

144 FERC ¶ 61,021  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;  
Philip D. Moeller, John R. Norris,  
Cheryl A. LaFleur, and Tony Clark.

Virginia Electric and Power Company  
Dominion Energy Marketing, Inc.  
Dominion Nuclear Connecticut, Inc.  
Dominion Energy Kewaunee, Inc.  
Dominion Energy Brayton Point, LLC  
Dominion Energy Manchester Street, Inc.  
Dominion Energy New England, Inc.  
Dominion Energy Salem Harbor, LLC  
Dominion Retail, Inc.  
Elwood Energy, LLC  
Fairless Energy, LLC  
Kincaid Generation, L.L.C.  
NedPower Mount Storm, LLC  
State Line Energy, L.L.C.  
Fowler Ridge Wind Farm LLC

Docket No. ER12-303-000

ORDER CONDITIONALLY GRANTING REQUEST FOR WAIVER OF AFFILIATE  
RESTRICTIONS

(Issued July 11, 2013)

1. On November 1, 2011, as amended on October 18, 2012, Virginia Electric and Power Company (Dominion Virginia Power) and its market-regulated power sales affiliates (Dominion Marketing Affiliates)<sup>1</sup> (collectively, with Dominion Virginia Power,

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<sup>1</sup> The Dominion Companies state that the Dominion Marketing Affiliates are: Dominion Energy Marketing, Inc.; Dominion Nuclear Connecticut, Inc.; Dominion Energy Kewaunee, Inc.; Dominion Energy Brayton Point, LLC; Dominion Energy Manchester Street, Inc.; Dominion Retail, Inc.; Elwood Energy, LLC; Fairless Energy, LLC; Kincaid Generation, L.L.C.; NedPower Mt. Storm, LLC; and Fowler Ridge Wind Farm LLC. October 18 Filing at 1 n.1. We note that two of the above-captioned entities have cancelled their market-based rate tariffs and one of the above-captioned entities has

(continued...)

the Dominion Companies) filed a request for a limited waiver of the market-based rate affiliate restrictions in section 35.39 of the Commission's regulations to permit the Dominion Companies to share outage planning employees to provide services for the Dominion Companies' nuclear generating fleet (Dominion Nuclear Fleet).<sup>2</sup> In this order, we conditionally grant the Dominion Companies' request for limited waiver of certain affiliate restrictions, effective April 20, 2011.

## **I. Background**

2. Dominion Virginia Power is a public utility subsidiary of Dominion Resources, Inc. (DRI). The Dominion Companies state that Dominion Virginia Power provides electric service to retail customers in Virginia and North Carolina, and that the Dominion Marketing Affiliates are all authorized by the Commission to make sales of energy, capacity, and certain ancillary services at market-based rates.

3. The Dominion Companies request that the Commission grant a limited waiver of the affiliate restrictions to allow them to continue to share outage planning employees to provide certain services for the Dominion Nuclear Fleet.

### **Nuclear Facilities**

4. Dominion Virginia Power owns and operates two nuclear facilities, the North Anna Power Station with a summer capacity rating of 1,886 megawatts (MWs) and the Surry Power Station with a summer capacity rating of 1,676 MWs, which are located in its service territory within the PJM Interconnection, L.L.C. (PJM) market.

5. Two of the Dominion Marketing Affiliates also own and operate nuclear facilities. Dominion Nuclear Connecticut, Inc. owns and operates Millstone Power Station with a summer capacity rating of 2,096 MWs located in Waterford, Connecticut in the ISO New England Inc. (ISO-NE) market, and Dominion Energy Kewaunee, Inc. owns and operates the Kewaunee Power Station with a summer capacity rating of 556 MWs located in

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been sold. *See Dominion Energy New England, LLC*, Docket No. ER13-57-000 (Nov. 19, 2012) (delegated letter order accepting notice of cancellation); *State Line Energy, L.L.C.*, Docket No. ER12-1575-000 (May 23, 2012) (delegated letter order accepting notice of cancellation); *Dominion Energy Salem Harbor, LLC*, Notice of Transaction Consummation, Docket No. EC12-114-000 (filed Aug. 10, 2012).

