Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-01

#### **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farrner@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

January 4,2007

# SCC HEARING EXAMINER RECOMMENDS CONSTRUCTION OF 230-KV TRANSMISSION LINE IN WESTERN LOUDOUN COUNTY

**RICHMOND** – A State Corporation Commission (SCC) hearing examiner recommends the construction of a 230,000-volt transmission line by Dominion Virginia Power (DVP) from the Pleasant View substation to the proposed Hamilton substation in western Loudoun County.

In a report filed on January 4,2007, Hearing Examiner Howard P. Anderson, Jr., found that the construction of the new transmission line is necessary for DVP to maintain long-term reliability on its system and to serve the rapidly growing demand for electricity in western Loudoun County. The report serves as a recommendation to the Commission, which makes the final decision.

Anderson recommends a 12-mile route that avoids taking any homes, protects the tree canopy along the Washington and Old Dominion (W&OD) Trail, and incorporates more existing right-of-way owned by DVP and the Virginia Department of Transportation.

Known as the "modified D" route, it originates at the Pleasant View substation and proceeds northeast along existing company right-of-way. It then runs northwest on Market Street to the Route 7 Bypass. It then follows the bypass south and west. At the intersection of Dry Mill Road and the Route 7 Bypass, it continues northwest parallel to the W&OD Trail through the Shenstone subdivision. Just south of the Route 7 and Route 9 interchange, the route turns northwest from the trail until it intersects with Route 7. It then parallels Route 7 westward to the proposed Hamilton substation.

In his report, Anderson said, "The modified D route, with mitigations, would protect the tree canopy along the W&OD Trail, reduce impacts on private property, and lower the overall cost of acquiring new right-of-way." Anderson recommends the careful routing of the transmission line and the placement of 145-foot towers to carry it where appropriate.

After consideration of the hearing examiner's report and the case record, the SCC Commissioners will issue a final order in the case. The SCC may accept, modify, or reject the examiner's recommendations.

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources

P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-02

#### **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

January 11,2007

#### SCC WARNS INVESTORS REGARDING OIL AND GAS SCHEMES

**RICHMOND** – Amid continued high-energy prices and instability in the Middle East, oil and gas scams remain a favorite ploy of con artists nationwide. Virginians should be wary of investment schemes promising quick profits in unsuitable or fraudulent oil and gas ventures.

The State Corporation Commission (SCC) urges consumers to use caution before trying to cash in on high-energy prices through investments in oil and gas deals. During the past two years alone, state securities regulators nationwide have opened more than 260 cases involving oil and gas-related schemes. These schemes typically are offered by out-of-state promoters.

"Securities investments offering profit participation in oil and gas ventures can be legitimate for investors who understand and can afford the risk. But too often we are seeing questionable and even outright fraudulent energy deals aggressively promoted to the public," said Ronald Thomas, director of the SCC's Division of Securities and Retail Franchising.

Skyrocketing prices of oil and natural gas in recent years have made a variety s f traditional and alternative energy projects attractive to investors, Thomas said. Most of these investments are highly risky and not appropriate for smaller investors. Even when the underlying project is legitimate, any revenues realized can be absorbed by high sales commissions paid to the promoter and dubious 'expenses' skimmed off by the managing partner.

"Unfortunately, most oil and gas fraud victims don't realize they have been swindled until after their money is gone," Thomas said. He urges Virginians to investigate before they invest. "Call our office first to determine if the investment and the promoter are properly licensed and registered in Virginia. If they are not, don't invest," he said.

Thomas also cautions against cold callers, high-pressure sales tactics, and unrealistic claims. "Investors should do three things before buying into any limited partnership in energy or any other industry. You need to independently research the background of the promoters, get a clear explanation of the deal in writing, and carefully read all the fine print," he said.

(more)

Scam artists tend to target individual victims and make an unsolicited contact, usually with a phone call, offering a "great" business opportunity. These swindlers usually tell prospective victims that they are licensed and their investment is registered – and they can be quite convincing, Thomas said. "But unless you can afford to lose your money, don't take them at their word. Find out for sure." Businesses trying to raise money by soliciting investors must comply with Virginia's securities laws, he said.

To find out whether an individual and his or her company are licensed to sell securities in Virginia and whether they have a history of disciplinary action, contact the SCC's Division of Securities and Retail Franchising toll-free in Virginia at 1-800-552-7945 or in Richmond at (804) 371-9187, e-mail the division at SEC Registration@,scc.virginia.gov,or visit its website at www.scc.virginia.gov/division/srf.

Cc...monwealth of Virginia

Ken Schrad Director

Angela P. Bowser Assistant Director

SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07 - 03

# **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

January 26,2007

#### SCC SCHEDULES ADDITIONAL PUBLIC HEARING IN STAFFORD COUNTY ON A PROPOSAL TO BUILD ELECTRIC TRANSMISSION LINE

**RICHMOND** – The State Corporation Commission (SCC) has scheduled an additional public hearing in Stafford County on February 1,2007, to receive comments on a proposal by Dominion Virginia Power to construct a new overhead 230-kilovolt transmission line between Route 1 and a proposed substation near Garrisonville.

The hearing will begin at 7 p.m. in the auditorium of the Colonial Forge High School, 550 Courthouse Road, Stafford. Any person wishing to comment at the hearing should arrive early and sign in with the SCC bailiff.

In addition, the SCC is extending the deadline for written comments on the application until February 1. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2006-00091.

Interested persons desiring to submit comments electronically may do so at the SCC's website: <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2006-00091. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Case Number PUE-2006-00091

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission

Division of Information Resources

P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-04

# **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 1,2007

#### SCC POSTPONES PUBLIC HEARING IN STAFFORD COUNTY TO FEBRUARY 6 ON A PROPOSAL TO BUILD ELECTRIC TRANSMISSION LINE

**RICHMOND** – With the threat of inclement weather in Stafford County, the State Corporation Commission (SCC) has rescheduled the February 1,2007, public hearing to receive comments on a proposal by Dominion Virginia Power to construct a new overhead 230-kilovolt transmission line between Route 1 and a proposed substation near Garrisonville.

The hearing will be held on February 6 and begin at 7 p.m. in the auditorium of the Colonial Forge High School, 550 Courthouse Road, Stafford. Any person wishing to comment at the hearing should arrive early and sign in with the SCC bailiff.

In addition, the SCC is extending the deadline for written comments on the application until February 6. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2006-00091.

Interested persons desiring to submit comments electronically may do so at the SCC's website: <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2006-00091. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Case Number PUE-2006-00093

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-05

# **NEWS RELEASE**

Contact: **Ken Schrad** (804)371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

Februrary 1, 2007

#### MORRISON BECOMES SCC CHAIRMAN

**RICHMOND – Theodore V. Morrison, Jr.** has been elected to serve as chairman of the State Corporation Commission (SCC) for a one-year term effective February 1. As chairman, Morrison serves as the "chief operating officer" of the independent agency and its staff of approximately 600 employees.

This is Morrison's sixth time as chairman since being elected to the SCC in 1989. He succeeds **Mark C. Christie** in the traditional rotation of the chairmanship among the SCC's three commissioners. **Judith Williams Jagdmann** is the third member of the Commission,

Established in 1902, the SCC's jurisdiction now includes supervision of many businesses which have a direct impact on Virginia consumers. The SCC is charged with administering the Virginia laws related to the regulation of public utilities, insurance, state-chartered financial institutions, investment securities, retail franchising, and utility and railroad safety. In addition, it is the state's central filing office for documents that create corporations, limited liability companies, business trusts and limited partnerships, and financing statements filed under the Uniform Commercial Code.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-06

# **NEWS RELEASE**

Contact: Katha Treanor

(804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 7,2007

#### ANOTHER SCC DIVISION TO TAKE COMPLAINTS ONLINE; SCC OFFERS "CONSUMER PROTECTION WEEK" REMINDERS

**RICHMOND** - The State Corporation Commission (SCC) is making it easier for consumers to file complaints relating to securities professionals, certain securities and investments, and franchises.

Beginning February 12, the Division of Securities and Retail Franchising will join the list of SCC divisions that offer consumers an opportunity to file written complaints electronically through the SCC web site at <a href="www.scc.virginia.gov">www.scc.virginia.gov</a>. Online complaint capability is already in use by the Commission's energy regulation and cominunications divisions and its Bureau of Insurance. Written complaints may also be submitted to the appropriate division by mail or fax.

The SCC responds to thousands of inquiries and complaints each year regarding the entities it regulates. These include insurance companies and agents; securities professionals and certain securities; state-chartered financial institutions and consumer finance companies; investor-owned electric, gas, water, and sewer companies; and telephone companies doing business in Virginia.

SCC divisions have staffs who are specially trained to respond to public inquiries and assist consumers regarding complaints. In 2006, SCC divisions reported more than 100,000 inquiries and complaints as follows:

Division	Complaints	Calls and Other Inquiries
Division of Securities and Retail Franchising	283	37,344
Bureau of Insurance	4,481	40,852
Bureau of Financial Institutions	1,157	12,092
Division of Communications	4,737	1,284
Division of Energy Regulation	4,800	800
TOTAL	15,458	92,372

(more)

Visitors to the SCC web site can find a wealth of information about industries regulated by the Commission and can use its look-up features to determine if an individual or business is licensed or authorized by the Commission to do business in Virginia. In addition, the SCC offers numerous consumer guides and other materials regarding regulated entities, and participates in outreach efforts throughout the state.

During National Consumer Protection Week February 4-10, the SCC joins other federal, state, and local governmental agencies to encourage Virginians to "Read Up, Reach Out, and Be an Informed Consumer." By gathering and sharing information, consumers can be more confident, savvy and safe in the marketplace.

"We encourage Virginians to take advantage of the many ways in which the SCC can help them. The more you know, the less likely you will be to fall for fraudulent offers, pay unnecessary fees, or put your hard-earned money into products that don't meet your needs. Informed consumers are also better prepared to seek redress should a problem arise," said Ron Thomas, director of the SCC's Division of Securities and Retail Franchising. "Whether you have a question, would like one of our publications, want to arrange for a speaker, or need to file a complaint, we're only a call or a click away."

For more information, consumers may visit the SCC web site or call the Commission toll-free in Virginia at 1-800-552-7945. They may contact SCC divisions in Richmond directly as follows:

•	Division of Securities and Retail Franchising	(804) 371-9051
•	Bureau of Insurance	(804) 371-9741
•	Bureau of Financial Institutions	(804) 371-9657
•	Division of Communications	(804) 371-9420
•	Division of Energy Regulation	(804) 371-9611

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-07

# **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 7,2007

# SCC SETS SCHEDULE TO CONSIDER VERIZON REQUEST TO CLASSIFY RETAIL SERVICES AS COMPETITIVE; DEREGULATE THOSE SERVICES

**RICHMOND** – The State Corporation Commission (SCC) has set its schedule to consider an application by Verizon to declare that competition exists throughout its service territory and that its rates for retail services should be deregulated. Combined, Verizon Virginia and Verizon South are the largest providers of local telephone service in Virginia.

Verizon filed its application on January 17. The SCC hearing will begin July 23. The scheduling order requests case participants to address nine questions that will aid the Commission's evaluation of the application under the applicable standards of Virginia law.

Verizon's application states that the retail telecommunications market in Virginia is robustly competitive. As such, the Commission's current regulatory requirements are no longer necessary to constrain Verizon's pricing or to ensure that Verizon provides adequate service at just and reasonable rates.

Among the questions asked by the Commission are:

- What is the appropriate market(s) [statewide, limited geographic, category of customer] for the Commission to consider in determining whether Verizon's retail services are competitive?
- What constitutes an effective competitor in the relevant market, such that the competitor's presence [wireline, wireless, cable, Internet] reasonably meets the needs of consumers pursuant to Virginia law?
- For any telephone services found to be competitive, what competitive safeguards should the Commission adopt pursuant to Virginia law?

The Commission has established July 23 as the date for its hearing regarding this application. Any person wishing to testify at the hearing may do so by arriving early and signing in with the SCC bailiff. The hearing begins at 10 a.m. in the SCC's courtroom, 2<sup>nd</sup> floor, Tyler Building, 1300 East Main Street in downtown Richmond.

(more)

Written comments on the application are due by April 20,2007. They can be submitted by mail to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUC-2007-00008.

The public may also submit comments electronically by following the instructions available at the SCC's web site: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for the above referenced case number.

Verizon's application and related documents may be viewed during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. The SCC has also created a specific web site for viewing an electronic version of the application: http://www.scc.virginia.gov/division/puc/indust/vv\_comp/rsc\_app.htm

All other public documents in this case will be available via the SCC's Docket Search feature on the web site at: http://www.scc.virginia.gov/caseinfo.htm

The SCC also intends to web cast the audio of the July 23 hearing via the SCC web site. Instructions regarding such are also found at the same web site location.

**Case number PUC-2007-00008** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-08

#### **NEWS RELEASE**

Contact: Katha Treanor

(804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 12,2007

# SCC'S BUREAU OF INSURANCE OFFERS FREE LONG-TERM CARE INSURANCE RATE GUIDE

**RICHMOND** – Virginians considering long-term care insurance coverage for themselves or their parents now have a useful new guide from the State Corporation Commission's Bureau of Insurance. Although such coverage may not be for everyone, long-term care insurance may be an attractive form of security for some people.

The Bureau's new Virginia Long-Term Care Insurance Rate Guide is a free consumer tool to facilitate comparison shopping for long-term care insurance. It provides basic facts about long-term care insurance in Virginia and lists prices charged by more than 20 companies writing long-term care coverage in Virginia. It also includes the companies' telephone numbers, most of which are toll-free.

Choosing a long-term care insurance product is an important decision, but it can also be a complicated one. Because long-term care insurance rates and benefits vary widely from one insurer to another, the Bureau of Insurance encourages consumers to compare prices with at least three different companies before making a decision.

To shop effectively for long-term care insurance, consumers should evaluate their particular circumstances and financial goals to determine if this coverage is right for them and how much and what type of coverage they will need. It is important to understand the differences between available long-term care insurance products and the diversity of premiums and services offered by various companies. Virginians can weigh these insurance products against alternatives such as savings accounts or other investments that could be used to take care of expenses should long-term care be necessary.

Consumers can request free individual copies of the Virginia Long-Term Care Insurance Rate Guide, as well as *A* Shoppers Guide to Long-Term Care Insurance by calling the Bureau of Insurance toll-free at 1-877-310-6560 or in Richmond at (804) 371-9092. Consumers who are hearing or speech impaired may call through the SCC's Telecommunications Device for the Deaf and hard of hearing (TDD) at (804) 371-9206. Consumers may also find the Virginia Long-Term Care Insurance Rate Guide and additional information about long-term care insurance on the Bureau's website at <a href="https://www.scc.virginia.gov/division/boi">www.scc.virginia.gov/division/boi</a>.

(more)

The website includes a list of all of the long-term care insurance companies licensed in Virginia, as well as Facts About Long-Term Care Insurance in Virginia, a Long-Term Care Insurance Personal Worksheet, Things You Should Know Before You Buy Long-Term Care Insurance, a Long-Term Care Insurance Suitability Letter, and a Potential Rate Increase Disclosure Form.

The Bureau of Insurance also offers free consumer outreach programs on a number of insurance topics. Speakers will talk to your group or organization on the insurance topic you choose, and will try to answer any general questions you have about insurance.\* For more information, please contact the Bureau of Insurance at the telephone numbers listed above or contact the Bureau's Life and Health Insurance Outreach Coordinator, Olivia B. Claud, at (804) 371-9389 or by e-mail at LHOutreach@scc.virginia.gov.

