of certain incidents that occurred between October 20, 2022, and March 31, 2023, listed in Attachment A, involving Roanoke Gas Company ("Company"), the Defendant, and alleges that:

- (1) During the aforementioned period, the Company violated the Code and/or Act by the following conduct:
 - (a) Failing on four occasions to mark the approximate horizontal location of the underground utility lines on the ground to within two feet of either side of the underground utility lines, in violation of Code § 56-265.19 A.
 - (b) Failing on three occasions to mark the underground utility lines within the time prescribed in the Code, in violation of Code § 56-265.19 A.

As evidenced in the attached Admission and Consent document, the Company neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Order.

As an offer to settle all matters before the Commission arising from the Division's allegations made herein, the Company represents and undertakes that:

(1) The Company will pay a civil penalty to the Commonwealth of Virginia in the amount of \$9,400 to be paid contemporaneously with the entry of this Order.

(2) Any amounts paid in accordance with this Order shall not be recovered in the Company's rates as part of the cost of service. Any such amounts shall be booked in Uniform System of Accounts No. 426.3. The Company shall verify its booking by filing a copy of the journal entries made to record such amounts with the Commission's Division of Utility Accounting and Finance.

NOW THE COMMISSION, being advised by the Division and finding sufficient basis herein for the entry of this Order, hereby accepts this settlement.

Accordingly, IT IS ORDERED THAT :

- (1) The captioned case hereby is docketed and assigned Case No. URS-2023-00335.
- (2) Pursuant to the authority granted to the Commission by Code § 12.1-15, the offer of settlement made by the Company hereby is accepted.
- (3) The sum of Nine Thousand Four Hundred Dollars (\$9,400) tendered contemporaneously with the entry of this Order is accepted.
- (4) This case hereby is dismissed.

Commissioner James C. Dimitri participated in this matter.

NOTE: A copy of the Admission and Consent and the Attachment A is on file and may be examined at the State Corporation Commission, Clerk's Office, Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

TABLES

CLERK'S OFFICE

Summary of the changes in the number of Virginia and foreign corporations and other types of business entities licensed to do business in Virginia, and of amendments and other filings related to the organizational documents of Virginia and foreign business entities during 2022 and 2023.

CORPORATIONS		
	<u>12/31/22</u>	<u>12/31/23</u>
<u>Virginia Corporations</u>		
Certificates of Incorporation issued	12,011	12,097
Voluntary terminations.....	2,415	2,326
Involuntary terminations	0	0
Automatic terminations (Assessment/AR/RA Resignation)	22,242	20,072
Reinstatements of corporate existence.....	10,046	10,501
Charters amended.....	1,870	1,881
<u>On Record</u>		
Active Stock Corporations.....	113,138	111,052
Active Non-Stock Corporations.....	54,806	56,447
Total Active Virginia Corporations.....	167,944	167,499
<u>Foreign Corporations</u>		
Certificates of Authority to do business in Virginia issued.....	3,880	3,511
Voluntary withdrawals from Virginia.....	917	1,059
Automatic Revocations (Assessment/AR/RA Resignation).....	3,318	3,180
Reinstatement of surrendered or revoked certificates.....	1,761	1,843
Charters amended.....	555	546
<u>On Record</u>		
Active Stock Corporations.....	36,535	36,656
Active Non-Stock Corporations.....	3,212	3,321
Total Active Foreign Corporations.....	39,747	39,977
Total Active Corporations (Virginia and Foreign).....	207,691	207,476
LIMITED LIABILITY COMPANIES		
<u>Virginia Limited Liability Companies</u>		
Certificates of Organization issued.....	108,811	112,417
Voluntary cancellations	13,369	14,828
Automatic cancellations (Assessment/RA Resignation).....	91,631	87,284
Reinstatements of existence	21,012	25,006
Articles of Organization amended.....	5,910	6,286
<u>On Record</u>		
Active Virginia Limited Liability Companies	523,368	559,821
<u>Foreign Limited Liability Companies</u>		
Certificates of Registration issued	7,141	6,910
Voluntary cancellations.....	1,355	1,714
Automatic cancellations (Assessment/RA Resignation).....	2,906	3,176
Reinstatement of canceled certificates.....	1,255	1,308
Certificates of Registration amended.....	454	359
<u>On Record</u>		
Active Foreign Limited Liability Companies	43,510	46,463
Total Active Limited Liability Companies (Virginia and Foreign).....	568,878	606,284

BUSINESS TRUSTS

<u>Virginia Business Trusts</u>	<u>12/31/22</u>	<u>12/31/23</u>
Certificates of Trust issued.....	119	169
Voluntary cancellations.....	22	12
Automatic cancellations (Assessment/RA Resignation).....	113	99
Reinstatements of existence.....	5	26
Articles of Trust amended.....	12	16
 On Record		
Active Virginia Business Trusts.....	568	626
 <u>Foreign Business Trusts</u>		
Certificates of Registration issued.....	27	10
Voluntary cancellations.....	3	9
Automatic cancellations (Assessment/RA Resignation).....	6	16
Reinstatement of canceled certificates.....	22	3
Certificates of Registration amended.....	4	1
 On Record		
Active Foreign Business Trusts.....	134	131
 Total Active Business Trusts (Virginia and Foreign).....	702	757

LIMITED PARTNERSHIPS

<u>Virginia Limited Partnerships</u>		
Certificates of Limited Partnership filed.....	238	237
Voluntary cancellations.....	115	118
Automatic cancellations (Assessment/RA Resignation).....	273	279
Reinstatements of existence.....	76	61
Certificates of Limited Partnership amended.....	223	131
 On Record		
Active Virginia Limited Partnerships.....	3,905	3,731
 <u>Foreign Limited Partnerships</u>		
Certificates of Registration issued.....	112	75
Voluntary cancellations.....	77	63
Automatic cancellations (Assessment/RA Resignation).....	77	45
Reinstatement of canceled certificates.....	31	32
Certificates of Registration amended.....	87	36
 On Record		
Active Foreign Limited Partnerships.....	1,300	1,239
 Total Active Limited Partnerships (Virginia and Foreign).....	5,025	4,970

GENERAL PARTNERSHIPS

General Partnership Statements filed.....	154	230
 On Record		
Active Virginia General Partnerships.....	738	822
Active Foreign General Partnerships.....	42	23
 Total Active General Partnerships (Virginia and Foreign).....	780	845

REGISTERED LIMITED LIABILITY PARTNERSHIPS

Statement of Registration as a Virginia Registered Limited Liability Partnerships filed.....	46	56
Statement of Registration as a Foreign Registered Limited Liability Partnerships filed.....	35	28
 Total Active Registered Limited Liability Partnerships (Virginia and Foreign).....	1,251	1,111

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**COMPARISON OF REVENUES DEPOSITED BY THE CLERK'S OFFICE
FOR THE FISCAL YEARS ENDING JUNE 30, 2022 AND JUNE 30, 2023**

<u>General Fund</u>	<u>2022</u>	<u>2023</u>	<u>(Difference)</u>
Charter Fees	\$1,674,040.00	\$1,668,060.00	\$-5,980.00
Entrance Fees	2,450,475.00	2,229,550.00	-220,925.00
Filing Fees	714,171.00	688,750.00	-25,421.00
Registered Name	3,030.00	2,950.00	-80.00
Registered Office and Agent	0.00	0.00	0.00
Service of Process	38,818.00	47,040.00	8,222.00
Copy and Recording Fees	427,538.00	399,540.00	-27,998.00
SCC Annual Report Sales	0.00	0.00	0.00
Uniform Commercial Code Revenues	2,353,160.00	2,060,860.00	-292,300.00
Excess Fees Transferred to Unclaimed Property	782,983.32	832,089.40	49,106.08
Miscellaneous Sale	0.00	0.00	0.00
TOTAL	\$8,444,215.32	\$7,928,839.40	-\$515,375.92
<u>Special Fund</u>			
Domestic-Foreign Corp. Registration Fee	\$32,712,855.36	\$33,361,056.34	\$648,200.98
Limited Partnership Registration Fee	279,225.00	275,495.00	-3,730.00
Reserved Name - Limited Partnership	12,000.00	9,900.00	-2,100.00
Certificate Limited Partnership	25,725.00	27,450.00	1,725.00
Application Reg. Foreign LP	9,900.00	9,000.00	-900.00
Reinstatement LP	11,700.00	10,200.00	-1,500.00
Registration Fee LLC	22,347,454.73	24,524,392.00	2,176,937.27
Application For. Reg. LLC	733,875.00	715,275.00	-18,600.00
Art of Org. Dom. LLC	11,067,324.00	11,131,850.00	64,526.00
AMEND, CANC, CORR, Etc. LLC	915,780.00	944,950.00	29,165.00
SCC Bad Check Fee	35,539.00	40,095.00	4,556.00
Interest on Del. Tax	0.00	0.00	0.00
Penalty on Non-Pay Fees by Due Date	3,216,978.00	3,686,784.00	469,806.00
Statement of Reg. as Domestic LLP	6,200.00	6,200.00	0.00
LLP Annual Continuation Report	61,400.00	54,250.00	-7,150.00
Statement of Partnership Authority GP Dom	4,275.00	3,875.00	-400.00
Statement of Partnership Authority GP For	175.00	225.00	50.00
Statement of Amendments - GP	1,200.00	900.00	-300.00
Statement of Reg. as Foreign LLP	3,600.00	2,900.00	-700.00
Statement of Amendment LLP	425.00	600.00	175.00
Reinstatement LLC, BT	2,075,550.00	2,544,775.00	469,225.00
Tape Sales, Misc Fees	0.00	0.00	0.00
Copies, Recording Fees	427,538.00	399,540.00	-27,998.00
Recovery of Prior Yr Expenses	4,304.45	21,839.68	17,535.23
LLP Reinstatement	3,500.00	2,500.00	-1,000.00
Expedite Fee Collected	1,253,004.00	1,253,004.00	0.00
Nonresident Owner Reg Agent	0.00	2,640.00	2,640.00
TOTAL	\$75,209,527.54	\$79,029,696.02	\$3,820,163.48
<u>Valuation Fund</u>			
Corp. Operations Rec. of Copy and Cert. Fees	0.00	0.00	0.00
Recovery of Prior Year Expenses	0.00	0.00	0.00
TOTAL	\$0.00	\$0.00	\$0.00
<u>Trust & Agency Fund</u>			
Fines imposed and collected by SCC	\$80,250.00	\$398,000.00	\$317,750.00
Debt Set Off Collections	0.00	0.00	0.00
TOTAL	80,250.00	398,000.00	317,750.00
 GRAND TOTAL	 83,733,992.86	 \$87,356,535.42	 \$3,622,537.56

**COMPARISON OF FEES COLLECTED BY THE BUREAU OF FINANCIAL INSTITUTIONS
FOR FISCAL YEARS ENDING JUNE 30, 2022 AND JUNE 30, 2023**

	<u>2022</u>	<u>2023</u>
Banks ¹	\$5,704,882	\$8,412,572
Savings Institutions and Savings Banks ²	4,058	5,596
Consumer Finance Licensees ³	512,191	349,919
Credit Unions ⁴	1,563,337	2,115,018
Trust Subsidiaries and Trust Companies	51,769	15,345
Industrial Loan Associations	2,400	2,400
Money Order Sellers and Transmitters ⁵	1,297,659	1,201,438
Credit Counseling Agency Licensees	41,039	27,512
Mortgage Lenders and Mortgage Brokers ⁶	1,144,407	997,630
Mortgage Loan Originators	4,045,050	2,661,300
Check Cashers	85,400	85,650
Short-Term Lenders	27,471	29,184
Motor Vehicle Title Lenders	534	500
Qualified Education Loan Servicers ⁷	8,500	372,995
Debt Settlement Services Providers ⁸	3,650	12,254
Sales-Based Financing Providers	-	191,500
Miscellaneous Collections	<u>8,197</u>	<u>44,139</u>
TOTAL	\$14,500,544	\$16,524,951

Notes:

- ¹ The bank assessment was reduced 50% in Fiscal 2022 and 30% in Fiscal 2023.
² The savings institution assessment was reduced 50% in Fiscal 2022 and 30% in Fiscal 2023.
³ The consumer finance assessment was reduced 35% in Fiscal 2023.
⁴ The credit union assessment was reduced 40% in Fiscal 2022 and 20% in Fiscal 2023.
⁵ The money transmitter assessment was reduced 25% in Fiscal 2022 and 60% in Fiscal 2023.
⁶ The mortgage lender and broker assessment was reduced 75% in Fiscal 2022 and 60% in Fiscal 2023.
⁷ The qualified education loan servicer assessment was reduced 100% in Fiscal 2022 and 85% in Fiscal 2023.
⁸ The debt settlement services provider assessment was reduced 100% in Fiscal 2022.

CONSUMER SERVICES

The Bureau received and acted upon 762 formal written complaints during 2023 and recovered \$98,234 on behalf of Virginia consumers.

**COMPARISON OF FEES AND TAXES COLLECTED BY THE BUREAU OF INSURANCE
FOR THE FISCAL YEARS ENDING July 01, 2022 AND JUNE 30, 2023**

<u>General Fund</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Gross Premium Taxes of Insurance Companies	\$0.00	\$0.00	\$0.00
Fraternal Benefit Societies Licenses	0.00	0.00	0.00
Interest on Delinquent Taxes	0.00	0.00	0.00
Penalty on non-payment of taxes by due date	0.00	0.00	0.00
 <u>Special Fund</u>			
Company License Application Fee	\$17,500.00	\$17,000.00	\$(500.00)
Health Maintenance Organization License Fee	\$0.00	\$0.00	\$0.00
Automobile Club/ Agent Licenses	\$0.00	\$0.00	\$0.00
Insurance Premium Finance Companies Licenses	\$12,500.00	\$12,800.00	\$300.00
Fraternal Benefit Societies Licenses	\$640.00	\$0.00	\$(640.00)
Agents Appointment Fees	\$20,229,505.00	\$14,436,695.00	\$(5,792,810.00)
Surplus Lines Broker Licenses	\$10,605.00	\$27,925.00	\$17,320.00
Pharmacy Benefits Manager Licensing Fees	\$5,750.00	\$4,950.00	\$(800.00)
Home Service Contract Providers License Fee	\$0.00	\$0.00	\$0.00
Title Settlement Agents Fee	\$1,435.00	\$9,425.00	\$7,990.00
Producer License Application Fees	\$2,668,335.00	\$3,913,920.00	\$1,245,585.00
Surety Bail Bondsmen License Fee	\$0.00	\$0.00	\$0.00
P&C Consultant License Fees	\$8900.00	\$13,310.00	\$4,410.00

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Recording, Copying, and Certifying			
Public Records Fees	\$0.00	\$50.50	\$50.50
SCC Bad Check Fees	\$3,150.00	\$4,445.00	\$1,295.00
Managed Care Health Ins. Plan Appeals Fees	\$0.00	\$0.00	\$0.00
Administrative Penalty Payment	\$0.00	\$0.00	\$0.00
State Publication Sales	\$0.00	\$0.00	\$0.00
Assessments to Insurance Companies for Maintenance of the Bureau of Insurance	\$11,795,275.55	\$14,000,597.17	\$2,205,321.62
Reinsurance Intermediary Broker Fees	\$1,500.00	\$2,000.00	\$500.00
Reinsurance Intermediary Manager Fees	\$0.00	\$500.00	\$500.00
Managing General Agent Fees	\$8,000.00	\$7,000.00	\$(1,000.00)
Viatical Settlement Provider License Fees	\$6,800.00	\$6,000.00	\$(800.00)
Viatical Settlement Broker License Fees	\$905.00	\$1475.00	\$570.00
MCHIP Assessment	\$0.00	\$0.00	\$0.00
Public Adjusters	\$2,045.00	\$3,120.00	\$1,075.00
Appointment Fee Penalty	\$86,550.00	\$185,698.00	\$99,148.00
Miscellaneous Revenue	\$304.81	\$0.00	\$(304.81)
Recovery of Prior Year Expenses	\$0.00	\$0.00	\$0.00
Fire Programs Fund	\$49,611,279.01	\$55,341,063.66	\$5,729,784.65
Fire Programs Fund Interest	\$1,387.72	\$435,281.89	\$433,894.17
DMV Uninsured Motorist Transfer	\$0.00	\$0.00	\$0.00
Flood Assessment Fund	\$528,247.63	\$606,919.96	\$78,672.33
Heat Assessment Fund	\$2,785,563.38	\$3,125,775.00	\$340,211.62
Fines Imposed by State Corporation Commission	\$0.00	\$362,600.00	\$362,600.00
Fraud Assessment Fund	\$7,796,039.06	\$8,418,805.00	\$622,765.94
Fraud Assessment Interest	\$1,158.42	\$70,231.65	\$69,073.23
TOTAL	\$95,583,375.58	\$101,007,587.83	\$5,424,212.25

**ASSESSMENT OF VALUE OF PUBLIC SERVICE CORPORATIONS
TAX YEARS 2022 AND 2023**

VALUE OF ALL TAXABLE PROPERTY INCLUDING ROLLING STOCK

<u>Class of Company</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Electric Companies and Electric Suppliers	\$37,240,517,152	\$38,559,247,963	\$1,318,730,811
Gas and Pipeline Companies	3,880,704,173	4,210,108,543	329,404,370
Motor Vehicle Carriers (Rolling Stock only)	37,616,546	32,816,308	(4,800,238)
Telecommunications Companies	7,146,592,400	7,301,471,398	154,878,998
Water Corporations	<u>360,275,672</u>	<u>377,769,252</u>	<u>17,493,580</u>
TOTAL	\$48,665,705,943	\$50,481,413,464	\$1,815,707,521

**STATE TAXES OF PUBLIC SERVICE COMPANIES
TAX YEARS 2022 AND 2023**

<u>Class of Company</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Electric Companies	\$95,634,666	\$97,662,570	\$2,027,904
Gas Companies	13,268,772	13,177,554	(91,218)
Motor Vehicle Carriers	51,384	73,827	22,443
Railroad Companies	3,000,557	3,406,746	406,189
Telecommunications Companies	10,386,747	10,620,134	233,388
Virginia Pilots Association	60,177	65,547	5,370
Water Corporations	<u>2,522,078</u>	<u>2,808,376</u>	<u>286,298</u>
TOTAL	\$124,924,381	\$127,814,754	\$2,890,373

Railroad Companies assessed at eighteen-hundredths of one percent and all other companies assessed twenty two-hundredths of one percent for Tax Year 2023.

