Commonwealth of Virginia STATE CORPORATION COMMISSION

2021 OCT 20 P 3: 51

DIVISION OF PUBLIC UTILITY REGULATION

MEMODRANDUM

Date: October 20, 2021

To: Document Control

From: Joyce Harris, Division of Public Utility Regulation

RE: Petition of Dominion Energy Virginia for approval of plan for electric grid

transformation projects.

Attached is a comment submitted to the Commission for consideration. Please enter in the case jacket for Case No. PUR-2021-00058. Thank you.

The Honorable Justin M. Wilson, Mayor City of Alexandria, Virginia

Attachments

NOT FOR DISTRIBUTION





Citry of Alexandria, Virginia 301 King Street, Suite 2300 Alexandria, Virginia 22314



Justin M. Wilson Mayor Office: 703.746.4500

Fax: 703.838.6433

justin.wilson@alexandriava.gov

October 19, 2021

Via Electronic Filing http://scc.virginia.gov/casecomments/submit-public-comments

Mr. Bernard Logan, Clerk State Corporation Commission Document Control Center 1300 East Main Street - 1st Floor Richmond, VA 23219

Re:

City of Alexandria Public Comments on

Application of Virginia Electric and Power Company

For a 2021 triennial review of the rates, terms, and conditions for the provision of generation, distribution, and transmission services pursuant to § 56-585.1 A of the

Code of Virginia

SCC Case No. PUR-2021-00058

Dear Mr. Logan:

I am writing to ask, on behalf of the City of Alexandria, that the Commission consider a downward performance adjustment to Dominion's authorized return on equity ("ROE") to reflect the Company's operational failure to maintain satisfactory reliability of electric service to the residents of the City of Alexandria.

The City observes that the testimony of Scott Norwood filed on September 3, 2021 on behalf of the Office of the Attorney General Division of Consumer Counsel stated, on page 16, that "the Commission may increase or decrease the authorized ROE based on the Commission's consideration of performance." Mr. Norwood then recommended that "the Commission consider a downward performance adjustment to Dominion's authorized ROE to reflect the Company's operational failure to maintain documentation necessary to support the prudence of" certain capital additions included in the Company's rate year revenue requirement. This testimony establishes that, as the Commission evaluates Dominion's triennial review filing, the Commission may consider a downward adjustment to Dominion's authorized ROE.

The City further observes that the filed testimony of Neil Joshipura filed on September 17, 2021, on behalf of the Commission Staff addressed, on pages 11 to 14, Dominion's customer service. Mr. Joshipura found that Dominion's response time regarding customer calls (how long a customer waits to reach a customer service representative) had improved but Dominion's total duration for interruptions for the average customer on an annual basis had gotten worse starting in 2015 and continuing to get worse during the most recent years. Mr. Joshipura noted that a "similar trend was observed in the frequency of interruptions" with this experience getting worse for customers starting in 2015. He concluded that Dominion's reliability indices had "remained relatively flat over the past ten years" but there is a "trend show[ing] declining reliability over the past five years." On page 15 of his testimony, Mr. Joshipura

stated that the Commission Staff, after considering Dominion's overall operational performance based on customer service and generation plant performance, "does not recommend any adjustment (increase or decrease) be made to [Dominion's] combined rate of return."

However, the City's recent experience with Dominion's operational performance leads the City to urge the Commission to consider a downward performance adjustment to Dominion's authorized ROE based on both the increasing *duration of outages* and the increasing *frequency of interruptions*.

I have attached to this letter my correspondence with Dominion on January 21, 2021 and my correspondence with Dominion on October 5, 2021 expressing the City's growing frustration with Dominion's declining reliability. See Exhibits 1 and 2, attached hereto. During 2020, the City experienced 16 outages and thus far in 2021, it has experienced 10 outages. The most recent outage which occurred on October 2, 2021, during one of the City's largest outdoor festivals. Art on the Avenue, was particularly devastating to the City's businesses because the outage lasted all day resulting in the inability of the restaurants and businesses to open resulting in a huge loss of revenues.

I plan to participate as a public witness during the public hearing on October 22, 2021, so that I can personally explain to Commissioner Jagdmann, Commissioner Hudson, and to Commissioner Navarro how Dominion's declining reliability has negatively impacted the welfare of the residents of the City of Alexandria.

I very much appreciate the Commission's consideration of how City of Alexandria's residents have been adversely impacted by Dominion's declining reliability in recent years.