\* The Bureau of Insurance has scheduled several fi-ee presentations about long-term care insurance at Henrico County libraries during February and March. Each hour-long presentation will include a question-and-answersession and an exhibit with free consumer insurance information. Dates and times are as follows:

Wednesday, February 14 at 2 p.m. - Dumbarton Area Library, 6800 Staples Mill Road Thursday, February 15 at 2 p.m. - Varina Branch Library, 2001 Library Road Wednesday, March 14 at 3:30 p.m. - Glen Allen Branch Library, 10501 Staples Mill Road Thursday, March 15 at 3 p.m. - Tuckahoe Area Library, 1901 Starling Drive

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-09

# **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 13,2007

#### SCC ACCEPTS VERIZON DIRECTORY ERROR SETTLEMENT; CLAIMS PROCEDURE BEGINS

**RICHMOND** – The State Corporation Commission (SCC) has accepted the terms of a settlement resulting from its investigation of Verizon directory errors in Virginia. Customers affected by directory errors and omissions in the past three years have until May 14,2007, to submit a claim with the SCC's Division of Communications.

The settlement compensates anyone who has experienced past directory errors and omissions and provides necessary incentives to improve the quality of future Verizon directories. Verizon states it has invested \$8 million to resolve its directory error problems.

Under the terms of the settlement, Verizon is making \$2 million available to compensate individuals and businesses that experienced service affecting directory errors and omissions. This includes those listed in Verizon directories even though they may receive local phone service from companies other than Verizon.

The years involved are 2004,2005,2006, and in any 2007 directory published prior to implementation of a new Verizon procedure to credit its customers when such errors occur. A service affecting directory error includes:

- The complete omission in the directory of a listing that was published in the telephone company records.
- The publication of a listing that was either non-listed, non-published, or no longer in the telephone company records.
- The reversal of a customer's first/last name.

  The misspelling of the listed name, incorrect telephone number, or any other error so as to make it unlikely that a user of a printed book could locate the correct number for the listing, including, but not limited to, the appearance of a listing under the appropriate yellow pages captioned heading.

(more)

Yellow page classified advertising is not regulated by the Commission and errors or omissions affecting such commercial contracts are not eligible for compensation.

Customers who potentially qualify for compensation are encouraged to use the SCC web site to complete or print a claim form and submit it to the SCC's Division of Communications. The web site is http://www.scc.virginia.gov/division/puc/claim.htm.

The division will review each claim and determine the amount to be paid by Verizon to the customer. The review process begins upon receipt. It is expected that payments will not be made until sometime this fall.

All business customers who qualify for payment will receive an equal amount per directory in which the error occurred. All residential customers will also receive an equal amount, which will be less than that received by business customers. Maximum limits have been proposed, but the actual payment amount will be determined by the number of eligible claims.

The settlement approved by the Commission also means that Verizon could face up to \$4 million in future payments if listings in directories distributed throughout its Virginia service territories do not improve over the next three years. The settlement establishes a 99 percent accuracy rate.

In addition to facing payments for future errors, Verizon will amend its tariffs to allow for automatic credits of local exchange service charges to Verizon customers. A business listing error or omission will receive a 12-month credit. A six-month credit will be available for a residential listing mistake.

Customers will soon have a convenient way to contact Verizon directly to preview their directory listings prior to publication. Verizon must also establish a separate toll-free hotline and e-mail address exclusively for complaints and inquiries related to directory listings.

Verizon publishes 39 directories in Virginia containing approximately 2.7 million residential listings and over 500,000 business, professional, and government listings. These directories also include listings for other telephone companies providing service in Virginia.

#### **Case number PUC-2005-00007**

#### PROCEDURE FOR FILING A CLAIM

- Obtain an official claim form. Three options
  - o On-line form at: http://www.scc.virginia.gov/division/puc/claim.htm
  - o Print or download form from same web site.
  - o Request form by writing to the Division of Communications.
- Complete all information requested on the form.
- Submit form to SCC's Division of Communications. Three options
  - o Electronic submission of the on-line form.
  - o Attach form to an E-mail to: PUCclaims@scc.virginia.gov
  - o Mail the form to P.O. Box 1197, Richmond, VA 23218
- All claims must be received by **May 14,2007**.

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources

P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-10

#### **NEWS RELEASE**

Contact: Andy Farmer or Ken Schrad (804)371-9141 andy.farmer@scc.virginia.gov ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 21,2007

#### SCC FINDS NEED FOR TRANSMISSION LINE IN LOUDOUN COUNTY; Requests Additional Proceeding to Address Route and Construction Matters

**RICHMOND** – The State Corporation Commission (SCC) found that the construction of a new 230-kv transmission line in Loudoun County is necessary for Dominion Virginia Power (DVP) to maintain long-term reliability on its system and to serve the rapidly growing demand for electricity in the Purcellville area.

In its order issued on February 21,2007, the SCC requested a hearing examiner conduct an additional proceeding to address specific issues that relate to the route and construction of the transmission line. Hearing Examiner Howard P. Anderson, Jr., was directed to gather further evidence on the following matters:

- construction time required for routes E7, D3, and Modified D;
- right-of-way acquisition costs for routes E7, D3, and Modified D; detailed engineering data for the portion of the Modified D route comprising segments within or adjacent to the Washington & Old Dominion (W&OD) Trail including pole placements and existing and/or new right-of-way;
- any benefits of individual segments of the E7 and D3 routes in relation to reasonably expected future transmission requirements;
- for purposes of underground construction, utilization of cross-linked polyethelene (XLPE) power lines as opposed to high pressure fluid-filled (HPFF) power lines;
- underground construction of the portion of the E7 and D3 routes comprising segments along or adjacent to 49, 25, 23, and 22 including right-of-way, cost, reliability, and impact on scenic assets, historic districts and environment; and
- underground construction of the portion of the Modified D route comprising segments along or adjacent to the W&OD Trail – including right-of-way, cost, reliability, and impact on scenic assets, historic districts and environment.

(MORE)

The Commission directed DVP, each respondent in the case, and the SCC staff to file any testimony and exhibits addressing these matters. By SCC rule, respondents are those groups or individuals who filed notices of participation in the case, submitted written testimony, and filed pleadings.

The hearing examiner will convene an evidentiary hearing on Monday, July 9,2007, in the Commission's 2<sup>nd</sup> floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. The SCC intends to webcast the audio portion of the hearing via the Internet. Instsuctions can be found on the SCC web site at <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>.

After the conclusion of the proceeding, the hearing examiner will issue a supplemental report to the Commission.

**Case Number PUE-2005-00018** 

Ken Schrad Director

Angela P. Bowser Assistant Director

## Commonwealth of Virginia



State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-11

#### **NEWS RELEASE**

Contact: Andy Farmer (804)371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

February 28,2007

# SCC RESCHEDULES HEARING TO ADDRESS ROUTE AND CONSTRUCTION MATTERS FOR NEW TRANSMISSION LINE IN LOUDOUN COUNTY

**RICHMOND** – The State Corporation Commission (SCC) evidentiary hearing to address specific issues that relate to the route and construction of a new 230-kilovolt electric transmission line from Pleasant View to Hamilton in Loudoun County has been rescheduled.

Originally planned for July 9,2007, the rescheduled hearing will begin at 10 a.m. on July 31.

In a February 21,2007 ruling, the Commission found that the construction of the transmission line by Dominion Virginia Power is necessary for the company to maintain long-term reliability on its system and to serve the rapidly growing demand for electricity in the Purcellville area. The SCC requested a hearing examiner conduct an additional proceeding to gather further evidence.

The hearing examiner reset the hearing following a pre-hearing conference at which all parties agreed to the new date.

The July 31 hearing will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC web site at <a href="http://www.scc.virginia.nov/caseinfo.htm">http://www.scc.virginia.nov/caseinfo.htm</a>.

**Case Number** PUE-2005-00018

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-12

#### **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

March 1.2007

# SCC HEARING EXAMINER RECOMMENDS CONDITIONAL APPROVAL OF WIND FARM IN HIGHLAND COUNTY

**RICHMOND** – A State Corporation Commission (SCC) hearing examiner is recommending conditional approval of a proposal by Highland New Wind Development, LLC to construct a wind-powered electric generation facility in Highland County.

The 84-page hearing examiner's report serves as a recommendation to the Commission, which makes the final decision. The Commission can accept, reject, or modify the recommendation.

Hearing Examiner Alexander F. Skirpan, Jr., determined from the evidence that the 19 wind turbines along a mountain ridge near the Virginia-West Virginia border can operate under Virginia law subject to recommended conditions designed to minimize adverse environmental impacts.

Finding that the proposed project does pose a risk to bats and birds, Skirpan believes a post-construction monitoring program developed jointly by Highland Wind and the Virginia Department of Game and Inland Fisheries will mitigate such risk. He says, "Any mitigation should be tailored to the specifics of the situation requiring mitigation, and may include limitations on operation under certain prescribed conditions."

Under current Virginia law, the SCC may approve electric generation projects that do not threaten the reliability of the electric system, advance electric competition, and have positive impacts on economic development.

A substantial number of Highland County residents opposed the project. It was approved by the Highland County Board of Supervisors, which has state authority to make local land-use decisions. Skirpan also stated that the project will be a renewable energy source that is encouraged by Virginia's Energy Plan.

Participants in the case have 21 days to comment on the hearing examiner's report. The case record is then forwarded to the Commission for rendering a final decision.

#### Case number PUE-2005-00101

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-13

# **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

March 5,2007

# SCC SEEKS PUBLIC COMMENTS ON A PROPOSAL TO BUILD ELECTRIC TRANSMISSION LINE IN ARLINGTON COUNTY

**RICHMOND** – The State Corporation Commission (SCC) is asking for public comments on a proposal by Dominion Virginia Power to construct a new underground 230-kilovolt transmission line in Arlington County.

The planned transmission line would extend approximately 2,200 feet under existing roadways between the Clarendon and Ballston substations.

Dominion Virginia Power's application and accompanying materials may be viewed during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Interested persons may also access unofficial copies of the application through the SCC's Docket Search portal at <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>.

The application may be viewed during regular business hours at the Arlington County Central Library, 1015 North Quincy Street, Arlington, Virginia; and at Dominion Virginia Power, Riverside Building, 5<sup>th</sup> Floor, 120 Tredegar Street, Richmond, Virginia (Attention: Liz Harper).

Written comments or requests for a hearing on the application must be submitted by April 9,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2006-00082. Interested persons desiring to submit comments electronically may do so at the SCC's web site: <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2006-00082.

Case Number PUE-2006-00082

Ken Schrad Director

Angela P. Bowser Assistant Director

# Commonwealth of Virginia

SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

7-14 8 92

# **NEWS RELEASE**

Contact: **Ken Schrad** 

(804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

March 12,2007

#### SCC ESTABLISHES CHIEF ADMINISTRATIVE OFFICER; NAMES DANNY M. PAYNE TO POSITION

**RICHMOND** – The State Corporation Commission (SCC) has created the position of chief administrative officer to assist the Commission with the administration of the 600-person independent department of state government. Former Virginia Tax Commissioner Danny M. Payne has been appointed to the new position beginning March 16,2007.

SCC Chairman Theodore V. Morrison, Jr., says, "The increasing demands on our regulatory duties made it apparent that the Commission needed assistance in managing the day-to-day administrative support functions of the SCC." He added, "Danny Payne brings more than 30 years of state government organizational experience that will improve us internally and allow us to enhance our user-friendly objectives."

The SCC's four administrative divisions will report directly to Payne. They include the divisions responsible for the SCC's budget, personnel, computer technology, and public and government relations.

From 1994 to 2002, Payne served as Virginia's Tax Commissioner. During that time, he led an award-winning modernization program at the Department of Taxation that improved customer relations through the use of the Internet and electronic government services.

Payne is expected to guide the SCC on a similar program to define key operational strategies, optimize business operations, and improve the SCC's services to the citizens of the Commonwealth. He most recently served in a senior executive level position with a private contractor to modernize business systems at the Internal Revenue Service.

Established in 1902 by the Constitution of Virginia, the SCC's jurisdiction now includes supervision of many businesses, which have a direct impact on Virginia consumers. The SCC is charged with administering the Virginia laws related to the regulation of public utilities, insurance, state-chartered financial institutions, investment securities, retail franchising, and utility and railroad safety. In addition, it is the state's central filing office for documents that create corporations, limited liability companies, business trusts and limited partnerships, and financing statements filed under the Uniform Commercial Code.

Ken Schrad Director

ngela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

67-15

# **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

March 23,2007

# MORE PUBLIC COMMENT SOUGHT ON PROPOSED STAFFORD COUNTY TRANSMISSION LINE; SCC RESCHEDULES HEARING

**RICHMOND** – The State Corporation Commission (SCC) is seeking additional public comment on a revised application by Dominion Virginia Power to build a new 230-kilovolt transmission line between Route 1 and a proposed substation near Garrisonville in Stafford County.

On February 27,2007, the company filed a supplement to its application to add an underground alternative for the proposed five-mile transmission line. The underground alternative would be constructed in the same right-of-way in which the overhead line option would be located.

The SCC is extending the deadline for written comments on the application until May 31. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2006-00091.

Interested persons desiring to submit comments electronically may do so at the SCC's web site: <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2006-00091. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

To allow SCC staff and interested parties adequate time to review the underground alternative, the evidentiary hearing in the case scheduled for May 15 in Richmond is postponed until July 11. The hearing will convene at 10 a.m. in the Commission's 2'' floor courtroom located in the Tyler Building at 1300 East Main Street, in downtown Richmond.

Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff. The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC web site at <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>.

Case Number **PUE-2006-00091** 

Ken Schrad Director

ngela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-16

#### **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

March 28,2007

# SCC ADOPTS REVISED RULES GOVERNING LIFE INSURANCE AND ANNUITY REPLACEMENTS AND NEW RULES ADDRESSING ANNUITY SUITABILITY REQUIREMENTS

**RICHMOND** – The State Corporation Commission (SCC) has adopted new rules developed to strengthen consumer protection in the sale of annuities, and revised rules governing replacement transactions involving life insurance and annuities. The new and revised rules take effect in Virginia on April 1.

The new rules addressing suitability in the sale of annuities establish certain guidelines for insurers and agents to follow in presenting annuity products to consumers to better match the consumer's insurance needs and objectives to an appropriate annuity product. The revised replacement rules extend to more types of replacement transactions, and they also call for more extensive consumer disclosure.

As is true with all insurance purchases, *knowledge* is *your bestpolicy*. The SCC's Bureau of Insurance wants you to have all the facts to make a sound and reasonable judgement about your insurance needs and objectives. Whether you are contemplating replacing or exchanging a policy, or you are considering purchasing a new policy or contract, always review all information presented to you. Consider carefully costs and benefits, policy values, your insurability, death benefits, fees or other expenses, interest rate guarantees (if applicable), surrender periods or other terms, tax consequences, and the quality and financial stability of the company or companies involved.

For more information, call the SCC's Bureau of Insurance in Richmond at (804) 804-371-9691 or toll-free (nationwide) at 1-877-310-6560. A copy of the new and revised rules are found on the Bureau's web site at www.scc.virginia.gov/division/boi/. Follow the links to "Laws/Orders" and "Insurance Regulations," and view chapters 30 and 45.

Ken Schrad Director

ngela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-17

## **NEWS RELEASE**

Contact: **Ken Schrad** (804)371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

March 29,2007

# SCC HEARING EXAMINER RECOMMENDS SUBSTANTIAL REDUCTION TO APPALACHIAN POWER RATE REQUEST

**RICHMOND** – A State Corporation Commission (SCC) hearing examiner is recommending that Appalachian Power Company (APCo) be authorized an increase in annual operating revenue of 3.9 percent rather than the 25.4 percent now in effect on an interim basis.

APCo filed its \$198.5 million rate request in May 2006. By law, the increase was allowed to take effect October 2,2006 on an interim basis, subject to refund with interest.

SCC Hearing Examiner Alexander F. Skirpan recommends that the company be allowed an overall net increase of approximately \$30.6 million.