**ASSESSED VALUE OF PROPERTY OF PUBLIC SERVICE COMPANIES
FOR LOCAL TAXATION BY CITIES
TAX YEARS 2022 AND 2023**

<u>Cities</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Alexandria	\$537,226,266	\$557,322,328	\$20,096,062
Bristol	14,308,279	13,339,755	(968,524)
Buena Vista	19,427,353	17,687,108	(1,740,245)
Charlottesville	157,375,141	168,459,986	11,084,845
Chesapeake	1,062,745,629	1,126,149,963	63,404,334
Colonial Heights	34,346,042	31,134,555	(3,211,487)
Covington	214,310,464	177,802,724	(36,507,740)
Danville	52,091,319	57,826,961	5,735,642
Emporia	26,004,401	22,066,699	(3,937,702)
Fairfax	121,418,202	123,141,677	1,723,475
Falls Church	30,528,998	34,459,083	3,930,085
Franklin	4,350,386	5,447,596	1,097,210
Fredericksburg	99,649,205	90,188,954	(9,460,251)
Galax	25,455,130	21,627,173	(3,827,957)
Hampton	411,300,219	420,954,545	9,654,326
Harrisonburg	55,492,381	59,913,542	4,421,161
Hopewell	359,709,226	456,360,238	96,651,012
Lexington	22,468,360	24,023,902	1,555,542
Lynchburg	226,427,514	236,589,253	10,161,739
Manassas	119,887,461	115,215,814	(4,671,647)
Manassas Park	30,400,542	28,547,601	(1,852,941)
Martinsville	23,103,891	35,502,784	12,398,893
Newport News	534,829,873	574,003,814	39,173,941
Norfolk	712,016,566	765,218,533	53,201,967
Norton	27,950,605	27,150,304	(800,301)
Petersburg	180,740,256	187,336,658	6,596,402
Poquoson	23,586,721	20,951,561	(2,635,160)
Portsmouth	330,944,695	343,089,730	12,145,035
Radford	19,486,076	16,395,005	(3,091,071)
Richmond	1,012,096,483	1,202,071,096	189,974,613
Roanoke	341,188,199	341,935,596	747,397
Salem	48,798,927	57,481,937	8,683,010
Staunton	99,861,214	118,616,283	18,755,069
Suffolk	405,971,232	444,455,188	38,483,956
Virginia Beach	1,192,252,393	1,088,648,790	(103,603,603)
Waynesboro	109,787,271	116,669,169	6,881,898
Williamsburg	55,240,122	66,182,991	10,942,869
Winchester	82,143,979	97,160,003	15,016,024
Total Cities	\$8,824,921,021	\$9,291,128,899	\$466,207,878

**ASSESSED VALUE OF PROPERTY OF PUBLIC SERVICE CORPORATIONS
FOR LOCAL TAXATION BY COUNTIES
TAX YEARS 2022 AND 2023**

<u>Counties</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Accomack	\$393,369,103	\$329,258,683	\$(64,110,420)
Albemarle	554,079,908	587,024,085	32,944,177
Alleghany	131,608,200	121,040,559	(10,567,641)
Amelia	41,795,104	50,879,699	9,084,595
Amherst	108,373,619	105,875,783	(2,497,836)
Appomattox	74,626,035	56,903,282	(17,722,753)
Arlington	992,446,311	1,014,985,453	22,539,142
Augusta	406,328,865	417,955,544	11,626,679
Bath	1,183,674,758	1,190,771,534	7,096,776
Bedford	242,159,825	304,078,839	61,919,014
Bland	99,681,079	93,884,112	(5,796,967)
Botetourt	408,763,583	394,626,826	(14,136,757)
Brunswick	874,535,397	826,073,180	(48,462,217)
Buchanan	122,684,392	116,280,222	(6,221,450)

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Buckingham	459,430,834	398,357,941	(61,072,893)
Campbell	362,440,290	430,320,087	67,879,797
Caroline	383,227,562	344,956,019	(38,271,543)
Carroll	121,594,380	118,392,879	(3,201,501)
Charles City	161,940,229	169,642,598	7,702,369
Charlotte	80,108,125	61,972,656	(18,135,469)
Chesterfield	1,705,513,673	1,680,771,304	(24,742,369)
Clarke	69,449,482	65,090,942	(4,358,540)
Craig	20,352,460	19,363,315	(989,145)
Culpeper	229,888,663	283,174,680	53,286,017
Cumberland	65,917,277	65,775,679	(141,598)
Dickenson	76,799,948	69,854,155	(6,945,793)
Dinwiddie	197,621,039	180,745,020	(16,876,019)
Essex	51,543,525	43,236,162	(8,307,363)
Fairfax	4,234,529,035	4,629,496,339	394,967,304
Fauquier	755,318,622	740,346,579	(14,972,043)
Floyd	73,363,648	65,157,819	(8,205,829)
Fluvanna	388,589,969	421,843,796	33,253,827
Franklin	156,150,653	142,778,834	(13,371,819)
Frederick	385,722,221	436,804,657	51,082,436
Giles	79,022,096	72,539,521	(6,482,575)
Gloucester	131,953,958	169,136,537	37,182,579
Goochland	140,407,160	154,062,527	13,655,367
Grayson	63,681,875	65,062,268	1,380,393
Greene	41,227,243	46,193,041	4,965,798
Greensville	895,724,079	866,451,117	(29,272,962)
Halifax	1,111,458,796	985,001,462	(126,457,334)
Hanover	745,184,766	770,276,536	25,091,770
Henrico	1,179,195,543	1,360,249,947	181,054,404
Henry	217,047,060	216,671,346	(375,714)
Highland	17,623,875	22,772,139	5,148,264
Isle of Wight	148,489,573	146,677,122	(1,812,451)
James City	485,703,186	437,675,720	(48,027,466)
King and Queen	45,076,384	64,340,389	19,264,005
King George	123,635,850	116,924,476	(6,711,374)
King William	45,591,087	75,149,908	29,558,821
Lancaster	84,656,501	76,171,984	(8,484,517)
Lee	59,289,211	53,537,119	(5,752,092)
Loudoun	3,473,297,342	3,655,837,512	182,540,170
Louisa	2,206,381,329	2,206,455,977	74,648
Lunenburg	62,337,026	53,409,745	(8,927,281)
Madison	43,538,552	38,358,327	(5,180,225)
Mathews	23,868,341	26,062,496	2,194,155
Mecklenburg	312,788,927	364,444,102	51,655,175
Middlesex	124,861,943	114,917,365	(9,944,578)
Montgomery	201,599,648	272,224,145	70,624,497
Nelson	134,838,927	115,642,436	(19,196,491)
New Kent	183,633,899	194,087,173	10,453,274
Northampton	65,889,422	56,603,285	(9,286,137)
Northumberland	54,622,482	45,271,909	(9,350,573)
Nottoway	68,734,177	60,064,145	(8,670,032)
Orange	127,350,866	122,857,126	(4,493,740)
Page	73,968,422	68,186,256	(5,782,166)
Patrick	63,572,542	61,822,311	(1,750,231)
Pittsylvania	214,807,690	274,232,251	59,424,561
Powhatan	98,224,350	108,932,523	10,708,173
Prince Edward	102,539,545	91,410,520	(11,129,025)
Prince George	215,488,372	269,159,008	53,670,636
Prince William	1,908,256,274	2,200,152,855	291,896,581
Pulaski	116,059,063	118,145,568	2,086,505
Rappahannock	59,515,945	52,438,056	(7,077,889)
Richmond	85,541,883	71,789,317	(13,752,566)
Roanoke	323,013,919	456,864,594	133,850,675
Rockbridge	226,511,006	296,682,408	70,171,402
Rockingham	341,376,367	358,079,842	16,703,475
Russell	245,359,443	239,552,285	(5,807,158)
Scott	95,512,850	86,333,921	(9,178,929)
Shenandoah	236,412,554	237,750,170	1,337,616

Smyth	205,706,941	203,167,743	(2,539,198)
Southampton	177,763,936	159,306,550	(18,457,386)
Spotsylvania	509,457,356	504,163,777	(5,293,579)
Stafford	459,561,450	446,153,827	(13,407,623)
Surry	2,149,183,960	2,181,999,304	32,815,344
Sussex	105,050,546	94,825,917	(10,224,629)
Tazewell	196,821,987	189,447,679	(7,374,308)
Washington	203,994,776	189,247,967	(14,746,809)
Westmoreland	76,041,392	67,542,318	(8,499,074)
Wise	1,403,727,158	1,342,444,494	(61,282,664)
Wythe	371,166,166	324,388,470	(46,777,696)
York	427,543,333	388,557,951	(38,985,382)
Total Counties	\$ 39,803,168,376	\$ 41,157,468,257	\$ 1,354,299,881
Total Cities & Counties	\$ 48,628,089,397	\$ 50,448,597,156	\$ 1,820,507,759

**COMPARISON OF FEES COLLECTED BY THE DIVISION OF SECURITIES AND RETAIL
FRANCHISING FOR THE YEARS ENDING DECEMBER 31, 2022 AND DECEMBER 31, 2023**

<u>Fee Type</u>	<u>2022</u>	<u>2023</u>	<u>Increase or (Decrease)</u>
Securities Act	\$16,659,227.57	\$16,128,297.97	\$(530,929.60)
Retail Franchising Act	637,050.00	675,850.00	38,800.00
Trademarks-Service Marks	27,000.00	23,280.00	(3,720.00)
Penalties	161,017.46	447,223.77	286,206.31
Cost of Investigations	<u>12,200.00</u>	<u>18,900.00</u>	<u>6,700.00</u>
Total	\$17,496,495.03	\$17,293,551.74	\$(202,943.29)

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

DIVISION OF UTILITY ACCOUNTING AND FINANCE

The Division of Utility Accounting and Finance (Division) assists the Commission with its review and analysis of accounting and financial information in utility regulatory matters. The Division conducts audits and prepares testimony and reports in rate proceedings, as well as in applications involving performance-based reviews, rate adjustment clauses, affiliate transactions, mergers and acquisitions, financing plans, and certificates of public convenience and necessity. The Division also conducts audits of electric utility fuel costs and analyzes depreciation studies of electric, electric cooperatives, gas, and water and sewer utilities.

Below is a listing of analyses conducted and reports/testimony filed in rate proceedings, certificate cases and financial review filings analyzed by the Division during 2023.

<u>General Rate Cases/Biennial Reviews</u>	
Electric Companies.....	1
Electric Cooperatives.....	1
Gas Companies.....	6
Water Companies.....	1
Other.....	2
Total General Rate Cases/Biennial Reviews.....	11
<u>Certificates of Public Convenience and Necessity.....</u>	<u>2</u>
<u>Rate Adjustment Clauses</u>	
Electric Companies.....	33
<u>Water and Wastewater Infrastructure Service Charge (WWISC)</u>	
Water Companies.....	1
<u>Steps to Advance Virginia's Energy (SAVE) Plans/CARE/MAIN/RNG Plans</u>	
Gas Companies.....	6
<u>Annual Informational Filings/Earnings Tests</u>	
Electric Companies.....	1
Gas Companies.....	5
Water Companies.....	3
Total Annual Informational Filings/Earnings Tests.....	9
<u>Fuel Factor Cases - Electric Companies</u>	
Fuel Factors.....	5
Fuel Audits.....	0
Fuel Securitization.....	1
Total Fuel Factor Cases - Electric Companies.....	6
<u>Depreciation Studies</u>	
Electric Companies.....	1
Electric Cooperatives.....	1
Natural Gas Companies.....	1
Water Companies.....	0
Total Depreciation Studies.....	3
Prudency Reviews.....	0
Other Reviews and Studies.....	3
During 2023 the Division submitted reports recommending action in applications filed pursuant to Chapter 3 (Issuances of Stocks, Bonds, etc.), Chapter 4 (Affiliates Act), and Chapter 5 (Utility Transfers Act) of Title 56 of the Code of Virginia, CSP Licensure, and Shared Solar Licensure cases as follows:	
<u>Issuance of Stocks, Bonds, etc.....</u>	<u>10</u>
<u>Affiliates Act Cases</u>	
Service Agreements.....	11*
Other Transactions.....	12
Total.....	23
(*One case approved with 27 service and tax agreements)	
<u>Utility Transfers Act Cases</u>	
Transfers of Control.....	15
Transfers of Assets.....	7
Total.....	22
<u>Fair Value Acquisitions.....</u>	<u>1</u>
<u>Miscellaneous Cases.....</u>	<u>5</u>
Total Chapter 3, 4 and 5 Cases.....	61
<u>CSP Licensure Cases.....</u>	<u>9</u>
<u>Shared Solar Licensure Cases.....</u>	<u>40</u>

DIVISION OF PUBLIC UTILITY REGULATION

The Division of Public Utility Regulation assists the Commission in fulfilling its statutory responsibilities and duties pursuant to Title 56, Chapter 10 of the Code of Virginia. Activities include: (i) reviewing investor-owned electric, natural gas and water/sewer utilities' cost of service studies; (ii) reviewing cost allocation methodology and rate design philosophies; (iii) reviewing long term utility resource plans; (iv) overseeing implementation of competition in landline local communications services; (v) certifying competitive local exchange and interexchange carriers; (vi) maintenance of telecommunications interconnection agreements; (vii) regulation of small incumbent local exchange carriers; and, (viii) providing expert testimony in these matters.

The Division provides expert testimony in certificate cases for service/exchange areas and major facility construction of public utilities and independent power producers. After such certificates are granted, the Division is responsible for maintaining the official certificates and associated maps. The Division monitors the collection of gas costs by gas utilities, the incurrence of wholesale purchased power expenses by electric cooperatives, the recovery of fuel expenses by investor-owned electric utilities, the construction and operation of major facilities of the investor-owned utilities, and the implementation of competition in the telecommunications market. It reviews extraordinary costs and policies related to nuclear power, including decommissioning of nuclear power plants and the storage of spent nuclear fuel.

The Division investigates and resolves informal consumer complaints/inquiries relative to electric, natural gas, water/sewer and the telecommunications industries. The Division also participates in, as appropriate, formal complaints filed with the Commission. Finally, the Division develops annual energy related financial forecasts and provides the Commission with technical expertise pertaining to mergers, acquisitions, and regulatory policy relative to these industries.

At the end of 2023, there were subject to the regulatory oversight of the Division:

15	Incumbent Local Exchange Telephone Companies
178	Competitive Local Exchange Telephone Companies
135	Intrastate Long Distance Telephone Companies
12	Payphone Service Providers
6	Operator Service Providers
3	Investor-Owned Electric Companies
13	Electric Cooperatives
7	Natural Gas Companies
32	Water/Sewer Companies

SUMMARY OF 2023 ACTIVITIES

Consumer Complaints and Inquiries Received	5,347
Written Public Comments Relative to Commission Cases Received	3,246
Testimony and Reports Filed by Staff	140
Affiliates Applications	13
Certificates of Convenience and Necessity Granted, Transferred, or Revised	94
Meters Tests Witnessed	0
Community Meetings and Presentations	7

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

BUREAU OF FINANCIAL INSTITUTIONS

The Bureau of Financial Institutions is responsible under Title 6.2 of the Code of Virginia for the regulation and supervision of the following types of institutions: state chartered banks, independent trust companies, state chartered savings institutions, state chartered credit unions, industrial loan associations, consumer finance licensees, qualified education loan servicers, money transmitter licensees, mortgage lenders and brokers, mortgage loan originators, credit counseling agencies, debt settlement services providers, check cashers, motor vehicle title lenders, short-term lenders, and sales-based financing providers. Financial institutions domiciled outside of Virginia that have deposit taking subsidiaries within the Commonwealth are also subject to the Bureau regulatory authority, as are out-of-state deposit taking subsidiaries of financial holding companies domiciled in Virginia.

During the calendar year, the Bureau of Financial Institutions received, investigated, and processed applications for various certificates of authority as shown below:

**APPLICATIONS RECEIVED AND ACTED UPON
BY THE BUREAU OF FINANCIAL INSTITUTIONS IN 2023**

	Received	Acted Upon
Bank Branches	16	16
Bank Branch Office Relocations	2	3
Establish a Branch (Out-of-State Bank)	3	3
Bank Acquisitions Pursuant to § 6.2-704A	2	2
Bank Acquisitions Pursuant to § 6.2-704C	1	1
Bank Merger	3	3
Notice of Intent to Acquire Bank Outside Virginia	2	2
Credit Union Mergers	1	1
Credit Union Service Facilities	5	5
Credit Union Office Relocations	1	1
Out of State Trust Branches	3	3
New Consumer Finance	12	9
Consumer Finance Offices	15	15
Consumer Finance Other Business	7	5
Consumer Finance Office Relocations	5	5
Acquisitions of Consumer Finance Companies	1	1
Qualified Education Loan Servicer-Federal Contractor	1	1
Qualified Education Loan Servicer	3	5
New Mortgage Lenders and/or Brokers	259	294
Acquisitions of Mortgage Lenders/Brokers	36	34
Mortgage Additional Offices	877	883
Exempt Mortgage Company Registrations	3	0
Mortgage Loan Originator Licenses	3,423	3,489
New Motor Vehicle Title Lender	0	1
New Money Order Sellers/Money Transmitters	24	30
Acquisitions of Money Order Sellers/Money Transmitters	6	9
Credit Counseling Agency Additional Offices	13	13
Credit Counseling Office Relocations	3	4
New Credit Counseling Agencies	1	1
Debt Settlement Providers	1	1
New Check Cashers	22	20
Short-Term Lender Office Relocations	1	1
Short-Term Lender Additional Offices	1	1
New Short-Term Lenders	2	0
Sales-Based Financing Providers	119	141

At the end of 2023, there were under the supervision of the Bureau 46 banks with 937 branches, 46 Virginia bank holding companies, 3 non-Virginia bank holding companies with a subsidiary Virginia bank, 2 subsidiary trust companies, 1 savings institution, 21 credit unions, 2 industrial loan associations, 29 consumer finance companies with 226 offices, 141 money transmitters, 28 credit counseling agencies, 357 check cashers, 200 mortgage lenders with 557 offices, 673 mortgage brokers with 861 offices, 366 mortgage lender/brokers with 2,775 offices, 24,107 mortgage loan originators, 7 private trust companies, 0 motor vehicle title lenders, 10 debt settlement services providers, 189 sales-based financing providers, 25 qualified education loan servicers, and 6 short-term lenders with 34 offices.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

**BUREAU OF INSURANCE REGULATION
ACTIVITIES FOR THE FISCAL YEAR ENDING JUNE 30, 2023**

The regulation of insurance was transferred to the State Corporation Commission from the Auditor of Public Accounts in 1906. The Bureau of Insurance (Bureau) has licensed and examined the affairs of insurance companies since that time. Here in the Commonwealth of Virginia, the functions of the Bureau have increased with the complexity and importance of insurance in our daily lives. In keeping with the Commission's mission, Bureau staff strives to balance the interests of insurance consumers with its duty to regulate Virginia's business responsibly.

The Bureau is divided into the following five divisions: The Financial Regulation Division licenses, analyzes, and examines insurance companies and, if necessary, takes steps to resolve financial problems before a company becomes unable to meet its obligations; the Life and Health Market Regulation Division regulates the activities of life insurers, accident and sickness insurers, health service plans, and health maintenance organizations; the Property and Casualty Market Regulation Division regulates the activities of property and casualty insurers (automobile and homeowners); the Agent Regulation Division licenses and regulates the activities of licensed insurance agents, agencies and public adjusters; and the Policy, Compliance and Administration Division monitors state and federal legislation impacting insurance regulation, prepares reports and studies for the Bureau, collects various special taxes and assessments on insurance companies, and supports the other Bureau divisions in an auxiliary role in performing their respective regulatory functions.

The regulatory functions of the Bureau include: (1) monitoring the activities of insurance agents, agencies and public adjusters to ensure their actions comply with state law; (2) answering questions and assisting consumers with problems concerning insurance companies or agents by investigating consumer complaints; (3) conducting on-site field examinations of insurance company practices in Virginia to ensure compliance with state law and to verify whether claims are paid on a timely basis, underwriting decisions are not unfairly discriminatory, and that marketing materials are not misleading; (4) promoting and protecting the interests of covered persons under managed care health insurance plans (MCHIP) and assisting consumers in understanding and exercising their rights of appeal of adverse decisions made by MCHIPs; and (5) evaluating insurance policies and rates to ensure compliance with state law, that policies are written in understandable language, and that premiums charged are reasonable and not unfairly discriminatory.

SUMMARY OF FISCAL YEAR 2023 ACTIVITIES

Assessment audits	1,706
Insurance Agents and Agencies Licensed	76,152
Property and Casualty insurance complaints received	2,779
Property and Casualty insurance rules, rates, and form submissions	3,805
Property and Casualty Division Market Conduct Examinations completed	1
Property and Casualty Division Market Regulation Continuum Actions completed	99
New insurance companies licensed to do business in Virginia	25
Insurance company financial statements analyzed	920
Financial examinations of insurance companies conducted	16
Life and Health insurance complaints received	1,347
Life and Health insurance policy forms and rates submissions	2,230
Life and Health Division Market conduct examinations completed	0
Life and Health Division Market Regulation Continuum Actions completed	9
Ombudsman Office inquiries received	419
Ombudsman Office assisted Individuals by in appealing MCHIP denials	203

EXTERNAL REVIEW FISCAL YEAR 2023

Number of External Review (ER) Requests Reviewed	585
Eligible ER Requests	191
Ineligible ER Requests	394
Final Adverse Decision Upheld by Reviewer	84
Final Adverse Decision Overturned by Reviewer	105
Final Adverse Decision Modified or Partially Overturned	1
Health Carrier Reversed Itself	1
Terminated or withdrawn	0

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

NOTICE OF INSURANCE-RELATED ENTITIES IN RECEIVERSHIP

Pursuant to Virginia Code § 38.2-1517, please TAKE NOTICE that the following insurance-related entities are in receivership under authority of various provisions of Title 38.2 of the Code of Virginia:

HOW Insurance Company, a Risk Retention Group, Homeowners Warranty Corporation and Home Warranty Corporation (the HOW Companies). Date of receivership: October 7, 1994. The company will not resume the transaction of the business of insurance. For more information/updates you can e mail www.howcorp.com. The Commission is the Receiver, and Commissioner of Insurance Scott A. White is the Deputy receiver, of HOW. Any inquiries concerning the conduct of the receivership of HOW may be directed to their Special Deputy Receiver, Patrick H. Cantilo, Esquire, Cantilo & Bennett, LLP, Suite 300, 11401 Century Oaks Terrace, Austin, Texas 78758.

