

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, MAY 24, 2022

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

CASE NO. PUR-2022-00051

In re: Appalachian Power Company's
Integrated Resource Plan filing pursuant
to Va. Code § 56-597 *et seq.*

ORDER FOR NOTICE AND HEARING

On April 29, 2022, Appalachian Power Company ("APCo" or "Company") filed with the State Corporation Commission ("Commission") the Company's 2022 Integrated Resource Plan ("IRP") pursuant to § 56-599 of the Code of Virginia ("Code").¹

An IRP, as defined by § 56-597 of the Code, is "a document developed by an electric utility that provides a forecast of its load obligations and a plan to meet those obligations by supply side and demand side resources over the ensuing 15 years to promote reasonable prices, reliable service, energy independence, and environmental responsibility." Pursuant to § 56-599 D of the Code, the Commission determines whether an IRP is reasonable and in the public interest and must make such determination within nine months of the date of filing.

APCo states that it serves both retail and wholesale customers located in Virginia, West Virginia, and Tennessee, including approximately 542,000 retail electric customers in Virginia.²

¹ APCo filed its IRP in public and confidential versions. Coincident with filing the IRP, APCo filed a Motion for Protective Ruling seeking to maintain the confidentiality of certain information filed under seal in accordance with 5 VAC 5-20-170 of the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-10 *et seq.*

² IRP at 2.

APCo further states that that the peak load requirement of its total retail and wholesale customers is seasonal in nature, with distinctive peaks occurring in the summer and winter seasons.³

APCo states that its IRP, based upon various assumptions, provides an optimized selection of resources that balances the Company's obligations for capacity and renewable energy requirements under the Virginia Clean Economy Act, while also meeting ongoing PJM⁴ reliability and capacity obligations.⁵ According to the Company, the IRP encompasses the 15-year planning period from 2022 to 2036 and is based on the Company's current long-term assumptions regarding customer load requirements, commodity prices, supply-side alternative costs, transmission and distribution planning, and demand side management program costs and impacts.⁶ In addition, the Company considered the effect of environmental rules.⁷

Section 56-599 B of the Code requires, among other things, that an IRP evaluate: (i) the effect of current and pending environmental regulations upon the continued operation of existing electric generation facilities or options for construction of new electric generation facilities; and (ii) the most cost-effective means of complying with current and pending environmental regulations. APCo states that the IRP "considers the potential cost associated with some form of future regulation of carbon emissions, during the planning period, even though there is uncertainty as to the timing and form future carbon regulation may take."⁸

³ *Id.*

⁴ PJM Interconnection, LLC regional transmission organization.

⁵ IRP at Executive Summary ("ES")-6

⁶ *Id.* at ES-1.

⁷ *Id.*

⁸ *Id.*

APCo also notes that it has complied with directives in recent Commission Orders.⁹

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; that the Company should provide public notice of its IRP; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Company's IRP; a procedural schedule should be established to allow interested persons an opportunity to file written or electronic comments on the Company's IRP or to participate in this proceeding as a respondent; and the Staff of the Commission ("Staff") should be directed to investigate the IRP and file testimony and exhibits containing its findings and recommendations. Further, we find that a Hearing Examiner should be appointed to rule on all discovery matters that arise during the course of this proceeding, including the Company's Motion for Protective Ruling.

The Commission takes judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. The Commission has taken certain actions, and may take additional actions going forward, which could impact the procedures in this proceeding.¹⁰

⁹ *Id.* at 2. See also *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); *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, Doc. Con. Cen. No. 210630141, Order (June 16, 2021).

¹⁰ See, e.g., *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic Service of Commission Orders*, Case No. CLK-2020-00004, Doc. Con. Cen. No. 200330035, Order Concerning Electronic Service of Commission Orders (Mar. 19, 2020), *extended by* Doc. Con. Cen. No. 200520105, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); *Commonwealth of Virginia, ex rel., State Corporation Commission, Ex Parte: Revised Operating Procedures During COVID-19 Emergency*, Case No. CLK-2020-00005, Doc. Con. Cen. No. 200330042, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (Mar. 19, 2020) ("Revised Operating Procedures Order"), *extended by* Doc. Con. Cen. No. 200520105, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic service among parties during COVID-19 emergency*, Case No. CLK-2020-00007, Doc. Con. Cen. No. 200410009, Order Requiring Electronic Service (Apr. 1, 2020).

