



**Department of Energy  
Washington, DC 20585**

**November 19, 2018**

**RECORDS OF CATEGORICAL EXCLUSION DETERMINATION**

**Order No. 202-18-06**

The National Environmental Policy Act (NEPA) requires federal agencies to prepare Environmental Impact Statements (EISs) for major federal actions significantly affecting the quality of the human environment.

The Department of Energy's (DOE's) regulations that implement NEPA (10 C.F.R. Part 1021) require it to determine whether a proposal requires that an EIS, an Environmental Assessment (EA), or a Categorical Exclusion (CX) be prepared. A CX refers to a category of actions that DOE has determined do not individually or cumulatively have a significant effect on the human environment. As such, DOE need not prepare an EA or an EIS for CX actions.

On June 13, 2017, PJM Interconnection, L.L.C. (PJM), the Regional Transmission Organization (RTO) whose service territory includes the North Hampton Roads area east of Richmond, Virginia, filed a *Request for Emergency Order Pursuant to Section 202(c) of the Federal Power Act (FPA)* with the United States DOE "to preserve the reliability of [the] bulk power electric transmission system in the North Hampton Roads area." The emergency order would require Virginia Electric and Power Company (Dominion Energy Virginia), the public utility serving the area, to operate its two coal-fired units at its Yorktown Power Station (Yorktown Unit 1 and Yorktown Unit 2) to react to electricity reliability emergencies.

On June 16, 2017, the Secretary of Energy, on behalf of DOE, issued Order No. 202-17-2, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station from June 16, 2017 to September 14, 2017 only when called upon for electricity reliability emergency issues.

On August 24, 2017, PJM filed a *Request for reissuance of DOE Order No. 202-17-2* with DOE "to preserve the reliability of the bulk power transmission system in the North Hampton Roads area." Reissuance of *DOE Order No. 202-17-2* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from September 15, 2017 to December 13, 2017.

On September 14, 2017, the Secretary of Energy, on behalf of DOE, issued Order No. 202-17-4, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station

from September 15, 2017 to December 13, 2017 only when called upon for electricity reliability emergency issues.

On November 29, 2017, PJM filed a *Request for reissuance of DOE Order No. 202-17-4* with DOE “to preserve the reliability of the bulk power transmission system in the North Hampton Roads area.” Reissuance of *DOE Order No. 202-17-4* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from December 13, 2017 to March 13, 2018.

On December 13, 2017, the Secretary of Energy, on behalf of DOE, issued Order No. 202-18-2, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station from December 13, 2017 to March 13, 2018 only when called upon for electricity reliability emergency issues.

On February 20, 2018, PJM filed a *Request for reissuance of DOE Order No. 202-18-2* with DOE “to preserve the reliability of the bulk power transmission system in the North Hampton Roads area.” Reissuance of *DOE Order No. 202-18-2* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from March 13, 2018 to June 11, 2018.

On March 13, 2018, the Secretary of Energy, on behalf of DOE, issued Order No. 202-18-3, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station from March 13, 2017 to June 11, 2018 only when called upon for electricity reliability emergency issues.

On May 21, 2018, PJM filed a *Request for reissuance of DOE Order No. 202-18-3* with DOE “to preserve the reliability of the bulk power transmission system in the North Hampton Roads area.” Reissuance of *DOE Order No. 202-18-3* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from June 12, 2018 to September 9, 2018.

On June 8, 2018, the Secretary of Energy, on behalf of DOE, issued Order No. 202-18-4, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station from June 12, 2018 to September 9, 2018 only when called upon for electricity reliability emergency issues.

On August 17, 2018, PJM filed a *Request for reissuance of DOE Order No. 202-18-4* with DOE “to preserve the reliability of the bulk power transmission system in the North Hampton Roads area.” Reissuance of *DOE Order No. 202-18-4* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from September 10, 2018 to December 8, 2018.

On September 5, 2018, the Secretary of Energy, on behalf of DOE, issued Order No. 202-18-5, determining that an electricity reliability emergency existed in the Commonwealth of Virginia and ordering Dominion Energy Virginia to operate Units 1 and 2 of the Yorktown Power Station from September 10, 2018 to December 8, 2018 only when called upon for electricity reliability emergency issues.

