



Virginia State Corporation Commission Approves First Retail Customer Request for Load Aggregation for Competitive Retail Electric Supply

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On February 21, 2018, the Virginia State Corporation Commission (the "Commission") approved the petition of Reynolds Group Holdings Inc. ("Reynolds") to aggregate the electric energy loads of three subsidiaries, at six separate Virginia locations, to meet the statutory demand limitations and obtain competitive retail electric supply. The Reynolds petition is the first request filed with the Commission for aggregation under Virginia Code § 56-577 A 4.

Under Virginia Code § 56-577 A 3, retail access to competitive electricity supply is available to certain large customers with demand exceeding five megawatts. Under Virginia Code § 56-577 A 3, a customer's demand cannot exceed one percent of the customer's incumbent electric utility's peak load during the most recent calendar year.

Under Virginia Code § 56-577 A 4, in order to meet the five megawatts demand limitation, two or more individual nonresidential electric retail customers, whose individual demand during the most recent calendar year did not exceed five megawatts, may petition the Commission to aggregate or combine their demands. Reynolds filed a Petition (under Virginia Code § 56-577 A 4) requesting approval to aggregate the demands of three subsidiaries at six locations. Each of these sites were in areas served by Virginia Electric and Power Company ("Dominion"). The aggregated peak demand of these subsidiaries totaled 10.12 megawatts, which represented approximately 0.06% of Dominion's system peak. Because Reynolds filed the first petition under Virginia Code § 56-577 A 4, there was no impact from other previously approved petitions of like type with respect to such incumbent electric utility.

In its February 21 order, the Commission found, that "[n]either such customers' incumbent electric utility nor retail customers of such utility that do not choose to obtain electric energy from alternate suppliers will be adversely affected in a manner contrary to the public interest by granting such petition." Accordingly, the Commission granted Reynolds' petition for aggregation.

On March 15, 2018, Appalachian Power Company filed a Notice of Appeal to the Supreme Court of Virginia of the Commission's February 21 order in the subject case.

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