

Sara C. Weinberg
Assistant General Counsel
Dominion Energy South Carolina, Inc.

220 Operation Way, MC OSC 1A, Cayce, SC 29033
DominionEnergy.com



April 17, 2024

Ms. Debbie-Anne A. Reese
Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: *Dominion Energy South Carolina, Inc.,*
Docket No. ER24- -000
Revised NITSA between DESC and Southeastern

Dear Secretary Reese:

Dominion Energy South Carolina, Inc. (“DESC”), pursuant to Section 205 of the Federal Power Act¹ and Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”),² hereby submits for filing a revised non-conforming Service Agreement for Network Integration Transmission Service (“NITSA”) between DESC and the Southeastern Power Administration (“Southeastern”) under DESC’s open access transmission tariff (“OATT”).³ The revised NITSA (“Revised NITSA”) reflects the removal of DESC’s obligation to provide transmission service associated with Southeastern’s provision of capacity and energy to Little River Electric Cooperative (“Little River Electric”) and Central Electric Power Cooperative (“Central Electric”),

¹ 16 U.S.C. § 824d (2018).

² 18 C.F.R. Part 35 (2023).

³ The OATT is located in DESC’s OATT and Service Agreements database. The NITSA was originally entered into between South Carolina Electric & Gas Company (“SCE&G”) and Southeastern. On April 29, 2019, SCE&G changed its name to DESC.

respectively. As explained more fully below, DESC respectfully requests that the Commission permit the Revised NITSA to become effective as of May 1, 2024.

I. Description of the Parties

DESC is a wholly owned subsidiary of SCANA Corporation and an indirect, wholly owned subsidiary of Dominion Energy, Inc. (“DEI”).⁴ DESC is a regulated public utility that owns generation facilities, provides retail electric and gas local distribution services to customers in South Carolina, and provides wholesale electric transmission services pursuant to its OATT. DESC is authorized to sell wholesale electric energy and capacity at cost-based rates within DESC’s Balancing Authority Area (“BAA”) and at market-based rates outside the DESC BAA.⁵ DESC’s retail sales are subject to the jurisdiction of the Public Service Commission of South Carolina (“SCPSC”).

Southeastern is a Federal Power Marketing Administration headquartered in Elberton, Georgia and is responsible for marketing electric power and energy generated at reservoirs operated by the United States Army Corps of Engineers. Southeastern markets this power to preference customers (“Preference Customers”) in ten states, including South Carolina. Southeastern also is responsible for the provision of transmission to serve contractual loads.

Little River Electric and Central Electric are two of Southeastern’s Preference Customers. Little River Electric is a member-owned rural electric cooperative located in the city of Abbeville, Little River, South Carolina, and provides service to residential and industrial members. Central Electric is a member-owned generation and transmission cooperative headquartered in Columbia, South Carolina, which provides wholesale electric service to the twenty distribution cooperatives of South Carolina.

II. Background

On January 15, 2019, DESC submitted an updated non-conforming NITSA with Southeastern (“Updated NITSA”).⁶ The Updated NITSA, *inter alia*, accommodated an increase in Southeastern’s allocation of capacity and energy (“Preference Power”) to the

⁴ *Dominion Energy, Inc.*, 164 FERC ¶ 62,025 (2018); Notice of Consummation, Docket No. EC18-60-000 (Jan. 7, 2019) (merger effective January 1, 2019).

⁵ *S.C. Elec. & Gas Co.*, Docket Nos. ER08-800-000, *et al.* (May 29, 2008) (unpublished letter order); *S.C. Elec. & Gas Co.*, Docket No. ER10-2498-004 (June 4, 2018) (unpublished letter order); *S.C. Elec. & Gas Co.*, 75 FERC ¶ 61,151 (1996); *Dominion Energy S.C., Inc.*, Docket No. ER19-1741-000 (June 17, 2019) (unpublished letter order).

⁶ *S.C. Elec. & Gas Co.*, Updated NITSA between SCE&G and Southeastern, Docket No. ER19-815-000 (Jan. 15, 2019) (“January 15th Filing”). Prior to the submission of the Updated NITSA, DESC submitted previous versions on January 24, 2001, in Docket No. ER01-1043-000, and on December 2, 2002, in Docket No. ER03-237-000.

