

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, APRIL 11, 2024

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PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00045

and

OSW PROJECT LLC

For approval and authority to transfer utility assets, and amend certificate, assign certain permits, leases, contracts, and real estate interests, under Chapters 5 and 10.1 of Title 56 of the Code of Virginia

ORDER FOR NOTICE AND HEARING

In Case No. PUR-2021-00142, Virginia Electric and Power Company ("Dominion" or "Company") sought, and received, approval from the State Corporation Commission ("Commission") for: (i) construction of the Coastal Virginia Offshore Wind Commercial Project ("Project" or "CVOW Project"), to be located in a federal lease area beginning approximately 24 nautical miles off the coast of Virginia Beach, Virginia, and its related power export facilities; (ii) a certificate of public convenience and necessity ("CPCN") for electric interconnection and transmission facilities associated with the Project; and (iii) a rate adjustment clause, designated Rider OSW, for the recovery of costs associated with the Project.¹ As part of its approval, the

¹ *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, 2022 S.C.C. Ann. Rept. 287, Final Order (Aug. 5, 2022).*

Commission adopted certain consumer protections for the Project and directed Dominion to file annual Rider OSW update proceedings.²

Thereafter, during its 2023 Session, the Virginia General Assembly enacted Chapter 510 (SB 1477) of the 2023 Virginia Acts of Assembly, which became effective on July 1, 2023 ("Chapter 510"). Among other things, Chapter 510 amended Code § 56-585.1:11 ("Section 1:11") to authorize a Phase II Utility, such as Dominion, to establish an offshore wind affiliate for the purpose of securing a noncontrolling equity financing partner in a qualifying offshore wind project, subject to Commission approval.³ Chapter 510 also permits an offshore wind affiliate to construct, own, or operate a qualifying offshore wind project, or a portion thereof, and to operate as a public utility in association with the Phase II Utility.⁴

As authorized by Section 1:11, on March 28, 2024, Dominion and OSW Project LLC ("ProjectCo") (collectively, "Petitioners") filed a petition ("Petition") with the Commission in the present docket pursuant to Chapter 4 of Title 56 of the Code ("Affiliates Act"),⁵ Chapter 5 of

² *Id.* At the request of Dominion and six respondents, the Commission subsequently struck the "performance standard" set forth on pages 15-16 of the Final Order and replaced it with alternative requirements. *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, 2022 S.C.C. Ann. Rept. 305, 307, Order on Reconsideration (Dec. 15, 2022).* The Company has since filed two annual updates to Rider OSW, Case No. PUR-2022-00187, and Case No. PUR-2023-00195, which is currently pending before the Commission. *See 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, Case No. PUR-2022-00187, Doc. Con. Cen. No. 230720087, Final Order (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, 2024, Case No. PUR-2023-00195, Doc. Con. Cen. No. 231110053, Application (Nov. 1, 2023).*

³ *See* Code § 56-585.1:11 G.

⁴ *Id.* The legislation further provides that the affiliate is entitled to all rights and privileges of a public utility in connection with the qualifying wind project.

⁵ Code §§ 56-76 *et seq.*

Title 56 of the Code ("Utility Transfers Act"),⁶ Chapter 10.1 of Title 56 of the Code ("Utility Facilities Act"),⁷ and, to the extent the Commission deems necessary, Chapter 3 of Title 56 of the Code ("Securities Act").⁸ In the Petition, the Petitioners seek: (i) approval to enter into proposed affiliate agreements ("Affiliate Agreements") related to the CVOW Project ("Affiliates Act Request");⁹ (ii) approval to transfer the CVOW Project's assets from Dominion to ProjectCo, to assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and to amend the CPCN issued in Case No. PUR-2021-00142 ("Utility Transfers Act and Utility Facilities Act Requests");¹⁰ (iii) authority for ProjectCo to issue ownership shares to the Company and its noncontrolling equity partner, Dunedin Member LLC ("Stonepeak Member"), should the Commission deem such authority to be necessary ("Securities Act Request");¹¹ and (iv) a finding that ProjectCo may furnish public utility service in association with Dominion pursuant to the Company's existing CPCN ("Other Requests").¹²

Overview of the Proposed Transaction

The Petitioners are seeking approval to establish ProjectCo as an offshore wind affiliate and to transfer the CVOW Project from Dominion to ProjectCo.¹³ Thus, if the Petition is approved, ProjectCo, a direct subsidiary of Dominion, would own the offshore wind facilities

⁶ Code §§ 56-88 *et seq.*

⁷ Code §§ 56-265.1 *et seq.*

⁸ Code §§ 56-55 *et seq.*

⁹ Petition at 1, 22.

¹⁰ *Id.* at 1-2.

¹¹ *Id.* at 2.