APCo's rate application requested an additional \$225.8 million in annual operating revenue. However, the requested increase in base rates is to be partially offset by a \$27.3 million credit to the company's fuel rate. Currently, that credit is being accounted for separately. According to the company, the combined impact of its request on the monthly bill of a residential customer using 1,000 kilowatt-hours of electricity was \$13.66.

After addressing a number of rate making issues, Skirpan determined that APCo's base rates should increase by approximately \$75.9 million and be offset by a \$45.3 million fuel rate credit. If the hearing examiner's recommendation is approved, the same residential customer's monthly bill would increase \$2.33, or \$11.33 less than the current interim rate.

Participants in the proceeding have 21-days to comment on the hearing examiner's report. The Commission can accept, reject, or modify the findings of the hearing examiner.

APCo serves approximately 500,000 customers in all or parts of 31 counties in southwest Virginia.

#### **Case Number PUE-2006-00065**

Ken Schrad Director

ngela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-18

# **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

April 6, 2007

# SCC DIRECTS HEARING EXAMINER TO FURTHER ADDRESS BAT AND BIRD MITIGATION PLAN FOR WIND FARM IN HIGHLAND COUNTY

**RICHMOND** – The State Corporation Commission (SCC) has directed an SCC hearing examiner to hold an additional proceeding to address a post-construction bat and bird mitigation plan for a proposed wind-powered electric generation facility in Highland County.

Highland New Wind Development, LLC seeks to build and operate 19 wind turbines along a mountain ridge near the Virginia-West Virginia border. Under current Virginia law, the SCC may approve electric generation projects that do not threaten the reliability of the electric system, advance electric competition, and have positive impacts on economic development. The SCC must also consider environmental impact.

SCC Hearing Examiner Alexander F. Skirpan, Jr., issued a report on March 1, 2007, recommending conditional approval of the project. During its preliminary consideration of the application and the evidentiary record, the SCC found that the risk to bats and birds falls within the required statutory analysis of the project's environmental impact and the public interest.

Skirpan is recommending a post-construction monitoring program developed jointly by Highland New Wind and the Virginia Department of Game and Inland Fisheries to mitigate such risk. The Commission wants all parties to the case and SCC staff to have an opportunity to participate in the process contemplated by the hearing examiner. The remand order sets forth 16 specific issues that are to be addressed in any comprehensive post-construction monitoring and mitigation plan submitted for the Commission's consideration.

An evidentiary hearing on remand has been scheduled for July 17 in the SCC's courtroom in Richmond. The SCC will webcast the audio portion of the hearing. Instructions for connecting to the webcast can be found on the SCC website at: http://www.scc.virginia.gov/caseinfo.htm.

#### **Case number PUE-2005-00101**

Ken Schrad Director

ngela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-19

# **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

April 9, 2007

#### SCC APPROVES REDUCED ROANOKE GAS RATE INCREASE

**RICHMOND** – The State Corporation Commission (SCC) has approved a reduced rate increase request by Roanoke Gas Company on the portion of a customer's bill that covers operating expenses. The SCC's final order means customers will be receiving refunds, with interest.

Roanoke Gas customers have been paying higher natural gas rates since October 23,2006. That is when the requested increase was allowed to go into effect on an interim basis pending an SCC decision.

The SCC's final order allows Roanoke Gas to collect an additional \$1.67 million in annual operating revenue for distribution services, an increase of eight percent. For the average residential customer using 75 therms of natural gas a month, his or her bill will increase by \$1.72.

Roanoke Gas originally sought a revenue increase that totaled \$1.74 million. After a thorough review of the request, the company and SCC staff reached an agreement to lower the request by \$78,373.

The company was directed to recalculate all bills issued since October 23,2006. In cases where the application of the new rates results in a reduced bill for a customer, the company will refund the difference with interest. For most customers, the refund will appear as a credit on an upcoming bill.

Roanoke Gas, a subsidiary of RGC Resources, Inc., serves approximately 60,000 residential, commercial, and industrial customers in the Roanoke and Bluefield areas.

Case Number **PUE-2006-00099** 

Ken Schrad Director

Angela P. Bowser \ssistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-20

#### **NEWS RELEASE**

Contact: Ken **Schrad** (804)371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

April 16, 2007

#### ONE MONTH LEFT TO FILE CLAIMS FOR VERIZON DIRECTORY ERRORS

**RICHMOND** – Less than one month remains for residential and business customers to file a claim for Verizon directory errors in Virginia. To date, the State Corporation Commission's (SCC) Division of Communications has received more than 1,700 claims.

The deadline to submit a claim is May 14,2007. Under the terms of the settlement accepted by the SCC in February, Verizon is making \$2 million available to compensate individuals and businesses that experienced service affecting directory errors and omissions. This includes those listed in Verizon directories even though they may receive local phone service from companies other than Verizon.

The years involved are 2004,2005,2006, and in any 2007 directory prepared for publication prior to March 14. On that date, Verizon instituted a procedure to credit customers when such errors are reported by the customer.

A service affecting directory error includes:

- The complete omission in the directory of a listing that was published in the telephone company records.
- The publication of a listing that was either non-listed, non-published, or no longer in the telephone company records.
- The reversal of a customer's first/last name.
- The misspelling of the listed name, incorrect telephone number, or any other error so as to make it unlikely that a user of a printed book could locate the correct number for the listing, including, but not limited to, the appearance of a listing under the appropriate yellow pages captioned heading.

Yellow page classified advertising is not regulated by the Commission and errors or omissions affecting such commercial contracts are not eligible for compensation.

(more)

Customers who potentially qualify for compensation are encouraged to use the SCC website to complete or print a claim form and submit it to the SCC's Division of Communications. The website is http://www.scc.virginia.gov/divisiodpuc/claim.htm.

The division will review each claim and determine the amount to be paid by Verizon to the customer. The review process begins upon receipt. It is expected that payments will not be made until sometime this fall.

All business customers who qualify for payment will receive an equal amount per directory in which the error occurred. All residential customers will also receive an equal amount, which will be less than that received by business customers. Maximum limits have been proposed, but the actual payment amount will be determined by the number of eligible claims.

#### **Case number PUC-2005-00007**

#### PROCEDURE FOR FILING A CLAIM

- Obtain an official claim form. Three options
  - o On-line form at: http://www.scc.virginia.gov/division/puc/claim.htm
  - o Print or download form from same website.
  - o Request form by writing to the Division of Communications.
- Complete all information requested on the form.
- Submit form to SCC's Division of Communications. Three options
  - o Electronic submission of the on-line form.
  - o Attach form to an E-mail to: PUCclaims@scc.virginia.gov
  - o Mail the form to P.O. Box 1197, Richmond, VA 23218
- All claims must be received by May 14,2007.

Ken Schrad Director

Angela P. Bowser Assistant Director

## Commonwealth of Virginia



**State Corporation Commission** 

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-21

# **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

April 17, 2007

#### SCC ALLOWS FUEL RATE DECREASE FOR DELMARVA POWER JUNE 1; COMPANY SEEKS FUEL RATE INCREASE AFTER JULY 1

**RICHMOND** – The State Corporation Commission (SCC) is allowing the first part of a two-part rate adjustment application by Delmarva Power & Light that reduces the company's fuel rate on an interim basis beginning on June 1, 2007.

In the second part of the application, Delmarva Power seeks an increase in the fuel factor on or after July 1,2007, to reflect increases in what the company must pay to purchase power from the wholesale electricity market. If approved, the combined impact of the two fuel rate adjustments means the bill of a residential customer will increase 7.6 percent.

Delmarva Power's current fuel rate is 5.6185 cents per kilowatt hour (¢/kWh). On June 1, the company proposes to reduce the factor by .3901 ¢/kWh, resulting in a 30-day fuel factor of 5.2284 ¢/kWh. Effective July 1, the company proposes raising its fuel factor to 6.5986 ¢/kWh. The revised rates will increase the company's revenue by \$3.7 million.

In its order establishing a procedural schedule for the application, the SCC requested legal briefs from Delmarva Power, the SCC staff, and interested parties on the company's challenge to the continued application of the fuel index procedure set forth in an agreement with the SCC when Delmarva Power chose to sell its generating plants in 2000.

A public hearing on the proposed changes in the Delmarva Power rates is scheduled for 10 a.m. on Monday, July 9,2007. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC website at http://www.scc.virginia.gov/caseinfo.htm.

(MORE)

Written comments on the proposals must be submitted by July 2,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00013.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00013. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Delmarva Power serves 25,500 residential, commercial, and industrial customers on Virginia's Eastern Shore.

**Case Number PUE-2007-00013** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-22

## **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

FOR IMMEDIATE RELEASE

April 20, 2007

# SCC SEEKS COMMENTS ON PROPOSED FUEL RATE INCREASE FOR DOMINION VIRGINIA POWER; SETS HEARING FOR JUNE 2007

**RICHMOND** – The State Corporation Commission (SCC) has scheduled a public hearing for June 19,2007, to receive comments on a request by Dominion Virginia Power (DVP) to increase the company's fuel rate approximately 3.9 percent.

DVP says the increase is necessary to cover the higher costs of fuel used to generate electricity. The company is seeking to raise its current fuel factor from 1.891 cents per kilowatt hour (¢/kWh) to 2.232 \$/kwh. The average residential customer using 1,000 kWh in a month would see an increase of \$3.41 on a monthly bill.

A public hearing on the request is scheduled for 10 a.m. on Tuesday, June 19,2007. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC website at http://www.scc.virginia.gov/caseinfo.htm.

Written comments on the proposals must be submitted by June 12,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00025.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00025. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

77-23

#### **NEWS RELEASE**

Contact: Andy Farmer

(804)371-9141; andy.farmer@scc.virginia.gov

FOR IMMEDIATE RELEASE

April 24, 2007

#### SCC SETS SCHEDULE TO CONSIDER ALLEGHENY POWER RATE REQUEST; DEFERS ACTION ON REQUEST TO MAKE HIGHER RATES EFFECTIVE JULY 1

**RICHMOND** – The State Corporation Commission (SCC) has set a hearing in August to consider a request by Allegheny Power to increase charges to its Virginia customers by \$35.9 million over a three-year period.

Allegheny Power says the proposed rates are needed to recover the increased cost of purchasing power beginning July 1,2007. The company would like to increase rates for a typical residential customer by 16 percent effective July 1. Purchased power costs not recovered through the July 2007 increase would be deferred for recovery over the subsequent three-year period.

In its order establishing a procedural schedule for the application, the SCC deferred ruling on the company's request that it be permitted to charge a fuel and purchase power adjustment factor effective July 1.

The Commission requested legal briefs from Allegheny Power, the SCC staff, and interested parties on the company's challenge to the continued application of an agreement with the SCC that addressed the pricing of generation services when the company chose to sell its generating plants in 2000. In that agreement, the company agreed to abolish its fuel factor recovery mechanism.

A public hearing on the proposed changes in the Allegheny Power rates is scheduled for 10 a.m. on Tuesday, August 7,2007. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC website at http://www.scc.virginia.gov/caseinfo.htm.

(MORE)

**ADVISORY:** E-mail distribution of SCC news releases is now available. Please register online at http://www.scc.virginia.gov/division/ird/index.htm

Written comments on the proposals must be submitted by July 23,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00026.

Interested persons desiring to submit comments electronically may do so at the SCC's web site: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00026. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Allegheny Power serves 98,000 customers in all or parts of 14 counties in the northwestern portion of Virginia.

**Case Number PUE-2007-00026** 

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources

P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-24

# **NEWS RELEASE**

Contact: **Andy Farmer** (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

April 24, 2007

#### SCC APPROVES FUEL RATE INCREASE FOR KENTUCKY UTILITIES

**RICHMOND** – The State Corporation Commission (SCC) has approved a 15 percent fuel rate increase request by Kentucky Utilities Company, doing business in Virginia as Old Dominion Power Company.

The SCC's final order issued on April 20,2007, allows Kentucky Utilities to raise the fuel factor from 2.676 cents per kilowatt hour (¢/kWh) to 3.079 ¢/kWh. A typical residential customer's monthly bill will increase by \$4.03 for each 1,000 kilowatt hours used.

Kentucky Utilities customers have been paying higher interim rates since April 1,2007. That is when the requested increase was allowed to go into effect on an interim basis pending an SCC decision. The company said the fuel rate adjustment is necessary because of an under-recovery of past fuel costs to generate electricity and to meet the projected costs of fuel through March 31, 2008.

The company is a wholly owned subsidiary of E.ON U.S. LLC and provides electric service to approximately 30,000 customers in Wise, Lee, Russell, Scott, and Dickenson counties.

Case Number PUE-2007-00009

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-25

#### **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

FOR IMMEDIATE RELEASE

April 26, 2007

**EDITOR'S NOTE:** The SCC has issued a numerical correction in the first paragraph of a news release distributed on April 24,2007, changing the requested increase by Allegheny Power to \$85 million. The Commission also issued correcting order on April 25 with the correct figure.

#### SCC SETS SCHEDULE TO CONSIDER ALLEGHENY POWER RATE REQUEST; DEFERS ACTION ON REQUEST TO MAKE HIGHER RATES EFFECTIVE JULY 1

**RICHMOND** – The State Corporation Commission (SCC) has set a hearing in August to consider a request by Allegheny Power to increase charges to its Virginia customers by \$85 **million** over a period of years.

Allegheny Power says the proposed rates are needed to recover the increased cost of purchasing power beginning July 1,2007. The company would like to increase rates for a typical residential customer by 16 percent effective July 1. Purchased power costs not recovered through the July 2007 increase would be deferred for recovery over the subsequent three-year period.

In its order establishing a procedural schedule for the application, the SCC deferred ruling on the company's request that it be permitted to charge a fuel and purchase power adjustment factor effective July 1.

The Commission requested legal briefs from Allegheny Power, the SCC staff, and interested parties on the company's challenge to the continued application of an agreement with the SCC that addressed the pricing of generation services when the company chose to sell its generating plants in 2000. In that agreement, the company agreed to abolish its fuel factor recovery mechanism.

A public hearing on the proposed changes in the Allegheny Power rates is scheduled for 10 a.m. on Tuesday, August 7,2007. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

(MORE)

The SCC intends to webcast the audio portion of the hearing via the Internet. Instructions can be found on the SCC website at http://www.scc.virginia.gov/caseinfo.htm.

Written comments on the proposals must be submitted by July 23,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00026.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm.Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00026. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Allegheny Power serves 98,000 customers in all or parts of 14 counties in the northwestern portion of Virginia.

**Case Number PUE-2007-00026** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-26

# **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

April 27, 2007

# SCC SEEKS COMMENT ON ANTHEM (WellPoint) REQUEST TO RELAX 2002 MERGER CONDITIONS

**RICHMOND** – The State Corporation Commission (SCC) is seeking comments on a request by Anthem Health Plans of Virginia to relax restrictions on its ability to perform certain services and operations outside of Virginia.

In 2002, the SCC approved a merger of Trigon Healthcare and Anthem. Anthem has changed its name to WellPoint and Trigon is now known as Anthem Southeast.

In the 2002 order (INS-2002-00131), the SCC required Anthem to continue providing certain services such as claims processing, customer service, sales, and provider services from offices located in Virginia. Anthem was required to seek written approval from the SCC's Bureau of Insurance before locating such services outside of the Commonwealth.

On April 20,2007, Anthem filed a petition in which it stated that the health care industry has changed dramatically. The company, which operates in numerous states, argues that "maintaining duplication simply to satisfy the desire for local function is a cost the health care system cannot afford."

Any person desiring to comment on Anthem's request must do so on or before June 8,2007. Written correspondence should be sent to the Clerk of the Commission, c/o Document Control Center, PO Box 2118, Richmond, VA 23218-2118 and refer to case number INS-2007-00141.

Comments may also be submitted electronically by following the instructions on the SCC's website at: www.scc.virginia.gov/caseinfo.htm. Refer to the public comments/notices section.