Consistent with these actions, 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) This matter is docketed and assigned Case No. PUR-2022-00051.

(2) All pleadings, briefs, or other documents required to be served 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.¹¹

(3) 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.

(4) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to

¹¹ As noted in the Revised Operating Procedures Order, submissions to the Commission's Clerk's Office via U.S. mail or commercial mail equivalents may be subject to delayed processing due to the COVID-19 public health issues.

rule on any discovery matters that may arise during the course of this proceeding, including the Company's Motion for Protective Ruling.

(5) The Commission hereby schedules a telephonic hearing for the receipt of testimony from public witnesses on the IRP, as follows:

- (a) A hearing for the receipt of testimony from public witnesses on the IRP shall be convened telephonically at 10 a.m., on October 24, 2022, with no witness present in the Commission's courtroom.¹²
- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before October 19, 2022, 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 October 24, 2022, the Commission will telephone sequentially each person who has signed up to testify as provided above. This hearing will not be convened, and the parties will be notified of such, if no person signs up to testify as a public witness.
- (e) This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(6) A hearing on the IRP shall be convened at 10 a.m. on October 25, 2022, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony and evidence offered by the Company, any respondents, and the Staff.

(7) An electronic copy of the public version of the Company's IRP may be obtained by submitting a written request to counsel for the Company, Noelle J. Coates, Esquire, American

¹² The Commission will convene counsel of record in this proceeding to attend the public witness hearing virtually.

Electric Power Service Corporation, 3 James Center, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219, or njcoates@aep.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.

(8) On or before June 24, 2022, the Company shall cause the following notice to be published as display advertising (not classified) on one occasion in newspapers of general circulation throughout the Company's Virginia service territory:

NOTICE TO THE PUBLIC OF A
FILING BY APPALACHIAN POWER COMPANY OF ITS
INTEGRATED RESOURCE PLAN
CASE NO. PUR-2022-00051

On April 29, 2022, Appalachian Power Company ("APCo" or "Company") filed with the State Corporation Commission ("Commission") the Company's 2022 Integrated Resource Plan ("IRP") pursuant to § 56-599 of the Code of Virginia ("Code").

An IRP, as defined by § 56-597 of the Code, is "a document developed by an electric utility that provides a forecast of its load obligations and a plan to meet those obligations by supply side and demand side resources over the ensuing 15 years to promote reasonable prices, reliable service, energy independence, and environmental responsibility." Pursuant to § 56-599 D of the Code, the Commission determines whether an IRP is reasonable and in the public interest and must make such determination within nine months of the date of filing.

APCo states that it serves both retail and wholesale customers located in Virginia, West Virginia, and Tennessee, including approximately 542,000 retail electric customers in Virginia. APCo further states that that the peak load requirement of its total retail and wholesale customers is seasonal in nature, with distinctive peaks occurring in the summer and winter seasons.

APCo states that its IRP, based upon various assumptions, provides an optimized selection of resources that balances the Company's obligations for capacity and renewable energy requirements under the Virginia Clean Economy Act, while also meeting ongoing PJM reliability and capacity obligations. According to the Company, the IRP encompasses the 15 year planning period from 2022 to 2036 and is based on the Company's

current long-term assumptions regarding customer load requirements, commodity prices, supply-side alternative costs, transmission and distribution planning, and demand side management program costs and impacts. In addition, the Company considered the effect of environmental rules.

Section 56-599 B of the Code requires, among other things, that an IRP evaluate: (i) the effect of current and pending environmental regulations upon the continued operation of existing electric generation facilities or options for construction of new electric generation facilities; and (ii) the most cost-effective means of complying with current and pending environmental regulations. APCo states that the IRP "considers the potential cost associated with some form of future regulation of carbon emissions, during the planning period, even though there is uncertainty as to the timing and form future carbon regulation may take."