City of Orangeburg, South Carolina (“Orangeburg”) effective January 1, 2019. As explained in the January 15th Filing, the Updated NITSA largely conformed to the *pro forma* version of the NITSA in Attachment F to DESC’s OATT (“*pro forma* NITSA”) but did contain non-conforming provisions (“Non-Conforming Provisions”) and three attachments necessary to retain the unique and complex arrangements enabling DESC to provide transmission service to Southeastern so that Southeastern could continue to serve its Preference Customers, including Orangeburg.⁷ As also explained in the January 15th Filing: (i) Attachment 1 sets forth the allocation of Preference Power to Southeastern’s Preference Customers, including Orangeburg (“Attachment 1”); (ii) Attachment 2 sets forth the allocation of Preference Power to Southeastern’s Preference Customers, including Orangeburg, by the Delivery Points referred to in Section 5.0 of the Specifications for Network Integration Transmission Service (“Attachment 2”); and (iii) Attachment 3 included an updated “Contract executed by the United States of America Department of Energy acting by and through the Southeastern Power Administration and South Carolina Electric & Gas Company” that carried forward certain provisions from a previous version of that contract, removed provisions that were no longer effective, and otherwise updated terms and conditions (“Attachment 3”).⁸ The Commission, acting through delegated authority, accepted the Updated NITSA on March 7, 2019.⁹

On June 14, 2019, DESC filed to transfer the contents of SCE&G’s previous database, including the Updated NITSA, to DESC’s “OATT and Service Agreements” database.¹⁰ The Commission, acting through delegated authority, accepted the June 14th Filing on August 9, 2019.¹¹

In concert with the termination of a Power Supply Agreement between DESC and Orangeburg (“PSA”), which PSA contained provisions associated with the allocation and scheduling of the Preference Power that Southeastern provides to Orangeburg,¹² DESC modified its Updated NITSA to facilitate Orangeburg’s alternative transmission arrangements for the scheduling and delivery of its Preference Power beginning January 1,

⁷ See January 15th Filing, transmittal letter, at pp. 4-5.

⁸ January 15th Filing, transmittal letter, at pp. 4-5. Attachment 1, Attachment 2, and Attachment 3 are hereinafter referred to collectively as the “Attachments.”

⁹ *S.C. Electric & Gas Co.*, Docket No. ER19-815-000 (Mar. 7, 2019) (unpublished letter order) (accepting Updated NITSA for filing) (“March 7th Order”).

¹⁰ *Dominion Energy S.C., Inc.*, Compliance Filing – Name Change, Correction to Attachment H and Baseline Open Access Transmission Tariff, Docket No. ER19-2139-000 (June 14, 2019) (“June 14th Filing”).

¹¹ *Dominion Energy S.C., Inc.*, Docket No. ER19-2139-000 (Aug. 9, 2019) (unpublished letter order) (accepting DESC’s new eTariff database including the Updated NITSA).

¹² See *Dominion Energy S.C., Inc.*, Docket No. ER24-256-000 (Dec. 7, 2023) (unpublished letter order) (accepting termination of PSA as of December 31, 2023).

2024.¹³ The Commission, acting through delegated authority, accepted the December 13th Filing on January 19, 2024.¹⁴

Southeastern recently notified DESC that two of Southeastern's Preference Customers, Little River Electric and Central Electric, respectively, have requested points of delivery other than on DESC's system, as well as to self-schedule their allotments of power from Southeastern (the "Alternative Arrangements"). To effect these Alternative Arrangements, DESC must further modify its NITSA with Southeastern.

III. Instant Filing

DESC hereby tenders the Revised NITSA for filing. The Revised NITSA retains all of the Non-Conforming Provisions and Attachments recently accepted by the Commission in the January 19th Order, but certain provisions have been modified to permit implementation of the Alternative Arrangements and otherwise update the terms and conditions of service to Southeastern. Specifically, the Revised NITSA contains the following modifications:

- Section 8.0 has been updated to reflect the full title of the Southeastern contact;
- The Specifications for Network Integration Transmission Service have been revised to: (i) update the date when the term of service is to begin in Section 1.0; (ii) reduce the capacity designated as a Network Resource and the Total Network Resource amount in Section 3.0; (iii) clarify the Points of Receipt in Section 5.0; (iv) update the reference to others providing transmission service in Section 8.0; (v) correct a typo in Section 9.2; and (vi) remove an outdated delivery point in Section 9.4;
- Attachment 1 has been revised to: (i) update the date of the attachment to May 1, 2024; and (ii) modify the top and bottom tables to recognize that Little River Electric and Central Electric have requested points of delivery other than DESC's transmission system and Southeastern has permitted Little River Electric and Central Electric to self-schedule 100% of their respective Preference Power consistent with Section 7.4(a) of Attachment 3;
- Attachment 2 has been revised to: (i) update the date to May 1, 2024; and (ii) remove the reference to the Little River Electric and Central Electric delivery points; and

¹³ *Dominion Energy S.C., Inc.*, Revised NITSA between DESC and Southeastern, Docket No. ER24-628-000 (Dec. 13, 2023) ("December 13th Filing").

