

Department of Energy Washington, DC 20585

Order No. 202-18-2

On November 29, 2017, PJM Interconnection, L.L.C. (PJM) submitted *Order No. 202-17-4 Renewal Application Filing* (Renewal Application) to the U.S. Department of Energy (DOE or Department). PJM is the Regional Transmission Operator (RTO) responsible for the reliability of the bulk power grid across several states, including in the North Hampton Roads area of Virginia. Previously, on June 16, 2017, DOE issued Order No. 202-17-2 under section 202(c) of the Federal Power Act (FPA), 16 U.S.C. § 824a(c). That order authorized PJM to direct Virginia Electric and Power Company² (Dominion) to operate coal-fired Units 1 and 2 of its Yorktown Power Station, under certain specified circumstances, and only for a 90-day period. Order No. 202-17-4, issued on September 14, 2017 and under the same statutory authority, renewed Order No. 202-17-2 for an additional 90-day period. Order No. 202-17-4 expires at the end of today, by its own terms and by statute. 16 U.S.C. § 824a(c)(4)(A). In its Renewal Application, PJM asserts that there is a continuing emergency in the North Hampton Roads area of Virginia and asks the Department for another 90-day renewal.

Based on data and information submitted to the Department, and as explained in the accompanying Summary of Findings, I have determined that an emergency continues to exist in the North Hampton Roads area of Virginia due to a shortage of electric energy and a shortage of facilities for the generation and transmission of electric energy. I find that issuance of this Order will meet the emergency and serve the public interest in the North Hampton Roads area, as required by FPA section 202(c). I have imposed limitations on operations outlined in this Order to ensure, to the maximum extent practicable, consistency with applicable environmental laws and regulations, and the reporting requirements for operations and estimated emissions ensure transparency of implementation. Accordingly, I hereby grant PJM's Renewal Application and issue Order No. 202-18-2 to allow operation of Yorktown Units 1 and 2, with modifications as explained below, for an additional 90-day period to expire on March 13, 2018.

¹ PJM has stated that "[t]he North Hampton Roads load area includes . . . Charles City County, James City County, York County, Williamsburg, Yorktown, Newport News, Poquoson, Hampton, Essex County, King William County, King and Queen County, Middlesex County, Mathews County, Gloucester County, the City of West Point, King George County, Westmoreland County, Northumberland County, Richmond County, Lancaster County, and the City of Colonial Beach." *Request for Emergency Order Pursuant to Section 202(c) of the Federal Power Act*, at 1 n.4 (June 13, 2017). Williamsburg, Newport News, Poquoson, and Hampton are independent cities; Yorktown is a Census-Designated Place and the county seat of York County; West Point is a town in King William County; and Colonial Beach is a town in Westmoreland County.

² Virginia Electric and Power Company's parent company is Dominion Energy, Inc.

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As I have determined that an emergency exists in the North Hampton Roads area of Virginia, I hereby order:

- A. By Eastern Prevailing Time, beginning on December 14, 2017, and continuing through March 13, 2018, in the event that PJM determines that generation from Yorktown Units 1 and/or 2 is needed to maintain grid reliability, Dominion shall operate Units 1 and/or 2 of the Yorktown Power Station as directed by PJM only as needed to address reliability issues. This directive applies under either or both of Scenario One and Scenario Two as described in the accompanying Summary of Findings. This directive incorporates and maintains the operational limitations described in the Environmental Protection Agency's Administrative Compliance Order, AED-CAA-113(a)-2016-0005. Consistent with good utility practice and the dispatch methodology submitted by PJM on June 27, 2017, PJM and Dominion shall exhaust all reasonably and practically available resources, including demand response and identified behind-the-meter generation resources to the extent that such resources provide support to maintain grid reliability, prior to operating Yorktown Unit 1 or Yorktown Unit 2.
- B. Dominion shall continue to comply with the dispatch methodology submitted by PJM on June 27, 2017.
- C. Every two weeks, PJM and Dominion shall report all dates between December 13, 2017 and March 13, 2018, on which Yorktown Units 1 and/or 2 are operated, and the associated air emissions and water usage for those dates. Specifically, PJM and/or Dominion shall report, in units that align with those used in 40 C.F.R. Part 63, Subpart UUUUU, Table 2, the daily air emissions of: 1) filterable particulate matter (PM) or total non-mercury hazardous air pollutant (HAP) metals or individual HAP metals, 2) hydrogen chloride (HCl) or sulfur dioxide (SO₂), and 3) mercury (Hg). PJM and/or Dominion shall also report daily air emissions of greenhouse gases and nitrogen oxides (NO_x) and daily water usage. In the event that the outage schedule or estimates change from those presented in the Renewal Application, PJM and/or Dominion shall also provide updated outage schedules and associated Yorktown Unit 1 and Yorktown Unit 2 emissions estimates within two weeks of such change.
- D. Renewal of this Order, should it be needed, must be requested before this Order expires. If the conditions creating the emergency remain substantially unchanged, a renewal request should be submitted at least 14 calendar days before this Order expires. If the conditions change, a renewal request should be submitted at least 21 calendar days before this Order expires.

Issued in Washington, D.C. at 5:45 PM this 13th day of December, 2017.

RICK PERRY Rick Perry

Secretary of Energy