Reciprocal of America (ROA) and The Reciprocal Group (TRG). Date of receivership: January 29, 2003. An Order of Liquidation with a Finding of Insolvency and Directing the Cancellation of Direct Insurance Policies was entered on June 20, 2003, and on October 28, 2003, the proposed plan of liquidation was approved by entry of an Order Setting Final Bar Date and Granting the Deputy Receiver Continuing Authority to Liquidate Companies. ROA and TRG will not resume the transaction of the business of insurance. The Commission is the Receiver, and the Commissioner of Insurance, Scott A. White, is the Deputy Receiver of ROA and TRG. Any inquiries concerning the conduct of the receivership of ROA and TRG may be directed to Dan Bumpus, at the Bureau of Insurance or by e-mail at www.reciprocalgroup.com.

Southern Title Insurance Corporation (STIC). Date of receivership: December 20, 2011. The State Corporation Commission was named receiver for STIC by the Circuit Court of the City of Richmond. An Order of Liquidation with a Finding of Insolvency was entered on July 28, 2014. The company will not resume the transaction of the business of insurance. The Commission is the Receiver, and the Commissioner of Insurance, Scott A. White, is the Deputy Receiver of STIC. Any inquiries concerning the conduct of the receivership of STIC may be directed to Dan Bumpus, at the Bureau of Insurance or via www.southerntitle.com.

**HEALTH BENEFIT EXCHANGE
ACTIVITIES FOR THE FISCAL YEAR ENDING JUNE 30, 2023**

Chapter 65 of Title 38.2 of the Code of Virginia established the Virginia Health Benefit Exchange (Exchange) within the State Corporation Commission (Commission) in 2020. The purpose of the Exchange is to facilitate the purchase and sale of qualified health plans and qualified dental plans, to support the continuity of coverage and reduce the number of uninsured Virginians.

As of June 30, 2023, Virginia was operating as a State-based Exchange on the federal platform. Virginia remained on track to, and subsequently did, complete its transition to a full State-based Exchange by November 1, 2023. Plan year 2024 is the first year that Virginia consumers will use Marketplace.virginia.gov to shop for an enroll in Qualified Health Plans and to access available financial assistance. Small Business Health Options Program insurance (SHOP) will also be available for eligible employers at Marketplace.virginia.gov/small-business-employers.

The goals of the Health Benefit Exchange include: (1) reducing the number of uninsured; (2) supporting the continuity of care; (3) promoting a transparent and competitive marketplace; (4) promoting consumer choice and education; (5) assisting individuals with access to programs, policies, and procedures related to obtaining health insurance coverage; and (6) assisting individuals with premium tax credits and cost-sharing reductions.

The state budget authorizes \$29.03 million and \$29.31 million, respectively, of non-general funds to support Exchange functions for FYs 2023 and 2024. The state budget authorizes the Secretary of Finance to approve a Working Capital Advance of up to \$40 million over ten years to fund Exchange start-up and other implementation costs -- \$6 million of which was approved on June 5, 2020 and drawn down by the Commission on July 1, 2020. Anticipated drawdowns are expected to be \$20 million over four years. Exchange revenues for FY 2023 were approximately \$10.03 million, generated through the collection of assessment fees on health carriers offering plans through the Exchange in accordance with § 38.2- 6510 of the Code. Exchange expenses for FY 2023 were approximately \$11.4 million.

The Exchange oversees a Navigator program to help Virginians navigate, shop for, and enroll in health insurance coverage. In support of the Navigator program, on August 18, 2022, the Commission awarded approximately \$2,041,059 million in grant funds to the Virginia Poverty Law Center and \$420,000 to BoatPeople SOS, Inc.

SUMMARY OF FISCAL YEAR 2023 ACTIVITIES

Navigators registered	49
Certified Application Counselor Designated Organizations (CDOs) designated	33
Carriers offering individual health coverage on Exchange	12
Carriers offering small business coverage on SHOP	3
Carriers offering Exchange-certified stand-alone dental plans on Exchange	8

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

DIVISION OF SECURITIES AND RETAIL FRANCHISING

The Division of Securities and Retail Franchising of the State Corporation Commission is charged with the administration of the following laws: Virginia Securities Act (known as the "Blue Sky" Law), Virginia Code Sections 13.1-501 through 13.1-27.3. Virginia, The Trademark and Service Mark Act, Virginia Code Sections 59.1-92.1 through 59.1-92.21, Virginia Retail Franchising Act, Virginia Code Sections 13.1-557 through 13.1-574.

Summary of 2023 Activities

UNDER THE VIRGINIA SECURITIES ACT:

7	agent of issuer registrations and renewals denied, withdrawn, or terminated
239	investment company notice filings originals denied, withdrawn, or terminated
2	securities registrations denied, withdrawn, or terminated
19	securities registrations approved
1	exemption notice filings for federal-covered securities denied, withdrawn, or terminated
2,766	investment company notice filings originals and renewals accepted
247	exemptions from registration approved
1	exemptions from registration denied, withdrawn, or terminated
4,874	exemption notice filings for federal-covered securities accepted
1,931	broker-dealer registrations and renewals approved
135	broker-dealer registrations and renewals denied, withdrawn, or terminated
5	broker-dealer audits completed
291,801	broker-dealer agent registrations and renewals approved
41,045	broker-dealer agent registrations and renewals denied, withdrawn, or terminated
19	investment advisor eras approved
285	investment advisor other amendments approved
70	investment advisor other amendments denied, withdrawn, or terminated
4,427	investment advisor registrations, renewals, and amendments approved
462	investment advisor registrations, renewals, and amendments denied, withdrawn, or terminated
91	investment advisor audits completed
355	audit violation deficiencies resolved
18,338	investment advisor representative registrations and renewals approved
2,707	investment advisor representative registrations and renewals denied, withdrawn, or terminated
44	agent of issuer registrations and renewals approved
81	investigations completed

UNDER THE VIRGINIA TRADEMARK AND SERVICE MARK ACT:

664	trademarks and/or service marks approved, renewed, or assigned
424	trademarks and/or service marks denied, abandoned, expired, or withdrawn

UNDER THE VIRGINIA RETAIL FRANCHISING ACT:

2,234	franchise registrations, renewals, or post-effective amendments approved
521	franchise registrations, renewals, or post-effective amendments denied, withdrawn, non-renewed, or terminated
18	investigations completed

ORDERS, JUDGMENTS AND SETTLEMENTS:

14	orders granting exemptions and/or official interpretations
0	orders filing and/or canceling surety bonds
14	orders for subpoena of records by banks, corporations, and individuals
0	orders of show cause
17	judgments of compromise and settlement
10	final orders and/or judgments
0	temporary injunctions
3	special supervision

TELEPHONE CALLS, E-MAILS AND COMPLAINTS:

881	calls/e-mails regarding pending investigations
24	calls/e-mails regarding pending registrations
77	registration general inquiry calls/e-mails
380	calls/e-mails regarding pending audits
6	audit general inquiry calls/e-mails
58	calls/e-mails regarding pending examinations
119	complaints resulting in investigations
29	complaints referred
109	complaints with no authority to investigate
1	complaints with no violation of Securities or Franchise Acts

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

DIVISION OF UTILITY AND RAILROAD SAFETY

The Division of Utility and Railroad Safety (“Division”) assists the Commission in administering three safety programs: Gas and Hazardous Liquid Pipeline Safety, Railroad Safety and Underground Utility Damage Prevention.

Pipeline Safety

The Pipeline Safety Section helps ensure the safe operation of gas and hazardous liquid pipeline facilities through various types of inspections. These inspections include comprehensive reviews of required programs, procedures, and plans and field inspections of pipeline facilities, review of operator records, and the performance of risk-based field inspections of pipeline activities including construction and repairs. The Division also responds to and investigates reported pipeline Incidents¹ and Accidents² as reported to the Division's 24-hour, 365 day staffed on-call emergency number. The Division also investigates certain other pipeline emergencies that may be of significant impact to the Commonwealth but have not yet risen to reporting criteria at the time of discovery.

In 2023, the Division's pipeline safety activities encompassed the inspection of intrastate gas distribution and transmission pipelines, intrastate hazardous liquid pipelines, and certain interstate gas and liquid pipelines.

The Virginia natural gas distribution network is comprised of seven private natural distribution gas companies and three municipal owned distribution systems which collectively operate a total of 22,500.2 miles of main piping and 19,897.9 miles of service pipelines. These 42,398.2 miles of natural gas distribution pipeline provide service to 1,338,854 Virginia customers based on 2022 federal reporting data (at the time of this report 2023 data is not yet submitted).

Pipeline safety activities also include inspections of intrastate transmission lines. These pipelines are operated by the seven private distribution companies, five intrastate gas transmission operators. These transmission pipeline companies operate over 507.5 miles of intrastate transmission pipelines in the Commonwealth. Additionally, there is one gathering line operator who operates 0.40 miles of Type B gathering line piping,³ one liquefied natural gas plant, 36 master-metered distribution systems, and 12 propane companies who operate jurisdictional distribution systems (two of which also operate private natural gas distribution systems).

The Division acts as an interstate agent for the US Department of Transportation, Pipeline and Hazardous Materials Safety Administration (“PHMSA”) and inspects four interstate hazardous liquid pipeline companies along with the inspection of Virginia's sole intrastate hazardous liquid company. These five hazardous liquid pipeline companies operate 1,143 miles of hazardous liquid pipelines in Virginia.

Since 2017, the Division has entered into a temporary agreement with PHMSA to inspect construction of the Mountain Valley Pipeline and Atlantic Coast Pipeline interstate gas transmission pipelines in response to §56-555.2 of the Code of Virginia. The Atlantic Coast Pipeline project was canceled during 2020. No inspection activity occurred for the Mountain Valley Pipeline in 2022 related to permitting issues, however, pipeline work resumed in 2023. The Division's temporary interstate agreement was renewed through 2024 for this project in anticipation of construction restarting. At the time of this report the project is approximately 99% complete and forecasted to be completed in the first quarter of 2024.

Summary of Calendar Year 2023 Activities

Gas safety inspection days conducted	827.25
Interstate gas safety inspection days conducted	91.16
Hazardous liquid safety inspection days conducted	179.44
Number of probable violations found during 2023	546
Number of probable violations submitted to PHMSA	30
Number of compliance actions taken	72
Pipeline Incidents ⁴ or Accidents ⁵ investigated	3
Number of citizen complaints investigated	12

¹ Incident as defined by §191.3.

² Accident as defined by §195.50.

³ 2022 reported mileage was 40.47 with four operators. A recently regulatory change added expanded classifications of gathering pipelines to Type A, B, C, and R. A number of operators were reclassified and/or became no jurisdictional due to incidental gathering definitions.

⁴ Incident as defined by §191.3.

⁵ Accident as defined by §195.50.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

Railroad Safety

The Rail Safety Section of the Division in coordination with the Federal Railroad Administration (49 CFR Part 212 – Safe Safety Participation Regulations), helps ensure the safe operation of jurisdictional railroads and contractors by conducting inspections of tracks, signal systems (wayside and onboard locomotive), highway rail grade crossings, railroad operations, shipment of hazardous materials by rail, motive power and equipment and investigations of critical accidents and citizen complaints. The Division's inspections involve more than 4,100 miles of track, over 4,200 public and private highway rail-grade crossings, thousands of rolling stock, which also include tank cars, and intermodal containers and 69-yard facilities.

During the year of 2022, the Federal Railroad Administration (FRA) had multiple vacancies which were not filled. The SCC rail safety team played an integral part in the success of carrying out the FRA's mission. Inspectors assisted in multiple audits across all disciplines in and out of the state.

Summary of 2023 Inspection Activities

	Own ⁶	Accompanied ⁷
Number of Hazmat Units[1] Inspected	6,970	253
Number of Track Units[2] Inspected	7,059	689
Number of Locomotive and Car Units[3] Inspected	24,312	5,055
Number of Operating Practice Units[4] Inspected	839	57
Number of Signal/Grade Crossing[5] Units Inspected	1,143	369
Number of Defects Noted	6,602	1,173
Number of Violations Cited	62	6
Number of Accidents Investigated	40	
NRC Incidents Investigated	62	
Number of Complaints Investigated	60	

Damage Prevention

The Damage Prevention Section of the Division investigates all reports of "probable violations" of the Underground Utility Damage Prevention Act ("Act") and on a monthly basis presents its findings and recommendations to an Advisory Committee appointed by the Commission in accordance with the Act. This Committee then makes enforcement recommendations to the Commission. The Division provides free training relative to the Act and safe digging practices to excavators, utilities and others, disseminates damage prevention educational material and promotes partnership among the stakeholders to further underground utility damage prevention in Virginia.

Summary of 2023 Activities

Underground Utility Damage Reports Investigated	1,462
Number of Individuals Having Received Damage Prevention Training	583
Number of Damage Prevention Educational Material Disseminated	57,639
Number of Damage Prevention Field Audits Conducted	949

¹ Each hazmat record review along with each visual inspection of a tank car, bulk/non-bulk package and/or freight container is considered a hazmat unit.

² Each mile of track, record, crossing at grade, among other things, is considered a track unit.

³ Each locomotive, car, motive power equipment record, among other things, is considered a unit.

⁴ Each location where operations are or may occur such as switchyards, field offices, yard offices, trains, yard crew locations and dispatching are considered an operating practice unit.

⁵ Each signal/switch/grade crossing/PTC/ wayside and onboard locomotive signal system and record review along with each visual inspection of a signal/grade crossing component is considered a signal/grade crossing unit.

⁶ Own means the primary inspector wrote the report themselves.

⁷ Own means the primary inspector wrote the report themselves.

ANNUAL REPORT OF THE STATE CORPORATION COMMISSION

UNIFORM COMMERCIAL CODE

The Clerk's Office is the central filing office in the Commonwealth for financing statements, amendments, assignments and terminations filed under the Uniform Commercial Code – Secured Transactions. The Clerk's Office is the filing office in the Commonwealth for notices and certificates applicable to the personal property of corporations and partnerships filed under the Uniform Federal Lien Registration Act.

SUMMARY OF CALENDAR YEAR ACTIVITIES

	<u>12/31/22</u>	<u>12/31/23</u>
Financing/Subsequent Statements Filed	112,330	94,156
Federal Tax Liens/Subsequent Liens Filed	1,860	1,705
Reels of Microfilmed Documents Sold	0	0

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 Nazia Shaheen - To acquire 25 percent or more of United 1 Mortgage Corporation
 GREEN NOTE CAPITAL PARTNERS SPV LLC - To register as a sales-based financing provider
 Finvest VA LLC (USED IN VA BY: Finvest LLC) - To register as a sales-based financing provider
 "Chesapeake Bank - To open a branch at Westminster Canterbury, 1600 Westbrook Avenue, Henrico County, VA"
 ORANGE ADVANCE LLC - To register as a sales-based financing provider
 "Marlin Mortgage Holdings, LLC - To acquire 25 percent or more of LoanFront, LLC"
 "Taproot Financial, LLC - To acquire 25 percent or more of WesLend Financial Corp."
 "Stratus Financial LLC - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
 "PIRS CAPITAL, LLC - To register as a sales-based financing provider"
 Direct Merchants Funding LLC d/b/a Flash Advance - To register as a sales-based financing provider

BAN20230060	Family Business Funding LLC - To register as a sales-based financing provider
BAN20230061	SBG Funding LLC - To register as a sales-based financing provider
BAN20230062	"MM CMC, LLC - To acquire 25 percent or more of CMC Funding, Inc."
BAN20230063	Mantis Funding LLC - To register as a sales-based financing provider
BAN20230064	Crest Hill Capital LLC - To register as a sales-based financing provider
BAN20230065	DMKA LLC d/b/a The Smarter Merchant - To register as a sales-based financing provider
BAN20230066	"Mariner Finance of Virginia, LLC - To make loans under Chapter 15, Title 6.2 of the Code of Virginia where the other business of Home Security Plans will also be conducted"
BAN20230067	"Mariner Finance of Virginia, LLC - To make loans under Chapter 15, Title 6.2 of the Code of Virginia where the other business of Silver Safeguard will also be conducted"
BAN20230068	Sepehr Steven Khanian - To acquire 25 percent or more of Equitable Mortgage & Realty Incorporated
BAN20230069	David Adamo - To acquire 25 percent or more of Luxury Mortgage Corp.
BAN20230070	"Advance Service Group, LLC - To register as a sales-based financing provider"
BAN20230071	Crestmont Capital LLC - To register as a sales-based financing provider
BAN20230072	Traditions Funding Management Corp. - To register as a sales-based financing provider
BAN20230073	Churchill Bank Corporation - To acquire 25 percent or more of Miners Exchange Bank
BAN20230074	"Hangzhou Xingtao Enterprise Management Consulting Co., Ltd - To acquire 25 percent or more of Alipay US, Inc."
BAN20230075	Meridian Equipment Finance LLC d/b/a Merit Business Funding - To register as a sales-based financing provider
BAN20230076	"Virginia Credit Union, Inc. - To relocate a credit union office from 720 East Broad Street, Richmond, VA to 27 West Broad Street, Richmond, VA"
BAN20230077	"Multiservicios Inc. - To open a check casher at 5700 Hopkins Road, Suite B, Richmond, VA"
BAN20230078	"Delia Abrams - To acquire 25 percent or more of Heritage Financial of Virginia, Inc."
BAN20230079	"Michael P. Taylor - To acquire 25 percent or more of Heritage Financial of Virginia, Inc."
BAN20230080	"Fenix Capital Funding, LLC - To register as a sales-based financing provider"
BAN20230081	Mortgage JV LLC - To acquire 25 percent or more of Fulcrum Mortgage Group LLC
BAN20230082	"Bank of Botetourt - To open a branch at 875 Tanyard Road, Rocky Mount, Franklin County, VA"
BAN20230083	"Ironhorse Funding LLC - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
BAN20230084	"Bank of Marion, The- To open a branch at 220 West Main Street, City of Radford, VA"
BAN20230085	"Mutual of Omaha Mortgage, Inc. - To acquire 25 percent or more of Livian Mortgage, LLC"
BAN20230086	"Consumer Education Services, Inc. - To open a credit counseling office"
BAN20230087	"Palacio Corporation d/b/a El Ranchito Mexican Store - To open a check casher at 21359 South Bayside Road, Cape Charles, VA"
BAN20230088	"LA PLACITA MINI MARKET LLC - To open a check casher at 6220 Hull Street, Suite C, Richmond, VA"
BAN20230089	"OM SAI LIBERTY LLC d/b/a Star Mart - To open a check casher at 617 Liberty Road, Roanoke, VA"
BAN20230090	"Richmond Petroleum Marketing, Incorporated d/b/a Fas Stop - To open a check casher at 2301 Mechanicsville Turnpike, Richmond, VA"
BAN20230091	"Reginald Patrick Green, Jr. - To acquire 25 percent or more of Green Home Loans LLC"
BAN20230092	"Specialty Capital OT, LLC - To register as a sales-based financing provider"
BAN20230093	"Specialty Capital, LLC - To register as a sales-based financing provider"
BAN20230094	"LINKBANCORP, Inc. - To acquire Virginia Partners Bank, Fredericksburg, VA"
BAN20230095	Sub 1 DE LLC - To acquire 25 percent or more of Rushmore Loan Management Services LLC
BAN20230096	"First Bank and Trust Company, The - To open a branch at 2100 Community Drive, Suite B, Mount Airy, NC"
BAN20230097	Equator Tech LLC - For a license to engage in business as a short-term lender
BAN20230098	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
BAN20230099	Arena Funding Source LLC - To register as a sales-based financing provider
BAN20230100	"TowneBank - To open a branch at 7100 Falls of Neuse Road, Raleigh, NC"
BAN20230101	Cucumber Capital LLC d/b/a Cucumber Funding d/b/a Cucumber Capital - To register as a sales-based financing provider
BAN20230102	FIJI GOLD LLC - To register as a sales-based financing provider
BAN20230103	"Virginia Credit Union, Inc. - To merge into it Virginia Trailways Federal Credit Union"
BAN20230104	"FundFi Merchant Funding, LLC - To register as a sales-based financing provider"
BAN20230105	DMMD LLC - To acquire 25 percent or more of Flexa Network Inc.
BAN20230106	ZJOB INC - To register as a sales-based financing provider
BAN20230107	"Fundera, Inc. d/b/a NerdWallet Small Business - To register as a sales-based financing provider"
BAN20230108	Prescott & Fifth Capital LLC - To register as a sales-based financing provider
BAN20230109	"Regional Finance Company of Virginia, LLC d/b/a Regional Finance - To relocate a consumer finance office from 6810-A Bland Street, Springfield, Fairfax County, VA to 6506 Loisdale Road, Suite 200, Springfield, Fairfax County, VA"
BAN20230110	HORIZON FUNDING GROUP INC. d/b/a Horizon Funding Group - To register as a sales-based financing provider
BAN20230111	"MMP CAPITAL 2, LLC (USED IN VA BY: MMP CAPITAL, LLC) - To register as a sales-based financing provider"
BAN20230112	"LOS PRIMOS CASHING LLC - To open a check casher at 13677 Warwick Boulevard, Newport News, VA"
BAN20230113	"Debtwave Credit Counseling, Inc. - To relocate a credit counseling office from 1835A S Centre City Parkway #508, Escondido, CA to 500 La Terraza Boulevard, Suite 150, Escondido, CA"
BAN20230114	MONEY MATTERS NOW LLC - To register as a sales-based financing provider
BAN20230115	"Elevate Funding, LLC - To register as a sales-based financing provider"
BAN20230116	"Austin Business Finance, LLC d/b/a Backd - To register as a sales-based financing provider"
BAN20230117	"Populus Financial Group, Inc. d/b/a Ace Cash Express - To relocate a short-term lending office from 3925 Melrose Avenue NW, Roanoke, VA to 4750 Valley View Boulevard, Suite 50, Roanoke, VA"
BAN20230118	"Lendio, Inc. - To register as a sales-based financing provider"
BAN20230119	YouLend US LLC - To register as a sales-based financing provider

