Glebe – Potomac River 230 kV Transmission Line Project

May 2018



What Has Changed Since May 2016, And What Has Not

• Just as in May 2016:

- PJM Forecasted Violations of Federal (NERC) Reliability Standards Remain and Must Be Resolved (reaffirmed by PJM in Spring 2018).
- The electric solution resolving the overloads is a new line between Glebe and Potomac River Substations, or the Rebuild Alternative in Route 1.
- Unlike in May 2016:
 - A year and ½ of engineering work with CSX regarding the Railway Route has yielded significant and costly construction constraints that call into question the ability to construct and operate an underground line in the railway corridor.
 - CSX was willing to provide the Company only a very costly option of a non-exclusive, 50-year license without a right-of-way that would be subject to change.



Railway Route Challenges

- Service and operational concerns due to location on active railway;
- 50 year non-exclusive license term;
- No assurance that license would not be terminated or license corridor relocated (or that the Company would not bare expenses related thereto);
- Possibility of other utilities located over or near line;
- Requested access manhole locations off CSX property;
- Ability of CSX to relocate tracks over line;
- Construction methods (requiring time consuming costly micro-tunneling);
- Escalating construction costs;
- Non-market location fees; and
- Limited work hours = longer, more expensive project.



Dominion Energy Was Obliged to Revisit Prior Alternatives

- Railway Route estimated cost rose to over \$420 Million.
 - \$130 Million more than the Rebuild Alternative (\$290 Million).
 - Significant construction and operability concerns.

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- Because a new line alternative is the better, long-term electrical solution, the Company was obliged to revisit prior routing alternatives.
- Based on the prior investigation of the alternative routes, and work with the City on the City-owned portions of the Railway Route, the Potomac Avenue Route quickly stood out as the best.
 - Work Group initially found both Potomac Avenue and Railway Routes as the least impactful.





City Benefits : Potomac Avenue Route

- Maximizes the value of City real estate assets that otherwise are dedicated solely to roadway use.
- Obtain a hi-speed fiber optic line corridor dedicated to the City at no cost (except at railroad crossing on southern end of the route).
- A new line requires significant upgrades at PEPCO's Potomac River Substation
- Gives the City a voice at the SCC in the selection of the both the electric solution (a new line) and the route.
- Relocation of overhead lines at North Potomac Yard Terminal underground (pending SCC approval).
- Mitigates against SCC's potential selection of the Rebuild Alternative.
 - Substantial and long-term construction impacts due to the 3-4 years of work in and along Route 1
 - Significant and negative impacts to residents, commuters, and businesses



City Benefits : Potomac Avenue Route (cont.)

- Improves Electric Reliability in the City.
 - Lessens down-time during outages; lessens negative social and financial impacts of even short outages.
 - Adds capacity to the area that supports the expansion of existing business and helps the City to attract new business.
 - Adds additional 230kV source in a generation deficient area.
 - Creates an interconnect between Dominion Energy Virginia and Pepco which enhances system reliability, provides an additional energy input, and improves operational performance.
- Provides Resiliency Improvements to the System.
 - Allows system to recover much more quickly from more devastating events (e.g., extreme weather or cyber or physical attacks).
 - Quicker recoveries equal less potential for negative social and financial impacts due to longer term outages.



	Route Segment Comparison Chart	
	Potomac Ave. (Glebe-Potomac River Project)	Route 1 (Rebuild Alternative)
City	Relocation of Potomac Yards terminal station, pending SCC approval Ability to add conduit for fiber, installed in duct bank	Relocation of Potomac Yards terminal station, pending SCC approval
	Compensation for City real estate (\$43.3 Million)	
Construction	Improvements at Potomac River Substation Total project duration – approximately 3 years (**In street open trench-Potomac Ave. 9 months to 1 year. Massey Lane 4 to 6 months)* ** = Can Run Concurrent * = Based on five 8 hour days Open trench offers flexibility for alignment, schedule and work hours No seasonal transmission outages required for new line	Total project duration – approximately 3 to 4 years (In street work zone disruptions – Route 1 – Two to three years for both circuits. Holland Lane to N. Alexandria Sub 12-18 months)* * = Based on five 8 hour days No flexibility on construction method Seasonal transmission outages required
	New easement required No buildings, no large trees allowed within easement	 Existing right of way Unknown condition of 20-30 year old existing infrastructure, e.g. conduit damage may require excavation Double work in construction area, one circuit replaced at a time
Community	Traffic Impacts/Lane closure Temporary impacts to nearby recreation areas, sidewalks, landscaping	Traffic Impacts/Lane closure Temporary impacts to dog park, sidewalks, landscaping, commercial business entrances
Reliability	Resolves NERC criteria violation – maintains reliable service to customers in area New 230 kV source into the area Resiliency benefits	Resolves NERC criteria violation – maintains reliable service to customers in area
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Potomac Avenue Has Been Vetted Thoroughly

- Since Fall 2017 Continuous communication with City Staff about the project, Railway Route issues, and reconsidering Potomac Avenue Route.
- Met with Working Group and public attendees between January-March 2018

 responded to dozens of questions addressing all aspects of this route.
 - Working Group voted 6-2 in favor.
- April 18 & 19, 2018 Dominion Held Informational Open Houses.
- May 7, 2018 Held special Q/A with Potomac Yard residents regarding EMF.
 - Dr. Gabor Mezei presided a physician and epidemiologist with over 25 years of experience regarding environmental and occupational health issues, including regarding EMF.
- Staff recommends adding Potomac Avenue Route to Least Objectionable List.







Next Steps

- July 2018 Dominion Energy Files SCC CPCN Application
 - Q4 2018

- SCC Issues Procedural Order
 - Local hearing for public input
 - SCC Staff evaluates the Application
 - Evidentiary Hearing at SCC
 - SCC Hearing Examiner issues recommendation
 - SCC issues Final Order (expected Q3 2019)
- Q3 2020 Estimated Date of Construction Commencement
- June 2023 Projected In-Service Date



The City Should Put the Potomac Avenue Route on the Least Objectionable List and Authorize the City Manager to Enter Into an MOA with the Company After SCC's Review of the Project

Questions?

Dedicated Project Page: www.dominionenergy.com/Glebe

888-291-0190 Powerline@dominionenergy.com

