## **COMMONWEALTH OF VIRGINIA**

## STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 7, 2024

GOO - CLERK'S CHEVE COO ROTHE CONTROL DESTRA

APPLICATION OF

2024 CCT -7 P 3: 42

VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUR-2024-00165

For authority to adjust its service territory boundary and to amend its certificate of public convenience and necessity pursuant to the Utility Facilities Act, Va. Code § 56-265.3

## ORDER FOR NOTICE AND COMMENT

On September 5, 2024, pursuant to § 56-265.3 D of the Code of Virginia ("Code"), Virginia-American Water Company ("VAWC" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") requesting approval to adjust its service territory boundary and to amend its certificate of public convenience and necessity ("CPCN") to allow Prince William County Service Authority ("Service Authority") to provide wastewater services to certain areas in Prince William County that are currently within the Company's certificated service territory, and approval for the Company to provide wastewater services to areas currently within which the Service Authority would otherwise provide service. 

1. \*\*Total Company\*\* ("Code")\*\*

1. \*\*Total Company\*\* ("Code")\*\*

2. \*\*Total Company\*\* ("Code")\*\*

3. \*\*Total Code ("Code")\*\*

4. \*\*Total Company\*\* ("Code")\*\*

4. \*\*Total Code ("Code ("Cod

The Application states that, on March 14, 2024, VAWC and the Service Authority entered into an agreement to move the existing boundary line between the Company and the Service Authority ("Existing Boundary Line") in a portion of Prince William County ("Quartz District") from the intersection of the Prince William County Parkway and Minnieville Road to a new location ("Proposed Boundary Line").<sup>2</sup> Currently, the Service Authority's service area in the

<sup>&</sup>lt;sup>1</sup> Application at 1.

<sup>&</sup>lt;sup>2</sup> *Id*. at 2.

Quartz District covers approximately 71.30 acres, while VAWC's service area covers approximately 62.04 acres.<sup>3</sup> VAWC states that the Company and the Service Authority propose to adjust the Existing Boundary Line to allow the Service Authority to provide wastewater service to approximately 92.16 acres in the Quartz District lying to the east of the Proposed Boundary Line, and allow VAWC to provide wastewater service to the roughly 41.18 acres west of the Proposed Boundary Line.<sup>4</sup> The Company states that this adjustment will provide the most efficient and reliable sanitary sewer option for the Quartz District as it aligns with the natural drainage divides in the area.<sup>5</sup> Additionally, the Company states that the existing topography prevents VAWC's gravity sewer system from fully servicing the Quartz District at this time.<sup>6</sup>

VAWC states that the establishment of the Proposed Boundary Line is in the public interest, first, because it will provide the most efficient and reliable wastewater option for the Quartz District.<sup>7</sup> Secondly, the Company states that it has the financial, technical, and managerial experience to economically and efficiently serve the 41.18 acres west of the Proposed Boundary Line under the terms of its existing tariffs on file with the Commission.<sup>8</sup> VAWC further states that amending the Company's CPCN to accommodate this adjustment will facilitate

<sup>&</sup>lt;sup>3</sup> *Id.* at 3.

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id*.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> Id.

<sup>8 1</sup>d. at 3-4.

the development of the Quartz District into a multi-use residential and commercial zone that will produce additional revenues and community benefits.<sup>9</sup>

Finally, the Company also requests that the Commission provide the public reasonable notice and opportunity to be heard regarding this Application in accordance with Code § 56-265.3 D.<sup>10</sup>

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; VAWC should provide public notice of its Application to the Service Authority, affected landowners, and local officials in Prince William County; interested persons shall have the opportunity to file notices of participation, comments or a request for hearing on the Application; Commission Staff ("Staff") may file a Staff Report or comments on the Application; VAWC should have the opportunity to respond to any Staff Report, comments or requests for hearing filed in this proceeding; and a Hearing Examiner should be assigned to conduct further proceedings in this matter related to discovery and other pre-hearing matters on behalf of the Commission.

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 case is docketed and assigned Case No. PUR-2024-00165.

<sup>&</sup>lt;sup>9</sup> *Id*.at 4.

<sup>10</sup> Id.

- (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 and Procedure ("Rules of Practice"). 11 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 Office of the Clerk of the Commission Document Control Center at (804) 371-9838 to arrange the delivery.
- (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, 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 Commission's Clerk's office, so that no party or 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 rule on any discovery matters and motions *pro hac vice* that may arise during the course of this proceeding. 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.<sup>12</sup>

<sup>11 5</sup> VAC 5-20-10 et seq.