<sup>2</sup> 18 C.F.R. § 35.39 (2012).

Carlton, Wisconsin in the Midwest Independent Transmission System Operator, Inc. (MISO) market.<sup>3</sup>

6. The Dominion Companies emphasize that Dominion Virginia Power's nuclear facilities are in a separate market (PJM) than the nuclear facilities owned by the two Dominion Marketing Affiliates (ISO-NE and MISO). The Dominion Companies state that marketing of the output of the nuclear facilities is done by two different business groups which are physically located in separate facilities. They state that all marketing activity for Dominion Virginia Power's generation facilities is performed by Dominion Virginia Power employees. The Dominion Companies state that these marketing employees perform no marketing functions for the Dominion Marketing Affiliates' market-regulated facilities, and are regularly trained on the affiliate restrictions as well as other applicable regulations. They state that these employees perform marketing functions solely in the PJM market and are physically located in a restricted card key access facility located in Glen Allen, Virginia.

7. The Dominion Companies state that all marketing activity for the nuclear facilities owned by two of the Dominion Marketing Affiliates is performed by Dominion Energy Marketing, Inc.'s (DEMI) employees. The Dominion Companies represent that these marketing employees perform no marketing functions or activities for Dominion Virginia Power facilities, and are also regularly trained on the affiliate restrictions and other applicable regulations. They state that these employees are physically located in a restricted card key access facility located in Richmond, Virginia, about 15 miles from the Glen Allen facility. The Dominion Companies further state that two geographically separate trading floors and trading organizations were purposely established to isolate the marketing functions from each other.

8. The Dominion Companies state that every employee that directs, organizes, or executes generation or marketing functions is located in either the Glen Allen facility for Dominion Virginia Power's generation facilities, or is located in the Richmond facility for the market-regulated generation facilities. They contend that this separation ensures that the regulated and merchant generation and marketing function employees operate separately to the maximum extent possible, and complies with the prohibition of sharing market information and with the no conduit rule required by the Commission's affiliate restrictions.

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<sup>3</sup> Effective April 26, 2013, MISO changed its name from "Midwest Independent Transmission System Operator, Inc." to "Midcontinent Independent System Operator, Inc."

### **Dominion Nuclear Organization**

9. The Dominion Companies state that the Dominion Nuclear Organization is part of Dominion Generation, which is a management structure designed to manage all electric power generation under the Chief Executive Officer of Dominion Generation who reports to the Chairman, President, and Chief Executive Officer of DRI.

10. The Dominion Companies state that Dominion's Nuclear Organization consolidates the oversight, operations, operations support, engineering, technical support, and fuel procurement for the Dominion Nuclear Fleet into a single organization. They maintain that it is designed to allow the Dominion Companies to share oversight, operational and maintenance activities in a cost effective manner and to optimize knowledge management. The Dominion Companies represent that none of the consolidated functions are engaged in merchant functions. They state that the Dominion Companies' nuclear organization provides substantial benefits to Dominion Virginia Power's captive customers resulting from significant labor efficiencies and lower administrative and labor costs.

11. The Dominion Nuclear Organization consists of three main parts: corporate management, support organizations, and facility operations. Corporate management is responsible for overall management of the Dominion Nuclear Fleet through all the phases from initial siting to decommissioning. The support organizations provide management, technical, and oversight support for activities such as design, construction, operation, modification, and decommissioning and report to corporate management. The Dominion Companies state that the support organizations may be located at corporate offices or at a nuclear facility site. They state that facility operations groups are responsible for overall operational activities of assigned nuclear facilities in accordance with the facility's Nuclear Regulatory Commission operating license. The facility operations groups are assigned responsibility for one or more nuclear power station units and the independent spent fuel storage installations and radioactive waste processing/storage facilities at a particular site with significant support from the support organization.

