



OFFICE OF THE CITY MANAGER

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June 24, 2014

Mr. Scot C. Hathaway  
Vice President, Transmission  
Dominion Resources  
P. O. Box 26666  
Richmond, Virginia 22361

Re: Follow-up on Proposed Dominion Virginia Power (DVP) – 230 kV Line

Dear Mr. Hathaway:

This is in follow-up to my June 2 letter (attached) and the June 11 Council Legislative discussion. As you may have noted, the Council and my staff have both expressed concerns and questions relating to this DVP project. I have distilled these concerns into this letter. The community would also benefit from your responses, and as such, I would request that DVP establish a comprehensive project overview on your website.

In order to best coordinate the flow of information from DVP to the Alexandria community, I will be recommending (at the June 24 Council Legislative Meeting) to the City Council that a Work Group be established. This Work Group, if approved, will be charged with consideration of the quality of life/health/economics and environmental impacts associated with the proposed substation and underground transmission alternatives.

The issues are:

**A. Process**

- 1) Please describe PJM's Regional Transmission Expansion Planning Process; including analysis, type and application reliability criteria for project identification, and review and approval of the project. PJM identifies this project as a baseline upgrade (b2443) according to reliability criteria violations in various areas of Alexandria, please discuss these reliability criteria violations, contingency evaluations, and applications of NERC Category B & C criteria testing.

What is meant by thermal issues, how frequently have single and N-1-1 contingency violations been experienced, and what is the threshold for PJM to recognize these as criteria violations requiring resolution?

- ❖ As stated in our June 2 letter, the City requests that DVP provide the City with a copy of the information that DVP filed about this proposed project with PJM.
- ❖ What is DVP's legal obligation to perform this project? What is the liability if the project is not approved?
- ❖ When was the project originally conceived and when did DVP know about the project's consideration?
- ❖ Was engagement and a public approval process with the City of Alexandria and our residents considered in estimates for project completion?
- ❖ What led to the DVP determination of the need for this service? How does this effort relate to reliability and data centers/power demand in Northern VA outside of Alexandria? Will this project address any specific reliability issues faced by Alexandria residents?
- ❖ Does DVP reasonably expect (respecting the complexity of the PJM market) to export power to Pepco? What percentage of the time is it estimated will DVP be exporting power to Pepco? What percentage of the time is it expected that DVP will be importing power from Pepco?
- ❖ What are the implications to this project if anticipated new generation or transmission projects in MD were to be withdrawn or discontinued?
- ❖ Are you aware of any current or future PJM or DVP transmission or generation projects which would bolster need for the proposed transmission line or in any way support the need for such a line?
- ❖ Would expansion of DVP's demand side management efforts (energy efficiency, load curtailment, "smart grid") lessen projected load growth, increase reliability, and reduce the need for this project?
- ❖ Would expansion of DVP's renewable energy generation efforts (i.e. solar photovoltaic, etc.) and introduction of distribution-scale storage in Virginia lessen need for this project?
- ❖ Were other alternatives considered such as the construction of natural gas powered fueled mini generating plants?

- ❖ What other alternatives have been considered that do not involve the expansion of the substation footprint? For example, other possible substation locations, other location connections, relocation of the substation itself, and does the substation need to be located on the Virginia side of the Potomac? Why not the D.C. side of the Potomac?
  - ❖ There are existing DVP-Pepco connections. Why could they not be considered to be upgraded to, or otherwise enhanced, to provide the desired connection to the DVP system?
- 2) Please describe the SCC approval process for transmission projects like the proposed. What type of criteria does the SCC review in order to deem the project prudent and in the public benefit? The SCC approval process appears to have a much shorter community involvement and alternative refinement period than that of the traditional NEPA Process. How will DVP plan to address community engagement within the SCC process? It was indicated that the submittal by DVP to the SCC would occur in late fall which does not afford much alternative development and analysis prior to the submittal itself.
- ❖ While a preferred alignment has not been selected, what approvals (given any of the alignments that have been discussed) are needed, in addition to the SCC, for a project such as this to proceed?
- 3) Please describe the mitigation for impacts (environmental, socio-economic, traffic impacts/business impacts, construction related issues, loss of NRG Plant developable land area, loss of Right of Way for future utility placement) refinement process if an alignment through Alexandria was selected?
- 4) In your June 5 letter you stated that your teams are finalizing the Need Assessment and Alternative(s) Feasibility Reports. When do you expect those reports to be completed? Will they be made available to the City and the public?

**B. Right of Way**

- ❖ What are the physical dimensions required for such a utility if placed within the street right of way?
- ❖ What other limitations are then placed around the utility which would further restrict the City's use of its own right of way?
- ❖ What is the anticipated duration of construction—if an alignment is within the right of way?

- ❖ Is the method of utility installation, cut and cover, boring or tunneling? If open cut methodology, how was this determined?
- ❖ Have traffic impacts been considered? Impacts to other existing utilities? Impacts to other city infrastructure?
- ❖ There was a request to consider an installation within the Crystal City Potomac Yard Transit-way which is due to be completed in August of this summer---please explain if this is still under consideration?

**C. Coordination**

- 1) Please explain the coordination efforts to date with the following entities---Arlington County, Loudoun and Fairfax Counties, NRG, Pepco, PJM, VDEQ, NPS, VDOT, US Army Corp of Engineers, Dept. of Energy etc. What information was shared with these entities? Could you please share this information with the City as well?
  - ❖ What is your communication and civic engagement strategy? How long will that process be and what would be the format of such meetings in order to solicit meaning input?

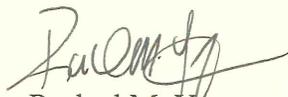
**D. Cost Estimate and Related Issues**

- ❖ What assumptions went into the DVP cost estimate? What were the major components of the estimate (breakdown of substation, and transmission itself)? What alignment was assumed? What time duration for construction?
- ❖ What are the public health/safety issues associated with this new 230kV transmission line? Electro-magnetic Field issues (EMF)....
- ❖ How can the City be assured that the utility will be appropriately managed such that there are not future construction conflicts?
- ❖ What cost benefits will current Alexandria residents and DVP consumers experience with regards to DVP's generation costs?
- ❖ How is the upgrade to be funded? Will DVP customers (Alexandria included) be responsible for funding any part of these upgrades through future transmission riders?

Mr. Scot C. Hathaway  
June 24, 2014  
Page 5

If you have any further questions or need clarification, Rich Baier, Director of Transportation and Environmental Services (T&ES), is available to assist Steve Quarberg, Deborah Tompkins Johnson, or yourself at 703.746.4025 or [rich.baier@alexandriava.gov](mailto:rich.baier@alexandriava.gov).

Sincerely,



Rashad M. Young  
City Manager

cc: Deborah Tompkins Johnson, Manager-Regional State & Local Affairs, Dominion  
Virginia Power  
Steve Quarberg, Project Manager, Dominion Virginia Power

The Honorable Mayor and Members of City Council  
Mark B. Jinks, Deputy City Manager  
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