BAN20230120 "CF Skope LLC - To acquire 25 percent or more of Skopos Financial, LLC"
 BAN20230121 "Place Envoy LP Holdco, LLC - To acquire 25 percent or more of ENVOY MORTGAGE, LTD, LP (USED IN VA BY: ENVOY MORTGAGE, LTD)"

BAN20230122 "Transform Credit Inc - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
 BAN20230123 "La Favorita Incorporated d/b/a La Favorita Latin Market - To open a check casher at 340 Greenbrier Drive, Charlottesville, VA"

BAN20230124 "Virginia Credit Union, Inc. - To open a credit union service office at 2420 Fairmount Avenue, Richmond, VA"
 BAN20230125 Rajendra Nanan - To acquire 25 percent or more of Imperium Mortgage LLC
 BAN20230126 "Lendmark Financial Services, LLC - To open a consumer finance office at 750 Independence Boulevard, Suite 4582, City of Virginia Beach, VA"

BAN20230127 "Beacon Credit Union, Incorporated - To open a credit union service office at 3534 Electric Road, Unit 6, Roanoke, VA"
 BAN20230128 CAPITALIZE GROUP LLC - To register as a sales-based financing provider
 BAN20230129 "RJN ENT, LLC - To register as a sales-based financing provider"
 BAN20230130 "Korner Incorporated - To open a check casher at 1125 Longwood Avenue, Bedford, VA"
 BAN20230131 Epic advance llc - To register as a sales-based financing provider
 BAN20230132 "Newport News Shipbuilding Employees' Credit Union, Inc. d/b/a Bayport Credit Union - To open a credit union service office at 3205 Virginia Beach Boulevard, Virginia Beach, VA"

BAN20230133 True Advance Funding Inc. d/b/a True Advance - To register as a sales-based financing provider
 BAN20230134 Global Merchant Cash Inc. - To register as a sales-based financing provider
 BAN20230135 BizFund LLC - To register as a sales-based financing provider
 BAN20230136 Clearfund Solutions LLC - To register as a sales-based financing provider
 BAN20230137 LITEFUND SOLUTIONS LLC - To register as a sales-based financing provider
 BAN20230138 Cobalt Funding Solutions LLC - To register as a sales-based financing provider
 BAN20230139 "Touchstone Bank - To open a branch at the intersection of Iron Bridge Road and Courthouse Road, Chesterfield County, VA"
 BAN20230140 "Mid Atlantic Development Group, LLC d/b/a Los Amigos - To open a check casher at 43112 John Mosby Highway, Chantilly, VA"

BAN20230141 "Ironhorse Funding LLC - To make loans under Chapter 15, Title 6.2 of the Code of Virginia where the other business of Sales Finance will also be conducted"

BAN20230142 "Ministry of Economy and Finance (South Korea) - To acquire 25 percent or more of Bitstamp USA, Inc."
 BAN20230143 "CabiCash Solutions, Inc. - To register as a sales-based financing provider"
 BAN20230144 "Jamie Leigh Hage - To acquire 25 percent or more of PRH United Capital, LLC"
 BAN20230145 "Deanna Sue Patchett - To acquire 25 percent or more of PRH United Capital, LLC"
 BAN20230146 Lightspeed Commerce USA Inc. - To register as a sales-based financing provider
 BAN20230147 "Ronald Blue Trust, Inc. - To open a new independent trust company branch at 5957 Windswept Boulevard, Wise, VA"
 BAN20230148 "Auxilior Capital Partners, Inc. - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "

BAN20230149 "Auxilior Capital Partners, Inc - To make loans under Chapter 15, Title 6.2 of the Code of Virginia where the other business of Commercial Lending Activity will also be conducted"

BAN20230150 "Sandy Spring Bank - To open a branch at 20444 Exchange Street, Suite N109, Ashburn, VA"
 BAN20230151 "NOVEDADES K & J, Inc. d/b/a NOVEDADES K & J - To open a check casher at 794 Center Street, Suite C, Herndon, VA"
 BAN20230152 "Pitcairn Trust Company - To open a new independent trust company branch at 1640 Boro Place, 4th Floor, Office No 532, McLean, VA"

BAN20230153 "Creditfy, LLC d/b/a Creditfy - To register as a sales-based financing provider"
 BAN20230154 "BLAS VAS LLC - To open a check casher at 99 Manassas Drive, Manassas Park, VA"
 BAN20230155 "EnFin Corp - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
 BAN20230156 YM Ventures LLC - To register as a sales-based financing provider
 BAN20230157 "HREP FTC Holding Co, LLC d/b/a Frank's Trucking Center - To open a check casher at 4717 W. Military Highway, Chesapeake, VA"

BAN20230158 "Future Home Investment Accounts Inc. - To acquire 25 percent or more of Lattice Thinking, Inc."
 BAN20230159 "Lendflow, Inc - To register as a sales-based financing provider"
 BAN20230160 "Torro Holdings, LLC - To register as a sales-based financing provider"
 BAN20230161 Relief Technologies Inc. - For a license to engage in business as a debt settlement services provider
 BAN20230162 "AMSTERDAM CAPITAL SOLUTIONS, LLC - To register as a sales-based financing provider"
 BAN20230163 Sierra Marketing & - To register as a sales-based financing provider
 BAN20230164 Joshua Shane Miller - To acquire 25 percent or more of New Story Lending LLC
 BAN20230165 "Victor Ciardelli Revocable Trust dtd December 23, 2016 - To acquire 25 percent or more of Premia Mortgage, LLC"
 BAN20230166 "1st Franklin Financial Corporation - To open a consumer finance office at 638 Southpark Boulevard, City of Colonial Heights, VA"

BAN20230167 "Bank of Charlotte County, The - To open a branch at 514 East Atlantic Street, South Hill, Mecklenburg County, VA"
 BAN20230168 Diverse Capital LLC - To register as a sales-based financing provider
 BAN20230169 Apex Funding Source LLC d/b/a Apex Funding Source - To register as a sales-based financing provider
 BAN20230170 "Select Bank - To relocate an office from 166 Huffman Mill Road, Burlington, NC to 3158 S. Church Street, Burlington, NC"
 BAN20230171 "Mariner Finance of Virginia, LLC - To open a consumer finance office at 229 Nor Dan Drive, City of Danville, VA"
 BAN20230172 "Blue Diamond Management, LLC - To open a check casher at 9 Catocin Circle SE, Leesburg, VA"
 BAN20230173 "Stone Springs Market, LLC d/b/a Tres Amigos Market & Deli - To open a check casher at 24075 Stone Springs Boulevard, Sterling, VA"

BAN20230174 "Spectrum Purchaser, LLC - To acquire 25 percent or more of PNC Global Transfers, Inc."
 BAN20230175 Possible Financial Inc. - For a license to engage in business as a short-term lender
 BAN20230176 Samson MCA LLC - To register as a sales-based financing provider

BAN20230177	"La Cosecha Supermarket LLC d/b/a Santa Fe Supermarket - To open a check casher at 2828 Valley Avenue, Winchester, VA"
BAN20230178	"Truvion Inc. - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia "
BAN20230179	"1st Franklin Financial Corporation - To open a consumer finance office at 145 Holt Garrison Parkway, Suite 150, City of Danville, VA"
BAN20230180	"Mariner Finance of Virginia, LLC - To open a consumer finance office at 1720 Sentinel Drive, Suite 116, City of Chesapeake, VA"
BAN20230181	"Ace Watanasuparp - To acquire 25 percent or more of Cliffco, Inc."
BAN20230182	"Christopher D' Auria - To acquire 25 percent or more of International City Mortgage, Inc."
BAN20230183	"OneMain Financial Group, LLC - To relocate a consumer finance office from 13265 Worth Avenue, Woodbridge, Prince William County, VA to 2750 Killarney Dr., Suite 205, Woodbridge, Prince William County, VA"
BAN20230184	"Innovative Funding Solutions, Inc - To register as a sales-based financing provider"
BAN20230185	Blackbridge Investment Group Fund I LLC - To register as a sales-based financing provider
BAN20230186	"Emporia Tobacco & Gift Shop Inc - To open a check casher at 600 W Atlantic Street, Emporia, VA"
BAN20230187	"FTL Capital Partners, LLC - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia"
BAN20230188	"Atlantic Discount Corp. d/b/a Atlantic Financial Services - To relocate a consumer finance office from 1000 Airline Boulevard, City of Portsmouth, VA to 812 Eden Way North, City of Chesapeake, VA"
BAN20230189	"Pure Financial Group LLC d/b/a Pure Finance - To relocate a consumer finance office from 8618 Westwood Center Drive, Vienna, Fairfax County, VA to 14880 Sweitzer Lane, Suite D, Laurel, MD"
BAN20230190	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 2470 Collingwood Street, Suite 106, Detroit, MI"
BAN20230191	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 725 Heartland Trail, Suite 110, Madison, WI"
BAN20230192	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 20 North Wacker, Suite 1631, Chicago, IL"
BAN20230193	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 245 W Edison Road, Suite 130, Mishawaka, IN"
BAN20230194	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 9580 Hutchinson Park Drive, Jacksonville, FL"
BAN20230195	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 8031 West Center Road, Suite 225, Omaha, NE"
BAN20230196	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 4045 NW 64th Street, Suite 280, Oklahoma City, OK"
BAN20230197	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 925 B Street, Suite 401Y, San Diego, CA"
BAN20230198	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 2465 Executive Park Boulevard, Fairborn, OH"
BAN20230199	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 24333 Lahser Road, Southfield, MI"
BAN20230200	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 1635 Market Street, Suite 510, Philadelphia, PA"
BAN20230201	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 1060 Kings Highway North, Suite 315, Cherry Hill, NJ"
BAN20230202	"GreenPath, Inc. d/b/a GreenPath Financial Wellness - To open an additional credit counseling office at 1 IKEA - RBFCU Parkway, Office #184, Live Oak, TX"
BAN20230203	Atlantic Union Bank - To merge into it American National Bank and Trust Company
BAN20230204	Atlantic Union Bankshares Corporation - To acquire American National Bankshares Inc.
BAN20230205	BHB722 INC. d/b/a BHB FUNDING d/b/a FIRST STREET FUNDING d/b/a CRM FUNDING d/b/a ORANGE FUNDING d/b/a PRIMECOMMERCIAL - To register as a sales-based financing provider
BAN20230206	"Stripe Brokering, Inc. - To register as a sales-based financing provider"
BAN20230207	"Virginia Credit Union, Inc. - To open a credit union service office at 1204 East Cary Street, Richmond, VA"
BAN20230208	Simply Capital Source inc. - To register as a sales-based financing provider
BAN20230209	"IMPRESS TRADE, Inc. d/b/a Cell Phone & Gift Shop - To open a check casher at 14513A Lee Jackson Memorial Highway, Chantilly, VA"
BAN20230210	"Bayview MSR Opportunity Domestic, L.P. - To acquire 25 percent or more of Lakeview Community Capital, LLC"
BAN20230211	"Bayview MSR Opportunity Domestic, L.P. - To acquire 25 percent or more of Lakeview Loan Servicing, LLC"
BAN20230212	Simplify Holdings Inc. - To register as a sales-based financing provider
BAN20230213	FUNDERS APP LLC d/b/a Symplifi Capital d/b/a 24 Capital d/b/a Fundonatic - To register as a sales-based financing provider
BAN20230214	"Burke & Herbert Bank & Trust Company - To merge into it Summit Community Bank, Inc."
BAN20230215	"Carter Bank & Trust - To open a branch at 300 Preston Avenue, City of Charlottesville, VA"
BAN20230216	"Burke & Herbert Financial Services Corp. - To acquire Summit Community Bank, Inc."
BAN20230217	"Lynx IMB Acquisitions, LLC - To acquire 25 percent or more of American Financial Resources, Inc."
BAN20230218	"First Community Bank - To open a branch at 150 Virginia Avenue, Wytheville, Wythe County, VA"
BAN20230219	"Movement Bank - To open a branch at 1296 Piney Forest Road, City of Danville, VA"
BAN20230220	Pipe Advance LLC - To register as a sales-based financing provider
BAN20230221	"PEARL ALPHA FUNDING, LLC - To register as a sales-based financing provider"
BAN20230222	Revenued LLC - To register as a sales-based financing provider
BAN20230223	"SKY BRIDGE BUSINESS FUNDING, LLC - To register as a sales-based financing provider"
BAN20230224	"PEARL DELTA FUNDING, LLC - To register as a sales-based financing provider"

BAN20230225	"PEARL BETA FUNDING, LLC - To register as a sales-based financing provider"
BAN20230227	"United Bank - To relocate an office from 6801 Carnegie Boulevard, Unit 104-450, Charlotte, NC to 6821 Carnegie Boulevard, Charlotte, NC"
BAN20230228	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 2722 West Mercury Boulevard, City of Hampton, VA"
BAN20230229	Zahav Asset Management LLC - To register as a sales-based financing provider
BAN20230230	"Nova SEQ LLC - To acquire 25 percent or more of Spring EQ, LLC"
BAN20230231	"Jingyu Cheng - To acquire 25 percent or more of America Business Group, LLC"
BAN20230232	"Tien Chang - To acquire 25 percent or more of The Rate Factory, LLC"
BAN20230233	"Carter Bank & Trust - To open a branch at 2501 Blue Ridge Road, Raleigh, NC"
BAN20230234	"Funding Metrics, LLC d/b/a Lendini d/b/a Quick Fix Capital - To register as a sales-based financing provider"
BAN20230235	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 1816 Peery Drive, Farmville, Prince Edward County, VA"
BAN20230236	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 21486 Timberlake Road, Campbell County, VA"
BAN20230237	"Farmers Bank of Appomattox, The - To open a branch at 8112 Timberlake Road, City of Lynchburg, VA"
BAN20230238	"Avenir Offshore, LLC - To acquire 25 percent or more of PrimePay Virginia, LLC"
BAN20230239	"Red Barn Convenience Stores, Inc. d/b/a Red Barn Food Store - To open a check casher at 106 Pinner Street, Suffolk, VA"
BAN20230240	Blade Funding Corp. - To register as a sales-based financing provider
BAN20230241	Levo Funding Inc. - To register as a sales-based financing provider
BAN20230242	"United First, LLC d/b/a Global Funding Experts - To register as a sales-based financing provider"
BAN20230243	White Road Capital LLC d/b/a Global Funding Experts - To register as a sales-based financing provider
BAN20230244	"Rithm Mtg Acquisition LLC - To acquire 25 percent or more of LenderLive Network, LLC"
BAN20230245	Rithm Mtg Acquisition LLC - To acquire 25 percent or more of Specialized Loan Servicing LLC
BAN20230246	BusinessLoans.com LLC (Used in VA by: SSBV LLC) - To register as a sales-based financing provider
BAN20230247	"First Help Financial, LLC - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia"
BAN20230248	"New Peoples Bank, Inc. - To open a branch at 230-A Wilson Drive, Boone, NC"
BAN20230249	East Hudson Capital LLC d/b/a Global Capital Experts - To register as a sales-based financing provider
BAN20230250	Broadway Advance LLC - To register as a sales-based financing provider
BAN20230251	"OneMain Financial Group, LLC - To relocate a consumer finance office from 8695 Sudley Road, Canterbury Village, City of Manassas, VA to 10440 Bells Ford Road Suite 160, City of Manassas, VA"
BAN20230252	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 8605 Sudley Road, Prince William County, VA"
BAN20230253	"1st Franklin Financial Corporation - To open a consumer finance office at 4105 Chesapeake Square Boulevard, Suite 105, City of Chesapeake, VA"
BAN20230254	"1st Franklin Financial Corporation - To open a consumer finance office at 1701 Parkview Drive, City of Chesapeake, VA"
BAN20230255	"1st Franklin Financial Corporation - To open a consumer finance office at 209 Village Avenue, Suite A, Yorktown, York County, VA"
BAN20230256	VAULT 26 CAPITAL LLC d/b/a Vault Capital - To register as a sales-based financing provider
BAN20230257	Sandora Capital - To register as a sales-based financing provider
BAN20230258	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 61 Lee Jackson Highway, Augusta County, VA"
BAN20230259	"Bank of the James - To open a branch at 19792 Main Street, Buchanan, Botetourt County, VA"
BAN20230260	"Pier Lending LLC - For a license to make loans under the provisions of Chapter 15, Title 6.2 of the Code of Virginia"
BAN20230261	"Diversified Trust Company - To open a new independent trust company branch at 209 E. Main Street, Martinsville, VA"
BAN20230262	"Christopher Piro - To acquire 25 percent or more of Malibu Funding, Inc."
BAN20230263	"Garden State Consumer Credit Counseling, Inc. d/b/a Navicore Solutions - To relocate a credit counseling office from 17440 N. Dallas Parkway, Suite 134, Dallas, TX to 17440 N. Dallas Parkway, Suite 108, Dallas, TX"
BAN20230264	"Fairfax Elite Financial Services, LLC (Used in VA By: Fairfax Financial Services, LLC) d/b/a LoanMax - To open a consumer finance office at 4116 Lankford Highway, Exmore, Northampton County, VA"
BAN20230265	Leonard Krupinski - To acquire 25 percent or more of Fairway Independent Mortgage Corporation
BAN20230266	Alexis Jane Nickley LLC - To acquire 25 percent or more of Reach Home Loans LLC
BAN20230267	"Truvion Inc. - To make loans under Chapter 15, Title 6.2 of the Code of Virginia where the other business of Mortgage Lending and/or Mortgage Brokering will also be conducted"
BAN20230268	FLEX Funding Partners LLC - To register as a sales-based financing provider
BFI-2022-00070	Banco Inter S.A. - Alleged violation of VA Code § 6.2-1914
BFI-2022-00088	Consumer Education Services, Inc. - Alleged violation of VA Code § 6.2-2012
BFI-2022-00116	Better Lending LLC - Alleged violation of VA Code §§ 6.2-1624, <i>et al.</i>
BFI-2022-00118	ABC Cash Exchange LLC - Alleged violation of VA Code § 6.2-2103
BFI-2022-00120	Impress Trade, Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00122	Mauricio A. Romero - Alleged violation of VA Code § 6.2-2103
BFI-2022-00125	Angelita Express Services, Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00127	Flora Enterprise LLC d/b/a Park N Shop #11 - Alleged violation of VA Code § 6.2-2103
BFI-2022-00135	Mid-Atlantic Development Group, LLC - Alleged violation of VA Code § 6.2-2103
BFI-2022-00136	Bowling Green C Store Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00138	Emporia Tobacco and Gift Shop Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00142	Casa Hispana LLC - Alleged violation of VA Code § 6.2-2103
BFI-2022-00143	Evergreen ATM LLC - Alleged violation of VA Code § 6.2-2103
BFI-2022-00145	Natasha's Money Svcs LLC - Alleged violation of Va Code § 6.2-2103