12. The President and Chief Nuclear Officer (CNO) of the Dominion Nuclear Organization reports directly to the Chief Executive Officer of Dominion Generation. The CNO is the chief operating officer for the nuclear plants and is ultimately responsible for compliance with the Nuclear Regulatory Commission operating licenses. In addition, the CNO has overall responsibility and authority for the implementation of all activities associated with the safe and reliable design, construction, operation, and decommissioning of the Dominion Nuclear Fleet. The CNO establishes the oversight and quality assurance policy and provides guidance regarding the implementation to achieve excellence in nuclear plant safety, operations and performance. The CNO also oversees the employee concerns program which enables employees and contractors to raise

concerns and be investigated independently of line management, and oversees investigations into Nuclear Regulatory Commission allegations.

13. The Dominion Companies state that there are four functional organizations reporting to the CNO that ensure safety, reliability and efficient operations of the nuclear facilities: operations, engineering, support services, and oversight. They state that the Senior Vice President of Nuclear Operations, the Vice President of Nuclear Engineering, the Vice President of Nuclear Support Services, and the Vice President of Nuclear Development report to the CNO.

14. The Senior Vice President of Nuclear Operations determines the Dominion Nuclear Fleet five-year planned outage schedule and approves any changes to the schedule. The Dominion Companies state that the Senior Vice President of Nuclear Operations relies on information and data from the four Site Vice Presidents and from the Vice Presidents of Nuclear Engineering and Nuclear Support Services to determine and approve the five-year planned outage schedule and any changes.

15. The Vice President of Nuclear Support Services position, which reports to the President and Chief Nuclear Officer is responsible for providing licensing, fire protection, security, emergency preparedness, training, document control and records management, and outage performance improvement support services to the Dominion Nuclear Organization. This position is responsible for emergency planning, site and corporate emergency response facilities, and ensures compliance with local, state and federal emergency laws and regulations. This position is also responsible for providing fleet-wide support for turbines, chemistry, radiation protection, physical plant security, and all nuclear training programs. This position is responsible for establishing procedures that require the establishment of interface documents including defining lines of communication and authorities as appropriate for the delegated functions where implementation of any or all of these functions is delegated to organizations outside Dominion Virginia Power. However, this position retains responsibility for the scope and effective implementation of all these functions.

16. The Dominion Companies state that the specific employees that are shared within the Dominion Nuclear Organization for which the Dominion Companies seek waiver under the Commission's affiliate restrictions are the Dominion Nuclear Fleet Outage Group employees. They state that there currently are three employees in the Dominion Nuclear Fleet Outage Group. These employees report to the Vice President of Nuclear Support Services.

17. The Dominion Companies explain that these employees create and maintain the long range schedule of outages for the Dominion Virginia Power nuclear fleet and the Dominion Marketing Affiliate nuclear fleet, which schedules are subject to approval by the Senior Vice President of Nuclear Operations. They state that the Dominion Nuclear

Fleet Outage Group employees determine the outage schedules, amend the schedules as necessary, and manage the outage schedules of the facilities and that these employees do not perform wholesale power sales activities.<sup>4</sup>

18. The Dominion Companies state that the process to determine the nuclear plant outage schedules starts with the five-year outage plan, which generally provides for 18-month fuel burn cycles where the plants are planned to operate for 18 consecutive months and then taken out of service for refueling and maintenance purposes. They state that the five-year plan has planned outage start and end dates, which are subject to change due to plant operations and unplanned outages, and further refinement as the planned outage dates become closer in real time.

