



Virginia State Corporation Commission Approves Prudency Determination for 80 MW Solar Power Purchase Agreement

11.05.2018

On November 2, 2018, the Virginia State Corporation Commission (the "Commission") issued a final order (the "Order") approving the petition of Virginia Electric and Power Company ("Dominion") for a prudency determination regarding a proposed power purchase agreement ("PPA") with Water Strider Solar LLC for an 80 megawatt solar facility to be located in Halifax County, Virginia (the "Project"). The PPA is the first solar power purchase agreement approved by the Commission as being prudent following the passage of the Virginia Grid Transformation and Security Act of 2018 (SB 966).

In approving Dominion's August 17, 2018 petition, the Commission cited the following facts, among others, as supporting the Commission's finding of prudence:

1. The Project's developer – not Dominion's customers – bears essentially all of the risk of the proposed Project, including cost overruns and lack of performance.
2. The PPA model, along with the terms and conditions, provides significant safeguards for customers.
3. The PPA is the result of an extensive and transparent competitive bidding process.
4. The PPA provides a positive net present value to customers.
5. The PPA is competitive with market prices.
6. The Project is based on known and proven technology.

In its Order, the Commission emphasized the "public interest" provisions of SB 966, and stated that "[t]he General Assembly has mandated that utility purchases such as the Solar PPA are in the "public interest".

The Project is being developed by Cypress Creek Renewables and is anticipated to commence commercial operation in late 2020. The Project was selected by Dominion pursuant to its 2017 Solar-Wind Request for Proposals.

For a copy of the Order, please click [here](#). If you are developing a solar project in Virginia or for more information, please contact Brad Nowak or Bob Riley, Co-Chairs of the Williams Mullen **Solar Energy Team**

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