

July 19, 2014

Honorable Maurice Jones
Secretary of Commerce and Trade
Office of the Secretary of Commerce and Trade
Patrick Henry Building
1111 East Broad Street
Richmond, VA 23219

Dear Secretary Jones,

The PJM Power Providers Group (P3)¹ respectfully submits these comments to you in your capacity as chair of the Virginia Energy Council. P3 is a 501(c)(6) organization dedicated to promoting properly designed and well-functioning markets in the PJM region – which includes all of Virginia. Combined, P3 members own over 87,000 MW's of electricity capacity in Virginia and other states in the PJM footprint.

P3 applauds Governor McAuliffe for creating the Energy Council to explore critical energy issues facing the Commonwealth and hopes to be a constructive contributor in the development of the Virginia Energy Plan. P3 and its members have enormous experience in the regional energy markets providing generation, transmission, demand response and retail electricity to consumers throughout the 13 state region and is prepared to offer this expertise to assist the development of the Energy Plan.

P3 has been an active participant in several regulatory and legislative proceedings in Virginia. In those proceedings, P3 has consistently supported policies that allow consumers to enjoy the benefits of competition.

P3 firmly believes that developing new resources and retaining existing resources based on competitive market signals will, over time, provide consumers reliable electricity at the lowest cost. Virginia took an important step forward in this regard in February 2013 changing Virginia

¹ The comments contained in this letter represent the position of P3 as an organization, but not necessarily the views of any particular member with respect to any issue. For more information on P3, visit www.p3powergroup.com.

law to provide that “[a] utility seeking approval to construct a generating facility shall demonstrate that it has considered and weighed alternative options, including third-party market alternatives, in its selection process.”² Recognizing the new law, the State Corporation Commission (SCC) committed to apply this test in future utility requests for a Certificate of Public Convenience and Necessity, saying that it is a “new requirement placed on the utility, and it requires a fact-based review that will have to be made by the Commission in each case.”³

P3 believes that General Assembly was correct to encourage competitive alternatives in Virginia and is very pleased that the Corporation Commission will be considering these options in future CPCN proceeding. P3 hopes that the revised Energy Plan supports the ability of competitive alternatives to actively participate in Virginia’s energy market and would encourage the Council to actively explore other opportunities to enhance competition in the Commonwealth.

Thank you for the opportunity to offer these comments.

Respectfully submitted,

/S/ Glen Thomas

Glen Thomas, President

² Virginia Code § 56-585.1.A.6.

³ Order on Reconsideration and Opinion, Case No. PUE-2012-00128, November 18, 2013 at 6.