19. The Dominion Companies state that the 18-month planned run cycle is the Dominion Companies' nuclear standard, but the outage duration between each cycle is subject to many variables, and the Nuclear Fleet Outage Group manages the planned outages dates and times. They state that the outage duration for each plant is initially determined by plant personnel, but is subject to changes due to comments from the nuclear fuels group and Regional Transmission Organizations (RTO) operation restrictions. The Dominion Companies state that the Nuclear Fleet Outage Group incorporates the initial outage schedules from the four plants, manages changes required by the fuels group and RTO operation restrictions, and submits the plans for approval to the Senior Vice President of Nuclear Operations.

### **Request for Waiver**

20. In requesting that the Commission grant a limited waiver of the affiliate restrictions to permit the sharing of outage scheduling personnel in the Dominion Nuclear Fleet Outage Group, the Dominion Companies note that one of the purposes of the affiliate restrictions is to prevent a transfer of benefits from franchised public utilities with captive customers to their market-regulated power sales affiliates. The Dominion Companies state that there is no concern regarding the potential transfer of business opportunities because the Dominion Virginia Power nuclear facilities and the affiliated market-regulated nuclear facilities do not participate in a common market. All of the Dominion Virginia Power nuclear facilities are located within the PJM market, and the affiliated market regulated nuclear facilities are located within the MISO and ISO-NE markets.<sup>5</sup>

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<sup>4</sup> October 18 Filing at 4-5.

<sup>5</sup> November 1 Filing at 16; October 18 Filing at 7-8.

21. The Dominion Companies represent that there are physical and organizational separations to ensure that there is no sharing of sensitive data. They state that by establishing designated positions within the Dominion Nuclear Organization that have the responsibility of communicating market sensitive data (e.g., outage schedules and changes thereto) to either the Dominion Virginia Power trading floor concerning the North Anna and Surry power stations or to the merchant trading floor concerning the Millstone and Kewaunee power stations, the organization does not share market sensitive data in violation of the affiliate restrictions. The Dominion Companies state that these designated employees receive affiliate restrictions training and do not provide the Dominion Virginia Power trading floor with market sensitive data regarding the Millstone or Kewaunee power stations nor do these designated employees provide market sensitive data regarding the North Anna or Surry power stations to the merchant trading floor. The Dominion Companies contend that this separation ensures that the merchant function for the market-regulated generation facilities does not obtain market sensitive data concerning Dominion Virginia Power facilities.<sup>6</sup>

22. The Dominion Companies state that there is no risk that the Dominion Nuclear Organization will favor one or more facilities to the detriment of other facilities. They state that the goal of the Dominion Nuclear Organization is to operate these base load facilities safely, efficiently, and reliably. They state that nuclear units are designed to be operated at a high capacity factor, in contrast to peaking or intermediate facilities which are designed to be moved in and out of production based on market conditions. The Dominion Nuclear Fleet is designed, operated and maintained to comply with extensive Nuclear Regulatory Commission regulations, and the sharing of talented nuclear employees has served well to promote the safe, reliable and efficient operation of the facilities for many years.<sup>7</sup> They note that the Commission has recognized that the specific design, operation, and maintenance of nuclear generation stations as base load units as well as the extensive requirements of the Nuclear Regulatory Commission regulations allows for special consideration. The Dominion Companies note that the Commission has observed that nuclear facilities are “difficult to ramp down or up so as to withhold output during the most profitable time periods.”<sup>8</sup> For that reason, the Dominion Companies continue, the Commission has held repeatedly that “the operational characteristics of, and regulatory scrutiny over, nuclear units virtually eliminate the possibility of withholding output to drive up prices.”<sup>9</sup> The Dominion Companies

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<sup>6</sup> November 1 Filing at 16; October 18 Filing at 7.

<sup>7</sup> November 1 Filing at 17; October 18 Filing at 8.