BFI-2022-00146	Tienda La Confianza LLC - Alleged violation of VA Code § 6.2-2103
BFI-2022-00149	G&J Grocery, Inc. d/b/a La Union Grocery- Alleged violation of VA Code § 6.2-2103
BFI-2022-00150	Avneet, Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00151	Princess Avneet, Inc. - Alleged violation of VA Code § 6.2-2103
BFI-2022-00155	Ryan McKenzie Legacy Trust - For alleged violation of VA Code § 6.2-1608
BFI-2022-00156	Globe Premia Holdings LLC - Alleged violation of VA Code § 6.2-1608
BFI-2023-00005	Melinda Rothenberger - Alleged violation of § 6.2-1608
BFI-2023-00006	IB Global Investments LLC - Alleged violation of VA Code § 6.2-1914
BFI-2023-00010	Ontonio Doha - Alleged violation of VA Code § 6.2-1701
BFI-2023-00018	Generation Lending, Inc. - Alleged violation of VA Code § 6.2-1604
BFI-2023-00019	Michael Alan Isaacs - Alleged violation of VA Code § 6.2-1608
BFI-2023-00020	Estalea II, LLC - Alleged violation of VA Code § 6.2-1608
BFI-2023-00021	Mortgage Assessment & Reduction - For the assessment of fees to be paid by licensees under Chapter 16 of Title 6.2 of the Code of Virginia
BFI-2023-00022	Consumer Finance Assessment - Finance companies under Chapter 15 of Title 6.2 of the Code of Virginia to be assessed for 2023
BFI-2023-00024	Credit Counseling Assessment - Per VA Code § 6.2-2012; 10 VAC 5-110-30
BFI-2023-00025	Debt Settlement Services Providers Assessment - Per VA Code § 6.2-2038; 10 VAC 5-230-40
BFI-2023-00026	Beyond Lending LLC f/k/a Expert Lending, LLC- Alleged violation of VA Code § 6.2-1604
BFI-2023-00027	In re: annual assessment and reduction of banks and savings institutions under Chapters 8 and 11 of Title 6.2 of the Code of Virginia
BFI-2023-00028	In Re: annual assessment of industrial loan associations under Chapter 14 of Title 6.2 of the Code of Virginia
BFI-2023-00029	Flat Branch Mortgage, Inc. Retirement Savings Plan Trust - Alleged violation of VA Code § 6.2-1608
BFI-2023-00030	Ex Parte: Annual assessment and reduction of money order sellers and money transmitters under Chapter 19 of Title 6.2 of the Code of Virginia
BFI-2023-00031	James A. Hill - Alleged violation of VA Code § 6.2-1721
BFI-2023-00032	Sharon D. Hill - Alleged violation of VA Code § 6.2-1721
BFI-2023-00033	PrimePay, LLC - Alleged violation of VA Code § 6.2-1901
BFI-2023-00034	Reginald Patrick Green, Jr. - Alleged violation of VA Code § 6.2-1608
BFI-2023-00043	A1 Mortgage Group LLC - Alleged violation of VA Code § 6.2-1612
BFI-2023-00051	Franklin Mortgage LLC - Alleged violation of VA Code § 6.2-1612
BFI-2023-00070	L.A. Mortgage One LLC - Alleged violation of VA Code § 6.2-1612
BFI-2023-00078	E-Approve Mortgage Corp. - Alleged violation of VA Code § 6.2-1619
BFI-2023-00097	PALYX MORTGAGE LLC - Alleged violation of VA Code § 6.2-1619
BFI-2023-00105	MORTGAGE FIRST DIRECT INC. - Alleged violation of VA Code § 6.2-1619
BFI-2023-00118	Navient Solutions, LLC - Alleged violation of VA Code § 6.2-2601
BFI-2023-00125	Gusto Virginia, Inc. (Used in VA by: Gusto, Inc.), d/b/a Gusto - Alleged violation of VA Code § 6.2-1901
BFI-2023-00126	ACI Payments, Inc. & ACI Worldwide Corp. - Alleged violation of VA Code § 6.2-19
BFI-2023-00131	Staunton Tractor, Inc. & Lee S. Baker - Alleged violation of VA Code § 6.2-1601
CLK	CLERK'S OFFICE
CLK-2023-00001	Norfolk Collegiate School v. Norfolk Collegiate School Alumni Association
CLK-2023-00003	KSJ & Associates, Inc. – For Dissolution of Corporate Existence
CLK-2023-00004	Cowardin Kim & Riddle PLC - For cancellation of LLC's Corporate Existence
HBE	HEALTH BENEFIT EXCHANGE
HBE-2023-00001	In the matter of an assessment on health carriers offering qualified individual health or dental plans through the Virginia Health Benefit Exchange for plan years 2024, 2025 and beyond
INS	BUREAU OF INSURANCE
INS-2019-00022	Lawrence Robert Gazdick and National AV and Tech Rentals Inc. - Alleged violation of VA code § 38.2-518 F
INS-2022-00019	Fernando Justo Escaffi - Alleged violation of VA Code §§ 38.2-512 (A), <i>et al.</i>
INS-2022-00135	Patricia Johnson Goins - Alleged violation of VA Code §§ 38.2-512, <i>et al.</i>
INS-2022-00136	Connie Lee Ellis and Managed Benefits Inc. - Alleged violation of VA Code §§ 38.2-512(A), <i>et al.</i>
INS-2022-00137	PGP Title of Florida Inc. - Alleged violation of VA Code §§ 55.1-903, 55.1-1008 (B) (2)
INS-2022-00144	Keanna Adams - Alleged violation of VA Code § 38.2-1826 C
INS-2022-00149	David Wayne Schneider - Alleged violation of VA Code §§ 38.2-1822, 12.1-33
INS-2022-00157	Priceless Home Improvement - Alleged violation of VA Code § 38.2-1845.2
INS-2022-00179	FCCI Ins. Co., Monroe Guaranty Ins. Co. and National Trust Ins. Co.- Alleged violation of VA Code § 38.2-317 C
INS-2022-00180	National Trust Insurance Company - Alleged violation of VA Code § 38.2-317 C
INS-2022-00181	Charley McGuire Goldun - Alleged violation of VA Code § 38.2-1826 C
INS-2022-00182	Phillip Maurice Minor - Alleged violation of VA Code § 38.2-1831 (1)
INS-2022-00183	Cigna Dental Health of Virginia, Inc. - Alleged violation of VA Code §§ 38.2-316 A, 38.2-316 B, 38.2-316 C
INS-2022-00184	Honey Brown Insurance LLC, Porter Bennett & Friedl Ins. Group, Shenandoah Tours, Inc. and Thompson Risk LLC - Alleged violation of VA Code §§ 38.2-1820 B2, 38.2-1826 E
INS-2022-00188	Alleged Violation of VA Code §§ 55.1-1004, 55.1-1008 (A)(1); 14 VAC 5-395-60, <i>et al.</i>
INS-2022-00189	Michael Anthony Rodriguez Jr. - Alleged violation of VA Code § 38.2-512, <i>et al.</i>
INS-2022-00190	In the matter of amending Rules Governing Multiple Employer Welfare Arrangements and Adopting Rules Governing Self-Funded Multiple Employer Welfare arrangements

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INS-2022-00192	Tierrian Lemon - Alleged violation of VA Code §§ 38.2-1826 (A)(C), <i>et al.</i>
INS-2022-00193	Brian James Palacios - Alleged violation of VA Code §§ 38.2-512 A, <i>et al.</i>
INS-2022-00194	Michael C. Sampson - Alleged violation of VA Code §§ 38.2-1826, 38.2-1831 (1) (9)
INS-2022-00195	Nathanael R. Gardner - Alleged violation of VA Code § 38.2-1826 C
INS-2022-00196	Brian Gabo Lalusin - Alleged violation of VA Code § 38.2-1826 C
INS-2022-00197	Ruben A. Mendoza Brizuela - Alleged violation of VA Code §§ 38.2-512 A, 38.2-1831 (10)
INS-2023-00001	John William Mayo - Alleged violation of VA Code §§ 38.2-1826, <i>et al.</i>
INS-2023-00002	Mid-Century Insurance Company and Truck Insurance Exchange - Alleged violation of 14 VAC 5-400-70 D
INS-2023-00003	Glen Michael Bridges - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1)
INS-2023-00005	Veronica L. Calloway - Alleged violation of VA Code §§ 38.2-1826, 38.2-1831 (1)
INS-2023-00006	William Hajdu - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1)
INS-2023-00007	Sara Hempel - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1)
INS-2023-00008	Trish Honaker - Alleged violation of VA Code § 38.2-1813
INS-2023-00009	Jordan Lobo - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1)
INS-2023-00010	Mallorie Sanchez - Alleged violation of VA Code § 38.2-1831 (10)
INS-2023-00011	L. Victor Taylor - Alleged violation of VA Code §§ 38.2-1826 C; 38.2-1831 (1)
INS-2023-00012	Jacobson Goldfarb & Scott Inc. Alleged violation of VA Code § 38.2-1822 (A)
INS-2023-00013	Piedmont Community Healthcare HMO, Inc. and Piedmont Community Healthcare, Inc. - Alleged Violation of VA Code § 38.2-5802 D
INS-2023-00014	Root Insurance Company - Alleged violation of VA Code §§ 38.2-305 A, <i>et al.</i>
INS-2023-00017	General Insurance Company of America - Alleged violation of VA Code § 38.2- 1906 A
INS-2023-00018	Acuity, A Mutual Insurance Company - Alleged violation of VA Code § 38.2-1906 D
INS-2023-00019	Musaab B. Hashim and Talya Insurance Services - Alleged violation of VA Code §§ 38.2-512 (A), 38.2-1813 (A) (B)
INS-2023-00020	Anna Kline (aka Jordana Weber) - Alleged violation of VA Code §§ 38.2-1809, <i>et al.</i>
INS-2023-00021	Marco Antonio Santos-Reyes - Alleged violation of VA Code §§ 38.2-1826, 38.2-1831 (1) (9)
INS-2023-00023	AM Multiservices Inc. and Lafayette Judkins Jr - Alleged violation of VA Code §§ 38.2-512 (A), 38.2-518 (F)
INS-2023-00024	GoHealth LLC - Alleged violation of VA Code § 38.2-512
INS-2023-00025	Joseph Reynoso - Alleged violation of VA Code §§ 38.2-1826, 38.2-1831 (1)
INS-2023-00026	Ellysia Williams - Alleged violation of VA Code §§ 38.2-1826, 38.2-1831 (1)
INS-2023-00027	Brookfield Reinsurance Ltd., <i>et al.</i> - Form A Statement Regarding the Acquisition of Control of Colony Insurance Company and Peleus Insurance Company by Brookfield Reinsurance Ltd. and certain of its affiliates
INS-2023-00028	Crystal Allen - Alleged violation of VA Code § 38.2-1831 (10)
INS-2023-00029	Tsige Paulo - Alleged violation of VA Code § 38.2-512 (A)
INS-2023-00030	Irma Estela Rodriguez - Alleged violation of VA Code §§ 38.2-1831 (1), <i>et al.</i>
INS-2023-00031	Annuity Financial & Insurance Services Inc. - Alleged violation of VA Code §§ 38.2-1820 B2; 38.2-1826 E
INS-2023-00032	United Property & Casualty Insurance Company - Alleged Violation of VA Code § 38.2-1040 A 3
INS-2023-00033	United Legal Benefits of Virginia, Inc. - Alleged Violation of VA Code § 38.2-4410
INS-2023-00035	Builders Insurance Mutual Holdings Company - Form A Exemption Request - Dissolution of Altorva, Inc.
INS-2023-00036	In Re: In the matter of presentations of premium rates in connection with individual and small group health insurance coverage
INS-2023-00037	Alan Holguin - Alleged violation of VA Code §§ 38.2-1826 C; 38.2-1831 (1)
INS-2023-00038	Kearia S. Lilly - Alleged violation of VA Code §§ 38.2-1826 C; 38.2-1831 (1)
INS-2023-00039	Nikolaos L. Paras - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00041	Michael Lusthaus - Alleged violation of VA Code § 38.2-1819 A
INS-2023-00042	William J. Jones - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00043	Anthem Health Plans of Virginia, Inc. and Healthkeepers, Inc. - Alleged violation of VA Code § 38.2-3407.15 B 1
INS-2023-00044	Erikkah Calamia - Alleged violation of VA Code §§ 38.2-512 A, <i>et al.</i>
INS-2023-00045	Bright Health Insurance Company, Inc. - Alleged violation of VA Code § 38.2-1040 A 3
INS-2023-00047	William Joseph Pender Jr - Alleged violation of VA Code §§ 38.2-512 A, 38.2-1826 A; 38.2-1831 (10)
INS-2023-00048	Aetna Life Insurance Company - Alleged violations of VA Code §§ 38.2-510 A 15, <i>et al.</i>
INS-2023-00049	National Council on Compensation Insurance, Inc. - For revisions of advisory loss costs and assigned risk workers' compensation insurance rates 2023
INS-2023-00050	Apex Bail Bonds LLC and Fred Ovid Shanks IV - Alleged violation of VA Code §§ 38.2-1813 (A) (B), 38.2-1822
INS-2023-00051	Rolando Marcel Campos - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00052	Alexis Denise Farris - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00053	Edward A. Logan - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00054	Nelson Javier Ramos - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00055	Werginson Sonny Salomon - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00056	Theresa Abwao Konya - Alleged violation of VA Code §§ 38.2-1809 A, <i>et al.</i>
INS-2023-00059	Royal Public Adjusters LLC and Sam S. Juma - Alleged violation of VA Code §§ 38.2-1845.12 J, <i>et al.</i>
INS-2023-00060	Benjamin Roth Robertson - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00062	Nexus Services Inc. and Libre by Nexus Inc. - Alleged violation of VA Code § 38.2-1822
INS-2023-00064	Lebanon Insurance Agency Inc.- Alleged violation of VA Code §§ 38.2-1813, <i>et al.</i>
INS-2023-00065	Cigna Health and LIFE Insurance Company - Alleged violation of VA Code §§ 38.2-515 C, <i>et al.</i>
INS-2023-00066	David Morris - Alleged violation of VA Code §§ 38.2-1826, <i>et al.</i>
INS-2023-00067	Fallon Winiecke - Alleged violation of VA Code § 38.2-1831 (1)
INS-2023-00069	Briana Kitt - Alleged violation of VA Code § 38.2-1819 A
INS-2023-00071	Plentura Development & Construction LLC - Alleged violation of VA Code § 38.2-1819 A
INS-2023-00072	Martin Samir Yousif - Alleged violation of VA Code § 38.2-1819 A
INS-2023-00074	Spinnaker Insurance Company - Alleged violation of VA Code §§ 38.2-305 A, <i>et al.</i>

INS-2023-00076	Brittany Gayle Morris - Alleged violation of VA Code §§ 38.2-1826 (B) (C); 38.2-1831 (1) (9)
INS-2023-00077	Pedro Perez - Alleged violation of VA Code § 38.2-1831 (1)
INS-2023-00078	Kevin Perkins - Alleged violation of VA Code §§ 38.2-1826 (A) (C); 38.2-1831 (1)
INS-2023-00079	Jeneva D. Wright - Alleged violation of VA Code §§ 38.2-1826 (B) (C), 38.2-1831 (1) (9)
INS-2023-00080	Markel American Insurance Company - Form A Exemption Request
INS-2023-00081	Rockingham Group, Inc. - Form A Exemption Request
INS-2023-00082	Danielle Dhaiti - Alleged violation of VA Code § 38.2-1819 A
INS-2023-00087	Colonial Penn Life Insurance Company - Alleged violation of VA Code §§ 38.2-316 B, <i>et al</i>
INS-2023-00089	Tina Escalera - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00090	Frederick Lee v. VPIA - Appeal of Policy Non-Renewal pursuant to Va Code § 38.2-1712
INS-2023-00092	William Nash Mays, Jr. - Alleged violation of VA Code §§ 38.2-512 (A); 38.2-1809 (A); 38.2-1831 (10); 38.2-1826 (A)
INS-2023-00093	Sania Rhaman - Alleged violation of VA Code §§ 38.2-1826 (A) (C); 38.2-1831 (1)
INS-2023-00094	Frank G. Traughber - Alleged violation of VA Code §§ 38.2-502.1; 38.2-502.5, 38.2-1831 (10)
INS-2023-00095	Building Industry Insurance Association, Inc. - Form A Exemption Request
INS-2023-00096	In the matter of Amending Rules Governing Minimum Standards for Medicare Supplement Policies
INS-2023-00097	Danil Vasquez - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00098	Jasmine Michelle Cardwell & Jewel Insurance Group LLC - Alleged violation of VA Code §§ 38.2-512 (A) (B), 38.2-1831 (10)
INS-2023-00100	Ionita Marcella Barnes - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1) (9)
INS-2023-00102	Tracy Diane Bruielli - Alleged violation of VA Code §§ 38.2-1826 C, 38.2-1831 (1)
INS-2023-00103	Richard Burns - Alleged violation of VA Code § 38.2-1826 C
INS-2023-00106	MutualAid eXchange - Alleged Violation of VA Code § 38.2-1040 A 3
INS-2023-00109	Kentucky National Insurance Company - Alleged Violation of VA Code § 38.2-1028
INS-2023-00110	John Hancock Life Insurance Company (U.S.A.)- Alleged violation of VA Code §§ 38.2-502 (1), <i>et al.</i>
INS-2023-00112	Arrowood Indemnity Company Alleged violation of VA Code §§ 38.2-1040, <i>et al.</i>
INS-2023-00114	Christina Hale - Alleged violation of VA Code §§ 38.2-18269 C, <i>et al.</i>
INS-2023-00115	Sebastain Johon Isom - Alleged violation of VA Code §§ 38.2-1816(A) (C), <i>et al.</i>