¹² *Id.*

¹³ *Id.* at 8.

that comprise the CVOW Project, including its 176 wind turbine generators, related power export facilities, and onshore transmission infrastructure connecting the Project to the electric grid.¹⁴ Dominion would transfer the Project's assets to ProjectCo, assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and amend the CPCN issued in Case No. PUR-2021-00142 to allow ProjectCo to construct and operate all electric interconnection and transmission facilities associated with the Project on the generation side of the PJM Interconnection, L.L.C. ("PJM") point of interconnection to the transmission grid (collectively, "CVOW Property").¹⁵ As set forth in the Petition, Dominion would transfer all CVOW Property to ProjectCo at cost/net book value without a premium or discount.¹⁶ Dominion would continue to develop and operate the Project and would act as the project manager in procurement, development, construction, operation, management, maintenance and decommissioning.¹⁷ Dominion would also maintain control of the governance of ProjectCo, subject to certain customary minority rights of Stonepeak Member.¹⁸

According to the Petitioners, the arrangement would be seamless to Dominion's customers, as Dominion would continue to be the load serving entity for all Virginia retail customers, customers would not experience a change in the way they are billed for CVOW

¹⁴ *Id.* at Attachment A (Transaction Summary), p. 1.

¹⁵ *Id.* at 1, Attachment A (Transaction Summary), p. 2. ProjectCo would sell the energy output from the CVOW Project into PJM, and associated energy revenues would be credited against the costs of the Project just as if the Company sold the energy into the market. *Id.* at 19.

¹⁶ *Id.* at Attachment A (Transaction Summary), p. 2.

¹⁷ *Id.* at 14, Attachment A (Transaction Summary), p. 2. In doing so, the Company would provide certain project management services to ProjectCo, as ProjectCo would not have any employees or officers. *Id.*

¹⁸ *Id.* at 9, Attachment A (Transaction Summary), p. 2.

Project-related costs, and cost recovery would not materially change¹⁹ as a result of the transfer of the CVOW Project from Dominion to ProjectCo.²⁰

As part of and through this proposed arrangement, Dominion has agreed to sell a 50% interest in the CVOW Project to Stonepeak Member.²¹ Stonepeak Member is a company that was formed for the sole purpose of investing in ProjectCo.²² If the Petition is approved, Stonepeak Member would fund 50% of the projected capital costs of the CVOW Project.²³ As such, Stonepeak would initially contribute one-half of the approximately \$6.4 billion invested capital (rate base) of the Project, or approximately \$3.2 billion, to ProjectCo, which would then be distributed from ProjectCo to Dominion as reimbursement for Stonepeak Member's 50% interest in the Project.²⁴ Following this initial contribution, Dominion and Stonepeak Member would contribute capital throughout the construction period to fund the CVOW Project's completion on a 50/50 basis.²⁵ According to the Petitioners, in the event the Project exceeds its

¹⁹ The Petitioners state there would be two minor changes to Rider OSW, with both changes being cost-neutral for customers. The Petitioners propose to include operations and maintenance expense charges for Project-related direct labor and Project-related uncollectible expenses in Rider OSW. Inclusion of those charges in Rider OSW would be offset by a corresponding reduction to the cost of service in base rates. *Id.* at 11.

²⁰ *Id.* at 9-10, 19. ProjectCo would be compensated for the CVOW Project and its service to customers through the existing Rider OSW. Going forward, the Petitioners anticipate that Dominion and ProjectCo would file Rider OSW as co-applicants, with the Company acting as the billing agent for ProjectCo. The Petitioners further assert that the partnership would not alter any aspect of the pending Rider OSW application in Case No. PUR-2023-00195. *Id.* at 10.

²¹ *Id.* at 8.

²² *Id.* at Attachment A (Transaction Summary) at 1. Stonepeak Member is indirectly controlled by Stonepeak GP Investors Holdings Manager LLC ("Stonepeak Parent"). Collectively, Stonepeak Member and Stonepeak Parent, together with the entities (other than portfolio companies), investment funds, and investment vehicles, directly or indirectly owned, managed, or controlled by Stonepeak Parent, will be referred to herein as "Stonepeak." *See id.*

²³ *Id.* at Attachment A (Transaction Summary), p. 2.

²⁴ *Id.* The anticipated total cost of the CVOW Project is \$9.8 billion. The Company anticipates that it will have spent approximately \$6.4 billion on the Project as of the time the transaction is expected to close. *Id.* at 19.

²⁵ *Id.* at 10.

currently projected construction cost estimate, the Affiliate Agreements establish robust cost sharing arrangements, including meaningful protection for Dominion and its customers from any unforeseen Project cost increases.²⁶ Thus, the Petitioners assert that the partnership with Stonepeak Member would reduce the financial burdens and risks associated with the Project's development and operation.²⁷

Significantly, the Petitioners state that Dominion has agreed to sell a 50% *noncontrolling* interest in the Project to Stonepeak Member.²⁸ In other words, while Stonepeak Member would have a 50% ownership share in ProjectCo, it would not have control over management of ProjectCo from a governance perspective. Such controlling interest would instead be maintained by Dominion.²⁹

Utility Transfers Act and Utility Facilities Act Requests

Through the Petition, the Petitioners seek approval to transfer the CVOW Project's assets from Dominion to ProjectCo.³⁰ This would be accomplished through the transfer of the assets, permits, leases, contracts, and real estate interests that comprise the CVOW Property, including the amendment of the CPCN issued in Case No. PUR-2021-00142 pursuant to the Utility Facilities Act.³¹ The Petitioners assert that approval of the proposed transfer would preserve the customer protections adopted by the Commission in Case No. PUR-2021-00142, maintain the

²⁶ *Id.*

²⁷ *Id.* at 8.

²⁸ *Id.*

²⁹ *Id.* at 12.

³⁰ *Id.* at 8.