<sup>&</sup>lt;sup>12</sup> Such electronic copies shall be sent to: <u>OHEParalegals@scc.virginia.gov</u>.

- (5) An electronic copy of the Application may be obtained by submitting a written request to counsel for the Company: Timothy E. Biller, Esquire, and Andrea D. Gardner, Esquire, Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219, or <a href="mailto:tbiller@huntonak.com">tbiller@huntonak.com</a> or <a href="mailto:agardner@huntonak.com">agardner@huntonak.com</a>. Interested persons may also download unofficial copies from the Commission's website: <a href="mailto:scc.virginia.gov/pages/Case-Information">scc.virginia.gov/pages/Case-Information</a>.
- (6) On or before October 25, 2024, VAWC shall cause the following notice to be sent to the Service Authority, all affected landowners<sup>13</sup> and local officials<sup>14</sup> in Prince William County, together with a copy of the sketch map attached to the Application at Exhibit 1 to Attachment A:

NOTICE TO THE PUBLIC OF AN APPLICATION BY VIRGINIA-AMERICAN WATER COMPANY FOR AUTHORITY TO ADJUST ITS SERVICE TERRITORY AND TO AMEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY PURSUANT TO THE UTILITY FACILITIES ACT, VA. CODE § 56-265.3

CASE NO. PUR-2024-00165

On September 5, 2024, pursuant to § 56-265.3 D of the Code of Virginia ("Code"), Virginia-American Water Company ("VAWC" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") requesting approval to adjust its service territory boundary and to amend its certificate of public convenience and necessity ("CPCN") to allow Prince William County Service Authority ("Service Authority") to provide wastewater services to certain areas in Prince William County that are currently within the Company's certificated service territory, and approval for the

<sup>&</sup>lt;sup>13</sup> Affected landowners include those that hold property within the confines of both the 92.16 acres to be served by the Service Authority and the 41.18 acres to be served by VAWC. The requirement to provide service to the affected landowners shall be satisfied by mailing to such persons at such addresses as are indicated in the land books maintained by the commissioner of revenue, director of finance, treasurer or other officer of the county designated as provided by Code § 58.1-3100 et. seq.

<sup>&</sup>lt;sup>14</sup> Such service shall include the following local officials, to the extent the position exists in Prince William County: the chairman of the board of supervisors; the mayor or manager (or equivalent official); and the county 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.

Company to provide wastewater services to areas currently within which the Service Authority would otherwise provide service.

The Application states that, on March 14, 2024, VAWC and the Service Authority entered into an agreement to move the existing boundary line between the Company and the Service Authority ("Existing Boundary Line") in a portion of Prince William County (the "Quartz District") from the intersection of the Prince William County Parkway and Minnieville Road to a new location (the "Proposed Boundary Line"). Currently, the Service Authority's service area in the Quartz District covers approximately 71.30 acres, while VAWC's service area covers approximately 62.04 acres. VAWC states that the Company and the Service Authority propose to adjust the Existing Boundary Line to allow the Service Authority to provide wastewater service to approximately 92.16 acres in the Quartz District lying to the east of the Proposed Boundary Line, and allow VAWC to provide wastewater service to the roughly 41.18 acres west of the Proposed Boundary Line. The Company states that this adjustment will provide the most efficient and reliable sanitary sewer option for the Quartz District as it aligns with the natural drainage divides in the area. Additionally, the existing topography prevents VAWC's gravity sewer system from fully servicing the Quartz District at this time.

VAWC states that the establishment of the Proposed Boundary Line is in the public interest, first, because it will provide the most efficient and reliable wastewater option for the Quartz District. Secondly, the Company states that it has the financial, technical, and managerial experience to economically and efficiently serve the 41.18 acres west of the Proposed Boundary Line under the terms of its existing tariffs on file with the Commission. VAWC further states that amending the Company's CPCN to accommodate this adjustment will drive the Quartz District as a multi-use residential and commercial zone that will produce additional revenues and community benefits.

Finally, the Company also requests that the Commission provide the public reasonable notice and opportunity to be heard regarding this Application in accordance with Virginia Code § 56-265.3 D.

The details of these and other proposals are set forth in the Application, along with a detailed map of the proposed, revised VAWC service territory. Interested persons are encouraged to

review the Application and supporting exhibits for the details of these proposals.

The Commission entered an Order for Notice and Comment that, among other things, directed the Company to provide public notice of its Application and an opportunity to comment or request a hearing on the Application.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of documents and pleadings, unless they contain confidential information, and required electronic service on parties to this proceeding. 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.