<sup>8</sup> *Commonwealth Edison Co.*, 91 FERC ¶ 61,036, at 61,133 n.42 (2000).

additionally note that the Commission has made this determination with respect to Millstone itself.<sup>10</sup>

23. The Dominion Companies maintain that the shared personnel that deal with outage scheduling do not engage in marketing functions, and management of outage scheduling only begins to converge at the higher levels of the corporate ladder. Additionally, they state that there is little risk that joint outage scheduling could result in harm to captive customers, because the nuclear units physically do not have the ability to ramp up or down quickly.<sup>11</sup>

24. The Dominion Companies state that the Dominion Nuclear Organization structure and the market and geographic separation of the Dominion Virginia Power plants and Dominion Marketing Affiliates plants greatly reduces the likelihood that market information regarding outage scheduling or dispatch of the Dominion Virginia Power plants will be disclosed to the market-regulated affiliates. The Dominion Companies contend that there is little risk that sharing employees engaged in outage planning will result in harm to Dominion Virginia Power captive customers because of the operating characteristics of nuclear plants. They add that the Dominion Virginia Power plants sell into the PJM market, while the Dominion Marketing Affiliates plants sell into the ISO-NE market (Millstone) and under a long-term purchase power agreement to counterparties in the MISO market (Kewaunee). The Dominion Companies represent that this separation ensures no harm to captive wholesale and retail customers.<sup>12</sup>

## II. Notice

25. Notice of the Dominion Companies' November 1, 2011 Filing was published in the *Federal Register*, 76 Fed. Reg. 69,263 (2011), with interventions and comments due on or before November 22, 2011. None was filed.

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<sup>9</sup> October 18 Filing at 9 (citing *Exelon Corp.*, 112 FERC ¶ 61,011, at P 135 (2005)).

<sup>10</sup> *Id.* (citing *USGen New England, Inc.*, 109 FERC ¶ 61,361, at P 23 (2004)).

<sup>11</sup> November 1 Filing at 18.

<sup>12</sup> October 18 Filing at 7.

### III. Discussion

26. As discussed below, we will conditionally grant the Dominion Companies' request for limited waiver of the separation of functions provisions in 18 C.F.R. § 35.39(c)(2)(i) to permit the Dominion Companies to continue to share outage planning employees to provide services for the Dominion Companies' nuclear generating fleet. However, we note that this limited waiver does not affect the Dominion Companies' obligation to comply with the no-conduit provisions of section 35.39(g).<sup>13</sup>

27. In Order No. 697, the Commission codified certain affiliate restrictions in its regulations to protect captive customers from the potential for a franchised public utility to interact with a market-regulated power sales affiliate in ways that transfer benefits to the affiliate and its stockholders to the detriment of the captive customers.<sup>14</sup> Captive customers are defined as "any wholesale or retail electric energy customers served by a franchised public utility under cost-based regulation."<sup>15</sup> The affiliate restrictions govern, among other things, the separation of functions, the sharing of market information, and power brokering. The Commission requires that, as a condition of receiving and retaining market-based rate authority, sellers comply with these affiliate restrictions unless explicitly permitted by Commission rule or order granting waiver of the affiliate

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<sup>13</sup> 18 C.F.R. § 35.39(g).

<sup>14</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697, FERC Stats. & Regs. ¶ 31,252, *clarified*, 121 FERC ¶ 61,260 (2007), *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268, *clarified*, 124 FERC ¶ 61,055, *order on reh'g*, Order No. 697-B, FERC Stats. & Regs. ¶ 31,285 (2008), *order on reh'g*, Order No. 697-C, FERC Stats. & Regs. ¶ 31,291 (2009), *order on reh'g*, Order No. 697-D, FERC Stats. & Regs. ¶ 31,305 (2010), *aff'd sub nom. Montana Consumer Counsel v. FERC*, 659 F.3d 910 (9th Cir. 2011), *cert. denied*, 133 S. Ct. 26 (2012).