³¹ *Id.* at 1-2, Attachment A (Transaction Summary), p. 2.

Commission's ongoing regulatory authority to ensure Project costs are reasonable and prudent, and in no way impair or jeopardize adequate service to the public at just and reasonable rates.³²

Other Requests

The Petitioners state that, given the provisions of Section 1:11, they do not believe that ProjectCo's activities require the issuance of an independent CPCN to ProjectCo to furnish public utility service pursuant to Code § 56-265.3.³³ As such, the Petitioners are seeking a finding that ProjectCo may operate "in association with" Dominion pursuant to the Company's existing CPCN.³⁴ The Petitioners have also requested any further relief as deemed necessary and appropriate to authorize the activities and transactions included in the Petition, which would be considered as part of the Other Requests.³⁵

Order Bifurcating Case

In an Order Bifurcating Case entered in both the present proceeding and Case No. PUR-2024-00053, the Commission established separate dockets to consider the relief requested in the Petition. Specifically, the Commission determined that it would evaluate the Affiliates Act Requests and Securities Act Requests in Case No. PUR-2024-00053, while all other matters, including but not limited to the Utility Transfers Act and Utility Facilities Act Requests and the Other Requests (collectively "Remaining Requests"), would be evaluated in the present docket, Case No. PUR-2024-00045. The Commission also noted in its Order Bifurcating Case that

³² *Id.* at 19-20.

³³ *Id.* at 11.

³⁴ *Id.*

³⁵ *Id.* at 22.

subsequent Orders would be filed in each docket providing additional details on future procedures, including opportunities for participation, in the respective cases.

Motion for Protective Ruling

In conjunction with the filing of its Petition on March 28, 2024, the Petitioners filed a motion for the entry of a protective order and additional protective treatment ("Motion for Protective Ruling") and a proposed protective order that establishes procedures governing the use of confidential and extraordinarily sensitive information in this proceeding.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the Petitioners should provide public notice of Remaining Requests under review in this proceeding; a hearing should be scheduled for the purpose of receiving testimony from public witnesses and evidence on the Remaining Requests under review in this docket; interested persons should have an opportunity to file comments or to participate as respondents in this proceeding; and Commission Staff ("Staff") should be directed to investigate the Remaining Requests under review in this docket and file testimony and exhibits containing its findings and recommendations thereon. We also appoint a Hearing Examiner to rule on any discovery matters that arise on behalf of the Commission, including ruling on the Motion for Protective Ruling, and on any motions *pro hac vice* filed in this proceeding.

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 or extraordinarily sensitive 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 and Procedure ("Rules of Practice").³⁶ 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 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) 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 rule on any discovery matters that arise in this proceeding, including ruling on the Motion for Protective Ruling, and any motions *pro hac vice* filed in this proceeding. A copy of each such filing made with the Office of the Clerk in this matter shall also be sent electronically to the Office of the Hearing Examiners.³⁷

³⁶ 5 VAC 5-20-10 *et seq.*

³⁷ Such electronic copies shall be sent to OHEParalegals@scc.virginia.gov.

(4) The Commission hereby schedules a telephonic hearing for the receipt of testimony from public witnesses on the Remaining Requests under review in this proceeding, as follows:

- (a) A hearing for the receipt of testimony from public witnesses shall be convened telephonically at 10 a.m. on August 27, 2024.
- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before August 20, 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 August 27, 2024, the Commission will telephone sequentially each person who has signed up to testify as provided above.
- (e) This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(5) The evidentiary portion of the hearing in this matter shall be convened at 10 a.m. on August 27, 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 Petitioners, any respondents, and Staff.

(6) An electronic copy of the public version of the Petition may be obtained by submitting a written request to counsel for the Petitioners: Vishwa B. Link, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or vlink@mcguirewoods.com. Interested persons also may download unofficial copies of the public version of the Petition from the Commission's website: scc.virginia.gov/pages/Case-Information.

(7) On or before May 3, 2024, the Petitioners shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout Dominion's service territory within Virginia:

NOTICE TO THE PUBLIC OF A PETITION BY
VIRGINIA ELECTRIC AND POWER COMPANY
AND OSW PROJECT LLC
FOR APPROVAL AND AUTHORITY TO TRANSFER
UTILITY ASSETS, AMEND CERTIFICATE, AND ASSIGN
CERTAIN PERMITS, LEASES, CONTRACTS, AND REAL
ESTATE INTERESTS
CASE NO. PUR-2024-00045

In Case No. PUR-2021-00142, Virginia Electric and Power Company ("Dominion" or "Company") sought, and received, approval from the State Corporation Commission ("Commission") for: (i) construction of the Coastal Virginia Offshore Wind Commercial Project ("Project" or "CVOW Project"), to be located in a federal lease area beginning approximately 24 nautical miles off the coast of Virginia Beach, Virginia, and its related power export facilities; (ii) a certificate of public convenience and necessity ("CPCN") for electric interconnection and transmission facilities associated with the Project; and (iii) a rate adjustment clause, designated Rider OSW, for the recovery of costs associated with the Project. As part of its approval, the Commission adopted certain consumer protections for the Project and directed Dominion to file annual Rider OSW update proceedings.