If there is no opposition to Anthem's request, the Commission may grant the petition without further proceeding.

#### Case number INS-2007-00141

Petition of Anthem Health Plans of Virginia, Inc.; HealthKeepers, Inc.; Priority Health Care, Inc.; Peninsula Health Care, Inc.; WellPoint, Inc.; Anthem Southeast, Inc.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-27

## **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

May 4,2007

# SCC'S BUREAU OF INSURANCE URGES VIRGINIANS TO PLAN AHEAD FOR HURRICANES, FLOODS, AND OTHER NATURAL DISASTERS

**RICHMOND** – With hurricane season less than a month away, the State Corporation Commission's Bureau of Insurance encourages Virginians to review their insurance now to ensure they have the coverage they need in the event of a hurricane, tornado, flood, or other potential disaster.

Standard homeowners and business insurance policies issued in Virginia provide coverage for damage to your property as a result of fire, lightning, and windstorms, but damage from floods and surface water typically is **not** covered. The federal government sells insurance for direct flood and flood-related damage to homeowners, renters, and business owners in eligible communities through its National Flood Insurance Program (NFIP). However, there is typically a 30-day waiting period before a new flood insurance policy takes effect.

History has shown that flooding is one of the most costly natural disasters affecting Virginia. It can happen anytime and anywhere. Hurricanes and spring and summer thunderstorms are common causes of flooding. Even minor floods can cause extensive damage to your home, business, or possessions.

Virginia's abundance of water, its many low-lying areas, and its coastline make it particularly susceptible to flooding. During the past 10 years, the state has experienced 13 flood-related federally declared disasters.

Twelve hurricanes have tracked across the state including Ernesto, Gaston, Isabel, and Floyd. Insured flood losses in Virginia during the past five years totaled more than \$272 million, according to the NFIP. Despite this, only four percent of the state's households have flood insurance.

Experts predict an above-average hurricane season this year (June 1 through November 30), and storm surge can be a major factor for coastal areas. Flood insurance covers flooding from tidal and storm surge whereas other insurance policies may not. Areas hundreds of miles from the coastlines are also at risk of flooding as hurricanes and tropical storms move inland bringing torrential rains and high winds.

"Whether you are concerned about winds, lightning strikes, floods, or other natural disasters, advance preparation is the key to protecting your family and home, not only physically, but financially," said Virginia Insurance Commissioner Alfred W. Gross. Make sure you have the insurance coverage you need **before** disaster strikes. If you don't already have flood insurance, find out your flood risk and take steps now to protect your home or business.

For more information about flood insurance, contact your insurance agent or company or the NFIP at 1-800-427-2419 or visit www.FloodSmart.gov. Be sure to find out whether your flood policy provides coverage for your contents.

The Bureau of Insurance has specially trained staff that can help consumers with other homeowners, auto, and commercial insurance questions and concerns. For more information, contact the Bureau's Property and Casualty Division at (804) 371-9185 or toll-free at 1-877-310-6560. Consumers who are speech or hearing impaired may call through the SCC's Telecommunications Device for the Deaf and hard of hearing (TDD) at (804) 371-9206.

The Bureau offers free consumer insurance guides on a variety of topics including disaster guides for homeowners and businesses. These publications are available on the Bureau's website at www.scc.virginia.gov/division/boi/index.htm.

The SCC is located in the Tyler Building at 1300 East Main Street in downtown Richmond. Normal business hours are from 8:15 a.m. to 5 p.m. Correspondence may be mailed to the Bureau of Insurance at P. O. Box 1157, Richmond, VA 23218.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-28

## **NEWS RELEASE**

Contact: Katha Treanor

(804)371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

Tuesday, May 15,2007

# SCC WARNS VIRGINIANS ABOUT HIGH RISK AND FRAUDULENT INVESTMENTS

**RICHMOND** – Opportunities abound for investors looking for lucrative places to put their money. However, so do unsuitable investment offerings, false promises, and scams. Without sufficient planning and information, investors face a potential minefield when it comes to mapping out their financial future.

Each year, investors lose billions of dollars to investment scams, and Virginians are no exception. The State Corporation Commission (SCC) urges consumers to avoid falling victim to inappropriate or fraudulent investment opportunities by investigating before they invest. "The path to safe investing is littered with traps that are likely to snare unwary investors. It pays to remember that any investment that sounds too good to be true usually is," said Ron Thomas, director of the SCC's Division of Securities and Retail Franchising.

"Investor traps are usually baited with slick sales pitches promising high returns for little or no risk," Thomas said. Investors can also be lured by legitimate investment products that may not be suitable for them. Thomas encourages investors to weigh risk versus reward when considering any investment and to make sure it meets their personal investment goals. He urges investors to be particularly wary of the following:

**Affinity Fraud.** Con artists are increasingly targeting religious, ethnic, cultural, and professional groups. Some may be members of the group or pretend to be members in order to gain trust. Con artists often recruit a respected member of a community or religious congregation to promote their schemes by convincing them that a fraudulent investment is legitimate. In many cases, even these leaders become victims of what turns out to be a Ponzi scheme.

**Internet Fraud.** Scamsters continue to use technology to lure investors into "pump-and-dump" stock schemes. Be wary of investments that are pitched through unsolicited e-mails, instant messages, and phony websites.

Unlicensed Individuals & Unregistered Products. Anyone selling securities or providing investment advice about buying or selling securities must be appropriately licensed. Individuals who engage in these activities without a valid license to do so should be a red alert for investors. Carefully check out anyone providing investment advice or offering to help you buy or sell securities.

So far this year, the SCC has entered settlement orders against several individuals for allegedly selling investments without being properly registered. The Commission has also scheduled numerous hearings in recent month's related to the sale of unregistered securities.

**Real Estate Investment Contracts.** Despite the recent decline in property values, investments in real estate have long been viewed as a "sure thing," one with little downside risk and the potential for substantial returns. Just because an investment involves real estate, it may still be a security subject to full regulation under the state and federal securities laws, including registration requirements and antifraud rules.

Unsuitable Sales. What might be a suitable investment for one investor might not be right for another. Securities professionals must know their customers' financial situation and refrain from recommending investments that they have reason to believe are unsuitable. For example, variable annuities are often unsuitable for senior citizens because they are generally long-term investments that limit access to invested funds. They often carry high surrender fees and their returns are vulnerable to stock market volatility. Make sure your investments are appropriate for your age, your need for access to money, and your risk tolerance.

Thomas also cautions Virginia investors to beware of foreign exchange trading, prime bank schemes, investments in oil and gas projects, private securities offerings, and investment seminars promising free meals and touting high returns with little or no risk.

"Education and awareness are an investor's best defense against fraud," Thomas said. Before making any investment, he urges Virginians to contact the Securities Division to find out if both the salesperson and the investment are licensed and registered in Virginia. "Make sure you receive written information that fully explains the investment before you hand over your money. Don't fall for pie-in-the-sky claims. All it takes is one uninformed decision to wipe out your savings," he said.

For more information, call the SCC's Division of Securities and Retail Franchising in Richmond at (804) 371-9051 or toll-free (in Virginia) at 1-800-552-7945. You may also visit the division's website at <a href="https://www.scc.virginia.gov/division/srf">www.scc.virginia.gov/division/srf</a> or visit the North American Securities Administrators Association's website at <a href="https://www.nasaa.org">www.nasaa.org</a>.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-29

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

May 15,2007

## SCC ORDERS SIGNIFICANT REDUCTION TO APPALACHIAN POWER RATE REQUEST:

**Orders Refunds to Customers with Interest** 

**RICHMOND** – The State Corporation Commission (SCC) is giving Appalachian Power Company (APCo) approval to increase its annual operating revenue by \$24 million. The amount is \$174.5 million less than what the company requested and has been charging customers on an interim basis since October of last year.

The SCC rejected a company request to delay implementation of the lower rates and to take up to six months to provide refunds to customers. The SCC's final order directs the company to begin charging the lower rates in 30 days and make refunds, with interest, to customers within 90 days. Noting that customers have endured three rate increases over the past year which includes paying significantly higher rates as a result of APCo's request in this case, the Commission said, "APCo's customers deserve better treatment than the company wishes to impose upon them."

APCo filed its \$198.5 million rate request in May 2006. By law, the increase was allowed to take effect October 2,2006 on an interim basis, subject to refund with interest.

The company's requested amount represented a 25.4 percent increase in annual operating revenue. The SCC's final order allows for an increase of 3.1 percent.

For an APCo residential customer using 1,000 kilowatt-hours of electricity a month, the SCC's order means the monthly bill will be approximately \$11.80 less than the current interim rate. Refunds will appear as a credit on customer bills.

APCo had also claimed that this particular rate case should be governed, in part, by legislation enacted during the 2007 General Assembly session. The Commission noted that it "would not typically address a statute that has yet to take effect," in an order in a case filed earlier, but "since Appalachian has asserted the new statute applies...we are compelled to address" APCo's assertions in the order in this case.

The Commission said, "If Appalachian is correct, we acknowledge that application of the new statute to the current proceeding would result in a rate increase that can be estimated to be approximately \$47.65 million more than the rate increase we otherwise approve herein."

However, the Commission rejected Appalachian's assertion that the new law should apply to this case stating that neither the Constitution of Virginia nor the rules of Virginia statutory interpretation supports Appalachian's claim.

APCo serves approximately 500,000 customers in all or parts of 31 counties in southwest Virginia.

**Case Number PUE-2006-00065** 

## **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

FOR IMMEDIATE RELEASE

May 21,2007

### SPECIAL ADVISORY COMMISSION TO MEET JULY 18

**RICHMOND** – The Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) will meet at 10 a.m. on Wednesday, July 18 in House Room D of the General Assembly Building in Richmond.

The Advisory Commission, currently chaired by Delegate R. Lee Ware Jr., includes six members of the General Assembly and 10 members appointed by the Governor. The Commissioner of Health and the Commissioner of Insurance serve as ex-officio members.

The Advisory Commission will hold a public hearing on a proposal that would require coverage for second opinions at National Cancer Institute Comprehensive Cancer Centers for primary malignant brain tumors. It will also hold a public hearing on proposals to repeal the current required offers of coverage for dose-intensive chemotherapy/autologous bone marrow and stem cell transplants for breast cancer.

Changes in required health insurance benefits proposed during the General Assembly session are regularly referred to the Advisory Commission that reviews the proposals, conducts hearings, and makes recommendations on those coverage issues before it.

Anyone wishing to comment is encouraged to submit information in writing in the format prescribed by the Advisory Commission's guidelines. To obtain a copy of the guidelines, contact the State Corporation Commission's Bureau of Insurance at (804) 371-9388, or toll-free at 1-800-552-7945.

The Bureau of Insurance and other designated state agencies provide staff assistance to the Advisory Commission.

Ken Schrad Director

Angela P. Bowser
Assistant Director

## Commonwealth of Virginia

SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-31

### **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

May 23,2007

# SCC OFFERS TIPS FOR VIRGINIANS IN DANGER OF MISSING MORTGAGE PAYMENTS OR FACING FORECLOSURE

**RICHMOND** – An increasing number of borrowers are at risk of losing their homes because they can no longer afford to make their mortgage payments. The State Corporation Commission's Bureau of Financial Institutions reminds Virginians that there are steps they can take to reduce their chances of losing their home to foreclosure.

The Bureau reminds homeowners who cannot make their mortgage payments to consider contacting their mortgage lender. Do not ignore phone calls or letters from your lender since delays may only increase your chances of losing your home. If your lender forecloses on your home, you will have to find somewhere else to live and may encounter difficulty qualifying for credit later on.

Since foreclosure is a costly process that does not necessarily result in a lender recouping the total outstanding balance on a mortgage loan, lenders typically want to avoid foreclosure. Lenders are often willing to work with you to avoid foreclosing on your home; however, you must be willing to contact your mortgage lender directly and discuss your problems with them. Your mortgage lender may be willing to agree to a forbearance (allowing you to make partial payments or skip payments) or loan modification (adjusting your interest rate, payment schedule, or other terms of your loan) to enable you to retain ownership of your home.

The Bureau of Financial Institutions warns homeowners facing forclosure to be wary of creditrepair scams or other solicitations that offer to assist you in stopping or preventing forclosure. Check with a lawyer or your mortgage lender *before* signing any contract or entering into any deal involving your home.

There are a number of resources available to consumers who are in danger of missing payments on their mortgage loans and possible foreclosure. The United States Department of Housing and Urban Development (HUD) offers a helpful publication entitled "How to Avoid Foreclosure" on its website at www.hud.gov/foreclosure/index.cfm. Other resources include HUD-approved counseling agencies

(1-800-569-4287), Housing Opportunities Made Equal (804-354-0641) and Neighbor Works (1-888-995-4673).

Additional information is also available on the Bureau of Financial Institutions website at www.scc.virginia.gov/division/banking/index.htm or by calling the Bureau at 1-800-552-7945 (toll-free in Virginia) or in Richmond at (804) 371-9657. The Bureau cannot provide legal advice, nor can it stop or prevent a foreclosure. However, it can assist consumers with questions and complaints involving licensed mortgage lenders and brokers, as well as state-chartered financial institutions.

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-32

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

May 24,2007

# SCC SEEKS COMMENT ON VERIZON REQUEST TO WAIVE RULE FOR HANDLING OUT-OF-SERVICE TROUBLE REPORTS

**RICHMOND** – The State Corporation Commission (SCC) is seeking comments and requests for a hearing regarding a request by Verizon for a waiver of the SCC's rule governing the company's handling of out-of-service trouble reports. Typically, these trouble reports are initiated when customers call to report they are without telephone service.

On a monthly basis, the rule requires Verizon to clear no less than 80 percent of the reports the company receives from customers within 24 hours. The rule requires that 95 percent of such trouble reports be cleared within 48 hours.

Verizon seeks a temporary waiver of the rule and proposes to work with the staff of the Commission to study and develop a new standard for clearing trouble reports. Verizon's request was filed on May 10. Verizon is Virginia's largest provider of local exchange telephone service.

Also on May 10, the SCC's staff filed a motion for a "rule to show cause" requesting that sanctions be imposed against Verizon for its failure to comply with the rule that Verizon wishes to be waived (PUC-2007-00040).

Written comments on the Verizon request must be submitted by July 3, 2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUC-2007-00041.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUC-2007-00041.

**Case number: PUC-2007-00041** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-33

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

June 4,2007

# SCC SETS SCHEDULE ON TWO APPLICATIONS TO CONSTRUCT SEPARATE SEGMENTS OF A 500-kV TRANSMISSION LINE; JOINT HEARINGS TO BE HELD

**RICHMOND** – The State Corporation Commission (SCC) will conduct hearings at four local sites this summer to hear public comments on two applications to construct separate segments of a proposed 500-kilovolt transmission line to serve northern Virginia. Local hearings in July and August will be held over two consecutive days at each location in Warrenton, Bristow, Winchester, and Front Royal.

Earlier this year, the SCC received the two applications for the proposed 93-mile transmission line project that runs from the Virginia-West Virginia border in Frederick County to a substation in Loudoun County. The western 28-mile segment from the West Virginia border is proposed by Trans-Allegheny Interstate Line Company (TrAILCo). The eastern 65-mile segment to Loudoun County is proposed by Dominion Virginia Power and TrAILCo.

The two segments are the eastern end of a proposed 240-mile line that originates in southwestern Pennsylvania and continues through West Virginia to Virginia. In Virginia, the proposed route for the line travels through Frederick, Warren, Fauquier, Rappahannock, Culpeper, Prince William, and Loudoun Counties. An alternate route would use Interstate 66 right of way from Warren County to Loudoun County.

The Commission will render a decision on the need for each segment of line. The SCC must also establish appropriate conditions to minimize any adverse environmental impact of each line. The Commission has asked for legal memorandums on whether Virginia law permits or requires the Commission to consider the regional need for the facilities proposed in Virginia.

