

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, OCTOBER 28, 2024

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APPLICATION OF

COMMONWEALTH UTILITIES, INC.

CASE NO. PUR-2024-00187

To amend its certificate of public convenience  
and necessity and for approval of  
acquisition of facilities

ORDER FOR NOTICE AND COMMENT

On October 4, 2024, Commonwealth Utilities, Inc. ("CU" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") requesting an amendment to the Company's certificate of public convenience and necessity ("CPCN") authorizing it to provide water service and requesting a retroactive approval of the acquisition of facilities. Pursuant to § 56-265.3 D of the Code of Virginia ("Code"), the Company proposes to expand its service territory to include the subdivision of Kavanaugh Meads in Culpeper County ("Kavanaugh Meads" or the "Subdivision"), which is currently outside of CU's service territory.<sup>1</sup> Additionally, pursuant to Code § 56-88 *et seq.*, the Company requests retroactive approval of the acquisition of the facilities serving Kavanaugh Meads.<sup>2</sup>

CU represents that in 1993, the Commission issued Certificate No. W-274 to the Company authorizing it to furnish water services to one residential development in Culpeper County, Virginia.<sup>3</sup> The Company further states that in 1994, the Commission amended and

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<sup>1</sup> Application at 1-3.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.* at 2.

reissued this CPCN as Certificate No. W-274a, which expanded CU's authorized service territory to include an additional residential subdivision in Culpeper County.<sup>4</sup>

The Company asserts that CU acquired the Kavanaugh Meads water system through a 1994 Deed of Gift and a 2003 Deed of Exchange, and that it has been operating the Kavanaugh Meads water system since that time.<sup>5</sup> The Company states that Kavanaugh Meads is located outside of its currently certificated service territory in Culpeper County.<sup>6</sup>

CU proposes to amend its CPCN service territory in Culpeper County to include Kavanaugh Meads so that it will be authorized to continue providing water service to the Subdivision.<sup>7</sup> The Company asserts that it is in the public interest to amend CU's CPCN to include Kavanaugh Meads in its certificated service territory because it has been providing adequate, safe, and reliable water service to the Subdivision at just and reasonable rates for the past 30 years.<sup>8</sup> The Company states that water service to Kavanaugh Meads is provided in accordance with CU's approved tariffs.<sup>9</sup>

CU also requests retroactive approval of the Company's acquisition of the infrastructure and facilities that make up the Kavanaugh Meads water system, which were transferred to the Company by deed in 1994 and 2003.<sup>10</sup> CU represents that the facilities were acquired at no cost

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<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 3.

<sup>8</sup> *Id.* at 4.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at 3.

to the Company or its customers, and that retroactive approval of the acquisition will not impair or jeopardize the provision of adequate service at just and reasonable rates to CU's customers.<sup>11</sup> CU states that the proposed retroactive approval will ensure that the Company's customers in Kavanaugh Meads will continue to receive safe and reliable service and will not require a change in rates or allocate additional costs to CU's customers.<sup>12</sup>

The Company is not applying for any revision to its rates or tariffs in this proceeding.

Finally, in conjunction with the filing of its Application, CU filed a Motion for Entry of a Protective Order ("Motion").

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; that CU should provide public notice of its Application to affected landowners and local officials in Culpeper County; that interested persons should have an opportunity to comment and/or request a hearing on the Application; and that the Staff of the Commission ("Staff") should conduct an investigation into the reasonableness of the Application and present its findings in a report ("Staff Report"). Further, a Hearing Examiner should be appointed to rule on all discovery matters that arise during the course of this proceeding, including ruling on the Company's Motion and any request for appearance *pro hac vice*.

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.

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<sup>11</sup> *Id.*

<sup>12</sup> *Id.* at 4-5.

Accordingly, IT IS ORDERED THAT:

(1) This case is docketed and assigned Case No. PUR-2024-00187.

(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").<sup>13</sup> 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.

(3) 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 Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or Staff is impeded from preparing its case.

(4) As provided by Code § 12.1-31 and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to rule on all discovery matters that may arise during the course of this proceeding, including ruling on the Company's Motion and any request for appearance *pro hac vice*. A copy of each filing made with the Office

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<sup>13</sup> 5 VAC 5-20-10 *et seq.*

of the Clerk in this matter shall also be sent electronically to the Office of the Hearing Examiners.<sup>14</sup>

(5) On or before November 18, 2024, the Company shall cause the following notice to be sent to all affected landowners<sup>15</sup> and local officials<sup>16</sup> in Culpeper County, together with a copy of the service area maps attached to the Application at Exhibits 2 and 3:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
COMMONWEALTH UTILITIES, INC. TO AMEND ITS  
CERTIFICATE OF PUBLIC CONVENIENCE AND  
NECESSITY AND FOR APPROVAL OF ACQUISITION OF  
FACILITIES  
CASE NO. PUR-2024-00187

On October 4, 2024, Commonwealth Utilities, Inc. ("CU" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") requesting an amendment to the Company's certificate of public convenience and necessity ("CPCN") authorizing it to provide water service and requesting a retroactive approval of the acquisition of facilities. Pursuant to § 56-265.3 D of the Code of Virginia ("Code"), the Company proposes to expand its service territory to include the subdivision of Kavanaugh Meads in Culpeper County ("Kavanaugh Meads" or the "Subdivision"), which is currently outside of CU's service territory. Additionally, pursuant to Code § 56-88 *et seq.*, the Company requests retroactive approval of the acquisition of the facilities serving Kavanaugh Meads.