PST

PST-2023-00002	Southside Electric Cooperative - Supplemental Assessment for Taxation of Omitted Land for Tax Years 2020, 2021, 2022
PST-2023-00004	The Assessment of Special Regulatory Revenue Tax on Motor Vehicle Carriers and the Virginia Pilot's Association for the Tax Year 2023
PST-2023-00005	The Assessment of Special Regulatory Revenue Tax on Telecommunications Companies for the Tax Year 2023
PST-2023-00006	The Assessment of Special Regulatory Revenue Tax and the State License Tax on Water Companies for the Tax Year 2023
PST-2023-00007	The Assessment of Special Regulatory Revenue Tax on Railroad Companies for the Tax Year 2023
PST-2023-00008	The Assessment of the Gross Receipts Subject to the Minimum Tax on Telecommunications Companies and Certain Electric Suppliers for the Tax Year 2023
PST-2023-00009	The Assessment of the Rolling Stock on Motor Vehicle Carriers for the Tax Year 2023
PST-2023-00010	Virginia Natural Gas, Inc. - Supplement Assessment for Taxation for Tax Years 2020, 2021, 2022
PST-2023-00012	The Assessment of Water, Light, and Power Corporations; Electric Suppliers; Pipeline Distribution Companies; and Telecommunications Companies for the 2023 Tax Year
PST-2023-00013	Virginia-American Water Company - Supplemental Assessment for Tax Year 2022
PST-2023-00014	Virginia Electric and Power Company - Supplemental Assessment for Taxation of Omitted Land for Tax Years 2021, 2022
PST-2023-00015	AT&T Corp. - Supplemental Assessment Order - Correction to the Commission's Assessment for Tax Year 2023
PST-2023-00016	Cavalier Telephone, LLC - Supplemental Assessment for Taxation for the Tax Year 2023
PST-2023-00017	T-Mobile USA - Correction of the Commission's Assessment for the Tax Year 2023
PST-2023-00018	CenturyLink Communications, LLC - Correction of the Commission's Assessment for the Tax Year 2023
PST-2023-00019	Equant U.S., Inc. - Correction of the Commission's Assessment for the Tax Year 2023
PST-2023-00020	Public Service Companies within Prince William County - Supplemental assessment for taxation of the public service company property located within Bull Run Mountain, Lake Jackson, and Occoquan Forest Sanitary Districts for the Tax Year 2023
PST-2023-00021	Zayo Group, LLC - Supplemental Assessment for Taxation for the Tax Year 2023 to correct district within locality
PST-2023-00022	AT&T Corp. - Correction of the Commission's Assessment for the Tax Year 2023
PST-2023-00023	Shenandoah Cable Television, LLC - Supplemental Assessment for Taxation for the Tax Year 2023
PST-2023-00024	Interstate Van Lines, Inc. - Supplemental Assessment for Taxation for the Tax Years 2020, 2021, 2023
PST-2023-00025	ALLTEL Corporation - Correction of the Commission's Assessment for the Tax Year 2023. Town of Culpeper Annexation
PST-2023-00026	T-Mobile USA, Inc. - Correction of the Commission's Assessment for the Tax Year 2023. Town of Culpeper Annexation
PST-2023-00027	MCI Communications Services, LLC - Correction of the Commission's Assessment for the Tax Year 2023 Town of Culpeper Annexation
PST-2023-00028	New Cingular Wireless PCS, LLC - Correction of the Commission's Assessment for the Tax Year 2023 Town of Culpeper Annexation
PST-2023-00029	Verizon Virginia LLC - Correction of the Commission's Assessment for the Tax Year 2023. Town of Culpeper Annexation
PST-2023-00030	Lumos Networks Inc. - Correction of the Commission's Assessment for the Tax Year 2023. Town of Culpeper Annexation

PUR

PUR-2023-00001	Appalachian Power Company - Application for approval of 2023 RPS Plan and related requests
PUR-2023-00002	Appalachian Power Company - For triennial rate review
PUR-2023-00003	Rocky Ford Solar Energy LLC - For CPCN for a solar generating facility and associated interconnection facilities

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PUR-2023-00004	Central Virginia Services Inc. - Application for a CPCN to provide local exchange telecommunications services in the Commonwealth of Virginia
PUR-2023-00005	Virginia Electric and Power Company - For revision of rate adjustment clause: Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations pursuant to VA Code § 56-585.1 A 5 e
PUR-2023-00006	In the matter of adopting new rules of the State Corporation Commission governing utility rate applications by investor-owned gas utilities
PUR-2023-00007	Montclair Solar, LLC - For licensure as a non-exempt shared solar subscriber organization
PUR-2023-00008	Atmos Energy Corporation for a general rate increase
PUR-2023-00009	SRE Warehouse VA SO, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00010	SRE SO1 VA SO, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00011	Columbia Gas of Virginia - AIF for 2022
PUR-2023-00012	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Shenandoah Valley Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00013	Intrado Communications, LLC - Notice of an internal reorganization
PUR-2023-00014	Metro Fibernet, LLC and Metronet Holdings, LLC - Notification Regarding Pro Forma Change in the Direct and Intermediate Ownership of Metro Fibernet, LLC
PUR-2023-00015	Columbia Gas of Virginia, Inc., - For Reauthorization of Gas Supply and Other Supply Related Agreements with Affiliates
PUR-2023-00016	Virginia-American Water Company - For CPCN for Town of Cape Charles
PUR-2023-00017	VA Light and Power LLC - Registration as a supplier of natural gas to residents of Virginia
PUR-2023-00018	DISH Wireless L.L.C. - Petition for Designation as an Eligible Telecommunications Carrier in The Commonwealth of Virginia for the Limited Purpose of Offering Lifeline Service to Qualified Households
PUR-2023-00019	BP Broadband Aggregator, L.P., Point Broadband Holdings, LLC, Sunset Fiber, LLC and Sunset Digital Communications, LLC - Joint Petition for Approval of the Proposed Changes in Indirect Control of Sunset Fiber, LLC and Sunset Digital, Communications, LLC
PUR-2023-00020	Kentucky Utilities Company d/b/a Old Dominion Power Company - Application to Revise Fuel Factor
PUR-2023-00021	Virginia Electric and Power Company d/b/a Dominion Energy and Shenandoah Valley Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00022	Virginia Electric and Power Company - For revision of rate adjustment clause: Rider CCR, for the recovery of costs incurred to comply with § 10.1-1402.03 of the Code of Virginia, pursuant to § 56-585.1 A 5 e
PUR-2023-00023	Virginia Electric and Power Company - For approval and certification of electric transmission facilities: Lines #2019 and #2007 Rebuild Project
PUR-2023-00024	Appalachian Power Company - Stuart Area Transmission Improvements Project
PUR-2023-00025	Rappahannock Electric Cooperative & Rappahannock Electric Communications, Inc. - Application for approval of an affiliate agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00026	RP Virginia I, LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00027	Virginia Natural Gas, Inc. - For approval of it 2023 annual update to Rate Schedule PT-1
PUR-2023-00028	Appalachian Power Company - Petition for approval of middle-mile broadband capacity projects pursuant to §. 56-585.1:9 of the Code of Virginia
PUR-2023-00029	Virginia Electric and Power Company - For Approval and Certification of Electric Transmission Facilities: Possum Point 2nd Transformer and New 230 kV Tie Line #2216
PUR-2023-00030	Appalachian Power Company - For approval of an affiliate agreement
PUR-2023-00031	DG Virginia CS, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00032	Virginia Natural Gas Inc. - For AIF for 2022
PUR-2023-00033	Voxbeam Telecommunications, Inc. - Petition for Discontinuance of Certificate of Public Convenience and Necessity
PUR-2023-00034	Virginia Natural Gas, Inc. and the Southern Company - For approval to enter into a tax allocation agreement under Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00036	1650 Cumberland Solar 1, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00037	Centerville Tpk Solar 1, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00038	Wayne Ave Solar 1, LLC - Application for a License as a Non-exempt subscriber Organization in the Shared Solar Program
PUR-2023-00039	1671 Cumberland Solar 1, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00040	Greene County, Virginia and the Board of Supervisors of Greene County, Virginia - Application to Withdraw from Rapidan Service Authority Pursuant to Va. Code § 15.2-5112
PUR-2023-00041	Columbia Gas of Virginia, Inc., - For approval of a Meter Exchange Agreement between Columbia Gas of Virginia, Inc. and Columbia Gas of Ohio, Inc., Columbia Gas of Pennsylvania, Inc., Columbia Gas of Kentucky, Inc., and Columbia Gas of Maryland, Inc.
PUR-2023-00042	Solar Development Group, LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00043	Rockingham County VA S1, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00044	Aqua Virginia, Inc. and Great Bay Utilities, Inc. - For approval of a change in control of all of the assets of a public utility
PUR-2023-00045	CVE North America, Application for a Shared Solar Program License, Non-Exempt Subscriber Organization
PUR-2023-00046	BullsEye Telecom of Virginia, LLC and Lingo Telecom of Virginia, LLC - Joint Application for Internal Reorganization and Transfer of Customers
PUR-2023-00047	Washington Gas Light Company - Petition for Waiver of 2022 Annual Informational Filing
PUR-2023-00048	Virginia Electric and Power Company and Dominion Prioritization Holdings, Inc. - For approval to enter into a Services Agreement

PUR-2023-00049	Virginia Electric and Power Company - For approval and certification of electric transmission facilities: Line #2011 230 kV Partial Rebuild Project
PUR-2023-00050	Augusta CSG LLC - Application for a License as a Non-exempt Subscriber organization in the multi-family Shared Solar Program
PUR-2023-00051	Virginia Electric and Power Company - For approval of a plan for electric distribution grid transformation projects pursuant to VA Code § 56-585.1 A 6
PUR-2023-00052	Rappahannock Electric Cooperative - For submission of the A/C switch program Triennial Report
PUR-2023-00053	Goff Network Technologies - VA - Petition for the discontinuance of Local Exchange Telecommunications Services Provided by Competitive Local Exchange Carriers
PUR-2023-00054	Virginia Electric and Power Company for Approval and Certification of Electric Transmission Facilities: Chesterfield-Hopewell Lines #211 and #228 Partial Rebuild Project
PUR-2023-00055	Kentucky Utilities Company d/b/a Old Dominion Power Company - Verified Application for Authority to Engage in Affiliate Transaction
PUR-2023-00056	Roanoke Gas Company - Application for approval of a SAVE plan and to implement a projected factor rate and true-up factor rate
PUR-2023-00057	Halifax CSG LLC - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00058	Prince Edwards CSG LLC - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00059	Virginia Electric and Power Company - For approval of a disposition of utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia
PUR-2023-00060	Mecklenburg Electric Cooperative - For authority to incur long-term indebtedness pursuant to Chapter 3 of the Code of Virginia
PUR-2023-00061	Appalachian Power Company - For approval of 2023 T-RAC
PUR-2023-00062	Suffolk CSG LLC - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00063	Cincinnati Bell Extended Territories LLC d/b/a Altafiber Connected Services - Application for a CPCN to provide Local Exchange & Interexchange Telecommunications Services in the Commonwealth of Virginia
PUR-2023-00064	Kinglet Solar - Application for a Shared Solar Program Licensing, Non-Exempt Subscriber Organization
PUR-2023-00065	Virginia Electric and Power Company - For approval of a rate adjustment clause pursuant to 56-585.1 A 4 of the Code of Virginia
PUR-2023-00066	Virginia Electric and Power Company - 2023 Integrated Resource Plan filing pursuant to Va. Code § 56-597 <i>et seq.</i>
PUR-2023-00067	Virginia Electric and Power Company - To revise its fuel factor pursuant to VA Code § 56-249.6
PUR-2023-00068	Appalachian Natural Gas Distribution - Application for Approval to Implement SAVE Rates for Each Customer Class for Year 5 of its SAVE Plan
PUR-2023-00069	Ex Parte: In the matter of revising the Commission's Regulations Governing Interconnection of Small Electrical Generators
PUR-2023-00070	Appalachian Natural Gas Distribution Company - Annual Informational Filing for the year ended 12/31/22
PUR-2023-00071	Encore Redevelopment, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00072	Kentucky Utilities Company d/b/a Old Dominion Power Company - 2022 Annual Informational Filing
PUR-2023-00073	Aqua Virginia, Inc. - For a general increase in rates
PUR-2023-00074	Fiber Roads, LLC - Notification Regarding a Proposed Pro Forma Change in the Intermediate Ownership of Fiber Roads, LLC
PUR-2023-00075	Massanutten Public Service Corporation - Application for an Annual Informational Filing for 2022
PUR-2023-00076	Appalachian Power Company - Petition for approval to transfer utility assets pursuant to Chapter 5 of Title 56 of the Code of Virginia
PUR-2023-00077	Shenandoah Telephone Company & Shenandoah Cable Television, LLC - for approval of an affiliate arrangement pursuant to Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00078	Trans-Allegheny Interstate Line Company, <i>et al.</i> - Petition for Approval of a Change in Control pursuant to Chapter 5 of Title 56 of the Virginia Code
PUR-2023-00079	Unite Private Networks, LLC, Ridgemont Equity Management I, LLC and Ridgemont Equity Management II, LLC - Notice Regarding a Change in Non-Controlling Ownership of Unite Private Networks, LLC
PUR-2023-00080	All Points Broadband Partners, LLC & APB VA Networks II, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of APB Partners Pulaski, LLC
PUR-2023-00081	All Points Broadband Partners, LLC and APB VA Networks I, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of APB Partners Middlesex, LLC
PUR-2023-00082	All Points Broadband Partners, LLC and APB VA Networks I, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of APB Partners Valley, LLC
PUR-2023-00083	All Points Broadband Partners, LLC and APB VA Networks II, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of APB Partners Loudoun, LLC
PUR-2023-00084	All Points Broadband Partners, LLC and APB VA Networks II, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of APB Partners Culpeper LLC
PUR-2023-00085	Aqua Virginia, Inc. - Application for Approval to Issue Debt Securities
PUR-2023-00086	All Points Broadband Partners, LLC and APB VA Networks II, LLC - Joint Petition for Authority for Pro Forma Transfer of Control of APB Partners Hanover, LLC
PUR-2023-00087	Virginia Everywhere, LLC and APB VA Networks I, LLC - Joint Petition for Authority for a Pro Forma Transfer of Control of All Points Northern Neck, LLC
PUR-2023-00088	Virginia Electric and Power Company - For approval and certification of electric transmission facilities: 230 kV Finneywood-Jeffress Lines and Jeffress Switching Station
PUR-2023-00089	Toll Road Investors Partnership II. L.P. - Increase in maximum level of tolls
PUR-2023-00090	Virginia Electric and Power Company - For Authority to Issue \$13.625 Billion in Debt and Preferred Securities Pursuant to Chapter 3 and Chapter 4 of Title 56 of the Code of Virginia of 1950, as amended
PUR-2023-00091	Atmos Energy Corporation - Application for approval of a 2023 SAVE Rider Projected Factor and True-Up Factor and to amend the SAVE Plan

PUR-2023-00092	SREOG VA Solar OpCo Borrower, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00093	TERRACOM INC d/b/a Maxsip Tel - Application for Designation as an Eligible Telecommunications Carrier
PUR-2023-00094	Virginia Electric and Power Company - For revision of rate adjustment clause: Rider GV, Greensville County Power Station, For the Rate Years Commencing April 1, 2024, and April 1, 2025
PUR-2023-00095	Roanoke Gas Company - Application for approval to implement an updated Rider RNG and file the annual report required by VA Code § 56-265 E and Enactment Clause 3
PUR-2023-00096	Kentucky Utilities Company d/b/a Old Dominion Power Company - Application for Implementation of a Demand-Side Management Program and Cost-Recovery Adjustment Clause
PUR-2023-00097	Virginia Distributed Solar Alliance - Petition for Injunctive Relief against Virginia Electric and Power Company
PUR-2023-00098	Columbia Gas of Virginia, Inc. - Application for approval of a Service Agreement between Columbia Gas of Virginia, Inc. and Northern Indiana Public Service Company LLC pursuant to Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00099	Pittsylvania CSG LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00100	Fairfield Lee Solar - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00101	Virginia Electric and Power Company - For a 2023 biennial review of the rates, terms and conditions for the provision of generation, distribution and transmission services pursuant to VA Code § 56-585
PUR-2023-00102	Appalachian Power Company - For approval of a rate adjustment clause pursuant to Va. Code §§ 56-585.1 A 6, 56-585.1:9 B to recover costs associated with the Broadband Access Program
PUR-2023-00103	Waynesboro Bridge Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00104	White Stone Ocran Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00105	Virginia Electric and Power Company - 2023 Percentage of Income Payment Program Update
PUR-2023-00106	James W. Bixby - Petition VAC-5-20-100(B) for Relief under Virginia Regulations Governing Net Metering
PUR-2023-00107	Nansemond Solar, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00108	Appalachian Power Company and Ohio Valley Electric Corp. - Application for an affiliate transaction
PUR-2023-00109	TwentyFifty LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00110	Virginia Electric and Power Co - Approval and certification of electric transmission facilities: 230 kV Elmont-White Oak Line #2075, 230 kV Chickahominy-White Oak Line #2294, and White Oak Substation Expansion
PUR-2023-00111	Virginia Electric and Power Company d/b/a Dominion Energy Shenandoah Valley Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00112	Virginia Electric and Power Company - For a financing order authorizing the issuance of deferred fuel cost bonds
PUR-2023-00113	A & N Electric Cooperative & A & N Innovative Solutions, Inc. - Joint Application for approval of affiliate arrangements
PUR-2023-00114	Virginia Electric and Power Co and Dominion Energy, Inc. - For Approval of Authority to Issue Up to \$3.25 Billion in Common Stock to Parent Under Chapters 3 and 4 of Title 56 of the Code of Virginia
PUR-2023-00115	ExteNet Telecom Solutions, LLC - Application for an Amended and Reissued Certificate of Public Convenience & Necessity to Reflect its Current Name
PUR-2023-00116	Fiber Roads, LLC - Application for an Amended and Reissued Certificate of Public Convenience and Necessity to Reflect its Current Name
PUR-2023-00118	Intrado Communication, LLC - Notice of an internal reorganization
PUR-2023-00119	Columbia Gas of Virginia - For authorization to amend and extend its SAVE Plan and approval of a SAVE Rider for calendar year 2024
PUR-2023-00120	6th Street Solar 1, LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00121	FFP VA Chesapeake Project1, LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00122	Self I Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00123	Atmos Energy Corporation - Petition for a Temporary Waiver of Tariff Provisions
PUR-2023-00124	Aqua Virginia, Inc. and Essential Utilities, Inc. - For approval of an affiliate agreement
PUR-2023-00125	Washington Gas Light Company - CARE Plan
PUR-2023-00126	Sycamore Cross Solar, LLC - Application for Certificates of Public Convenience and Necessity for a solar generating facility totaling up to 240 MW in Isle of Wight and Surry Counties, Virginia
PUR-2023-00127	Frontier Communications of Virginia, Inc. and Cingular Wireless PCS, LLC. - Interconnection Agreement between Frontier Communications of Virginia and New Cingular Wireless PCS, LLC
PUR-2023-00128	Ultimate Energy Advisors, L.L.C. - Energy Licensing Application
PUR-2023-00129	Virginia Electric and Power Company d/b/a Dominion Energy and BARC Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00130	Nuby Run Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00131	Elam Road Solar LLC - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00132	Sandale Solar, LLC - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00133	Sweet Spring Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00135	GetGo Communications Virginia LLC d/b/a Citrix Communications Virginia - Request to Surrender Certificate of Public Convenience and Necessity, and to Withdraw Tariffs
PUR-2023-00136	Virginia Electric and Power Company - For a revision of a rate adjustment clause, designated Rider GT, under VA Code § 56-585.1 A 6
PUR-2023-00137	Virginia Electric and Power Company - For revision of rate adjustment clause, Rider US-3 Colonial Trail West and Spring Grove 1 Solar Facilities, for the rate year commencing June 1, 2023
PUR-2023-00138	Virginia Electric and Power Company - For revision of rate adjustment clause, Rider US-4, Sadler Solar Facility, for the rate year commencing June 1, 2024
PUR-2023-00139	SRE SO4 VA SO, LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00140	Appalachian Power Company - For approval of transfer of assets under VA Code § 56-88 <i>et seq.</i>