The first local public hearing will be in Warrenton on Thursday, July 26 at the Fauquier High School auditorium. The hearing will begin at 1:30 p.m. and then reconvene at 7 p.m. It will continue Friday, July 27 at 9:30 a.m. Any person wishing to comment at any of these hearings should arrive early and sign in with the SCC bailiff.

The next local hearing will be in Bristow on Thursday, August 9 at Marsteller Middle School. The hearing will begin at 1:30 p.m. and then reconvene at 7 p.m. It will continue Friday, August 10 at 9:30 a.m.

Another local hearing will be in Winchester on Monday, August 13 at James Wood High School. The hearing will begin at 1:30 p.m. and reconvene at 7 p.m. The hearing will continue Tuesday, August 14 at 9:30 a.m.

The final local hearing will be in Front Royal on Wednesday, August 15 at the North Warren Volunteer Fire Department. The hearing will begin at 1:30 p.m. and reconvene at 7 p.m. It will continue Thursday, August 16 at 9:30 a.m.

The evidentiary hearing will begin in Richmond on Monday, January 14, 2008, at 9 a.m. Public comments will also be accepted at the beginning of this hearing in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street.

The public may view the companies' applications and related documents during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. Interested persons may also access copies of the applications through the SCC's Docket Search portal at http://www.scc.virginia.gov/caseinfo.htm.

Written public comments must be submitted by December 14,2007. Commentors may address both cases in one submission. All correspondence must be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00031 and/or PUE-2007-00033.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00031/PUE-2007-00033.

#### **Case number PUE-2007-00031**

Joint application of Dominion Virginia Power and Trans-Allegheny Interstate Line Company

#### **Case number PUE-2007-00033**

Application of Trans-Allegheny Interstate Line Company

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-34

### **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

June 11,2007

# SCC GRANTS "RULE TO SHOW CAUSE" REGARDING VERIZON OUT-OF-SERVICE TROUBLE REPORTS

RICHMOND – The State Corporation Commission (SCC) is granting a motion that directs Verizon to show why it should not be sanctioned for violating the SCC's rule governing the company's handling of out-of-sewice trouble reports. In a separate case, Verizon is requesting a waiver of the rule.

Typically, out-of-service trouble reports involve customers who call to report they are without telephone service. On a monthly basis, the rule requires Verizon to clear no less than 80 percent of the reports the company receives from customers within 24 hours. The rule requires that 95 percent of such trouble reports be cleared within 48 hours.

On May 10, the SCC's staff filed a motion for a "rule to show cause." The motion asserts a demonstrable concern relating to Verizon's performance with regard to the rule. Although staff received a corrective action plan from Verizon last October, the company has failed to comply with its plan.

Verizon is directed to respond on or before August 17.

Meanwhile, the Commission is also taking written comments on the Verizon request for a waiver of the rule. Comments in case PUC-2007-00041 must be submitted by July 3,2007.

Case number: PUC-2007-00040 – Rule to Show Cause

<u>Case number: PUC-2007-00041</u> – Verizon request for waiver of rule

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-35

## **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

June 13,2007

### SCC SEEKS IDEAS ON PROGRAMS TO REDUCE ELECTRIC CONSUMPTION

**RICHMOND** – The State Corporation Commission (SCC) invites persons and groups with an interest in energy conservation to submit comments or join a work group to assist Commission staff in developing a plan for a recommended mix of programs that will reduce electricity consumption in Virginia.

In April 2007, the Virginia General Assembly established a goal of reducing electricity consumption by retail customers by 10 percent by the year 2022. The legislature directed the SCC to determine if the reduction goal can be achieved, identify the types of conservation and efficiency programs that should be implemented to meet the goal, and develop a plan for the implementation of recommended programs.

The SCC will conduct a comprehensive review of short-term and long-term strategies for decreasing energy consumption within an era of growing demand for energy. The examination will include programs for demand-side management, conservation, efficiency, load management, real-time pricing, consumer education, and other ideas that come from the public.

Interested parties such as utilities, retail customers, consumer and environmental groups, and government agencies who wish to join the SCC work group should submit a letter expressing their intention by June 25,2007, to the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia, 23218-2118. The letter should include a complete mailing address, telephone number, fax number (if available), and electronic mailing address (if available).

The first meeting of the work group is scheduled for 9 a.m. on July 19 in an SCC courtroom on the second floor of the Tyler Building, 1300 East Main Street, in downtown Richmond. The meeting will open with a public comment period for individuals who want to express their views, but may not wish to participate in the work group.

(MORE)

The SCC also welcomes written comments on the energy conservation goals. All correspondence should be sent by July 13 to David Eichenlaub, SCC Division of Economics and Finance, P.O. Box 1197, Richmond, Virginia, 23218. Interested persons desiring to submit comments electronically should prepare them in a Microsoft Word document and send the email to econfin@scc.virginia.gov.

The SCC will submit its findings and recommendations to the Governor and General Assembly by December 15, 2007.

**Case Number PUE-2007-00049** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-36

## **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

June 21,2007

# SCC SETS HEARING ON ANTHEM (WellPoint) REQUEST TO RELAX 2002 MERGER CONDITIONS

**RICHMOND** – The State Corporation Commission (SCC) has set a July 10,2007, hearing regarding a request by Anthem Health Plans of Virginia to relax restrictions on its ability to perform certain services and operations outside of Virginia.

By order earlier this year, the Commission sought public comments on the request. Nearly 200 written comments were received. The Medical Society of Virginia and the Virginia Dental Association both requested a hearing.

In 2002, the SCC approved the merger of Trigon Healthcare and Anthem. Subsequently, Anthem and Wellpoint Health Networks merged. In the Anthem-Trigon merger order (INS-2002-00131), the SCC required Anthem to continue providing certain services such as claims processing, customer service, sales, and provider services from offices located in Virginia. Anthem was required to seek written approval from the SCC's Bureau of Insurance before locating such services outside of the Commonwealth.

The Bureau of Insurance filed a report on June 14 indicating it does not oppose Anthem's request. However, the Bureau is offering suggested changes to the provisions of the 2002 order if the Commission should deny all or part of the company's request.

Anthem filed its petition on April 20. The company, which operates in numerous states, stated that "maintaining duplication simply to satisfy the desire for local function is a cost the health care system cannot afford."

The SCC hearing will begin at 10 a.m. on Tuesday, July 10. Anyone wishing to comment at the hearing should arrive early and sign in with the Commission bailiff. The hearing will be held in the SCC's courtroom on the 2<sup>nd</sup> floor of the Tyler Building, 1300 East Main St. in downtown Richmond.

The SCC will webcast the audio of the hearing. Instructions for listening to the hearing can be found on the SCC website at: www.scc.virginia.gov/caseinfo/webcast.htm.

Case number INS-2007-00141

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-37

## **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

### FOR IMMEDIATE RELEASE

June 27,2007

#### SCC APPROVES FUEL RATE INCREASE FOR DOMINION VIRGINIA POWER

**RICHMOND** – The State Corporation Commission (SCC) has approved a new fuel rate for Dominion Virginia Power that will increase an average residential bill by 4 percent. The increase will become effective for electricity used on and after July 1,2007.

The SCC's order issued on June 26,2007, allows Dominion Virginia Power to raise its fuel factor to 2.232 cents per kilowatt hour (¢/kWh) from 1.891 ¢/kWh. A residential customer using 1,000 kWh in a month will see an increase of \$3.41 on a monthly bill.

Dominion Virginia Power said the increase was necessary to cover the higher costs of fuel used to generate electricity. In its application, the company projected an annual increase in fuel expenses of approximately \$662 million above the current fuel recovery level. However, the company's recovery of its forecasted fuel cost increase is limited to approximately \$219 million in the 12-month period beginning July 1 as the result of legislation passed during the 2007 session of the General Assembly.

Actual fuel expenses not recovered by the newly approved fuel factor, projected to be approximately \$443 million, will be recovered through fuel rate cases the company can file in 2008,2009, and 2010.

**Case Number PUE-2007-00025** 

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission

Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

77-38

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

June 28,2007

## SCC DENIES ALLEGHENY POWER RATE INCREASE; HOLDS COMPANY TO RATE PROTECTION AGREEMENT REACHED IN 2000

RICHMOND - The State Corporation Commission (SCC) has denied a 20 percent rate increase requested by Allegheny Power that would have taken effect July 1,2007. The 20 percent increase was part of an average rate increase totaling 49 percent that Allegheny Power proposed to phase-in over three years.

The SCC said the provisions protecting ratepayers in an agreement Allegheny Power entered in 2000 when the company voluntarily transferred its generation units to an affiliate still applied. The SCC said the 2000 agreement had been preserved by legislation enacted by the Virginia General Assembly in 2004 and 2007.

In that 2000 agreement, the company agreed to abolish its fuel factor recovery mechanism. Instead, purchased power costs were rolled into the company's base rates, which are currently capped under Virginia law through the end of 2008.

In the company's application filed in April, Allegheny Power sought to reestablish its fuel factor. Under a rate mitigation plan proposed by the company, any purchased power costs not recovered through the requested 20 percent increase on July 1 was to be deferred for recovery over the subsequent three-year period.

The SCC wrote, "Allegheny's requests herein to reinstitute its fuel factor recovery mechanism, and to increase retail rates to recover all of its purchased power costs, are explicitly prohibited by the memorandum of understanding (MOU)."

The Virginia General Assembly amended the Virginia Electric Utility Restructuring Act in 2004 and again this year. The Commission said, "We find that amendments to the Act do not modify the pricing mechanisms in the MOU such that the Commission is legally required to reinstitute a fuel factor recovery mechanism and to allow Allegheny to recover all of its purchased power costs beginning July 1,2007."

(more)

As to the company's claim that continued enforcement of the MOU violates federal constitutional law, the Commission wrote, "Any claimed losses to the company do not result from destruction of economic value by the Commission but, rather, represent value that has been lost as a consequence of economic forces to which Allegheny is subjected as a direct result of its own business decisions, decisions that Allegheny freely made and which were not forced upon the company by the Commission."

As a result of the Commission's denial of the rate request, the hearing scheduled for August 7, 2007 is cancelled.

Allegheny Power serves 98,000 customers in all or parts of 14 counties in the northwestern portion of Virginia.

**Case number: PUE-2007-00026** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-39

## **NEWS RELEASE**

Contact: **Katha Treanor** (804)371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

July 17, 2007

# SCC'S BUREAU OF INSURANCE REMINDS VIRGINIANS TO REVIEW THEIR INSURANCE COVERAGE BEFORE DISASTER STRIKES

**RICHMOND** – As we approach what is historically the most active part of hurricane season, the State Corporation Commission's (SCC) Bureau of Insurance reminds Virginians to review the details of their insurance policies **before** disaster strikes. The East Coast has already had two named storms this year, and predictions are for an active 2007 hurricane season.

The Bureau of Insurance encourages policyholders to check with their insurance company or agent to find out if their homeowner's policy contains a special deductible for wind or hurricane losses. These deductibles are applied separately from any other deductible on the homeowners' policy. The amount and application of these deductibles may vary by insurance company, home value, location, and other factors.

Wind or hurricane deductibles may be written as a flat amount, such as \$1,000. Or, they may be applied to a loss as a percentage of the insurance coverage on the dwelling.

Increasingly, property insurance writers in Virginia are including mandatory wind or hurricane deductibles ranging from one to five percent on new and renewal policies, particularly in coastal areas. Some insurers may offer these deductibles at the policyholder's option. Virginia law requires insurers to notify their policyholders of any unilateral change in wind and hurricane deductibles and to explain how they work.

"Wind and hurricane deductibles shift greater risk to the policyholder. It is important for consumers to understand the impact these deductibles can have on their out-of-pocket costs should a hurricane or windstorm strike," said SCC Commissioner of Insurance Alfred W. Gross. For instance, if your home is insured for \$500,000 and your homeowners' policy has a mandatory five percent wind or hurricane deductible, you would be required to pay the first \$25,000 if a hurricane causes damage to your dwelling, Gross said.

Consumers may wish to contact their insurance agent to see if coverage is available with a lower deductible from the surplus lines market. Surplus lines carriers are approved to do business in Virginia, but are not subject to the same regulatory requirements as licensed insurers, and there is no coverage under the state guaranty fund if a surplus lines carrier becomes insolvent.

Dwelling and commercial property coverage is also available through the Virginia Property Insurance Association (VPIA). It insures homeowners and businesses throughout the state that have not been able to find coverage elsewhere.

The Bureau encourages policyholders to plan ahead for hurricanes and other disasters and to know what to do if a disaster strikes your property. Understand what your property insurance does and does not cover. Ask your insurance agent or company how you can reduce the severity of a loss, should a hurricane strike. Prepare a complete inventory of your personal property ahead of time including serial numbers, photographs, and videotapes, and keep it in a safe place.

If you must evacuate, know the name and phone number of your insurance company, as well as your policy number, in case you have questions or need to file a claim. If your property is damaged by a hurricane, make any necessary emergency repairs and take reasonable steps to protect your property from further damage. Make a list of all damage to the house and its contents, and include photographs, notes, and repair-related receipts.

The Bureau of Insurance is Virginians' source for insurance information. It has specially trained staff that can assist consumers with their insurance-related questions and concerns. For more information, contact the Bureau of Insurance Property and Casualty Division toll-free at 1-877-310-6560 or in Richmond at (804) 371-9185. Consumers who are hearing or speech impaired may call through the SCC's Telecommunications Device for the Deaf and hard of hearing (TDD) at (804) 371-9206.

The Bureau offers free consumer homeowners, auto, and commercial insurance guides, as well as disaster guides for homeowners and businesses. The disaster guides deal specifically with insurance-related disaster recovery issues and provide answers to the most commonly asked questions about settling disaster-related insurance problems. These and many other consumer insurance guides are available on the Bureau's website at <a href="https://www.scc.virginia.gov/division/boi">www.scc.virginia.gov/division/boi</a>.

The SCC is located in the Tyler Building at 1300 East Main Street in downtown Richmond. The Bureau's mailing address is P. O. Box 1157, Richmond, Virginia 23218.

Conf# 1153

Commonwealth of Virginia

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-40

## **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

FOR IMMEDIATE RELEASE

July 19,2007

# SCC SEEKS COMMENTS ON PROPOSAL FOR A&N ELECTRIC COOPERATIVE TO ACQUIRE VIRGINIA ASSETS OF DELMARVA POWER

**RICHMOND** – The State Corporation Commission (SCC) is asking for public comments on a series of applications that collectively would result in the withdrawal of Delmarva Power & Light Company from the Virginia market as a provider of retail electric service.

As part of the proposed transaction, A&N Electric Cooperative (ANEC) would acquire the electric distribution service territory of Delmarva in Accomack and Northampton counties on Virginia's Eastern Shore. ANEC currently serves over 11,000 customers in portions of Accomack and Northampton counties in Virginia and Somerset County in Maryland. With the addition of the 22,000 customers now served by Delmarva, ANEC would be the distributor of electric service for all residents of Virginia's Eastern Shore.

In addition, Delmarva's 69-kilovolt transmission facilities on the Eastern Shore would be purchased and operated by Old Dominion Electric Cooperative. Old Dominion is a utility aggregation cooperative that provides generation, transmission, and related services to electric distribution cooperatives serving customers in Virginia, Delaware, Maryland, and parts of West Virginia.

ANEC also seeks Commission approval of special rates that would apply to Delmarva's current Virginia customers during a four-year transition period following ANEC's acquisition of Delmarva's service territory.

The applications and accompanying materials may be viewed during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Interested persons may also access unofficial copies of the applications through the SCC's Docket Search portal at <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>.

(MORE)

Written comments or requests for a hearing on the applications must be submitted by August 29,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case numbers PUE-2007-00060, PUE-2007-00061, PUE-2007-00062, PUE-2007-00063, and PUE 2007-00065.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for the case numbers listed above.