Thereafter, during the 2023 Session, the Virginia General Assembly enacted Chapter 510 (SB 1477) of the 2023 Virginia Acts of Assembly, which became effective on July 1, 2023 ("Chapter 510"). Among other things, Chapter 510 amended Code § 56-585.1:11 ("Section 1:11") to authorize a Phase II Utility, such as Dominion, to establish an offshore wind affiliate for the purpose of securing a noncontrolling equity financing partner in a qualifying offshore wind project, subject to Commission approval. Chapter 510 also permits an offshore wind affiliate to construct, own, or operate a qualifying offshore wind project, or a portion thereof, and to operate as a public utility in association with the Phase II Utility.

As authorized by Section 1:11, on March 28, 2024, Dominion and OSW Project LLC ("ProjectCo") (collectively, "Petitioners") filed a petition ("Petition") with the Commission in

the present docket pursuant to Chapter 4 of Title 56 of the Code ("Affiliates Act"), Chapter 5 of Title 56 of the Code ("Utility Transfers Act"), Chapter 10.1 of Title 56 of the Code ("Utility Facilities Act"), and, to the extent the Commission deems necessary, Chapter 3 of Title 56 of the Code ("Securities Act"). In the Petition, the Petitioners sought: (i) approval to enter into proposed affiliate agreements ("Affiliate Agreements") related to the CVOW Project ("Affiliates Act Request"); (ii) approval to transfer the CVOW Project's assets from Dominion to ProjectCo, to assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and to amend the CPCN issued in Case No. PUR-2021-00142 ("Utility Transfers Act and Utility Facilities Act Requests"); (iii) authority for ProjectCo to issue ownership shares to the Company and its noncontrolling equity partner, Dunedin Member LLC ("Stonepeak Member"), should the Commission deem such authority to be necessary ("Securities Act Request"); and (iv) a finding that ProjectCo may furnish public utility service in association with Dominion pursuant to the Company's existing CPCN ("Other Requests").

Overview of the Proposed Transaction

The Petitioners are seeking approval to establish ProjectCo as an offshore wind affiliate and to transfer the CVOW Project from Dominion to ProjectCo. Thus, if the Petition is approved, ProjectCo, a direct subsidiary of Dominion, would own the offshore wind facilities that comprise the CVOW Project, including its 176 wind turbine generators, related power export facilities, and onshore transmission infrastructure connecting the Project to the electric grid. Dominion would transfer the Project's assets to ProjectCo, assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and amend the CPCN issued in Case No. PUR-2021-00142 to allow ProjectCo to construct and operate all electric interconnection and transmission facilities associated with the Project on the generation side of the PJM Interconnection, L.L.C. point of interconnection to the transmission grid (collectively, "CVOW Property"). As set forth in the Petition, Dominion would transfer all CVOW Property to ProjectCo at cost/net book value without a premium or discount. Dominion would continue to develop and operate the Project and would act as the project manager in procurement, development, construction, operation, management, maintenance and decommissioning. Dominion would also maintain control of the governance of ProjectCo, subject to certain customary minority rights of Stonepeak Member.

According to the Petitioners, the arrangement would be seamless to Dominion's customers, as Dominion would continue to be the load serving entity for all Virginia retail customers, customers would not experience a change in the way they are billed for CVOW Project-related costs, and cost recovery would not materially change as a result of the transfer of the CVOW Project from Dominion to ProjectCo.

As part of and through this proposed arrangement, Dominion has agreed to sell a 50% interest in the CVOW Project to Stonepeak Member. Stonepeak Member is a company that was formed for the sole purpose of investing in ProjectCo. Stonepeak Member is indirectly controlled by Stonepeak GP Investors Holdings Manager LLC ("Stonepeak Parent"). Collectively, Stonepeak Member and Stonepeak Parent, together with the entities (other than portfolio companies), investment funds, and investment vehicles, directly or indirectly owned, managed, or controlled by Stonepeak Parent, will be referred to herein as "Stonepeak." If the Petition is approved, Stonepeak Member would fund 50% of the projected capital costs of the CVOW Project. As such, Stonepeak would initially contribute one-half of the approximately \$6.4 billion invested capital (rate base) of the Project, or approximately \$3.2 billion, to ProjectCo, which would then be distributed from ProjectCo to Dominion as reimbursement for Stonepeak Member's 50% interest in the Project. Following this initial contribution, Dominion and Stonepeak Member would contribute capital throughout the construction period to fund the CVOW Project's completion on a 50/50 basis. According to the Petitioners, in the event the Project exceeds its currently projected construction cost estimate, the Affiliate Agreements establish robust cost sharing arrangements, including meaningful protection for Dominion and its customers from any unforeseen Project cost increases. Thus, the Petitioners assert that the partnership with Stonepeak Member would reduce the financial burdens and risks associated with the Project's development and operation.

Significantly, the Petitioners state that Dominion has agreed to sell a 50% *noncontrolling* interest in the Project to Stonepeak Member. In other words, while Stonepeak Member would have a 50% ownership share in ProjectCo, it would not have control over management of ProjectCo from a governance perspective. Such controlling interest would instead be maintained by Dominion.