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PUR-2023-00141	Virginia Electric and Power Company - for Approval and Certification of Electric Transmission Facilities: Line #235 230 kV Rebuild from Clover Substation to Structure #235/310
PUR-2023-00142	Virginia Electric and Power Company - For approval of its 2023 RPS Development Plan under VA Code § 56-585.5 D 4
PUR-2023-00143	Virginia-American Water Company & American Water Works Service Company, Inc. - Application for approval of a leasing arrangement under Chapter 4 of title 56 of the Code of Virginia
PUR-2023-00144	Fusion Cloud Services, LLC - For Approval of a Partial Discontinuance
PUR-2023-00145	Level 3 Communications, LLC & Citizens Telephone Cooperative - Interconnection Agreement by and between Level 3 Communications, LLC and Citizens Telephone Cooperative
PUR-2023-00146	In the matter concerning rulemaking required by Chapters 704 and 705 of the 2023 Acts of Assembly
PUR-2023-00147	Virginia Electric and Power Company, Bellflower Holdings, LLC and Chicory Holdings, LLC - For approval to enter into Bills of Sale and Assignment Agreements pursuant to Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00148	Virginia Electric and Power Company and Dominion Energy Services, Inc. - For approval of a Revised Services Agreement under Chapter 4 of Title 56 of the Code of Virginia
PUR-2023-00149	Brightspeed of Central Virginia, LLC, Brightspeed of Appalachia, LLC and Earthgrid PBC - Interconnection Agreement
PUR-2023-00150	Dogwood Lane Solar, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00151	Martin Trail Farm, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00152	Powell Creek Solar, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00153	Route 360 Solar, LLC - Application for a License as a Non-exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00155	Southside Electric Cooperative - Tariff Filing
PUR-2023-00156	Appalachian Power Company - To decrease its fuel factor pursuant to Va Code § 56-249.6
PUR-2023-00157	J. W. Chisman III - Application on behalf of J.W. Chisman, III and all other licensed branch pilots in the Commonwealth of Virginia who are members of the Virginia Pilot Association for approval of a revision of rates and charges for pilotage
PUR-2023-00158	Virginia-American Water Company and American Water Works Company, Inc. - Application for Authority to receive capital contributions from an affiliate pursuant to Va. Code § 56-76 <i>et seq.</i>
PUR-2023-00159	Columbia Gas of Virginia, Inc. - For approval of a new Rate Schedule RNG and tariff pursuant to VA Code § 56-236
PUR-2023-00160	Cavalier Solar A, LLC and Cavalier Solar A2, LLC - Appl. to amend certificates of p-c-n previously granted to Cavalier Solar A, LLC for solar generating facilities totaling up to 240 megawatts in Surry County and Isle of Wight County, Virginia
PUR-2023-00161	Columbia Gas of Virginia, Inc., For a partial waiver for Rule 20 VAC 5-312-80 I of the Rules Governing Retail Access to Competitive Energy Services
PUR-2023-00162	Virginia Electric and Power Company - To participate in a pilot program for electric power storage batteries and for certification of a proposed battery energy storage system
PUR-2023-00163	TEMPO TELECOM, LLC - Application for Designation as an Eligible Telecommunications Carrier
PUR-2023-00164	Washington Gas Light Company - Application for Approval of Revised Service Agreements and Tax Sharing Agreement
PUR-2023-00165	Piedmont Broadband Corporation - Application for Certificates of Public Convenience and Necessity to Provide Competitive Local Exchange and Interexchange Service in the Commonwealth of Virginia
PUR-2023-00166	Northern Virginia FC Energy, LLC - Application for a license to conduct business as a business complete supplier of electricity in the Commonwealth of Virginia
PUR-2023-00167	Washington Gas Light Company - Application for Approval of the SAVE Rider for Calendar Year 2024
PUR-2023-00168	Virginia Electric and Power Company - For Approval and Certification of Electric Transmission Facilities: Carson-Locks 230 kV Line #249 Partial Rebuild Project
PUR-2023-00169	Appalachian Power Company - For approval to Continue a Rate Adjustment Clause Designated Rider EE-RAC
PUR-2023-00170	Boldyn Networks US LLC - Application for an Amended and Reissued Certificate of Public Convenience and Necessity to Reflect its Current Name
PUR-2023-00171	Virginia Electric and Power Company - For revision of a rate adjustment clause designated Rider SNA under VA Code § 56-585.1 A 6
PUR-2023-00172	Virginia Electric and Power Company - For revision of a rate adjustment clause: Rider U, new underground distribution facilities, for the Rate Year Commencing August 1, 2024
PUR-2023-00173	Atmos Energy Corporation - Application for Authority to Incur Short-Term Indebtedness Pursuant to Title 56, Chapter 3 of the Virginia Code
PUR-2023-00174	Northern Virginia Electric Cooperative - Application for Authority to Provide Parent Loan Guarantee to Affiliates Pursuant to Virginia Code Title 56, Chapters 3 and 4
PUR-2023-00175	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Northern Neck Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00176	Virginia Electric and Power Company and Dominion Energy Technical Solutions, Inc. - For approval of a Revised Affiliate Services Agreement and future exemptions from the filing and prior approval requirements
PUR-2023-00177	U.S. Power Trade LLC - Application for a License to Conduct Business as a Competitive Service Provider
PUR-2023-00178	Southwestern Virginia Gas Company - 2023 AIF
PUR-2023-00179	EarthLink Business, LLC - EarthLink Business, LLC ("EarthLink" or "Applicant") for cancellation and reissuance of CPCN to provide local exchange and interexchange telecom services to reflect the new company name Windstream New Edge, LLC ("Windstream")
PUR-2023-00180	Virginia Natural Gas, Inc. - For approval of its 2023 SAVE Rider update
PUR-2023-00181	BlueWave Project Development, LLC - Application for Licensure as a Non-Exempt Subscriber Organization
PUR-2023-00182	Verizon Virginia LLC, f/k/a/ Verizon Virginia Inc. and Earthgrid PBC Corporation - Interconnection Agreement between Verizon Virginia Inc. and Earthgrid PBC Corporation under § 252E of the Telecommunications Act of 1996
PUR-2023-00183	Verizon South Inc., f/k/a GTE South Incorporated and Earthgrid PBC Corporation - Interconnection Agreement between Verizon South Inc., f/k/a GTE South Incorporated and Earthgrid PBC Corporation, under § 252E of the Telecommunications Act of 1996
PUR-2023-00184	Virginia Electric and Power Co - For approval of new broadband capacity projects pursuant to Va Code § 56-585.1:9 and for revision of rate adjustment clause: Rider RBB for the Rate Year Commencing May 1, 2024

PUR-2023-00185	Verizon Virginia LLC, f/k/a Verizon Virginia Inc. and Teliix Virginia, LLC - Interconnection Agreement between Verizon Virginia LLC, f/k/a Verizon Virginia Inc. & Teliix Virginia LLC, under § 252E of the Telecommunications Act of 1996
PUR-2023-00186	MetTel of VA, Inc. - Application for Cancellation and Reissuance of Certificate of Public Convenience and Necessity to Reflect Company Name Change to MetTel of VA, LLC
PUR-2023-00187	Verizon South Inc. f/k/a GTE South Incorporated and Teliix Virginia, LLC - Interconnection Agreement
PUR-2023-00188	Larry Davis Solar LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00189	NCN III LLC - Application for a License as a Non-Exempt Subscriber Organization in the Shared Solar Program
PUR-2023-00190	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Shenandoah Valley Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00191	Sprague Operating Resources LLC - Application for Licensure as a Competitive Service Provider
PUR-2023-00192	Sprague Operating Resources LLC - Application to amend its licensure as a Competitive Service Provider for natural gas
PUR-2023-00193	Central Virginia Electric Cooperative and Central Virginia Services, Inc. - Motion for interim authority to continue operating under approved affiliate agreements and for expedited consideration
PUR-2023-00194	Virginia-American Water Company - General rate relief
PUR-2023-00195	Virginia Electric and Power Company - For revision of rate adjustment clause; Rider OSW, Coastal Virginia Offshore Wind Commercial Project, for the Rate Year commencing September 1, 2024
PUR-2023-00196	Brightspeed of Virginia, LLC, Brightspeed of Appalachia, LLC and Brightspeed Broadband, LLC – Interconnection Agreement.
PUR-2023-00197	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Shenandoah Valley Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00198	Virginia Distributed Solar Alliance - Enforcement Complaint and Petition for Injunctive Relief and Request for Expedited Action
PUR-2023-00199	Priority Power Management, LLC - Application for Electricity and Natural Gas Aggregator (Broker) License
PUR-2023-00200	Conterra Ultra Broadband LLC - Notice regarding the Proposed Pro Forma Change in the Indirect Ownership of Conterra Ultra Broadband LLC.
PUR-2023-00201	Davis Magette III and Life Essentials, Inc. - Joint Application for Transfer of a Public Utility Furnishing Water and Amending a Certificate of Public Convenience and Necessity
PUR-2023-00202	Brightspeed of Virginia, LLC, Brightspeed of Appalachia, LLC and Teliix, Virginia, LLC - Interconnection Agreement.
PUR-2023-00203	Virginia Electric and Power Company - Application for Approval and Certification of Electric Transmission Facilities: Suffolk - Structure #246/94 230 kV Line #246 Virginia Rebuild Project
PUR-2023-00205	Virginia Natural Gas, Inc. and Southern Company Gas, AGL Services Company and Southern Company Gas Capital Corporation - For Authority to Issue Short-Term Debt, Long-Term Debt and Common Stock to an Affiliate under Chapters 3 and 4, Title 56
PUR-2023-00206	Virginia Electric and Power Company - For approval and certification of electric transmission facilities: 230 kV Germanna Lines and Germanna Substation
PUR-2023-00208	Virginia Department of Transportation - Petition to compel maintenance of railroad overpass
PUR-2023-00209	Dimension VA 2 LLC - Public Version - Application for a License as a Non-exempt Subscriber organization in the Shared Solar Program
PUR-2023-00210	Ex Parte, Implementing performance-based adjustments to combined rates of return under VA Code §§ 56-585.1 A 2 c and 56-585.8 E
PUR-2023-00211	Shenandoah Telephone, Shentel Broadband Holding, Inc., and Shentel Broadband Operations LLC - Joint Petition for approval for a pro forma reorganization pursuant to the Utility Transfers Act, Chapter 5 of Title 56 of the Code of Virginia
PUR-2023-00212	Appalachian Power Company - For a prudency review with respect to the purchase by Appalachian of the energy, capacity and environmental attributes from solar facilities owned by persons other than Appalachian
PUR-2023-00213	Bullseye Telecom of Virginia LLC - Request for Cancellation of Virginia Certificate
PUR-2023-00214	Ecom-Energy of California, Inc. - Application for a License to Conduct Business as a Competitive Service Provider (Electric). \$250 check as filing fee
PUR-2023-00215	Ecom-Energy of California, Inc. - Application for a License to Conduct Business as a Competitive Service Provider (Natural Gas)
PUR-2023-00216	Virginia Electric and Power Company and Align Magnolia, LLC - For approval to enter into Amended Renewable Energy Certificate Purchase and Sale Agreement No. 1
PUR-2023-00217	Virginia Electric and Power Company - For approval of its 2023 DSM Update VA Code § 56-585.1 A 5
PUR-2023-00218	Richmond Road Solar, LLC - Public Version - Application for a License as a Non-Exempt Subscriber organization in the Shared Solar Program
PUR-2023-00219	Appalachian Natural Gas Company, et al. - Joint Petition for Approval of Change of Control Under Chapter 5 of Title 56 of the Code of Virginia
PUR-2023-00220	Washington Gas Light Company - Application for approval of a biogas supply investment plan and for a rate adjustment clause designated RNG Rider and related tariff provision pursuant to Chapters 10.1 and 30 of Title 56 of the Code of Virginia
PUR-2023-00221	Virginia Electric and Power Company - For revision of a rate adjustment clause, designated Rider RPS, under VA Code § 56-585.1 A 5 d for the Rate Year commencing Sept 1, 2024
PUR-2023-00222	APB Partners Chesterfield, LLC - Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services in the Commonwealth of Virginia
PUR-2023-00223	APB Partners Henrico, LLC - Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services in the Commonwealth of Virginia
PUR-2023-00224	Peoples Mutual Telephone Company, RiverStreet Communications of Virginia, Inc. and Wilkes Telephone Membership Corporation - Joint Petition for approval of Financing Arrangements Pursuant to Chapters 3 and 4 of Title 56 of the Code of Virginia
PUR-2023-00225	Kentucky Utility Company d/b/a/ Old Dominion Power Company - Application for an Order Authorizing the Issuance of Indebtedness

PUR-2023-00226	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Northern Neck Electric Cooperative - For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00228	Kentucky Utilities Company d/b/a Old Dominion Power Company - Application for Authority to Engage in Affiliate Transactions
PUR-2023-00229	AP VIII Olympus VoteCo, LLC and 46 Labs LLC - Joint Petition for Authority to Transfer Indirect Control of Intrado Communications, LLC and Name-Change Application
PUR-2023-00230	Virginia Electric and Power Company d/b/a Dominion Energy Virginia & Shenandoah Valley Electric Cooperative – For revision of service territory boundary lines under the Utility Facilities Act
PUR-2023-00231	VA Fiber 1 PropCo, LLC - Application for Certificates of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Interexchange Services in the Commonwealth of Virginia

SEC

SEC-2018-00016	Daniel J. Anglin, Jr. & Prince Henry Management, LLC - Alleged violation of VA Code §§ 13.1-504. A (ii), <i>et al.</i>
SEC-2018-00026	Thomas Gregory Cook - Alleged violation of VA Code §§ 13.1- 504(A), <i>et al.</i>
SEC-2019-00030	Glenn Barton Fischer and Fischer Wealth Advisors, LLC - Alleged violation of VA Code §§ 13.1-502, <i>et al.</i>
SEC-2020-00009	Metropolitan Capital Strategies, LLC and Sharon Snow - Alleged violation of VA Code §§ 13.1-503 A 1, <i>et al.</i>
SEC-2020-00014	Rede Wealth, LLC and Charles Almy- Alleged violation of VA Code § 13.1-503, <i>et al.</i>
SEC-2021-00044	Kairos Investing, LLC and David Clark Taylor - Alleged violation of VA Code §§ 13.1-504 A, <i>et al.</i>
SEC-2022-00001	Michael Robert Finnie - Alleged violation of VA Code § 21 VAC 5-80-200 (B) (1)
SEC-2022-00026	Selfie WRLD, LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00034	Fatburger North America, Inc.- Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00035	Overtime Franchise LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00036	SyndiCap Investment and Securities Management, LLC, SyndiCap LLC and Corey Taylor - Alleged violation of VA Code §§ 3.1-507, <i>et al.</i>
SEC-2022-00038	King Lombardi Acquisitions, Inc. d/b/a VR Business Brokers - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2023-00004	Nexo - Alleged violation of VA Code §§ 13.1-502, 13.1-504
SEC-2023-00006	Jennifer Lee Wappaus - Alleged violation of 21 VAC 5-80-200 B 11
SEC-2023-00008	National Covenant Properties - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00009	RBC Capital Markets, LLC - Alleged violation of VA Code § 13.1-504 C ii
SEC-2023-00010	Bankers Life and Casualty Co and BLC Financial Services, Inc. - To amend a consent order approved in Case No. SEC-2012-00028
SEC-2023-00012	Matthew L. Kuhus - Petition for expungement of the CRD record of FINRA Associated Person Matthew L. Kuhus
SEC-2023-00013	Columbia Union Revolving Fund - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00014	Capital Impact Partners - For Qualification Order
SEC-2023-00015	Grace Brethren Investment Foundation, Inc. – For an order of exemption of the VSA § 13.1-501 <i>et seq.</i>
SEC-2023-00016	Mission Investment Fund of the Evangelical Lutheran Church in America - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00017	The Solomon Foundation - For an Order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00018	The Baptist Foundation of Oklahoma d/b/a WatersEdge Ministry Services - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00019	Brian Cekada - Alleged violation of VA Code § 13.1-504 (A)(i)
SEC-2023-00021	Celebration Title Franchising, LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2023-00022	Ocohee Financial Corporation - Alleged violation of VA Code § 13.1-510
SEC-2023-00023	Calvert Impact Climate, Inc. - For an Order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00026	Century Housing Corporation - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00027	Teddy Bear Mobile, Inc. - Alleged violation of VA Code §§ 13.1-560, 13.1-563.4
SEC-2023-00033	Lutheran Church Extension Fund - Missouri Synod (LCEF) - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00035	Equitas Capital Advisors, LLC - Alleged violation of VA Code § 13.1-504 C ii
SEC-2023-00036	Local Initiatives Support Corporation - Exemption request
SEC-2023-00040	Anabaptist Financial - For order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00041	Cooperative Fund of the Northeast - For order of exemption pursuant to VA Code § 13.1-514.1 B

URS

URS-2019-00468	Rectify Property Services LLC - Alleged violation of VA Code § 56-265.17 A
URS-2020-00384	UDP, Inc. - Alleged violation of VA Code § 56-265.19 A
URS-2021-00326	Cloud Tower Enterprises, LLC - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2021-00437	Primoris T&D Services, LLC - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2022-00005	Solutions Fiber Optic Inc. - Alleged violation of VA Code §§ 56-265.17 A, <i>et al.</i>
URS-2022-00022	New Technologies Construction Inc. - Alleged violation of VA Code § 56-265.24 A, <i>et al.</i>
URS-2022-00024	Stake Center Locating, Inc. - Alleged violation of VA Code §§ 56-265.19 A, <i>et al.</i>
URS-2022-00037	Scott's Backhoe Service, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2022-00055	Washington Gas Light Company - Alleged violation of 49 C.F.R. §§ 192.199 (e), <i>et al.</i>
URS-2022-00058	Kline Development Group LLC - Alleged violation of VA Code § 56-265.17 A
URS-2022-00072	Red Oak Landscaping Services, Inc. - Alleged violation of VA Code § 56-265.17 A
URS-2022-00081	Tidewater Utility Construction, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2022-00091	GAC Enterprises VA, LLC - Alleged violation of VA Code §§ 56-265.18, <i>et al.</i>
URS-2022-00125	Village Concrete Construction, Inc. - Alleged violation of VA Code § 56.265.17 A
URS-2022-00147	Lambert's Cable Splicing Company, LLC - Alleged violation of VA Code §§ 56-265.24 C, 56-265.24 A

DIVISION OF SECURITIES AND RETAIL FRANCHISING

SEC-2018-00016	Daniel J. Anglin, Jr. & Prince Henry Management, LLC - Alleged violation of VA Code §§ 13.1-504. A (ii), <i>et al.</i>
SEC-2018-00026	Thomas Gregory Cook - Alleged violation of VA Code §§ 13.1- 504(A), <i>et al.</i>
SEC-2019-00030	Glenn Barton Fischer and Fischer Wealth Advisors, LLC - Alleged violation of VA Code §§ 13.1-502, <i>et al.</i>
SEC-2020-00009	Metropolitan Capital Strategies, LLC and Sharon Snow - Alleged violation of VA Code §§ 13.1-503 A 1, <i>et al.</i>
SEC-2020-00014	Rede Wealth, LLC and Charles Almy- Alleged violation of VA Code § 13.1-503, <i>et al.</i>
SEC-2021-00044	Kairos Investing, LLC and David Clark Taylor - Alleged violation of VA Code §§ 13.1-504 A, <i>et al.</i>
SEC-2022-00001	Michael Robert Finnie - Alleged violation of VA Code § 21 VAC 5-80-200 (B) (1)
SEC-2022-00026	Selfie WRLD, LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00034	Fatburger North America, Inc.- Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00035	Overtime Franchise LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2022-00036	SyndiCap Investment and Securities Management, LLC, SyndiCap LLC and Corey Taylor - Alleged violation of VA Code §§ 3.1-507, <i>et al.</i>
SEC-2022-00038	King Lombardi Acquisitions, Inc. d/b/a VR Business Brokers - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2023-00004	Nexo - Alleged violation of VA Code §§ 13.1-502, 13.1-504
SEC-2023-00006	Jennifer Lee Wappaus - Alleged violation of 21 VAC 5-80-200 B 11
SEC-2023-00008	National Covenant Properties - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00009	RBC Capital Markets, LLC - Alleged violation of VA Code § 13.1-504 C ii
SEC-2023-00010	Bankers Life and Casualty Co and BLC Financial Services, Inc. - To amend a consent order approved in Case No. SEC-2012-00028
SEC-2023-00012	Matthew L. Kuhus - Petition for expungement of the CRD record of FINRA Associated Person Matthew L. Kuhus
SEC-2023-00013	Columbia Union Revolving Fund - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00014	Capital Impact Partners - For Qualification Order
SEC-2023-00015	Grace Brethren Investment Foundation, Inc. – For an order of exemption of the VSA § 13.1-501 <i>et seq.</i>
SEC-2023-00016	Mission Investment Fund of the Evangelical Lutheran Church in America - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00017	The Solomon Foundation - For an Order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00018	The Baptist Foundation of Oklahoma d/b/a WatersEdge Ministry Services - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00019	Brian Cekada - Alleged violation of VA Code § 13.1-504 (A)(i)
SEC-2023-00021	Celebration Title Franchising, LLC - Alleged violation of VA Code §§ 13.1-560, <i>et al.</i>
SEC-2023-00022	Ocohee Financial Corporation - Alleged violation of VA Code § 13.1-510
SEC-2023-00023	Calvert Impact Climate, Inc. - For an Order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00026	Century Housing Corporation - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00027	Teddy Bear Mobile, Inc. - Alleged violation of VA Code §§ 13.1-560, 13.1-563.4
SEC-2023-00033	Lutheran Church Extension Fund - Missouri Synod (LCEF) - For order of exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00035	Equitas Capital Advisors, LLC - Alleged violation of VA Code § 13.1-504 C ii
SEC-2023-00036	Local Initiatives Support Corporation - Exemption request
SEC-2023-00040	Anabaptist Financial - For order of Exemption pursuant to VA Code § 13.1-514.1 B
SEC-2023-00041	Cooperative Fund of the Northeast - For order of exemption pursuant to VA Code § 13.1-514.1 B