#### Case Numbers:

PUE-2007-00060 – Joint petition of ANEC and Delmarva Power for approval of purchase and sale of service territory and facilities

PUE-2007-00061 – Joint application of ANEC and Delmarva Power for approval of certificates of public convenience and necessity

PUE-2007-00062 – Joint petition of Old Dominion Electric Cooperative and Delmarva Power for approval of purchase and sale of transmission facilities

PUE-2007-00063 – Joint application of Old Dominion Electric Cooperative and Delmarva Power for approval of certificates of public convenience and necessity

PUE-2007-00065 – Application of ANEC for approval of special rates

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-41

## **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; and v.farmer@scc.virginia.gov

### FOR IMMEDIATE RELEASE

July 23, 2007

### SCC SETS HEARINGS ON A PROPOSAL TO BUILD ELECTRIC TRANSMISSION LINES IN SOUTHEASTERN VIRGINIA

**RICHMOND** – The State Corporation Commission (SCC) has scheduled local public hearings in September 2007 to consider a proposal by Dominion Virginia Power (DVP) to construct two new overhead transmission lines in southeastern Virginia.

The first segment of the project would be a 500-kilovolt (kV) transmission line built between DVP's Carson substation in Dinwiddie County and the Suffolk substation, a distance of approximately 60 miles. The proposed route parallels approximately 23.5 miles of existing transmission line right-of-way and follows approximately 27 miles of the U.S. Route 460 and Norfolk Southern railroad corridor.

The second segment of the project would be a 230-kV line extending from the Suffolk substation to the Chesapeake substation, a distance of 21.5 miles. The company proposes placing this line on existing or rebuilt structures located within existing right-of-way.

The first local public hearing will be in Sussex on Monday, September 24 at the Sussex Central High School at 21394 Sussex Drive and begin at 6 p.m. The second local hearing will be in Suffolk on Thursday, September 27 in the Suffolk City Council Chambers at 441 Market Street and begin at 6 p.m. Any person wishing to comment at either of these hearings should arrive early and sign in with the SCC bailiff.

The case will continue in Richmond on Tuesday, February 5,2008, at 10 a.m. in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street.

The public may view the company's application and related documents during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. Interested persons may also access a copy of the application through the SCC's Docket Search portal at http://www.scc.virginia.gov/caseinfo.htm.

(MORE)

Written comments on the application may be submitted by January 29,2008. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00020.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00020.

Case Number **PUE-2007-00020** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-42

## **NEWS RELEASE**

Contact: Katha Treanor

FOR IMMEDIATE RELEASE

(804) 371-9141; katha.treanor@scc.virginia.gov

August 2,2007

### SCC SETS HEARING ON WORKERS' COMPENSATION PREMIUM LEVEL ADJUSTMENTS

RICHMOND – The State Corporation Commission (SCC) has scheduled an October hearing to consider a request filed by the National Council on Compensation Insurance, Inc. (NCCI) to adjust the premium levels charged for workers' compensation insurance.

Workers' compensation insurance provides medical care and wage replacement benefits to injured workers. Almost all Virginia employers are required to carry the coverage.

NCCI has proposed an increase in the overall premium level for the industrial and surface coal mine classifications in both the voluntary market and assigned risk plan. Overall premium levels would decrease for the federal and underground coal mine classes in the voluntary and assigned risk markets. The proposed changes, which would become effective on April 1,2008, for new and renewal workers' compensation policies, are as follows:

<u>Class</u>	Voluntary Market Loss Costs	Assigned Risk Rates
Industrial	+3.3%	+7.7%
"F" (Federal)	-17.8%	-14.6%
Coal Mines (Surface)	+4.8%	+11.9%
Coal Mines (Underground)	-8.6%	-3.6%

NCCI, a Florida-based ratemaking organization, represents insurance conipanies licensed to write workers' compensation insurance in Virginia.

The SCC hearing on the proposed changes is scheduled for 10 a.m. on Tuesday, October 30,2007, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Anyone wishing to speak at the hearing as a public witness should arrive by 9:45 a.m. and sign in with the Commission bailiff.

**Case number INS-2007-00224** 

Ken Schrad Director

Angela P. Bowser Assistant Director

## Commonwealth of Virginia

SCC

State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-43

## **NEWS RELEASE**

Contact: Ken Schrad

(804)371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

August 9,2007

# SCC TELLS ANTHEM (WellPoint) THAT CRITICALLY IMPORTANT SERVICES MUST STAY IN VIRGINIA

**RICHMOND** – The State Corporation Commission (SCC) has granted in part and denied in part the request by Anthem Health Plans of Virginia to relax restrictions on its ability to perform certain services and operations outside of Virginia. The restrictions were conditions the SCC required when approving the 2002 merger of Trigon Healthcare and Anthem. Subsequently, Anthem and Wellpoint Health Networks merged.

In its final order, the Commission concluded that Anthem should be required to continue to provide the following services from offices located in Virginia –

- claims processing and case management
- quality management
- medical management

- customer service
- provider services
- network development

The SCC said these services "are those that involve daily and direct communication between Anthem and its enrolled customers or health-care providers in Virginia." As such, maintaining offices in Virginia to provide these services "is necessary to protect the interests of the policyholders of the insurer and the public" as directed by Virginia insurance law.

Although the Commission is not precluding Anthem from future requests to locate such services out of Virginia, it found that "Anthem has not met its burden of proof of persuading us that its plans – whatever they may be – for providing such critically important services from outside the Commonwealth will not degrade the quality of communications and service to Virginians."

Anthem may provide the following services from offices outside of Virginia –

- actuarial
- marketing
- distribution management

- underwriting
- community relations
- sales

The Commission said it recognizes that consolidation of services in the health care industry can make health care delivery more efficient and cost effective. As such, Anthem is free in the future to file another petition to remove any of the remaining conditions.

When filing such petition, the Commission expects a specific proposal for providing such services out of state, including detailed information on how and where Anthem will provide such services, as well as credible safeguards to ensure that the quality of communications and service to Virginians is not degraded.

The SCC said, "We cannot evaluate such safeguards without knowing exactly what Anthem's specific plans are to move such important services outside of the Commonwealth."

Case number INS-2007-00141

**Final Order** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-44

## **NEWS RELEASE**

Contact: **Ken Schrad** (804)371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

August 10,2007

### SCC PREPARES TO EXPAND E-FILING OF CASE-RELATED DOCUMENTS; SEEKS COMMENTS ON PROPOSED RULES OF PRACTICE AND PROCEDURE

**RICHMOND** - The State Corporation Commission (SCC) is seeking comments on proposed changes to the SCC's Rules of Practice and Procedure that will expand the ability to electronically file case-related documents with the Commission. The SCC has offered electronic filing to case participants on an experimental basis for several years.

The proposed rule changes would allow electronic filing of documents of up to 100 pages for the convenience of all case participants. It is estimated that approximately 95 percent of all documents filed in Commission cases are less than 100 pages. The target date for the expanded e-filing procedure is January 1,2008.

Electronic filing is optional and strictly offered as a convenience to case participants. As an incentive to encourage electronic filing, the proposed changes would exempt electronic submissions from the Commission's rule regarding copies. Whenever a document is filed in hardcopy, the rule requires an original and 15 copies.

Complex applications, pre-filed testimony, and accompanying exhibits occasionally exceed 100 pages and include numerous graphs, charts, tables, and spreadsheets. Since they are not eligible for electronic filing, an original and 15 copies would still be physically filed with the Document Control Center located in the Clerk's Office of the Commission.

More than 100 people are authorized to use the experimental e-filing program. The majority are attorneys who practice before the Commission. The experiment for the past several years limited filings to documents of 20 pages or less and thus has only been used for the simplest motions or pleadings.

Anyone wishing to comment on the proposed rule changes is required to do so by September 25, 2007. All correspondence must refer to case number CLK-2007-00005 and be sent to the Document Control Center, P.O. Box 2118, Richmond, VA 23218. The order and proposed rules can be viewed via the Docket Search feature on the SCC website at: www.scc.virginia.gov/caseinfo.htm

### **Case Number CLK-2007-00005**

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-45

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

August 10,2007

# SCC SETS SCHEDULE TO CONSIDER APPLICATION TO BUILD AND OPERATE SW VIRGINIA COAL PLANT

**RICHMOND** – The State Corporation Commission (SCC) has scheduled a public hearing for January 8,2008, to consider a request by Dominion Virginia Power to construct and operate a "clean-coal" electric generation facility in Wise County, Virginia.

The proposed 585-megawatt power plant would use advanced technology designed to reduce air emissions and protect the environment. The estimated cost of the project is \$1.62 billion. Located near St. Paul, Virginia, the plant would be operational by 2012.

Dominion Virginia Power's application is in response to legislation enacted by the 2004 Virginia General Assembly, which encourages the development of a coal-fired generation facility that utilizes Virginia coal and is located in the coalfield region of the Commonwealth.

In 2007, the General Assembly enacted legislation that grants a utility that constructs such a facility the right to recover all costs. As an incentive to undertake such projects, the legislation also allows an enhanced rate of return during construction and the first 10-20 years of the facility's service life.

In its scheduling order, the Commission directed the company to file additional cost information regarding the project or explain why the company believes it does not need to do so. The Commission cites as a basis for its request an earlier Virginia law that requires the Commission to find that generation facilities proposed for construction are "necessary to enable the public utility to furnish reasonably adequate service and facilities at reasonable and just rates."

The hearing is set for Tuesday, January 8,2008, at 10 a.m. in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street. Persons interested in testifying should arrive early and sign in with the Commission bailiff.

The public may view the company's application and related documents during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. Interested persons may also access a copy of the application through the SCC's Docket Search portal at http://www.scc.virginia.gov/caseinfo.htm.

Written comments on the application may be submitted by December 14,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00066.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for this case.

**Case number PUE-2007-00066** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-46

## **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

August 10,2007

# SCC SETS SEPARATE SCHEDULES TO CONSIDER TWO RATE ADJUSTMENTS REQUESTED BY APPALACHIAN POWER COMPANY

**RICHMOND** – The State Corporation Commission (SCC) has set separate procedural schedules for two rate adjustments requested by Appalachian Power Company. Each request has its own dates for submitting written comments and the public hearing to receive testimony. Neither proposed rate adjustment can occur without a further order of the Commission.

The first request has been assigned case number PUE-2007-00068. It involves the company's request to recover projected costs in conjunction with the planned construction of a 629-megawatt clean-coal power plant in Mason County, West Virginia. Approximately \$1 billion of the project's \$2.23 billion cost is proposed to be allocated to the company's Virginia customers.

The company seeks to impose a surcharge on monthly bills to collect anticipated finance charges and other construction costs through the end of 2009. The Commission is also being asked to determine that construction of the clean-coal facility is reasonable and prudent. The plant is expected to be operational in 2012.

Appalachian Power's application falls under new legislation adopted by the 2007 General Assembly that grants a utility that constructs such a facility the right to recover such costs. As an incentive to undertake such projects, the legislation also allows an enhanced rate of return during construction and the first 10-20 years of the facility's service life.

In its scheduling order, the Commission directed the company to file additional cost information regarding the project or explain why the company believes it does not need to do so. The Commission cites as a basis for its request an earlier Virginia law that requires the Commission to find that generation facilities proposed for construction are "necessary to enable the public utility to furnish reasonably adequate service and facilities at reasonable and just rates."

The hearing on this request is set for Tuesday, February 12,2008, at 10 a.m. The deadline for submitting written comments is February 6,2008. (See instructions for doing so at end of news release).

The second request has been assigned case number PUE-2007-00069. It involves Appalachian Power's request to recover environmental and reliability (E&R) costs incurred from October 2005 until September 2006. Monthly bills to customers currently carry a surcharge for such E&R costs that were incurred from July 2004 through September 2005. The request would adjust and continue the surcharge through November 2008. Currently set to expire the end of November 2007, the company estimates the requested surcharge adjustment would increase customer bills by approximately 3.5 percent.

The hearing on this request is set for Monday, November 5,2007, at 10 a.m. The deadline for submitting written comments is October 31st.

A third company request to adjust its fuel rate is awaiting a scheduling order. The request involves the portion of the monthly utility bill that recovers the cost of fuel used to generate electricity. The company estimates the requested new fuel rate, if approved, would increase customer bills by 4.7 percent

Commission hearings are held in the SCC's second floor courtrooms located in the Tyler Building, 1300 East Main Street. Persons interested in testifying should arrive early and sign in with the Commission bailiff.

The public may view the company's applications and related documents during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. Interested persons may also access a copy of the applications through the SCC's Docket Search portal at http://www.scc.virginia.gov/caseinfo.htm.

All written comments should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118; refer to appropriate case number; and sent prior to the established deadline for each case.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for the appropriate case.

<u>Case number PUE-2007-00068</u> Appalachian Power rate adjustment for clean-coal electric generation facility

<u>Case number PUE-2007-00069</u> Appalachian Power rate adjustment for environmental and reliability costs

### **NEWS RELEASE**

Contact: **Katha Treanor** (804)371-9141; katha.treanor@scc.virginia.gov

FOR IMMEDIATE RELEASE

August 15,2007

### SPECIAL ADVISORY COMMISSION TO MEET SEPTEMBER 20

**RICHMOND** – The Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) will meet at 2 p.m. on Thursday, September 20 in House Room D of the General Assembly Building.

The Advisory Commission, currently chaired by Delegate R. Lee Ware Jr., includes six members of the General Assembly and 10 members appointed by the Governor. The Commissioner of Health and the Commissioner of Insurance serve as ex-officio members.

The Advisory Commission will vote on a proposal that would require coverage for second opinions at National Cancer Institute Comprehensive Cancer Centers for Primary Malignant Brain Tumors. It will also vote on proposals to repeal the current required offer of coverage for dose-intensive chemotherapy/autologous bone marrow and stem cell transplants for breast cancer.

The Advisory Commission will hold public hearings on proposals that would require coverage for human papillomavirus vaccinations and prosthetic devices and components.

Changes in required health inswance benefits proposed during the General Assembly session are regularly referred to the Advisory Commission that reviews the proposals, conducts hearings, and makes recommendations on those coverage issues before it.

Anyone wishing to comment is encouraged to submit information in writing in the format prescribed by the Advisory Commission's guidelines. To obtain a copy of the guidelines, contact the State Corporation Commission's Bureau of Insurance at (804) 371-9388, or toll-free at 1-800-552-7945.

The Bureau of Insurance and other designated state agencies provide staff assistance to the Advisory Commission.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-48

## **NEWS RELEASE**

Contact: Andy Farmer

FOR IMMEDIATE RELEASE

(804) 371-9141; andy.farmer@scc.virginia.gov

August 21,2007

#### 

**RICHMOND** – Appalachian Power Company will implement an interim fuel rate increase on September 1,2007. The State Corporation Commission (SCC) has scheduled a public hearing for November 8,2007, to receive comments on the company's request to increase its fuel factor by 4.7 percent.

The request involves the portion of the monthly utility bill that recovers the cost of fuel used to generate electricity and potential credits against fuel expenses. By law, interim rates are temporary until the SCC issues a final order setting the company's fuel factor.

Appalachian Power filed the application to revise its fuel factor on July 16,2007. The company seeks \$44.5 million in additional fuel rate revenue over a 16-month period beginning September 1 and ending December 31,2008.

A public hearing on the request is scheduled for 10 a.m. on Thursday, November 8,2007. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

Written comments on the application must be submitted by October 15, 2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00067.

Interested persons desiring to submit comments electronically may do so at the SCC's website: <a href="http://www.scc.virginia.gov/caseinfo.htm">http://www.scc.virginia.gov/caseinfo.htm</a>. Click on the PUBLIC COMMENTS/NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00067.

