

Customer Notice - Joint Petition PUR-2024-00062

May 29, 2024 | Bulletin



Dear Customers of Reston RELAC,

We publish the following notice to Customers pursuant to the direction of the State Corporation Commission, as follows:

NOTICE OF A JOINT PETITION BY RESTON RELAC LLC, AND SPRINGRELAC LLC

FOR APPROVAL OF ACQUISITION OR DISPOSITION OF CONTROL OF UTILITY PURSUANT TO CHAPTER 5 OF TITLE 56 OF THE CODE OF VIRGINIA, AND FOR APPROVAL OF RATES

CASE NO. PUR-2024-00062

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On April 29, 2024, Reston RELAC LLC (“Reston RELAC”) along with springRELAC LLC (“Spring”) (collectively the “Joint Petitioners”), pursuant to Chapter 5 of Title 56 of the Code of Virginia (“Code”), filed with the State Corporation Commission (“Commission”), a Joint Petition for approval of the disposition of control of Reston/Lake Anne Air Conditioning Corp. (“RELAC”) by Reston RELAC and acquisition of control of RELAC by Spring.

The Joint Petition states that Reston RELAC owns all of the common stock of RELAC and “currently services approximately 345 customers, of which two are condo associations consisting of approximately 300 customers, and 15 commercial customers in Reston, Fairfax County, Virginia.” According to the Joint Petition, “[t]he sale of RELAC stock will allow Spring to operate all assets, properties, and rights held or used by RELAC to supply air conditioning service to its customers.”

The Joint Petition states that Reston RELAC and Spring have entered into a Stock Purchase Agreement (“Agreement”) whereby “Reston RELAC agrees to sell, and Spring agrees to purchase all common stock of RELAC” and that “[c]losing of the proposed transaction is scheduled to occur within thirty (30) days after [Commission approval of the Joint Petition].” According to Joint Petitioners, after the transfer, “RELAC will continue to provide service and charge the same rates under the same tariff terms and conditions as currently authorized in Case No.PUE-2011-00130 for the 2024 cooling season.” Further, Joint Petitioners state that Spring will acquire RELAC common stock for the purchase price indicated in the Agreement and that such price will be paid in full at the time of the closing of the transaction. Joint Petitioners included with the Joint Petition a copy of the Agreement and a transaction summary (“Transaction Summary”) providing the details of the proposed transfer.

According to the Joint Petition, adequate service at just and reasonable rates will not be impaired or jeopardized by the proposed transfer. Moreover, Joint Petitioners state that Spring intends to make service quality improvements to the system and provides the details pertaining to such improvements in the Transaction Summary.

In the Transaction Summary, Joint Petitioners reported that “[d]ue to extreme heat warnings predicted for early May, the cooling system opened on April 27, 2024, and is currently facilitating cooled water to property lot lines via the licensed utility in conjunction with the Service Agreement executed by the parties....” Joint Petitioners included a copy of the Service Agreement with the Joint Petition.

In addition to authority to transfer control, Joint Petitioners seek expedited consideration of the Joint Petition.

TAKE NOTICE that the Commission may adopt findings and recommendations that differ from those appearing in the Joint Petition and supporting documents.

The details of these and other proposals are set forth in the Joint Petition. Interested persons are encouraged to review the Joint Petition and supporting exhibits for the details of these proposals.

The Commission entered an Order for Notice and Comment that, among other things, directed Joint Petitioners to provide notice of their Joint Petition and provided interested persons an opportunity to comment on the Joint Petition. The Commission also authorized Spring to provide service to customers on an interim basis pending a Final Order on the Joint Petition.

To promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct that all pleadings, briefs, or other documents required to be served in this matter should be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"). Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. At this time, any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice, the Commission directs that service on parties and the Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, the parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

An electronic copy of the Joint Petition and the Commission's Order for Notice and Comment may be viewed at and download from the Commission's website:

scc.virginia.gov/pages/Case-Information.

On or before June 21, 2024, any interested person may file comments on the Joint Petition by following the instructions found on the Commission's website:

scc.virginia.gov/casecomments/Submit-Public-Comments or by filing such comments with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00062.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Comment, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

/Ends