UTILITY AND RAILROAD SAFETY

URS-2022-00154 MA Designer Remodeling - Alleged violation of VA Code § 560265.17 A
 URS-2022-00155 Plumbing Innovators Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2022-00165 Aguilar Plumbing Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (2)
 URS-2022-00167 Good Business, LLC d/b/a Expert Handyman and Remodeling - Alleged violation of VA Code §§ 56-265.24 D, 56-265.24 E; 20 VAC 5-309-200
 URS-2022-00169 City Concrete Corp. - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00176 Contracting Unlimited, Inc. - Alleged violation of VA code §§ 56-265.17 A, *et al.*
 URS-2022-00185 Iglesias Fences Incorporated - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00186 Shield Contracting, LLC - Alleged violation of VA Code §§ 56-265.24 B, *et al.*
 URS-2022-00192 Couch Construction Company, Inc. - Alleged violation of VA Code § 56-265.17 B 1
 URS-2022-00196 New Technologies Construction, - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00198 McAnelly Constructions, Inc. d/b/a X Custom Electric- Alleged violation of VA Code §§ 56-265.17 B 1, 56.265-.4 A
 URS-2022-00200 CT & MJ Inc - Alleged violation of VA Code §§ 56-265-24 A; 20 VAC 5-309-150 A (8)
 URS-2022-00204 Davis H. Elliott Construction Company Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00206 Metheny Contracting, Inc. - Alleged violation of VA Code §§ 56-265.24 A, 56-265.24 D; 20 VAC 5-309-140 (3)
 URS-2022-00214 Tim Newcomb, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00217 Wallberg, LLC d/b/a Wallberg Corporation- Alleged violation of VA Code § 56-265.17 A
 URS-2022-00218 Lambert's Cable Splicing Company, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2022-00219 JDS Clave LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00223 Stake Center Locating, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00224 Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00225 Cable Protection Services, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00226 Utiliquet, LLC - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00227 Weeks Construction LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00233 Sand Contracting LLC - Alleged violation of VA Code § 56-265.24 B
 URS-2022-00234 Ground Moles LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00239 Rubber Ducky Plumbing, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2022-00241 On The Go Custom Concrete, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00242 Moore Consulting Group LLC d/b/a Moore Designs & Outdoor Living - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00249 Utility Cable Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00250 A M Communications, LLC - Alleged violation of VA Code § 56-265.18; 20 VAC 5-309-180
 URS-2022-00251 TK Underground VA Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00253 Roto-Rooter Services Company - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00255 USA Pipe Repair of Virginia Incorporated - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00259 Cable Protection Services, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00261 Fiber Optic Construction, LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00262 Hall Septic Tank Cleaning, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00268 Stake Center Locating, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00269 Ross & Sons Utility Contractor, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00274 Heath Consultants Incorporated - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00278 Independence Landscape and Lawncare, LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00280 Extra Mile Lawn Care LLC - Alleged violation of VA Code §§ 56-265.17 A, *et al.*
 URS-2022-00281 Electrical Service and Design, Inc. - Alleged violation of VA Code §§ 56-265.17 b 1, *et al.*
 URS-2022-00282 F. H. Furr Plumbing, Heating & Air Conditioning, Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00283 Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00284 Appalachian Power Company - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00285 FANS Underground Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00286 Utiliquet, LLC - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00288 Washington Gas Light Company - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00290 Warner Super Services, Incorporated - Alleged violation of VA Code § 45-265.17 A
 URS-2022-00291 Wayne Gentry Enterprises, Inc. - Alleged violation of VA Code § 56-265.18
 URS-2022-00292 William A. Hazel, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2022-00293 Town and Country Landscaping, Inc - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00294 Southeast Connections LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00295 Rood Enterprises LLC d/b/a Tri-County Construction Company - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00296 Roanoke Gas Company - Alleged violation of VA Code § 56-264.17 A
 URS-2022-00297 Sand Contracting LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00298 Proving Grounds, LLC - Alleged violation of VA Code § 56-265.24 B
 URS-2022-00301 Lewis Aquatech Pool Supply, Inc. - Alleged violation of VA Code § 56-265.17 A; 20 VAC 5-309-200
 URS-2022-00302 J&L Underground Utilities, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 A 8
 URS-2022-00304 Branscome Inc - Alleged Violation of VA Code § 56-265.24 B
 URS-2022-00305 AC Contracting, LLC - Alleged violation of VA Code §§ 56-265.17 A; 56-265.24 A
 URS-2022-00306 Richter Landscaping, Inc. - Alleged violation of VA Code §§ 56-265.17 A, *et al.*
 URS-2022-00307 Aguilar Plumbing Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2022-00308 Lyttle Service Company, L.L.C. t/a Stame E. Lyttle Company - Alleged violation of VA Code § 56-26524 A
 URS-2022-00309 Chesterfield Excavation Services - Alleged violation of VA Code § 56-265.17 B 1
 URS-2022-00311 Colonial Construction Materials, Inc. - Alleged violation of VA Code § 56-265.18
 URS-2022-00312 Fox Pest Control - Virginia Beach LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00313 GR Landscaping LLC - Alleged violation of VA Code § 56-265.17 A

URS-2022-00315 Beem Irrigation, Inc d/b/a Montgomery Irrigation - Alleged violation of VA Code § 56-265.24; 20 VAC 5-309-140 (4)
 URS-2022-00316 East West Construction - Alleged violation of VA Code § 56-265.24 A
 URS-2022-00317 Hercules Fence Company, Inc. - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00318 Stake Center Locating, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00320 Utiliquist, LLC - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00321 Benchmark VA LLC Subsurface Utility Services - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00324 Rock Hard Excavating, Inc. - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00326 VMC Framing LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00328 Akers Enterprises Underground Construction, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)

 URS-2022-00329 Virginia Natural Gas, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00330 Atmos Energy Corporation - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00331 JDS Clave LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00332 ATW & Company, Inc.- Alleged violation of VA Code § 56-265.17 A
 URS-2022-00333 DL Masonry, LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2022-00334 Cable Protection Services, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00336 Primoris Distribution Services, Inc. - Alleged violation of VA Code §§ 56-265.24, *et al.*
 URS-2022-00337 HMI Utilities, LLC - Alleged violation of VA Code § 56-265.19 A
 URS-2022-00338 Lantero, LLC - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00339 Hak Jin Kim Individually and d/b/a Global Services & Systems, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*

 URS-2022-00340 Luxterra Electrical, Inc. - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00341 J.C.L., Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2022-00343 UDP, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2022-00344 T & A Underground, Inc. - Alleged violation of VA Code § 56-265.24 C
 URS-2022-00345 Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00001 Trey S Mangigian, individually and t/a Moseley Excavating Service Incorporated - Alleged violation of VA Code § 56-265.17 A

 URS-2023-00003 Windridge Landscaping Company, Inc. - Alleged violation of VA Code § 56-265.18
 URS-2023-00008 Southern Construction Utilities, Inc. - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00009 Chesapeake Underground Services, LLC - Alleged violation of VA Code § 56-265.24 C
 URS-2023-00016 JES Construction, LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00017 Danny Hall - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00018 Fredericksburg Fences LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00019 Lincoln Underground Construction LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00022 AAPI, LLC d/b/a AAP Construction - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00023 Neighbors Electric Co. - Alleged violation of VA Code § 56-265.17 A; 20 VAC 5-309-200
 URS-2023-00025 Accent Fence, Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00026 TBA Construction - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 (A) (6)
 URS-2023-00028 Virginia Electric and Power Company - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00032 Xpert Foundations, Inc. - Alleged violation of VA Code § 56-265.17 B. 1
 URS-2023-00033 VMC Framing LLC - Alleged violation of VA Code §§ 56-265.24 A, 56-265.24 D, 56-265.24 E; 20 VAC 5-309-200
 URS-2023-00034 Gaston Brothers Utilities, LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00035 Atlas Plumbing, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2023-00036 Bridgeman Underground, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00037 New Technologies Construction Inc. - Alleged violation of VA Code §§ 56-265.24 A, 56-265.18
 URS-2023-00038 RNS Network Services, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00039 Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00041 Stake Center Locating, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00042 Washington Gas Light Company - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00043 Miller Pipeline, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (3)
 URS-2023-00045 Lantero, LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00046 The Landtek Group, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00047 Southeast Connections LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00049 Utiliquist, LLC - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2023-00051 Altec Underground LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00052 Atmos Energy Corporation - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2023-00053 IC Contracting LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00054 E.J. Wade Construction, LLC - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00055 C. P. G. Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00056 Barry and Sons Plumbing, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2023-00057 Nixon Brothers Excavating, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00058 Mastec North America, Inc. - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00059 Kalan Construction L.L.C. - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00061 Tim Newcomb, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00062 T & A Contractors, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00063 Total Development Solutions, L.L.C. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00064 Roanoke Gas Company - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00065 Virginia Natural Gas, Inc. - Alleged violation of VA Code § 56-265.19 A

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URS-2023-00066	Dominguez Services, L.L.C. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00067	Tidewater Utility Construction, Inc. - Alleged violation of VA Code §§ 56-265.18,56-265.24 A; 20 VAC 5-309-140 (4)
URS-2023-00069	Benchmark VA LLC Subsurface Utility Services - Alleged violation of VA Code § 56-265.19 A
URS-2023-00070	George's Plumbing Incorporated - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-200
URS-2023-00071	Washington Gas Light Company - Alleged violation of 49 C.F.R. §§ 192.199(e), <i>et al.</i>
URS-2023-00072	Washington Gas Light Company - Alleged violation of 49 C.F.R. §§ 192.199(e), <i>et al.</i>
URS-2023-00074	4 Pillars Construction Services, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 (A) (8)
URS-2023-00075	Accutech Communications - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 (A) (8)
URS-2023-00076	Roanoke Gas Company - Alleged violation of VA Code § 56-265.19 A
URS-2023-00079	Altec Underground LLC - Alleged violation of VA Code § 56-265.24 A
URS-2023-00080	America Directional Boring, Inc. - Alleged violation of VA Code §§ 56-265.18, 56-265.24 D, 56-265.24 A
URS-2023-00081	Arthur Construction Co., Inc. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00082	B & L Construction, Inc. - Alleged violation of VA Code § 56-265.17 A
URS-2023-00085	Lambert's Cable Splicing Company, LLC - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00088	Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
URS-2023-00089	Construction Trades Services, Inc. - Alleged violation of VA Code § 56-265.24 C
URS-2023-00095	Mastec North America, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00096	Faulconer Construction Company, Incorporated - Alleged violation of VA Code § 56-264.14 <i>et seq.</i>
URS-2023-00097	Messer Contracting, L.L.C. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00098	GAC Enterprises VA, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 (A) (4), 20 VAC 5-309-150 (A) (8)
URS-2023-00100	Gaston Brothers Utilities, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (3)
URS-2023-00102	Henry S. Branscome, L.L.C. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00103	Horizon Construction Company - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
URS-2023-00104	Infrasource Construction, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4), 20 VAC 5-309-140 (3)
URS-2023-00105	Mottern Masonry and Design Inc. - Alleged violation of VA Code § 56-265.17 A
URS-2023-00108	Nearme LLC d/b/a Plumber Near Me - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00110	Philbrick, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00112	Price Gregory International, LLC - Alleged violation of VA Code § 56-265.24 B
URS-2023-00113	ProCon, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00116	Southeast Connections LLC - Alleged violation of VA Code §§ 56-265.24 C, <i>et al.</i>
URS-2023-00120	TBA Construction - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00121	Tidewater Utility Construction, Inc. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00122	UDP, Inc. - Alleged violation of VA Code § 56-265.19 A
URS-2023-00123	United Excavating & Land Development, Inc. - Alleged violation of VA Code § 56-265.24 B
URS-2023-00125	Virginia Natural Gas, Inc. - Alleged violation of VA Code § 56-265.19 A
URS-2023-00127	W. E. Curling Pipeline, Inc. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00128	Washington Gas Light Company - Alleged violation of VA Code §§ 56-265.19 A, <i>et al.</i>
URS-2023-00129	Williamsburg Electrical Services, L.L.C. - Alleged violation of VA Code § 56-265.17 A
URS-2023-00130	Atmos Energy Corporation - Alleged violation of VA Code § 56-265.19 A
URS-2023-00131	Utiliquest, LLC - Alleged violation of VA Code §§ 56-265.19 A, <i>et al.</i>
URS-2023-00133	A & W Contractors, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-200
URS-2023-00134	G. L. Howard, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (2)
URS-2023-00139	Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
URS-2023-00141	Flores Cable LLC - Alleged violation of VA Code § 56-265.24 C
URS-2023-00144	JV Underground Construction, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00146	OCS of Virginia, Inc. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00147	Ross & Sons Utility Contractor, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00148	Richard Hite Concrete Construction, Inc. - Alleged violation of VA Code §§ 56-265.17 A; 56-265.24 A
URS-2023-00149	Groundscapes, Limited Liability Company - Alleged violation of VA Code § 56-265.24 C
URS-2023-00150	Roanoke Valley Concrete, LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (2)
URS-2023-00151	KS Communication, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00152	Peters and White Construction Company - Alleged violation of VA Code §§ 56-265.24 B, <i>et al.</i>
URS-2023-00153	Southeast Connections LLC - Alleged violation of VA Code §§ 56-265.24 A, 56-265.19 A
URS-2023-00154	Roanoke Gas Company - Alleged violation of VA Code § 56-265.19 A
URS-2023-00158	Virginia Equipment and Development, Inc. - Alleged violation of VA Code § 56-265.24 A
URS-2023-00160	JAJ Stone & Brick Work, LLC - Alleged violation of VA Code § 56-265.17 A
URS-2023-00162	Mastec North America, Inc. - Alleged violation of VA Code §§ 56-265.17 A, <i>et al.</i>
URS-2023-00163	Resort Pools and Fences, Inc. - Alleged violation of VA Code § 56-265.17 A
URS-2023-00164	Chesapeake Bay Tree, Inc. - Alleged violation of VA Code § 56-265.17 A
URS-2023-00165	Comcast Cable Communications, Inc. - Alleged violation of VA Code §§ 56-265.19 A, <i>et al.</i>
URS-2023-00166	Epic Fiber Underground Construction, LLC - Alleged violation of VA Code §§ 56-265.17 D, <i>et al.</i>
URS-2023-00167	Jack Owens Plumbing & Heating, Inc. - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00169	Virginia Natural Gas Company - Alleged violation of 49 C.F.R. §§ 192.199(e), <i>et al.</i>
URS-2023-00170	Columbia Gas of Virginia, Inc. - Alleged violation of 49 C.F.R. §§ 192.199(e), <i>et al.</i>
URS-2023-00175	LJ Underground LLC - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>
URS-2023-00176	McAtee, LLC - Alleged violation of VA Code § 56-265.17 A
URS-2023-00177	Mullen's Markings, Inc. - Alleged violation of VA Code § 56-265.14 <i>et seq.</i>
URS-2023-00178	Peters and White Construction Company - Alleged violation of VA Code §§ 56-265.24 A, <i>et al.</i>

URS-2023-00180 Shibata Capital, LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00183 Crown Construction Service, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00185 Roanoke Gas Company - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2023-00192 Borum Electrical, Plumbing & Heating, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00195 Commonwealth Mechanical Corporation d/b/a CMC Electrical Corporation - Alleged violation of VA Code §§ 56-265.17 A, *et al.*

 URS-2023-00198 Fences & Decks by Dan, LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00199 Chesapeake Fence & Awning Co., Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00200 Cross Underground Development, LLC - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00201 E. E. Lyons Const. Co., Inc. - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00202 G.N. Contracting, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00205 J. Fletcher Creamer & Son, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00208 KS Ammunication, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00211 Mastec North America, Inc. - Alleged violation of VA Code §§ 56-265.19 A, *et al.*
 URS-2023-00213 T & A Contractors, Inc. - Alleged violation of VA Code § 56-265.24 C
 URS-2023-00217 Valley Landscaping, Inc. - Alleged violation of VA Code § 56-265.17 D
 URS-2023-00218 Southeast Connections LLC - Alleged violation of VA Code § 56-265.24
 URS-2023-00220 Virginia Electric and Power Company - Alleged violation of VA Code § 56-265.24 C
 URS-2023-00222 Washington Gas Light Company - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00227 Columbia Gas of Virginia, Inc. - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00228 Clark Construction Group, LLC - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00229 Contour Construction LLC - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00230 Cory P. Hanifan, Individually and Hanifans Construction - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00231 JNT Enterprises d/b/a JNT, Inc. - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00232 D.E. Kirby, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00233 Kevcor Contracting Corporation - Alleged violation of VA Code §§ 56-265.18, 56-265.24 A; 20 VAC 5-309-140 (3)
 URS-2023-00236 MF Plumbing Ninjas of Virginia, LLC d/b/a Roto-Rooter (Danville CI) - Alleged violation of VA Code § 56-265.17 A
 URS-2023-00241 F & B Contractors, LTD - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00242 Full Blast Plumbing and Drain Cleaning - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00244 Infrasource Construction, LLC - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00246 National Ondemand, Inc. - Alleged violation of VA Code §§ 56-265.24 A, *et al.*
 URS-2023-00248 Service Electrical Contractors, Inc. - Alleged violation of VA Code § 56-265.24 B
 URS-2023-00250 WCC Cable, Inc. - Alleged violation of VA Code § 56-265.24 A
 URS-2023-00251 Ex Parte: In the matter concerning a rulemaking proceeding to revise the Commission's Rules for Enforcement of the Virginia Underground Utility Damage Prevention Act, 20 VAC 5-309-10 *et seq.*

 URS-2023-00252 Dos Amigos Landscaping L.L.C. - Alleged violation of VA Code § 56-265.17 B 1
 URS-2023-00316 NPL Construction Co. - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00322 RNS Network Services, Inc. - Alleged violation of VA Code §§ 56-265.24 A; 20 VAC 5-309-140 (3), *et al.*
 URS-2023-00325 Tidewater Utility Construction, Inc. - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-140 (4)
 URS-2023-00328 W-L Hauling, Inc. - Alleged violation of VA Code §§ 56-265.17 A, 56-265.24 A; 20 VAC 5-309-140 (4), 20 VAC 5-309-200

 URS-2023-00330 A-1 Plumbing Companies, LLC - Alleged violation of VA Code § 56-265.17 A; 20 VAC 5-309-200
 URS-2023-00335 Roanoke Gas Company - Alleged violation of VA Code § 56-265.19 A
 URS-2023-00341 J.N.C. Services LLC - Alleged violation of VA Code § 56-265.24 A; 20 VAC 5-309-150 (A) (8)
 URS-2023-00345 R. L. Price Construction, Inc. - Alleged violation of VA Code § 56-265.17 A