<sup>15</sup> Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 202; 18 C.F.R. § 35.36(a)(6) (2012).

restrictions.<sup>16</sup> Failure to satisfy the conditions set forth in these affiliate restrictions constitutes a violation of a seller's market-based rate tariff.<sup>17</sup>

28. Under the separation of functions requirement in the affiliate restrictions (section 35.39(c)(2)(i)), employees of market-regulated power sales affiliates must operate separately, to the maximum extent practical, from employees of affiliated franchised public utilities with captive customers.<sup>18</sup> Under the information sharing provisions in the affiliate restrictions (section 35.39(d)(1)), a franchised public utility with captive customers may not share market information with a market-regulated power sales affiliate if the sharing could be used to the detriment of captive customers, unless simultaneously disclosed to the public. Section 35.39(d)(2) generally provides that permissibly shared support employees, field and maintenance employees and senior officers and board of directors may have access to information covered by the prohibition of section 35.39(d)(1), subject to the no-conduit provision in section 35.39(g), which provides that a franchised public utility with captive customers and a market-regulated power sales affiliate are prohibited from using anyone as a conduit to circumvent the affiliate restrictions.

29. With respect to the separation of functions requirement, on April 15, 2010, in response to a request for clarification, the Commission provided guidance regarding which employees may not be shared under the affiliate restrictions unless otherwise permitted by Commission rule or order.<sup>19</sup> Specifically, the Commission clarified that, consistent with Order No. 697-A, a franchised public utility with captive customers and its market-regulated power sales affiliate may not share employees that make economic

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<sup>16</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, 131 FERC ¶ 61,021, at P 2 (April 15 Clarification Order), *order granting in part request for extension of time to comply*, 132 FERC ¶ 61,014 (2010) (July 2 Order), *order denying reh'g*, 134 FERC ¶ 61,046 (2011) (Rehearing Order).

<sup>17</sup> Order No. 697, FERC Stats. & Regs. ¶ 31,252 at PP 549-550.

<sup>18</sup> 18 C.F.R. § 35.39(c)(2)(i).

<sup>19</sup> April 15 Clarification Order, 131 FERC ¶ 61,021 at P 43. In Order No. 697-A, the Commission stated that "shared employees may not be involved in decisions regarding the marketing or sale of electricity from the facilities, may not make economic dispatch decisions, and may not determine the timing of scheduled outages for facilities." Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 253.

dispatch decisions or that determine the timing of scheduled outages.<sup>20</sup> The Commission denied rehearing of the April 15 Clarification Order, and required that market-based rate sellers comply with the guidance in the April 15 Clarification Order by April 20, 2011.<sup>21</sup> The Commission has also explained that, to the extent that affected entities believe they need additional guidance concerning compliance with the currently effective market-based rate affiliate restrictions, they may submit a request for a no-action letter regarding specific proposed transactions, practices, or situations<sup>22</sup> or may seek waiver of the market-based rate affiliate restrictions on a case-by-case basis.<sup>23</sup>

30. We will conditionally grant the Dominion Companies' request for limited waiver of the separation of functions requirements of section 35.39(c)(2)(i) to permit the Dominion Companies to continue sharing outage planning employees, as discussed by the Dominion Companies in their request for waiver, based on their representation that their practices ensure that captive customers will not be harmed.<sup>24</sup> We interpret this representation to be a commitment that captive customers will not be harmed.

31. As noted above, the Dominion Companies represent that the shared personnel that deal with outage scheduling do not engage in marketing functions, and management of outage scheduling only begins to converge at the higher levels of the corporate ladder.<sup>25</sup> The Dominion Companies state that the Dominion Nuclear Organization structure and the market and geographic separation of the Dominion Virginia Power plants and Dominion Marketing Affiliates plants greatly reduces the likelihood that market information regarding outage scheduling or dispatch of the Dominion Virginia Power plants will be disclosed to the market-regulated affiliates.<sup>26</sup> The Dominion Companies

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<sup>20</sup> April 15 Clarification Order, 131 FERC ¶ 61,021 at P 40. We are making the effective date April 20, 2011 to coincide with the date of the compliance requirement.

<sup>21</sup> Rehearing Order, 134 FERC ¶ 61,046 at P 28.