CU represents that in 1993, the Commission issued Certificate No. W-274 to the Company authorizing it to furnish

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<sup>14</sup> Such electronic copies shall be sent to: [OHEParalegals@scc.virginia.gov](mailto:OHEParalegals@scc.virginia.gov).

<sup>15</sup> Affected landowners include those who hold property within the confines of both the Company's existing authorized service territory and the proposed service territory of Kavanaugh Meads. The requirement to provide service to the affected landowners shall be satisfied by mailing the notice 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>16</sup> Such service shall include the following local officials, to the extent the position exists in Culpeper 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.

water services to one residential development in Culpeper County, Virginia. The Company further states that in 1994, the Commission amended and reissued this CPCN as Certificate No. W-274a, which expanded CU's authorized service territory to include an additional residential subdivision in Culpeper County.

The Company asserts that CU acquired the Kavanaugh Meads water system through a 1994 Deed of Gift and a 2003 Deed of Exchange, and that it has been operating the Kavanaugh Meads water system since that time. The Company states that Kavanaugh Meads is located outside of its currently certificated service territory in Culpeper County.

CU proposes to amend its CPCN service territory in Culpeper County to include Kavanaugh Meads so that it will be authorized to continue providing water service to the Subdivision. The Company asserts that it is in the public interest to amend CU's CPCN to include Kavanaugh Meads in its certificated service territory because it has been providing adequate, safe, and reliable water service to the Subdivision at just and reasonable rates for the past 30 years. The Company states that water service to Kavanaugh Meads is provided in accordance with CU's approved tariffs.

CU also requests retroactive approval of the Company's acquisition of the infrastructure and facilities that make up the Kavanaugh Meads water system, which were transferred to the Company by deed in 1994 and 2003. CU represents that the facilities were acquired at no cost to the Company or its customers, and that retroactive approval of the acquisition will not impair or jeopardize the provision of adequate service at just and reasonable rates to CU's customers. CU states that the proposed retroactive approval will ensure that the Company's customers in Kavanaugh Meads will continue to receive safe and reliable service and will not require a change in rates or allocate additional costs to CU's customers.

The Company is not applying for any revision to its rates or tariffs in this proceeding.

The details of these proposals are set forth in the Application, along with a detailed map of the proposed revised CU 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 and/or request a hearing on the Application.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice and Procedure ("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 Comment for further instructions concerning Confidential or Extraordinarily Sensitive Information.

Copies of the Application may be viewed on the Commission's website at [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information) or may be obtained from counsel for CU: Eric J. Wallace, Esquire, GreeneHurlocker, PLC, 4908 Monument Avenue, Suite 200, Richmond, Virginia 23230, or [EWallace@GreeneHurlocker.com](mailto:EWallace@GreeneHurlocker.com).

On or before December 4, 2024, any interested person may file comments on the Application electronically by following the instructions found on the Commission's website: [scc.virginia.gov/casecomments/Submit-Public-Comments](http://scc.virginia.gov/casecomments/Submit-Public-Comments). Those unable, as a practical matter, to submit comments electronically may file such comments with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00187.

On or before December 4, 2024, any interested person may file a request for a hearing on the Application with the Clerk of the Commission at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file electronically may file a 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 such parties or their counsel, if available. Requests for a hearing shall 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. All requests for a hearing shall refer to Case No. PUR-2024-00187. Persons filing a request for a hearing shall send a copy of their request to counsel for the Company at the address set forth above.

The Application, the Commission's Rules of Practice, and the Commission's Order for Notice and Comment may be viewed at: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

COMMONWEALTH UTILITIES, INC.

(6) On or before December 4, 2024, the Company shall file with the Clerk of the Commission proof of the service required by Ordering Paragraph (5) above, including the name, title, address, and electronic mail address (if applicable) of 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.

(7) On or before December 4, 2024, any interested person may submit comments on the Application by following the instructions on the Commission's website: [scc.virginia.gov/casecomments/Submit-Public-Comments](http://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 Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00187.

(8) On or before December 4, 2024, any interested person may file a request for a hearing with the Clerk of the Commission at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file electronically may file a request for hearing by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (7). Such request for hearing shall include the email address of such parties or their counsel, if available. Requests for a hearing shall 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. All such filings shall refer to Case No. PUR-2024-00187. Persons filing a request for a hearing shall send a copy of their request to CU's Counsel: Eric J. Wallace, Esquire, GreeneHurlocker, PLC, 4908 Monument Avenue, Suite 200, Richmond, Virginia 23230, or [EWallace@GreeneHurlocker.com](mailto:EWallace@GreeneHurlocker.com).

(9) Staff shall analyze the reasonableness of the Company's Application and present its findings in a Staff Report to be filed on or before December 19, 2024.

(10) On or before December 26, 2024, CU may file with the Clerk of the Commission at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling) any response to the Staff Report and/or to any comments or requests for hearing filed with the Commission. A copy of the response shall be sent electronically to Staff and the Commission's Office of General Counsel and to any person who filed a request for a hearing on the Application.

(11) CU shall respond to written interrogatories or data requests within seven (7) calendar days after the receipt of the same. Persons who filed requests for hearing shall provide to the Company, Staff, and any other person who filed requests for hearing, promptly upon request, any work papers or documents used in preparation of their requests for hearing. 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.*

(12) CU shall respond promptly to requests from interested persons for copies of the Application and shall provide one copy free of charge. Copies of the Application also may be downloaded from the Commission's website: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

(13) 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.