APCo also notes that it has complied with directives in recent Commission Orders.

The Commission has taken judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. In accordance therewith, all pleadings, briefs, or other documents required to be served 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 and Procedure ("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.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice, the Commission has directed that service on parties and the Commission's Staff in this matter shall be accomplished by electronic means. Please refer to the Commission's Order for Notice and Hearing for further instructions concerning Confidential or Extraordinarily Sensitive Information.

The Commission entered an Order for Notice and Hearing that, among other things, scheduled public hearings on APCo's IRP. On October 24, 2022, at 10 a.m., the Commission will hold a telephonic hearing, with no witness present in the Commission's

courtroom, for the purpose of receiving the testimony of public witnesses. On or before October 19, 2022, 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.

On October 25, 2022, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, a hearing will be convened to receive testimony and evidence from the Company, any respondents, and the Commission's Staff.

An electronic copy of the public version of the Company's IRP may be obtained by submitting a written request to counsel for the Company, Noelle J. Coates, Esquire, American Electric Power Service Corporation, 3 James Center, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219, or njcoates@aep.com.

On or before October 19, 2022, any interested person may submit comments on the IRP 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 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-2022-00051.

On or before August 5, 2022, 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. Such notice of participation shall include the email addresses of such parties or their counsel, if available. A copy of the notice of participation as a respondent also must be sent to counsel for 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-2022-00051.

On or before September 2, 2022, 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 Staff, the Company, and all other respondents simultaneous with its filing. In all filings, the respondent shall comply with the Rules of Practice, including 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-2022-00051.

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, APCo's IRP, 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.

APPALACHIAN POWER COMPANY

(9) On or before June 24, 2022, 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 in which the Company provides service in the Commonwealth of Virginia: 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 by

either personal delivery or first class mail to the customary place of business or residence of the person served.

(10) On or before July 8, 2022, the Company shall provide proof of the notice and service required by Ordering Paragraphs (8) and (9), including the name, title, and address of each official served, with the Clerk of the Commission at scc.virginia.gov/clk/efiling/.

(11) On or before July 1, 2022, the Company shall file with the Clerk of the Commission any testimony and exhibits in support of its IRP. Each witness's testimony shall include a summary not to exceed one page and shall specify those portions of the IRP that the witness will sponsor at the hearing. In lieu of prefiled testimony and exhibits, the Company may file with the Clerk of the Commission, on or before July 1, 2022, a document in which the Company: (a) identifies witnesses who will appear and offer testimony in support of the Company's IRP at the hearing; (b) specifies those portions of the IRP that such witnesses will adopt and support as their testimony at the hearing; and (c) includes a summary not to exceed two pages of each such witness's testimony. The Company shall serve copies thereof on counsel for all respondents and the Staff.

(12) On or before October 19, 2022, any interested person may submit comments on the IRP 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 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-2022-00051.

(13) On or before August 5, 2022, 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. Such notice of participation shall include the email addresses of such parties or their counsel, if available. A copy of the notice of participation as a respondent also must be sent to counsel for 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-2022-00051.

(14) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon the respondent a copy of this Order for Notice and Hearing and a copy of the public version of the IRP, unless these materials have already been provided to the respondent.

(15) On or before September 2, 2022, 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 Staff, the Company, and all other respondents simultaneous with its filing. In all filings, the respondent shall comply

with the Rules of Practice, including 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-2022-00051.

(16) On or before September 19, 2022, the Staff shall investigate the IRP and shall file with the Clerk of the Commission its testimony and exhibits concerning the IRP. Each Staff witness's testimony shall include a summary not to exceed one page. The Staff shall serve a copy thereof on counsel to APCo and all respondents.

(17) On or before October 3, 2022, the Company 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.

(18) 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.

(19) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories to parties 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, 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 above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(20) This matter is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to:

Noelle J. Coates, Esquire, American Electric Power Service Corporation, 3 James Center, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219, njcoates@aep.com; James R. Bacha, Esquire, American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio 43215, jrbacha@aep.com; and C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219, MBrowder@oag.state.va.us.

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-2022-00051, in the appropriate box.