(MORE)

Appalachian Power also has pending before the SCC two other rate adjustment requests with established procedural schedules. In one request (case number PUE-2007-00068), the company seeks to recover a portion of the projected costs in conjunction with the planned construction of a clean-coal power plant in Mason County, West Virginia. In the second request (case number PUE-2007-00069), the company seeks to recover environmental and reliability costs incurred from October 2005 until September 2006.

Case number PUE-2007-00067 Appalachian Power request to revise fuel factor

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-49

## **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

August 27,2007

# SCC SETS "RULE TO SHOW CAUSE" HEARING ON VERIZON UT-OF-SERVICE TROUBLE REPORTS

RICHMOND – The State Corporation Commission (SCC) has set a hearing for September 25 at which Verizon must show why it should not be sanctioned for violating the SCC's rule governing the company's handling of out-of-service trouble reports. In a response to the SCC's June 8 rule to show cause order, Verizon requested an evidentiary hearing on the matter.

Typically, out-of-service trouble reports involve customers who call to report they are without telephone service. On a monthly basis, the rule requires Verizon to clear no less than 80 percent of the reports the company receives from customers within 24 hours. The rule requires that 95 percent of such trouble reports be cleared within 48 hours.

On May 10, the SCC's staff filed a motion for a "rule to show cause." The motion asserts a demonstrable concern relating to Verizon's performance with regard to the rule. Although staff received a corrective action plan from Verizon last October, the company failed to comply with its plan.

The evidentiary hearing is scheduled for 10 a.m. on Tuesday, September 25,2007, in Courtroom 'B' located on the second floor of the Tyler Building, 1300 East Main Street in downtown Richmond.

The audio of the hearing will be webcast via the Internet. Instructions for monitoring the webcast can be found on the SCC website at: http://www.scc.virginia.gov/caseinfo.htm

Case number: PUC-2007-00040 - Rule to Show Cause

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-5**0** 

## **NEWS RELEASE**

Contact: **Andy Farmer** (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

September 12,2007

## SCC ADOPTS REVISED TOLLS FOR DULLES GREENWAY

**RICHMOND** - The State Corporation Commission (SCC) has approved a revised toll structure for the privately owned Dulles Greenway that raises the maximum base toll ceiling for cars from \$3 to \$4. The modified toll structure is effective October 1. However, the new maximum allowable toll will not be reached until 2012.

Noting the hundreds of public commentors expressing opposition to the proposed toll increase, the Commission said. "Almost 20 years ago, the Commonwealth made a series of policy decisions that leave us little choice but to make the decision we make in this case."

The Dulles Greenway is a 14-mile limited access highway between Washington Dulles International Airport and Leesburg. Authority to construct and operate the road was granted by the Commission in 1990. There was general support favoring the project since there were no plans to build the facility with public funds. At that point in time the situation presented was that if a private toll road were not built, there would be no road at all.

The Commission is also permitting the owners, Toll Road Investors Partnership II, L.P. (TRIP 11), to implement congestion management price premiums. The maximum base toll can be increased by about 20 percent for weekday traffic traveling in the peak period direction. The Commission said, "The introduction of congestion pricing to the toll structure will promote the efficient utilization of the Dulles Greenway."

The Commission order does not mandate toll increases and the toll ceiling will be phased-in over a five-year period. TRIP II may implement tolls lower than the ceiling, make adjustments on different dates, or adjust tolls to deter migration from the Greenway:

	Maximum Base Tolls	Congestion Management Tolls		
January 1,2009	\$3.40	\$4.00		
July 1, 2010	\$3.70	\$4.50		
January 1, 2012	\$4.00	\$4.80		

(more)

TRIP II's audited financial statements indicate that it has experienced losses for every year since 1993 when roadway construction began. The Commission wrote, 'We have no credible evidence challenging the accuracy of financial data."

Recognizing that TRIP II's interest expense alone has exceeded its total revenues over most of the years it has operated, the Commission said, "This is hardly a 'cash cow' enterprise, nor 'highway robbery' as some of the public witnesses have asserted."

The record before the Commission supports a determination that the level of tolls will, as required by Virginia law, provide TRIP II with no more than a reasonable return while not discouraging use of the Dulles Greenway.

**Case Number PUE-2006-00081** 

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-51

# **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

September 20,2007

## SCC APPROVES REDUCED WASHINGTON GAS INCREASE; NEW RATE PLAN AUTHORIZED

**RICHMOND** – The State Corporation Commission (SCC) has approved a reduced rate increase request by Washington Gas Light (WGL). The SCC's final order means customers will be receiving refunds, with interest.

WGL customers have been paying higher natural gas rates since February 13,2007. That is when the requested increase was allowed to go into effect on as interim basis pending an SCC decision.

The SCC's final order issued on September 19, 2007, allows WGL to collect an additional \$3.9 million in annual operating revenue. The company originally sought a revenue increase of \$23 million, and later lowered the request to \$17.2 million.

WGL was directed to recalculate all bills issued since February 13. In cases where the application of the new rates results in a reduced bill for a customer, the company will refund the difference with interest. Refunds appear as a credit on a future monthly bill.

In addition to the revenue increase, the SCC authorized a new rate plan for the company. The rates charged to WGL customers for delivery service will be frozen for four years. The non-gas component represents approximately 35 percent of an average customer bill. The rest of the bill represents the cost of natural gas used by the consumer, which typically is adjusted quarterly to track wholesale gas prices.

The rate settlement allows WGL to implement a weather normalization adjustment mechanism and a performance-based rate plan that includes a sharing of any annual earnings that exceed an established target so that Virginia customers receive 75 percent of such earnings and the company retains 25 percent.

(MORE)

In its final order, the Commission directed WGL to work with the SCC staff to develop service quality standards to measure the company's progress in continuing to maintain a safe and reliable gas distribution system, while striving to control operating costs. Among other things, these standards will include measurements designed to monitor the company's outsourcing of several business processes.

Case Number PUE-2006-00059

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-52

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

October 1,2007

# PAYMENTS COMING TO VERIZON CUSTOMERS WHO EXPERIENCED DIRECTORY ERRORS

**RICHMOND** – Customers affected by Verizon directory errors and omissions over the past several years will soon be receiving payments as a result of their claims. The State Corporation Commission (SCC) received claims from more than 2,200 customers by the May 14 deadline as a result of an SCC investigation.

Under the terms of the settlement approved by the Commission last February, Verizon set aside \$2 million to compensate individuals and businesses that experienced service affecting directory errors and omissions. The errors involved directories published in 2004,2005,2006, and early 2007.

According to the SCC's Division of Communications, some customers experienced multiple errors or omissions. As a result, the division approved claims for 921 residential customers reporting a total of 1,854 errors or omissions. There were 660 claims from business customers totaling 1,208 errors or omissions.

The payment for each error or omission is estimated to be \$100.69 for residential customers and \$1,464.60 for business customers. Verizon will be sending checks within 45 days.

Another 651 claims were denied, although 29 customers have requested further review by the Commission. If a specific claim is granted after further review, the payment for each error or omission will be the same as noted above.

Verizon publishes 39 directories in Virginia containing approximately 2.7 million residential listings and over 500,000 business, professional, and government listings. These directories also include listings for other telephone companies providing service in Virginia.

(more)

Under a new tariff resulting from the SCC's investigation, the company now provides automatic credits of local exchange service charges to Verizon customers who experience a directory error. A business listing error or omission will receive a 12-month credit. A six-month credit will be available for a residential listing mistake. Yellow page classified advertising is not regulated by the Commission and errors or omissions affecting such commercial contracts are governed by the terms of the contract.

**Case number PUC-2005-00007** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-53

## **NEWS RELEASE**

Contact: Katha Treanor

(804) 371-9141; katha.treanor@scc.virginia.gov

**FOR IMMEDIATE RELEASE** 

October 3, 2007

### SPECIAL ADVISORY COMMISSION TO MEET OCTOBER 15

**RICHMOND** – The Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) will meet at 2 p.m. on Monday, October 15 in House Room D of the General Assembly Building.

The Advisory Commission, currently chaired by Delegate R. Lee Ware, Jr., includes six members of the General Assembly and 10 members appointed by the Governor. The Commissioner of Health and the Commissioner of Insurance serve as ex-officio members.

The Advisory Commission will vote on proposals that would require coverage for human papillomavirus vaccinations and prosthetic devices and components.

Changes in required health insurance benefits proposed during the General Assembly session are regularly referred to the Advisory Commission that reviews the proposals, conducts hearings, and makes recommendations on those coverage issues before it.

The Bureau of Insurance and other designated state agencies provide staff assistance to the Advisory Commission.

NOTE: The SCC's Commissioner of Insurance sewes on this commission as a non-voting member and the Bureau of Insurance provides staff support per § 2.2-2503. F of the Code of Virginia.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-54

## **NEWS RELEASE**

Contact: Andy **Farmer** (804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

October 10,2007

## SCC SETS HEARING ON ROANOKE GAS RATE ADJUSTMENT

**RICHMOND** – The State Corporation Commission (SCC) has scheduled a hearing for April 29, 2008, on a request by Roanoke Gas Company to adjust rates on the portion of a customer's bill that covers operating expenses. The rate request will increase the company's overall annual revenue by less than one percent, or approximately \$695,000.

The rate adjustment will go into effect on an interim basis on November 1, 2007. By law, interim rates, based on the company's request, are temporary and subject to refund with interest pending a final decision by the SCC.

A public hearing is scheduled for 10 a.m. on Tuesday, April 29,2008, before an SCC hearing examiner. It will be held in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, in downtown Richmond. Any person wishing to comment at the hearing should arrive early and notify the SCC bailiff.

Written comments on the proposal must be submitted by December 19,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, VA 23218, and refer to case number PUE-2007-00086.

Interested persons desiring to submit comments electronically may do so at the SCC website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00086. Electronic comments sent to any other SCC e-mail address will not be included as part of the proceeding.

Roanoke Gas, a subsidiary of RGC Resources, Inc., serves 59,000 residential, commercial, and industrial customers in the Roanoke and Bluefield areas.

Case Number PUE-2007-00086

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-55

# **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

October 11,2007

# SCC SEEKS PUBLIC COMMENTS ON DOMINION VIRGINIA POWER ENERGY CONSERVATION PILOTS

**RICHMOND** – The State Corporation Commission (SCC) invites public comments on a proposal by Dominion Virginia Power to conduct nine pilots that would test energy efficiency, conservation efforts, and demand response/load management initiatives.

A total of 4,000 residential customers would be enrolled in programs designed to control air-conditioning during peak-demand times, inform customers about their real-time energy consumption patterns, promote programmable thermostats, and educate customers about the value of reducing energy during peak-demand times.

Other pilots would provide energy audits and energy efficiency kits to 250 residential and 50 small commercial customers. In addition, 250 new homes would receive energy efficiency welcome kits. For large commercial and industrial customers, there would be a pilot to reduce load during peak-demand times by using their generators to produce up to 100 megawatts of electricity.

Dominion's application and accompanying materials may be viewed during regular business hours at the SCC's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond. Interested persons may also access unofficial copies of the application through the SCC's Docket Search portal at http://www.scc.virginiagov/caseinfo.htm.

Written comments or requests for a hearing on the application must be submitted by November 20,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00089.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00089.

Case Number **PUE-2007-00089** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virainia.aov

## **NEWS RELEASE**

Contact: **Ken Schrad** (804)371-9141; ken.schrad@scc.virginia.gov

### FOR IMMEDIATE RELEASE

October 11,2007

## SCC SETS SCHEDULE TO CONSIDER ALLEGHENY POWER RATE REQUEST

**RICHMOND** – The State Corporation Commission (SCC) will hold a hearing on December 4,2007, to consider a \$45 million rate increase request by Allegheny Power. The proposed increase results in an adjustment to rates of about 26.7 percent when averaged across all customers the company serves in Virginia.

Allegheny Power is asking the SCC to allow recovery of purchased power costs since July 1,2007, that the company contends are not subject to the provisions of an agreement reached in 2000 when the company voluntarily transferred its generation units to an affiliate. The agreement capped rates on electric generation services.

In that 2000 agreement, the company agreed to abolish its fuel factor recovery mechanism. Instead, purchased power costs were rolled into the company's base rates which are currently capped under Virginia law through the end of 2008.

The request represents the purchase of electricity above the level of generation the company owned to serve Virginia customers at the time of the agreement (367 megawatts). In setting the matter for hearing, the Commission denied the company's request to place its proposed rate into effect prior to the conclusion of the proceeding.

The hearing will begin on Tuesday, December 4,2007, at 10:00 a.m. in an SCC courtroom on the second floor of the Tyler Building located at 1300 East Main Street in downtown Richmond. Any public witness should arrive early and sign in with the Commission bailiff,

Written comments on the rate request must be submitted by November 16,2007. All correspondence should be sent to the Clerk of the State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and refer to case number PUE-2007-00085.

Interested persons desiring to submit comments electronically may do so at the SCC's website: http://www.scc.virginia.gov/caseinfo.htm. Click on the PUBLIC NOTICES link and then the SUBMIT COMMENTS button for case number PUE-2007-00085.

### Case number PUE-2007-00085

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-57

## **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

October 19,2007

# SCC APPROVES A&N ELECTRIC COOPERATIVE PURCHASE OF DELMARVA POWER'S EASTERN SHORE SERVICE TERRITORY

**RICHMOND** – The State Corporation Commission (SCC) has approved a series of applications that collectively result in the withdrawal of Delmarva Power & Light Company from the Virginia market as a provider of retail electric service. The sale of Delmarva's Eastern Shore service territory and facilities to A&N Electric Cooperative involves 22,400 customers.

A&N currently serves over 11,000 customers in portions of Accomack and Northampton counties in Virginia. When the acquisition is complete, A&N will become the distributor of electric service for all residents of Virginia's Eastern Shore.

The Commission said that under the statute that must be followed, "We are satisfied that adequate service at just and reasonable rates will not be impaired or jeopardized by granting the requested transfers."

Delmarva's 69-kilovolt transmission facilities on the Eastern Shore will be purchased and operated by Old Dominion Electric Cooperative. Old Dominion is a utility aggregation cooperative that provides generation, transmission, and related services to electric distribution cooperatives serving customers in Virginia, Delaware, Maryland, and parts of West Virginia.

The SCC also approved special rates that apply to Delmarva's current Virginia customers during a four-year transition period following A&N's acquisition of Delmarva's service territory. According to A&N, no customer will receive an increase in rates on their first bill as compared to the Delmarva rates effective as of June 1,2007, and many of Delmarva's residential customers in Virginia will see a rate decrease.

#### Case Numbers:

PUE-2007-00060 – Joint petition of ANEC and Delmarva Power for approval of purchase and sale of service territory and facilities

PUE-2007-00061 – Joint application of ANEC and Delmarva Power for approval of certificates of public convenience and necessity

PUE-2007-00062 – Joint petition of Old Dominion Electric Cooperative and Delmarva Power for approval of purchase and sale of transmission facilities

PUE-2007-00063 – Joint application of Old Dominion Electric Cooperative and Delmarva Power for approval of certificates of public convenience and necessity

PUE-2007-00065 – Application of ANEC for approval of special rates

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-58

## **NEWS RELEASE**

Contact: **Katha Treanor** (804) 371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

November 8,2007

## SPECIAL ADVISORY COMMISSION TO MEET NOVEMBER 29

**RICHMOND** – The Special Advisory Commission on Mandated Health Insurance Benefits (Advisory Commission) will meet at 2 p.m. on Thursday, November 29 in House Room D of the General Assembly Building.

The Advisory Commission, currently chaired by Delegate R. Lee Ware, Jr., includes six members of the General Assembly and 10 members appointed by the Governor. The Commissioner of Health and the Commissioner of Insurance serve as ex-officio members.

The Advisory Commission will vote on proposals that would require coverage for human papillomavirus vaccinations and prosthetic devices and components.

Changes in required health insurance benefits proposed during the General Assembly session are regularly referred to the Advisory Commission that reviews the proposals, conducts hearings, and makes recommendations on those coverage issues before it.