<sup>22</sup> See July 2 Order, 132 FERC ¶ 61,014 at P 5 (citing *Interpretative Order Modifying No-Action Letter Process and Reviewing Other Mechanisms for Obtaining Guidance*, 123 FERC ¶ 61,157 (2008)).

<sup>23</sup> See *id.* (citing *Cleco Power LLC*, 130 FERC ¶ 61,102 (2010)).

<sup>24</sup> November 1 Filing at 2; October 18 Filing at 7, 10.

<sup>25</sup> November 1 Filing at 18.

<sup>26</sup> October 18 Filing at 7.

contend that there is little risk that sharing employees engaged in outage planning will result in harm to Dominion Virginia Power captive customers because of the operating characteristics of nuclear plants, adding that nuclear units physically do not have the ability to ramp up or down quickly.<sup>27</sup> Additionally, they add that the Dominion Virginia Power plants sell into the PJM market, while the Dominion Market Affiliates plants sell into the ISO-NE market (Millstone) and under a long-term purchase power agreement to counterparties in the MISO market (Kewaunee). The Dominion Companies represent that this separation ensures no harm to captive wholesale and retail customers.<sup>28</sup> We also note the Dominion Companies' statements that employees receive training with respect to the Commission's affiliate restrictions.<sup>29</sup>

32. Accordingly, we will conditionally grant the Dominion Companies' request for limited waiver of section 35.39(c)(2)(i) to permit the Dominion Companies to continue to share outage planning employees based on their representation that their arrangements ensure that captive customers will not be harmed. As noted above, this limited waiver does not affect the Dominion Companies' obligation to comply with the no-conduit provisions of section 35.39(g).<sup>30</sup> Additionally, as a condition of this waiver, the Dominion Companies will be required to maintain sufficient records to enable the Commission to audit whether the representations and commitments made in their request for waiver remain true and accurate, including their commitment that captive customers will not be harmed.

33. The waiver conditionally granted herein is limited to the specific facts, representations, policies and procedures the Dominion Companies presented in their November 1, 2011 Filing, as amended on October 18, 2012, and applies only to the employees in the Dominion Nuclear Fleet Outage Group specified in their October 18, 2012 Filing. To the extent there is any material change in circumstances that would reflect a departure from the facts, representations, policies and procedures that we have relied upon in granting the requested waiver, the Dominion Companies will be required to inform the Commission within 30 days of any such change. With the exception of the limited waiver specifically granted herein, and any other previously granted waiver, all of the other affiliate restrictions continue to apply to the Dominion Companies.

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<sup>27</sup> November 1 Filing at 18; October 18 at 7, 9.

<sup>28</sup> October 18 Filing at 7.

<sup>29</sup> November 1 Filing at 5, 6, 16; October 18 Filing at 6-8.

<sup>30</sup> 18 C.F.R. § 35.39(g).

34. Finally, we will direct the Dominion Companies to submit a compliance filing, within 30 days of the date of this order, revising the limitations and exemptions sections of their market-based rate tariffs to list the limited waiver granted herein and include a citation to this order.<sup>31</sup>

The Commission orders:

(A) The Dominion Companies' request for limited waiver of certain of the affiliate restrictions is hereby granted, effective April 20, 2011, subject to conditions, as discussed in the body of this order.

(B) The Dominion Companies are hereby directed to submit a compliance filing, within 30 days of the date of this order, revising the limitations and exemptions sections of their market-based rate tariffs, as discussed in the body of this order.

(C) The Dominion Companies are hereby directed to maintain records to enable the Commission to audit their compliance, as discussed in the body of this order.

(D) The Dominion Companies must inform the Commission within 30 days of any material change in circumstances that would reflect a departure from the facts, representations, policies, and procedures the Commission relied upon in granting the request for waiver as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>31</sup> Order No. 697, FERC Stats. & Regs. ¶ 31,252 at Appendix C, *order on reh'g*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 384.