¹⁴ *Dominion Energy S.C., Inc.*, Docket No. ER24-628-000 (Jan. 19, 2024) (unpublished letter order) (accepting modified Updated NITSA as of January 1, 2024) ("January 19th Order").

- Attachment 3 has been revised to: (i) update the date of the attachment to May 1, 2024 and rename it as “Supplemental Agreement No. 2”; (ii) update the execution date of the contract; (iii) reduce stated capacity amounts in Sections 0.07 and 1.1; (iv) add a new WHEREAS clause in Section 0.18 recognizing the change in Little River Electric’s and Central Electric’s delivery points and their ability to self-schedule Southeastern’s allocation of Preference Power; (v) reorder the WHEREAS clauses; (vi) reduce the amount of energy available from Network Resources in the chart in Section 2.1; (vii) reduce the amount of Network Load from which to determine a Preference Customers’ contract demand in Section 5.2; (viii) remove the requirement for DESC to deliver the Preference Power directly to Little River Electric and Central Electric; (ix) correct the amount of energy Southeastern may deliver to DESC from storage in Section 18.1(b); (x) update notices to be provided via email in Section 21; (xi) update the effective date to May 1, 2024 in Section 29; (xii) update Section 29 to reflect the termination provisions of Section 32; and (xiii) update the signature blocks.

DESC tenders the Revised NITSA for filing because it retains the Non-Conforming Provisions and Attachments from the Updated NITSA and they continue to deviate in material respect from the *pro forma* NITSA.¹⁵ As noted above, in the January 19th Order the Commission accepted the Non-Conforming Provisions and Attachments, which retained the unique and complex arrangements that enabled DESC to provide transmission service to Southeastern so that Southeastern can serve its Preference Customers.¹⁶ Nothing in the Revised NITSA materially alters the legacy Non-Conforming Provisions or Attachments in the Updated NITSA.¹⁷ The modifications reflected in the Revised NITSA update terms and conditions necessary to permit Little River Electric and Central Electric

¹⁵ 18 C.F.R. § 35.1(g) (2023) (providing in relevant part that an “individually executed service agreement for transmission . . . that deviates in any material respect from the applicable form of service agreement contained in the public utility’s tariff . . . [is] subject to the filing requirements of this part.”).

¹⁶ See *Sw. Power Pool, Inc.*, 177 FERC ¶ 61,056, at P 20 (2021); *Midcontinent Indep. Sys. Operator, Inc.*, 161 FERC ¶ 61,173, at P 24 (2017) (“The Commission allows non-conforming transmission service arrangements when it finds that they are just and reasonable and that unique factors necessitate the non-conforming provisions.” (citation omitted)); *Tucson Elec. Power Co.*, 151 FERC ¶ 61,088, at P 22 (2015) (“The Commission has approved non-conforming transmission service arrangements when it finds that they are just and reasonable and that unique factors necessitate the non-conforming provisions.”), *reh’g denied*, 153 FERC ¶ 61,275 (2015); *PJM Interconnection, L.L.C.*, 135 FERC ¶ 61,018, at P 26 (2011) (“The Commission has approved non-conforming transmission service arrangements when it finds that they are just and reasonable, and that reliability concerns, novel legal issues, operational issues, or other unique factors necessitate the non-conforming provisions.”), *pet. for review denied*, *NRG Power Mktg., LLC v. FERC*, 718 F.3d 947 (D.C. Cir. 2013)).

¹⁷ See *Sw. Power Pool, Inc.*, 181 FERC ¶ 61,179, at P 74 (2022) (accepting a revised NITSA noting that “the non-conforming provisions consist of language that the Commission has previously accepted. [footnote omitted]”).

to implement Alternative Arrangements. As such, all deviations from the *pro forma* NITSA reflected in the Revised NITSA remain necessary to accommodate the unique and complex arrangements enabling DESC to provide transmission service to Southeastern so that Southeastern can serve its Preference Customers. For these reasons, all deviations in the Revised NITSA are just, reasonable, and not unduly discriminatory or preferential, and should be accepted by the Commission for filing.

The Revised NITSA is designated as Service Agreement No. 226, Southeastern Power Admin in DESC's OATT and Services Agreements database.¹⁸ DESC will report the Revised NITSA and Revised NOA in its Electric Quarterly Report submittals.