Utility Transfers Act and Utility Facilities Act Requests

Through the Petition, the Petitioners seek approval to transfer the CVOW Project's assets from Dominion to ProjectCo. This would be accomplished through the transfer of the assets, permits, leases, contracts, and real estate interests that comprise the CVOW Property, including the amendment of the CPCN issued in Case No. PUR-2021-00142 pursuant to the Utility Facilities Act. The Petitioners assert that approval of the proposed transfer would preserve the customer protections adopted by the Commission in Case No. PUR-2021-00142, maintain the Commission's ongoing regulatory authority to ensure Project costs are reasonable and prudent, and in no way impair or jeopardize adequate service to the public at just and reasonable rates.

Other Requests

The Petitioners state that, given the provisions of Section 1:11, they do not believe that ProjectCo's activities require the issuance of an independent CPCN to ProjectCo to furnish public utility service pursuant to Code § 56-265.3. As such, the Petitioners are seeking a finding that ProjectCo may operate "in association with" Dominion pursuant to the Company's existing CPCN. The Petitioners have also requested any further relief as deemed necessary and appropriate to authorize the activities and transactions included in the Petition, which would be considered as part of the Other Requests.

Order Bifurcating Case

In an Order Bifurcating Case entered in both the present proceeding and Case No. PUR-2024-00053, the Commission established separate dockets to consider the relief requested in the Petition. Specifically, the Commission determined that it would evaluate the Affiliates Act Requests and Securities Act Requests in Case No. PUR-2024-00053, while all other matters, including but not limited to the Utility Transfers Act and Utility Facilities Act Requests and the Other Requests (collectively "Remaining Requests"), would be evaluated in the present docket, Case No. PUR-2024-00045.

Interested persons are encouraged to review Dominion's Petition and supporting documents in full for details about these and other proposals. Interested persons are also encouraged to review the information in Case No. PUR-2024-00053 for more information on the Affiliates Act Requests and Securities Act Requests.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled public hearings on the Remaining Requests under review in this proceeding. A hearing for the receipt of testimony from public witnesses shall be convened telephonically at 10 a.m. on August 27, 2024. On or before August 20, 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 August 27, 2024, the Commission will telephone sequentially each person who has signed up to testify as provided above.

On August 27, 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 Commission will convene a hearing to receive testimony and evidence from the Petitioners, 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 or extraordinarily sensitive information, and required electronic service on parties to this proceeding.

Electronic copies of the public version of the Petition may be obtained by submitting a written request to counsel for the Petitioners, Vishwa B. Link, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or vlink@mcguirewoods.com. Interested persons also may download unofficial copies of the public version of the Petition and other documents filed in this case from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before August 20, 2024, any interested person may submit comments on the matters under review in this proceeding 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 such comments shall refer to Case No. PUR-2024-00045.

On or before June 11, 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 at the address listed above. Such notice of participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Petitioners. 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-2024-00045.

On or before July 9, 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 Staff, the Petitioners, 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-2024-00045.

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 Rules of Practice.

The public version of the Petition, the Commission's Rules of Practice, the Commission's Order for Notice and Hearing, and other documents filed in the case may be viewed at: scc.virginia.gov/pages/Case-Information.

VIRGINIA ELECTRIC AND POWER COMPANY
AND OSW PROJECT LLC

(8) On or before May 3, 2024, the Petitioners 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 Dominion 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.

(9) On or before May 17, 2024, the Petitioners 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 Commission at scc.virginia.gov/clk/efiling.

(10) On or before August 20, 2024, any interested person may submit comments on the matters under review in this proceeding 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-2024-00045.

(11) On or before June 11, 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 in Ordering Paragraph (10). Such notice of participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Petitioners. 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-2024-00045.

(12) Within five (5) business days of receipt of a notice of participation as a respondent, the Petitioners shall serve upon the respondent a copy of the public version of the Petition and supporting materials, unless these materials already have been provided to the respondent.

(13) On or before July 9, 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. A copy of all testimony and exhibits shall be served on the Staff, the Petitioners, and all other respondents. 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-2024-00045.

(14) The Staff shall investigate the matters under review in this proceeding. On or before July 23, 2024, the 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. The Staff shall serve a copy thereof on counsel to the Petitioners and all respondents.

(15) On or before August 6, 2024, the Petitioners shall file with the Clerk of the Commission any rebuttal testimony and exhibits that they expect to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page.

(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 by Ordering Paragraph (1), 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 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 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 the Staff.³⁸ 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) This matter is continued.

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

³⁸ 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-2024-00045, in the appropriate box.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, APRIL 10, 2024

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PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00045

and

OSW PROJECT LLC

For approval and authority to transfer utility assets, amend certificate, and assign certain permits, leases, contracts, and real estate interests, under Chapters 5 and 10.1 of Title 56 of the Code of Virginia

PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00053

and

OSW PROJECT LLC

For approval and authority to enter into affiliate agreements and issue securities under Chapters 3 and 4 of Title 56 of the Code of Virginia

ORDER BIFURCATING CASE

In Case No. PUR-2021-00142, Virginia Electric and Power Company ("Dominion" or "Company") sought, and received, approval from the State Corporation Commission ("Commission") for: (i) construction of the Coastal Virginia Offshore Wind Commercial Project ("Project" or "CVOW Project"), to be located in a federal lease area beginning approximately 24 nautical miles off the coast of Virginia Beach, Virginia, and its related power export facilities; (ii) a certificate of public convenience and necessity ("CPCN") for electric interconnection and transmission facilities associated with the Project; and (iii) a rate adjustment clause, designated