An electronic copy of the Application may be obtained by submitting a written request to counsel for VAWC: Timothy E. Biller, Esq., and Andrea D. Gardner, Esq., Hunton Andrews Kurth LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219, or <a href="mailto:tbiller@huntonak.com">tbiller@huntonak.com</a> or <a href="mailto:agardner@huntonak.com">agardner@huntonak.com</a>. Interested persons may also download unofficial copies of the Application and other documents filed in this case from the Commission's website: <a href="mailto:scc.virginia.gov/pages/Case-Information">scc.virginia.gov/pages/Case-Information</a>.

On or before November 22, 2024, any interested person may file comments on the Application electronically by following the instructions found on the Commission's website: <a href="mailto:scc.virginia.gov/casecomments/Submit-Public-Comments">scc.virginia.gov/casecomments/Submit-Public-Comments</a>. 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-2024-00165.

On or before November 22, 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. Such notice of participation shall include the email address 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 Rule 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 known; and (iii) the factual and legal basis for the action. Any organization, corporation, or governmental body participating as a respondent must be represented by counsel as required by Rule 5 VAC-20-30, Counsel, of the Rules of Practice. All filings shall refer to Case No. PUR-2024-00165.

On or before November 22, 2024, any interested person or entity may file with the Clerk of the Commission at scc.virginia.gov/clk/efiling a request that the Commission convene a hearing on the Application. Those unable, as a practical matter, to file a request for hearing electronically may file such request for hearing by U.S. mail to the Clerk of the Commission at the address listed above. Such request for hearing shall include the email address of the filer or its counsel, if available. Requests for a hearing must include: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. The interested person shall simultaneously serve a copy of the hearing request on counsel to the Company at the address set forth above. All requests for a hearing shall refer to Case No. PUR-2024-00165.

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 Comment, 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 Rules of Practice, the Commission's Order for Notice and Comment, 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

- (7) On or before November 15, 2024, the Company shall file with the Clerk of the Commission by filing electronically at <a href="scc.virginia.gov/clk/efiling">scc.virginia.gov/clk/efiling</a>, proof of the service required by Ordering Paragraph (6) above, including the name, title, address, and electronic mail address (if applicable) of each person served at the Service Authority and each local official served. The Company shall also file with the Clerk of the Commission, a certificate of the mailing of notice to the affected landowners served but shall not include the names and addresses of the owners of such property, and instead, shall maintain a record of such information.
- (8) On or before November 22, 2024, any interested person or entity may file comments on the Application 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-2024-00165.
- (9) On or before November 22, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at <a href="mailto:scc.virginia.gov/clk/efiling">scc.virginia.gov/clk/efiling</a>. 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 (8). Such notice of participation shall include the email addresses of such parties or their counsel. 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 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-2024-00165.

- (10) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve a copy of the Application on the respondent, unless these materials have already been provided to the respondent.
- (11) On or before November 22, 2024, any interested person or entity may file with the Clerk of the Commission at <a href="scc.virginia.gov/clk/efiling">scc.virginia.gov/clk/efiling</a> a request that the Commission convene a hearing on the Company's Application. Those unable, as a practical matter, to file a request for hearing electronically may file such request for hearing by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (8). Such request for hearing shall include the email address of the filer or its counsel, if available. Requests for hearing must include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. A copy of such hearing request shall simultaneously be served on counsel to the Company at the address set forth in Ordering Paragraph (5). All such filings shall refer to Case No. PUR-2024-00165.
- (12) On or before November 27, 2024, VAWC shall file with the Clerk of the Commission its response to any request for hearing filed in this matter. The Company shall serve a copy of such response on Staff, any respondents, and the interested person or entity requesting a hearing.
- (13) On or before December 3, 2024, Staff may file with the Clerk of the Commission any comments and/or a Staff Report containing its findings and recommendations. A copy thereof shall be served on counsel to the Company and all respondents.

- (14) On or before December 19, 2024, VAWC shall file with the Clerk of the Commission and serve on the Staff and any respondents any response in rebuttal to the Staff Comments or Report, and any response to comments filed by interested persons or entities in this proceeding. The Company shall serve a copy of its response on Staff and all respondents.
- (15) 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.
- (16) 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 five (5) business 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 Staff. Except as modified herein, discovery shall be in accordance with Part IV of the Rules of Practice, 5 VAC 5-20-240 et seq.
  - (17) This matter is continued.

<sup>&</sup>lt;sup>15</sup> The assigned Staff attorney is identified on the Commission's website, <u>scc.virginia.gov/pages/Case-Information</u>, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2024-00165, in the appropriate box.

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