The Bureau of Insurance and other designated state agencies provide staff assistance to the Advisory Commission.

NOTE: The SCC's Commissioner of Insurance serves on this commission as a non-voting member and the Bureau of Insurance provides staff support per § 2.2-2503 F of the Code of Virginia.

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

01-59

## **NEWS RELEASE**

Contact: Katha Treanor

(804)371-9141; katha.treanor@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

November 20,2007

### SCC SETS WORKERS' COMPENSATION PREMIUM LEVEL ADJUSTMENTS

**RICHMOND** – The State Corporation Commission (SCC) has approved revisions to the premium levels charged for workers' compensation insurance in Virginia.

Workers' coinpensation insurance provides medical care and wage replacement benefits to injured workers. Almost all Virginia employers are required to provide the coverage to their employees.

The National Council on Compensation Insurance (NCCI) sought the revisions. The changes approved by the SCC will increase the overall premium levels for industrial classes and surface coal mines in both the voluntary market and the assigned risk plan.

Overall premium levels will decrease for underground coal mines and federal ("F") classes in both the voluntary and assigned risk markets. The changes will become effective April 1,2008, for new and renewal workers' compensation policies, as follows:

<u>Class</u>	Voluntary Market Loss Costs		Assigned Risk Rates	
	Proposed	SCC Approved	Proposed	SCC Approved
Industrial	+3.3%	+2.5%	+7.7%	+9.9%
"F" (Federal)	-17.8%	-17.8%	-14.6%	-15.7%
Coal Mines (Surface)	+4.8%	+0.1%	+11.9%	+10.4%
Coal Mines (Underground)	-8.6%	-12.3%	-3.6%	-4.5%

NCCI, a Florida-based rate service organization, represents insurance companies licensed to write workers' compensation insurance in Virginia.

Case number INS-2007-00224

Ken Schrad Director

Angela P. Bowser Assistant Director

SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-60

## **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

### FOR IMMEDIATE RELEASE

November 28,2007

## SCC HEARING EXAMINER FILES SUPPLEMENTAL REPORT ON PROPOSED TRANSMISSION LINE IN LOUDOUN COUNTY

**RICHMOND** – A State Corporation Commission (SCC) hearing examiner has filed a supplemental report that addresses specific issues related to the route and construction of a new 230-kilovolt transmission line by Dominion Virginia Power (DVP) between the Pleasant View substation and the proposed Hamilton substation in Loudoun County.

In the report filed on November 28,2007, Hearing Examiner Howard P. Anderson, Jr. recommends the overhead construction of the line on a 12-mile route known as the "Modified D" route. He states that the route creates a line of minimal length with maximum use of DVP's existing right-of-way.

On February 21,2007, the Commission found that the construction of a new 230-kv transmission line was necessary for DVP to maintain long-term reliability on its system and serve the rapidly growing demand for electricity in the Purcellville area. The Commission requested that Anderson conduct an additional proceeding to gather further evidence on engineering data, construction time, right-of-way acquisition costs, and the impact of underground construction of a portion of the line on various routes.

After consideration of the hearing examiner's supplemental report and the case record, the SCC Commissioners will issue a final order in the case.

**Case Number PUE-2005-00018** 

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-61

## **NEWS RELEASE**

Contact: Andy Farmer (804) 371-9141; andy.farmer@scc.virginia.gov

FOR IMMEDIATE RELEASE

December 12,2007

# SCC HEARING EXAMINER RECOMMENDS UNDERGROUND TR CT ON EXPERIMENT FOR STAFFORD COUNTY TRANSMISSION LINE

**RICHMOND** – A State Corporation Commission (SCC) hearing examiner recommends approval of an experimental underground construction of a 230-kilovolt transmission line in Stafford County. Dominion Virginia Power (DVP) seeks to construct and operate a five-mile line between Aquia Harbor and a proposed substation near Garrisonville.

In a report filed on December 12,2007, Hearing Examiner Michael D. Thomas found that the construction of the new transmission line on a company-owned right-of-way is necessary to maintain long-term reliability and to serve the rapidly growing demand for electricity in the Garrisonville area. The report serves as a recommendation to the Commission, which makes the final decision.

Thomas observes that the vast majority of residents of Stafford County understand the need for a new transmission line. However, they prefer that the line be placed underground. He states that the only real question for the Commission is whether the new transmission line should be constructed overhead or underground.

The report notes that there is a sizeable cost differential between the overhead alternative at \$14.16 million and an underground option at \$82.3 million. Thomas recommends the Stafford project as a pilot program to assess the average cost per mile for the installation of XLPE underground cable and gain operational reliability and maintenance experience with such a line. The lessons learned from a pilot program potentially benefit all rate payers.

Thomas also recommends the SCC should conduct a study of the impact of overhead transmission lines on real estate values and develop a methodology for use in Commission cases by which any impact could be analyzed and valued.

The Commission will rely on the hearing examiner's report and the case record to issue a final order. The Commissioners may accept, modify, or reject the examiner's recommendations.

Case Number **PUE-2006-00091** 

Ken Schrad Director

Angela P. Bowser Assistant Director

## Commonwealth of Virginia

SCC

State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-65

# **NEWS RELEASE**

Contact: Andy Farmer

(804) 371-9141; andy.farmer@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

December 14,2007

## SCC SUBMITS ELECTRICITY CONSERVATION REPORT TO GOVERNOR AND GENERAL ASSEMBLY

**RICHMOND** – The State Corporation Commission (SCC) submitted a report to the Governor and the General Assembly on Virginia's goal to cut electricity usage over 15 years.

The report prepared by the SCC staff concludes that a goal of reducing electricity consumption by Virginians by 10 percent can be achieved by 2022. The report further identifies alternatives for, and additional questions related to, implementing programs to achieve the reduction.

In April 2007, the General Assembly established the electricity consumption reduction goal for the Commonwealth. The legislature directed the SCC to determine if the reduction goal can be achieved, identify the types of conservation and efficiency programs that should be implemented to meet the goal, and develop a plan for the implementation of recommended programs.

The SCC staff conducted a wide-ranging review of short-term and long-term strategies for decreasing energy consumption within an era of growing demand for energy. It was assisted in the examination by a large number of stakeholders from consumer and environmental groups, retail customers, utilities, and government agencies who formed five sub-groups.

The groups analyzed programs for demand side management, conservation, efficiency, load management, real-time pricing, consumer education, and other ideas that came from the public. Each group produced a report with recommendations for electric conservation programs that could be deployed in Virginia.

The staff report as well as the reports and comments of the work groups are posted on the SCC's website at http://www.scc.virginia.gov/division/eaf/conserve.htm.

Case Number PUE-2007-00049

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission
Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-63

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

December 14,2007

# SCC APPROVES PARTIAL DEREGULATION OF VERIZON LOCAL TELEPHONE SERVICES

Finds Competition Exists in Large Urban, Suburban Areas of Virginia; Puts in Place Consumer Protections

RICHMOND – The State Corporation Commission (SCC) has granted in part and denied in part an application from Verizon Virginia and Verizon South ("Verizon") to deregulate and detariff essentially all of Verizon's local residential and business telephone services throughout Verizon's Virginia service territory.

The SCC followed state laws that promote competition and authorize the SCC to deregulate if and where it finds competition to Verizon is sufficient to regulate prices. Verizon is Virginia's largest provider of local telephone service.

The SCC focused on actual competitive options available to consumers. It found that competition or the potential for competition exists in any local telephone exchange in which at least 75 percent of consumer households have a choice of two or more competitors to Verizon for residential telephone service. Also, at least one competitor that owns its own wireline network must be available to 50 percent or more of the households in the exchange.

The SCC noted that the competitiveness test it adopted in this case is similar to competitiveness tests used in several other states to decide whether to deregulate local telephone services.

Applying its test to the evidence, the SCC determined that telephone exchanges that together include, at a minimum, approximately 62 percent of Verizon's residential telephone lines are presently competitive. Those exchanges are located in Virginia's largest urban and suburban areas, including most of Northern Virginia, Richmond, Hampton Roads, and Roanoke County.

The SCC applied a similar test for business telephone services, and determined that, at a minimum, approximately 57 percent of individual-line business customers in Virginia were in exchanges determined to be competitive.

(more)

In exchanges found to be competitive, basic local telephone and related services are deregulated as to price. To protect consumers from large price increases for basic telephone service, the SCC imposed a \$1 per year limit on any price increase per line for basic local telephone service for residential consumers, and a \$3 per year cap for basic local business service. The yearly price caps will be in place for five years, from 2008 to 2012.

The SCC's determination of competitiveness in various telephone exchanges in this order does not preclude additional exchanges from being declared competitive if Verizon files tariffs showing that the additional exchanges meet the competitiveness test. The Commission has established a streamlined administrative procedure for the filing of such tariffs.

The SCC found "bundled" telephone services to be competitive statewide and deregulated them as to price. These are services that consumers can choose to purchase in various packages and configurations that may include both local and long distance calling, wireless telephone, Internet or video services.

The SCC also found competitive, and deregulated as to price, the "big business" market in Virginia, consisting of those businesses that have the purchasing power to negotiate individual contracts for telecommunications services from Verizon or its competitors.

The SCC found that Verizon had not proven its claim that Virginia's entire statewide telephone market was competitive under Virginia law. The SCC further found that Verizon had not met the legal standard to justify deregulating and detariffing essentially all its residential and business telephone services statewide.

Referring to the record in the case, the SCC noted that it appeared that only two states, South Dakota and Rhode Island, have deregulated local telephone services on a scale comparable to what Verizon proposed for Virginia, and that neither South Dakota nor Rhode Island is comparable to Virginia in population or economic diversity. The SCC also said that it appeared that no other state has detariffed essentially all local telephone services, as Verizon requested.

In the order, the SCC wrote that "Considering together the various statutes that govern this case, we find that the General Assembly has set forth a general policy that directs this Commission to favor, within the parameters of those statutes, the promotion of competition for local exchange telephone services ... In promoting competition and deregulating as competition develops, however, we find that the General Assembly has also directed this Commission to proceed carefully and cautiously."

#### **Case number PUC-2007-00008**

#### **Final Order**

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission

Division of Information Resources
P.O. Box 1197 Richmond, Virginia 23218

(804) 371-9141 TDD/Voice (804) 371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-64

# **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

December 17,2007

### SCC APPROVES 2008 SURCHARGE ON APPALACHIAN POWER BILLS

**RICHMOND** -- The State Corporation Commission (SCC) is allowing Appalachian Power Company to adjust its capped electric rates to recover \$48.9 million of environmental and reliability costs. The amount is approximately \$10.6 million less than the company's original request.

The money will be recovered through a surcharge appearing on monthly bills beginning January 1,2008 and ending December 31,2008. The projected impact on the monthly bill is approximately three percent. The surcharge replaces one that appeared on bills until November 30,2007.

Virginia's Electric Utility Restructuring Act permits a company such as Appalachian Power to recover costs for compliance with state and federal environmental laws and regulations and for transmission and distribution system reliability. The recovery of actual costs being allowed by the Commission covers a period from October 1,2005 through September 30,2006.

The surcharge will be calculated by the company and filed with the SCC's Division of Energy Regulation prior to January 1. Any future surcharges sought by the company will include a true up mechanism to ensure there is not an over- or under-recovery as a result of the surcharge approved in this case.

Appalachian Power has two other rate cases pending before the Commission. One is a fuel rate adjustment that is already in effect on an interim basis. The other involves the company's request to recover, through another surcharge, the financing and start up costs for the planned construction of a 629-megawatt clean-coal power plant in Mason County, West Virginia.

Appalachian Power provides electric service to approximately 500,000 customers in all or portions of 31 counties in southwestern Virginia.

#### **Case number PUE-2007-00069**

Ken Schrad Director

Angela P. Bowser Assistant Director State Corporation Commission
Division of Information Resources

P.O. Box 1197 Richmond, Virginia 23218

(804)371-9141 TDD/Voice (804)371-9206 FAX: (804) 371-9211

www.scc.virginia.gov

07-65

## **NEWS RELEASE**

Contact: **Ken Schrad** (804) 371-9141; ken.schrad@scc.virginia.gov

#### FOR IMMEDIATE RELEASE

December 20,2007

#### SCC APPROVES LIMITED RATE ADJUSTMENT FOR ALLEGHENY POWER

**FUCHMOND** – The State Corporation Commission (SCC) is allowing Allegheny Power an adjustment to rates that provides the company limited recovery of purchased power costs. The rate adjustment will allow the company to collect an additional \$9.48 million on an annualized basis.

The 5.6 percent increase approved by the Commission is approximately \$33 million less than the 25 percent increase sought by Allegheny Power. The impact on a monthly bill is \$3.06 for each 1,000 ltilowatt-hours of electricity (.306 cents/kwh).

The Commission majority determined that amendments to Virginia's Electric Utility Restructuring Act in 2004 permit certain adjustments to Allegheny Power's rates for recovery of purchased power costs. The SCC also found that the rate adjustment must comply with the provisions of an agreement reached in 2000 when the company voluntarily transferred its generation units to an affiliate.

In that 2000 agreement, the company agreed to abolish its fuel factor recovery mechanism. Instead, fuel and purchased power costs were rolled into the company's base rates which are capped under existing Virginia law through the end of 2008. However, the 2004 amendments allow Allegheny Power specific adjustments to its capped rate for purchased power costs.

The rate adjustment approved by the Commission represents Allegheny Power's cost of purchasing electricity to serve Virginia load above a specified amount contained in the 2000 agreement (367 megawatts). The adjustment becomes effective upon the Commission's final order in this case.

SCC Commissioner Mark C. Christie dissented, expressing an opinion that Allegheny Power is not due a rate increase at this time.

<u>Case number PUE-2007-00085</u> Final Order

Ken Schrad Director

Angela P. Bowser Assistant Director SCC

State Corporation Commission

Division of Information Resources P.O. Box 1197 Richmond, Virginia 23218 (804)371-9141 TDD/Voice (804)371-9206 FAX: (804)371-9211

www.scc.virginia.gov

07-66

## **NEWS RELEASE**

Contact: Ken Schrad

(804) 371-9141; ken.schrad@scc.virginia.gov

FOR IMMEDIATE RELEASE

December 20,2007

# SCC GRANTS CONDITIONAL APPROVAL TO WIND FARM IN HIGHLAND COUNTY

Bat and Bird Monitoring and Mitigation Plan Required

**RICHMOND** – The State Corporation Commission (SCC) has granted conditional approval to a proposed wind-powered electric generation facility in Highland County. All conditions to minimize adverse environmental impact must be met including a post-construction bat and bird mitigation plan.

Highland New Wind Development, LLC seeks to build and operate up to 20 wind turbines along a mountain ridge near the Virginia-West Virginia border. Under current Virginia law, the SCC may approve electric generation projects that do not threaten the reliability of the electric system, advance electric competition, and have positive impacts on economic development. The SCC must also consider environmental impact.

The post-construction monitoring program adopted by the Commission "will provide significant information on the impacts to protected species." The Virginia Department of Game and Inland Fisheries will implement the program. The Commission will address any disputes that may arise.

Highland Wind will pay for monitoring and mitigation. The Commission established annual minimum and maximum payments. It determined that such a condition on the project is necessary to minimize adverse environmental impact.

Commissioner Judith Williams Jagdmann, while agreeing with approval of the project, dissented to that part of the SCC's order which provides for subsequent proceedings to increase the maximum annual payments required of Highland Wind for mitigation. Commissioner Jagdmann wrote that an "applicant before this Commission, requesting a certificate of public convenience and necessity under Virginia statutes, deserves a more definitive ruling on the requirements that will be attached to such certificate."

The SCC order approving the facility is contingent on construction starting within two years. Highland Wind may petition the Commission for an extension, if necessary.

**Case number PUE-2005-00101** 

**Final Order**