On November 13, 2018, PJM filed a *Request for reissuance of DOE Order No. 202-18-6* with DOE “to preserve the reliability of the bulk power transmission system in the North Hampton Roads area.” Reissuance of *DOE Order No. 202-18-4* would require Dominion Energy Virginia to operate Yorktown Unit 1 and Yorktown Unit 2 to react to reliability emergencies from December 9, 2018 through March 8, 2018.

**PROPOSED ACTION:** The DOE-proposed Federal action would be the reissuance of DOE Order No. 202-18-5 as DOE Order No. 202-18-6, an emergency order targeted to prevent uncontrolled power disruptions and shedding of critical load in the North Hampton Roads area of Virginia for 90 days.

FPA section 202(c)(2) requires the Secretary of Energy to ensure that any 202(c) order “that may result in a conflict with a requirement of any [applicable] environmental law or regulation” be limited to the “hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable, [be] consistent with any applicable . . . environmental law or regulation and minimize[] any adverse environmental impacts.”

**BACKGROUND:** In November 2011, and again in October 2012, Dominion Energy Virginia notified PJM of its plan to deactivate both Yorktown coal-fired units, effective December 31, 2014, because the units were not equipped to comply with the Environmental Protection Agency’s (EPA) Mercury and Air Toxics Standards (MATS), 40 C.F.R. part 63 subpart UUUUU.

By letters dated December 14, 2011 and April 11, 2014, PJM notified Dominion Energy Virginia that the deactivation of Yorktown Units 1 and 2, respectively, would adversely affect the PJM transmission system absent the installation of certain transmission upgrades necessary to address the reliability impacts. PJM included the required transmission upgrade known as the Skiffes Creek Transmission Project, a new 500-kilovolt transmission line across the James River.

PJM load flow studies indicate that generation from Yorktown Units 1 and 2 will be needed to prevent the possibility of uncontrolled power disruptions in the North Hampton Roads area or other loss of grid reliability such as the implementation of an automated controlled load shed scheme.

Dominion Energy Virginia developed an automated controlled load shed scheme known as the Remedial Action Scheme (“RAS”) or as the “North Hampton RAS” to address deactivation of the Yorktown Units. The North Hampton RAS would result in a forced interruption of service to load in the North Hampton Roads area. During certain high load conditions, this power

interruption could result in power loss affecting over 150,000 customers in the North Hampton Roads\* area of Virginia. In addition to residential customers, hospitals, nursing homes, schools, commercial, industrial, and national defense facilities would be without power during those peak load conditions in the North Hampton Roads area.

**CX TO BE APPLIED:** The proposed action identified above fits within the classes listed in Appendix B to Subpart D, of 10 CFR Part 1021 (Categorical exclusions applicable to specific agency actions). Specifically:

B4.4 Power marketing services and activities.

Power marketing services and power management activities (including, but not limited to, storage, load shaping and balancing, seasonal exchanges, and other similar activities), provided that the operations of generating projects would remain within normal operating limits.

**REGULATORY REQUIREMENT:** The DOE-proposed action is the reissuance of DOE Order No. 202-18-5 as DOE Order No. 202-18-6. The DOE Order reissuance will continue the operational limitations described for electricity reliability emergency issues.


The expected combined operation of Yorktown Units 1 and 2 reacting to electricity reliability emergencies under DOE Order No. 202-18-6 should be well below normal operating capacities and limits of Yorktown Units 1 and 2.

DOE has determined that the proposed action identified above will not have a significant effect on the human environment. Authorizing the proposed action will not (1) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health including DOE and/or Executive orders; (2) require siting of new facilities or expansion of existing facilities; (3) disturb hazardous substances, pollutants, or contaminants; or (4) adversely affect environmentally sensitive resources.

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\* The North Hampton Roads load area includes the following: 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.

**DETERMINATION:** Based on my review of the above information concerning the proposed action, as NEPA Compliance Officer and as authorized under DOE Policy 451.1 (Dec. 21, 2017), I have determined that the proposed action fits within the specified class of actions, that other regulatory requirements set forth above are met, and that the proposed action is hereby categorically excluded from further NEPA review.

Signature:   
Julie Ann Smith, Ph.D.  
Acting NEPA Compliance Officer  
Office of Electricity

Date: November 19, 2018