Rider OSW, for the recovery of costs associated with the Project.¹ As part of its approval, the Commission adopted certain consumer protections for the Project and directed Dominion to file annual Rider OSW update proceedings.²

Thereafter, during its 2023 Session, the Virginia General Assembly enacted Chapter 510 (SB 1477) of the 2023 Virginia Acts of Assembly, which became effective on July 1, 2023 ("Chapter 510"). Among other things, Chapter 510 amended Code § 56-585.1:11 ("Section 1:11") to authorize a Phase II Utility, such as Dominion, to establish an offshore wind affiliate for the purpose of securing a noncontrolling equity financing partner in a qualifying offshore wind project, subject to Commission approval.³ Chapter 510 also permits an offshore wind affiliate to construct, own, or operate a qualifying offshore wind project, or a portion thereof, and to operate as a public utility in association with the Phase II Utility.⁴

¹ *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, 2022 S.C.C. Ann. Rept. 287, Final Order (Aug. 5, 2022).

² *Id.* At the request of Dominion and six respondents, the Commission subsequently struck the "performance standard" set forth on pages 15-16 of the Final Order and replaced it with alternative requirements. *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*, 2022 S.C.C. Ann. Rept. 305, 307, Order on Reconsideration (Dec. 15, 2022). The Company has since filed two annual updates to Rider OSW, Case No. PUR-2022-00187, and Case No. PUR-2023-00195, which is currently pending before the Commission. *See 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*, Case No. PUR-2022-00187, Doc. Con. Cen. No. 230720087, Final Order (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, 2024*, Case No. PUR-2023-00195, Doc. Con. Cen. No. 231110053, Application (Nov. 1, 2023).

³ *See* Code § 56-585.1:11 G.

⁴ *Id.* The legislation further provides that the affiliate is entitled to all rights and privileges of a public utility in connection with the qualifying wind project.

As authorized by Section 1:11, on March 28, 2024, Dominion and OSW Project LLC ("ProjectCo") (collectively, "Petitioners") filed a petition ("Petition") with the Commission in Case No. PUR-2024-00045 pursuant to Chapter 4 of Title 56 of the Code ("Affiliates Act"),⁵ Chapter 5 of Title 56 of the Code ("Utility Transfers Act"),⁶ Chapter 10.1 of Title 56 of the Code ("Utility Facilities Act"),⁷ and, to the extent the Commission deems necessary, Chapter 3 of Title 56 of the Code ("Securities Act").⁸ In the Petition, the Petitioners sought: (i) approval to enter into proposed affiliate agreements ("Affiliate Agreements") related to the CVOW Project ("Affiliates Act Request");⁹ (ii) approval to transfer the CVOW Project's assets from Dominion to ProjectCo, to assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and to amend the CPCN issued in Case No. PUR-2021-00142 ("Utility Transfers Act and Utility Facilities Act Requests");¹⁰ (iii) authority for ProjectCo to issue ownership shares to the Company and its noncontrolling equity partner, Dunedin Member LLC ("Stonepeak Member"), should the Commission deem such authority to be necessary ("Securities Act Request");¹¹ and (iv) a finding that ProjectCo may furnish public utility service in association with Dominion pursuant to the Company's existing CPCN ("Other Requests").¹²

⁵ Code §§ 56-76 *et seq.*

⁶ Code §§ 56-88 *et seq.*

⁷ Code §§ 56-265.1 *et seq.*

⁸ Code §§ 56-55 *et seq.*

⁹ Petition at 1, 22.

¹⁰ *Id.* at 1-2.

¹¹ *Id.* at 2.

¹² *Id.*

Overview of the Proposed Transaction

The Petitioners are seeking approval to establish ProjectCo as an offshore wind affiliate and to transfer the CVOW Project from Dominion to ProjectCo.¹³ Thus, if the Petition is approved, ProjectCo, a direct subsidiary of Dominion, would own the offshore wind facilities that comprise the CVOW Project, including its 176 wind turbine generators, related power export facilities, and onshore transmission infrastructure connecting the Project to the electric grid.¹⁴ Dominion would transfer the Project's assets to ProjectCo, assign certain permits, leases, contracts, and real estate interests associated with the Project to ProjectCo, and amend the CPCN issued in Case No. PUR-2021-00142 to allow ProjectCo to construct and operate all electric interconnection and transmission facilities associated with the Project on the generation side of the PJM Interconnection, L.L.C. ("PJM") point of interconnection to the transmission grid (collectively, "CVOW Property").¹⁵ As set forth in the Petition, Dominion would transfer all CVOW Property to ProjectCo at cost/net book value without a premium or discount.¹⁶ Dominion would continue to develop and operate the Project and would act as the project manager in procurement, development, construction, operation, management, maintenance and

¹³ *Id.*

¹⁴ *Id.* at Attachment A (Transaction Summary), p. 1.

¹⁵ *Id.* at 1, Attachment A (Transaction Summary), p. 2. ProjectCo would sell the energy output from the CVOW Project into PJM, and associated energy revenues would be credited against the costs of the Project just as if the Company sold the energy into the market. *Id.* at 19.