IV. Requested Effective Date and Requests for Waiver

To the extent necessary, DESC respectfully requests waiver of the Commission's prior notice requirements to permit the Revised NITSA to become effective as of May 1, 2024.¹⁹ Consistent with the Commission's regulations²⁰ and precedent,²¹ good cause exists to grant such waiver. Waiver is appropriate because: (i) the Revised NITSA is being filed within 30 days of the requested effective date;²² (ii) granting the May 1, 2024 effective date will permit Little River Electric and Central Electric to implement their Alternative Arrangements as of that date; (iii) Southeastern requested the May 1, 2024 effective date; and (iv) Southeastern authorized DESC to state that Southeastern supports the requested May 1, 2024 effective date.

DESC also respectfully requests waiver of the Commission's regulation to provide redline documents comparing the Revised NITSA to the Updated NITSA, or comparing the Revised NITSA to the *pro forma* NITSA.²³ Because the Non-Conforming Provisions and Attachments contained in the Revised NITSA were accepted by the Commission in the January 19th Order, and because the revisions contained in the Revised NITSA are explained in detail in Section III of this transmittal letter, separate documents reflecting the

¹⁸ In concert with the modifications to the Revised NITSA, the associated Network Operating Agreement ("NOA") has also been revised ("Revised NOA"). Because the Revised NOA, like the updated NOA described in the December 13th Filing is a conforming agreement, DESC is not filing the Revised NOA with the Commission. See December 13th Filing, transmittal letter, at p.6; 18 C.F.R. § 35.1(g) (2023) (providing in relevant part that "any service agreement that conforms to the form of service agreement that is part of the public utility's approved tariff pursuant to § 35.10a of this chapter . . . shall not be filed with the Commission.").

¹⁹ 18 C.F.R. § 35.13(b)(2) (2023).

²⁰ 18 C.F.R. § 35.11 (2023).

²¹ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, at 61,983-84 (1993), *on clarification and reh'g*, 65 FERC ¶ 61,081 (1993); see also *Central Hudson Gas and Electric Corp.*, 60 FERC ¶ 61,106 (1992), *reh'g denied*, 61 FERC ¶ 61,089 (1992).

²² 18 C.F.R. § 35.3(a)(2) (2023).

²³ 18 C.F.R. § 35.10(b) (2023).

differences between the Updated NITSA and the Revised NITSA or between the Revised NITSA and the *pro forma* NITSA would be unnecessarily duplicative and not otherwise useful.

To the extent necessary, DESC respectfully requests that the Commission grant any other waivers necessary in connection with this filing.

V. Miscellaneous

There are no expenses or costs included in this filing that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices.²⁴

The Revised NITSA represents the negotiated agreement of DESC and Southeastern.²⁵

VI. Communications

All communication and correspondence with respect to this filing should be sent to the following individuals, who should be placed on the official service list in this proceeding:

Sara C. Weinberg
Dominion Energy Services, Inc.
220 Operation Way, MC OSC 1A
Cayce, South Carolina 29033
(803) 217-5753
sara.weinberg@dominionenergy.com

VII. Persons on Whom this Filing is Being Served

Copies of this filing have been served on Southeastern, the SCPSC, and the South Carolina Office of Regulatory Staff as set forth in Attachment B to this filing.²⁶ This filing also will be posted in conformance with the Commission's regulations.²⁷

²⁴ 18 C.F.R. § 35.13(b)(7), (d)(3) (2023).

²⁵ 18 C.F.R. § 35.13(b)(6) (2023).

²⁶ 18 C.F.R. § 35.13(b)(3) (2023).

²⁷ 18 C.F.R. § 35.2(e) (2023).

VIII. List of Documents

In accordance with the Commission's regulations,²⁸ the following documents are included in this filing in addition to the relevant tariff record:

1. This transmittal letter;
2. Attachment A - Revised NITSA designated as Service Agreement No. 226, Southeastern Power Admin; and
3. Attachment B - List of Recipients

IX. Conclusion

DESC respectfully requests that the Commission accept the Revised NITSA for filing and, to the extent necessary, waive its prior notice requirements to permit the Revised NITSA to become effective as of May 1, 2024.

Thank you for your attention to this matter. Please direct any questions concerning this submission to the undersigned.

Sincerely,

/s/ Sara C. Weinberg
Sara C. Weinberg

Attorney for
Dominion Energy South Carolina, Inc.

²⁸ 18 C.F.R. § 35.13(b)(1) (2023).