This memo provides an update on the Dominion Energy Potomac Yard Undergrounding and
Glebe Road Substation Conversion project (“North Potomac Yards” project) formerly known as
the 230-kV Line Project.

In summary, a hearing was held on July 23, 2019 before the State Corporation Commission
(SCC) whereby all parties advocated for the SCC’S approval of the application and project.
Subsequently, the Hearing Examiner’s Findings and Recommendations was issued on August
13, 2019. The report indicates the project’s need has been established, the project has a positive
impact on economic development, the project has no material adverse impact on scenic assets
and historic districts, and Dominion Energy has reasonably responded to the City’s concerns
regarding the project’s environmental impacts. The SCC issued its Final Order on September 27,
2019, approving Dominion Energy’s application. The SCC’s Final Order adopts the Hearing
Examiners’ Findings and Recommendations, meaning the existing overhead transmission lines
across Four Mile Run will be relocated underground and relocation of the Potomac Yard North
Terminal Station to the Glebe Road Substation. Dominion Energy is approved to underground
these transmission lines by microtunneling under Route 1 to avoid disrupting traffic and is
required to coordinate with the City on environmental mitigation measures. The Final Order also
notes the full project should be completed by May 2022, which means the transmission line
towers in Four Mile Run would be removed prior to that date. Removal of the transmission line
towers and overhead transmission lines across Four Mile Run has been a longtime City and
Arlington County goal.

I want to thank the City staff who worked to convince the SCC this was a needed project,
especially City Energy Manager Bill Eger and Senior Assistant City Attorney Karen Snow for
the skill in how they worked in the SCC process to assist in the obtaining SCC approval. As you
may recall SCC approval of this project was not a given due to the project’s high costs.
BACKGROUND: As discussed in the August 26, 2019, Dominion Energy 230-kV Line Project Updates memorandum to City Council (see Attachment 1), Dominion Energy filed an application (PUR-2019-00040 - “Potomac Yard Undergrounding and Glebe Road Substation Conversion” project) with the SCC on March 7, 2019 for consideration and approval to relocate the Potomac Yard North Terminal Station and perform upgrades to the Glebe Road substation in Arlington County, and underground the existing overhead transmission lines that span Four Mile Run (see Attachment 2 for an overview of the project area, and the specific transmissions lines and terminal station’s location). The SCC’s approval of Dominion Energy’s application supports their compliance with the City’s SUP conditions requiring the removal of the North Potomac Yard Terminal Station by 2021.

DISCUSSION: In the August 26, 2019, update memo, the City discussed its participation in the SCC process. On April 24, 2019, the City of Alexandria filed its Notice of Participation through outside legal counsel. City staff Heather Diez (Former Deputy Director – Development and Right-of-Way Services, T&ES), Jeff Farner (Deputy Director – Long Range & Strategic Planning, P&Z), and Bill Eger (Energy Manager, GS) submitted pre-filed testimony on behalf of the City, outlining the interests of the City of Alexandria and Alexandria community. City staff’s pre-filed testimony primarily addressed the following issues:

- Expiration of the City’s SUP and the conditions requiring removal of the North Potomac Yards Terminal Station and overhead transmission lines;
- The project’s benefits to the Alexandria community and the North Potomac Yard area according to the visions set forth in North Potomac Yard Small Area Plan and the Four Mile Run Restoration Master Plan;
- Emphasizing the environmental mitigation measures set forth by the Virginia Department of Environmental Quality;
- Advocating that approved construction methods consider and stress the importance of taking Route 1 traffic flows into account so as to mitigate traffic flow congestion;
- The project’s support of the Virginia Economic Development Partnership (VEDP), Arlington County, and the City of Alexandria’s goals regarding the future locations of Virginia Tech’s Innovation Campus and Amazon’s HQ2 locations in the cross-jurisdictional, National Landing area.

Overall, the City advocated the SCC’s approval of Dominion Energy’s application. A hearing was held on July 23, 2019. Subsequently, Senior Hearing Examiner Michael D. Thomas issued a report of findings on August 13, 2019. On August 20, 2019, the City filed comments on the Hearing Examiners report supporting its priorities for the SCC’s consideration and urging the SCC to expeditiously adopt the Hearing Examiner’s report’s findings and recommendations, and to issue a CPCN to Dominion Energy for the project.
On September 27, 2019, the SCC issued its Final Order approving Dominion Energy’s application (see Attachment 3). The SCC adopted the Hearing Examiners Findings and Recommendations, including 1) the use of microtunneling as the primary construction methodology which will aid in mitigating disruptions to traffic flow along Route 1 in the area of the project, and 2) Dominion Energy’s agreement to coordinate with the City on environmental mitigation measures. Moreover, the Final Order indicates the full project should be constructed and in service by May 2022. As such, the SCC shall issue a CPCN to Dominion Energy for the project.

NEXT STEPS: The SCC case is now substantially complete. This memorandum will be shared with the City’s Underground Transmission Line Working Group “UTLWG” and on the City’s website. When Dominion Energy commences substantial work on the project, the City will provide City Council and the Alexandria community updates as appropriate.

ATTACHMENTS:
1. Memo to City Council - Dominion Energy 230kV Line Project Updates 8.26.19
2. Project Area – Transmission Lines + Terminal Station Locations
3. Final Order in City of Alexandria PUR-2019-00040

cc: Joanna Anderson, City Attorney
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    James Spengler, Director, Recreation, Parks and Cultural Activities
    Karl Moritz, Director, Planning & Zoning
    William Skrabak, Deputy Director, T&ES

1 Though, as is standard for transmission line cases such as this one, language is included in the Final Order which provides Dominion Energy the opportunity to apply for consideration of an extension should there be extenuating circumstances that would make an extension necessary. At this time, no extension beyond the May 2022 in-service date is anticipated.