¹⁶ *Id.* at Attachment A (Transaction Summary), p. 2.

decommissioning.¹⁷ Dominion would also maintain control of the governance of ProjectCo, subject to certain customary minority rights of Stonepeak Member.¹⁸

According to the Petitioners, the arrangement would be seamless to Dominion's customers, as Dominion would continue to be the load serving entity for all Virginia retail customers, customers would not experience a change in the way they are billed for CVOW Project-related costs, and cost recovery would not materially change¹⁹ as a result of the transfer of the CVOW Project from Dominion to ProjectCo.²⁰

As part of and through this proposed arrangement, Dominion has agreed to sell a 50% interest in the CVOW Project to Stonepeak Member.²¹ Stonepeak Member is a company that was formed for the sole purpose of investing in ProjectCo.²² If the Petition is approved, Stonepeak Member would fund 50% of the projected capital costs of the CVOW Project.²³ As such, Stonepeak would initially contribute one-half of the approximately \$6.4 billion invested

¹⁷ *Id.* at 14, Attachment A (Transaction Summary), p. 2. In doing so, the Company would provide certain project management services to ProjectCo, as ProjectCo would not have any employees or officers. *Id.*

¹⁸ *Id.* at 9, Attachment A (Transaction Summary), p. 2.

¹⁹ The Petitioners state there would be two minor changes to Rider OSW, with both changes being cost-neutral for customers. The Petitioners propose to include operations and maintenance expense charges for Project-related direct labor and Project-related uncollectible expenses in Rider OSW. Inclusion of those charges in Rider OSW would be offset by a corresponding reduction to the cost of service in base rates. *Id.* at 11.

²⁰ *Id.* at 9-10, 19. ProjectCo would be compensated for the CVOW Project and its service to customers through the existing Rider OSW. Going forward, the Petitioners anticipate that Dominion and ProjectCo would file Rider OSW as co-applicants, with the Company acting as the billing agent for ProjectCo. The Petitioners further assert that the partnership would not alter any aspect of the pending Rider OSW application in Case No. PUR-2023-00195. *Id.* at 10.

²¹ *Id.* at 8.

²² *Id.* at Attachment A (Transaction Summary) at 1. Stonepeak Member is indirectly controlled by Stonepeak GP Investors Holdings Manager LLC ("Stonepeak Parent"). Collectively, Stonepeak Member and Stonepeak Parent, together with the entities (other than portfolio companies), investment funds, and investment vehicles, directly or indirectly owned, managed, or controlled by Stonepeak Parent, will be referred to herein as "Stonepeak." *See id.*

²³ *Id.* at Attachment A (Transaction Summary), p. 2.

capital (rate base) of the Project, or approximately \$3.2 billion, to ProjectCo, which would then be distributed from ProjectCo to Dominion as reimbursement for Stonepeak Member's 50% interest in the Project.²⁴ Following this initial contribution, Dominion and Stonepeak Member would contribute capital throughout the construction period to fund the CVOW Project's completion on a 50/50 basis.²⁵ According to the Petitioners, in the event the Project exceeds its currently projected construction cost estimate, the Affiliate Agreements establish robust cost sharing arrangements, including meaningful protection for Dominion and its customers from any unforeseen Project cost increases.²⁶ Thus, the Petitioners assert that the partnership with Stonepeak Member would reduce the financial burdens and risks associated with the Project's development and operation.²⁷

Significantly, the Petitioners state that Dominion has agreed to sell a 50% *noncontrolling* interest in the Project to Stonepeak Member.²⁸ In other words, while Stonepeak Member would have a 50% ownership share in ProjectCo, it would not have control over management of ProjectCo from a governance perspective. Such controlling interest would instead be maintained by Dominion.²⁹

²⁴ *Id.* The anticipated total cost of the CVOW Project is \$9.8 billion. The Company anticipates that it will have spent approximately \$6.4 billion on the Project as of the time the transaction is expected to close. *Id.* at 19.

²⁵ *Id.* at 10.

²⁶ *Id.*

²⁷ *Id.* at 8.

²⁸ *Id.*

²⁹ *Id.* at 12.

Affiliates Act Request

As discussed above, the Petitioners seek approval to enter into proposed Affiliate Agreements.³⁰ The Affiliate Agreements include a Limited Liability Company Agreement, a Project Management Agreement, a Rider OSW Servicing Agreement, a Renewable Energy Certificate Purchase and Sale Agreement, and a North Carolina Revenue Contract.³¹ The Affiliate Agreements are contracts that would, among other things, effectuate the transfer of the CVOW Project from Dominion to ProjectCo and facilitate financing of the Project.³² The Petitioners maintain that approval of the Affiliate Agreements would allow Dominion to maintain strong financial metrics without any incremental cost to customers.³³

Utility Transfers Act and Utility Facilities Act Requests

Through the Petition, the Petitioners seek approval to transfer the CVOW Project's assets from Dominion to ProjectCo.³⁴ This would be accomplished through the transfer of the assets, permits, leases, contracts, and real estate interests that comprise the CVOW Property, including the amendment of the CPCN issued in Case No. PUR-2021-00142 pursuant to the Utility Facilities Act.³⁵ The Petitioners assert that approval of the proposed transfer would preserve the customer protections adopted by the Commission in Case No. PUR-2021-00142, maintain the

³⁰ *Id.*

³¹ *Id.* The Petitioners also provided an executed Equity Capital Contribution Agreement with its Petition but assert that the agreement does not require Commission approval. *See id.* at 8, n.7.

³² *Id.* at 12.

³³ *Id.*

³⁴ *Id.* at 8.

³⁵ *Id.* at 1-2, Attachment A (Transaction Summary), p. 2.

Commission's ongoing regulatory authority to ensure Project costs are reasonable and prudent, and in no way impair or jeopardize adequate service to the public at just and reasonable rates.³⁶

Securities Act Request

If the Petition is approved, ProjectCo would issue ownership shares exclusively to Dominion and Stonepeak Member in a private transaction at the time of closing.³⁷ As such, to the extent the Commission deems it necessary, the Petitioners seek authority for ProjectCo to issue these ownership shares to Dominion and Stonepeak Member, and to revise the ownership shares from time to time as may be required.³⁸ The Petitioners state that the issuance of such ownership shares is necessary for ProjectCo to acquire the CVOW Property and carry out its functions under Section 1:11.³⁹

Other Requests

The Petitioners state that, given the provisions of Section 1:11, they do not believe that ProjectCo's activities require the issuance of an independent CPCN to ProjectCo to furnish public utility service pursuant to Code § 56-265.3.⁴⁰ As such, the Petitioners are seeking a finding that ProjectCo may operate "in association with" Dominion pursuant to the Company's

³⁶ *Id.* at 19-20.

³⁷ *Id.* at 20, Attachment H (Financing Summary), p. 1. Specifically, units would be issued at the time of closing of the Equity Capital Contribution Agreement. *Id.* at Attachment H (Financing Summary), p. 1.

³⁸ *Id.* at 20. The terms of certain Affiliate Agreements govern how the issuance of future units are to be priced. *Id.* at Attachment H (Financing Summary), p. 1. The terms of such Affiliate Agreements also prohibit the members of ProjectCo from directly transferring their equity interests in ProjectCo to third parties or undertaking any transfer that would result in a change of control of such member of ProjectCo prior to the earlier of (a) the time the CVOW Project commences commercial operations, or (b) the fifth anniversary of closing of the transactions contemplated by the Equity Capital Contribution Agreement, and provides that no member of ProjectCo may consummate either of those actions without obtaining the required governmental approvals, including any required Commission approval. *Id.* at 20-21.

³⁹ *Id.* at 20.

⁴⁰ *Id.* at 11.

existing CPCN.⁴¹ The Petitioners have also requested any further relief as deemed necessary and appropriate to authorize the activities and transactions included in the Petition, which would also be considered as part of the Other Requests.⁴²

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that separate dockets should be established for reviewing the relief requested in the Petition.

In their Petition, the Petitioners seek, among other things, approval pursuant to the Securities Act, the Affiliates Act, the Utility Transfers Act, and the Utility Facilities Act, to establish ProjectCo as an offshore wind affiliate and to transfer the CVOW Project to ProjectCo.⁴³ The Petitioners request a ruling on all issues presented in the Petition within 90 days of its filing.⁴⁴ As the Petitioners acknowledge, 90 days is the maximum statutory timeframe for a decision under the Affiliates Act.⁴⁵

Certain requests in the Petition, including the proposed transfer from Dominion to ProjectCo of the assets, permits, leases, contracts, and real estate interests that comprise the CVOW Property, present complex and novel issues for the Commission's consideration. The Commission find that these matters, which, unlike the Securities Act Requests and Affiliates Act Requests, do not have a statutorily prescribed period for Commission action, require additional time to allow for the meaningful participation by interested parties and the development of a full

⁴¹ *Id.*

⁴² *Id.* at 22.

⁴³ *Id.* at 8.

⁴⁴ *Id.* at 21.

⁴⁵ *Id.*; Code § 56-77 A.

and complete record. The Petitioners request for a ruling on these issues within 90 days is therefore denied.

Accordingly, the Commission will establish separate dockets to consider the relief requested in the Petition. The Commission will evaluate the Affiliates Act Requests and Securities Act Requests in Case No. PUR-2024-00053. All other matters, including but not limited to the Utility Transfers Act and Utility Facilities Act Requests and the Other Requests, will be evaluated in Case No. PUR-2024-00045.⁴⁶

Accordingly, IT IS ORDERED THAT:

(1) The Commission hereby establishes and docket Case No. PUR-2024-00053 to evaluate the Petitioners' proposed Affiliates Act Requests and Securities Act Requests.

(2) The Commission hereby establishes and docket Case No. PUR-2024-00045 to evaluate all requests in the Petition excluding the Affiliates Act Requests and Securities Act Requests, which will be considered in Case No. PUR-2024-00053.

(3) The Commission's Document Control Center is directed to file in Case No. PUR-2024-00053 a copy of the Petition and the Motion of Virginia Electric and Power Company and OSW Project LLC for Entry of a Protective Order and Additional Protective Treatment. No internal or external distribution is required of the documents directed to be filed in Case No. PUR-2024-00053. A copy of all papers previously filed in Case No. PUR-2024-00045 shall also remain in that docket.

(4) These matters are continued.

⁴⁶ Subsequent Orders will be filed in each docket providing additional details on future procedures, including opportunities for participation, in the respective cases.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service Lists in these matters. The Service Lists are available from the Clerk of the Commission.