Sincerely

Justin M. Wilson,

Mayor

Cc: Members, Alexandria City Council

Mark Jinks, City Manager, City of Alexandria

Members, City of Alexandria General Assembly Delegation

Senator Richard M. Saslaw Senator George Barker Senator Adam P. Ebbin Delegate Charniele Herring Delegate Mark H. Levine

Exhibit 1



City of Alexandria, Virginia 301 King Hreet, Suite 2300 Alexandria, Virginia 22314



Justin M. Wilson Mayor Office: 703.746.4500 Fax: 703.838.6433

justin.wilson@alexandriava.gov

January 21, 2021

Robert Blue President and CEO Dominion Energy 600 E. Canal Street Richmond, VA 23219-3852

Mr. Blue:

Let me begin by congratulating you on your recent promotion. I look forward to working with you, a former Alexandrian yourself, in your new role.

Unfortunately, I write in frustration on behalf of the 160,000 residents of the City of Alexandria, of which 66,039 are direct customers of Dominion Energy. The residents of our community are frustrated with the recent reliability of the electricity service that they have received, Dominion's response to these reliability challenges and the lack of meaningful infrastructure investments planned to prevent these challenges in the future.

I hope that together the City of Alexandria and Dominion can work to provide more aggressive plans to your customers and my constituents to reassure them that their electricity service will be more reliable in the future.

During 2020, our residents experienced large-scale power outages on:

April 13th, May 10th, June 16th, June 17th, July 7th, July 20th, July 22nd. August 2nd, August 8th, October 12th, October 17th, October 23rd, November 1st, November 2nd, November 19th and December 1st

While Dominion has not provided the City with historical reliability information, it would appear these outages have become far more frequent and do not meet the expectations of your customers in the City of Alexandria. The frequency of these outages have not only inconvenienced our residents, but severely impacted our small businesses during the most difficult year they have known.

We were appreciative of your team's attendance at our City Council meeting in October to answer questions from our elected body regarding these recent outages. While your team has been responsive to our Council and our staff, we simply do not see evidence of action to improve the service provided to the residents and businesses of our City.

As you know, the City has worked with Dominion to make the large-scale infrastructure investments required to improve reliability. Over six years ago, when Dominion approached the City seeking to construct a 230KV transmission line across our community using municipal right-of-way, we convened a multi-year community process, at taxpayer expense, to work with Dominion to determine the proper route. After years of work, Dominion chose to abandon the project.

Mr. Robert Blue January 21, 2021 Page 2

For over 15 years, the City shared funding with Dominion to perform utility undergrounding in various areas of the City, and almost universally require major new private and public sector development to be undergrounded.

Recent inquiries have shown very few undergrounding projects being undertaken by Dominion to improve reliability. In fact, it has been the City's efforts, either through development proffers or taxpayer-funded projects that have led to most of the undergrounding efforts in recent years.

While reliability is our primary concern, we continue to receive complaints from residents and businesses demonstrating slow response from Dominion in support of new construction, renovations and even municipal projects we have undertaken.

As we have in the past, the City is prepared to partner with Dominion to address these concerns. As such, we respectfully request the following:

- A multi-year infrastructure investment plan to improve reliability of electricity service for the City of Alexandria, including appropriate exercise of all available authority under the Grid Transformation and Security Act to accelerate implementation
- 2) Improved transparency for customers relating to reliability data and recovery performance
- 3) An enhanced Service Level commitment for customer requests (street light repairs, property construction/renovation, municipal projects, etc)

Our residents and businesses rely on the services that Dominion provides. We look forward to working with Dominion to improve those services in the months and years to come. Thank you for your consideration of our requests. I look forward to discussing our concerns further.

Sincerely,

Justin M. Wilson

Mayor

CC: The Honorable Members of City Council
Members of the Alexandria General Assembly Delegation:

Senator Richard Saslaw Senator George Barker Senator Adam Ebbin Delegate Charniele Herring Delegate Mark Levine Mark B. Jinks, City Manager

Exhibit 2





City of Alexandria, Virginia 301 King Street, Suite 2300 Alexandria, Virginia 22314



Justin M. Wilson Mayor Office: 703.746.4500 Fax: 703.838.6433

justin.wilson@alexandriava.gov

October 5, 2021

Robert Blue President and CEO Dominion Energy 600 E. Canal Street Richmond, VA 23219-3852

Mr. Blue,

In January 1 wrote to you in frustration on behalf of the 160,000 residents of the City of Alexandria, of which 66,950 are direct customers of Dominion Energy.

When I last wrote, I expressed the wide-spread concern from our residents who had experienced large-scale power outages during 2020.

The residents of our community continue to be frustrated with the recent reliability of the electricity service that they have received, Dominion's response to these reliability challenges and the lack of meaningful infrastructure investments planned to prevent these challenges in the future.

This past summer, I did have the opportunity to meet with your team and receive some of the data that we had requested. That information demonstrated:

- 1. Average Annual Outage Time for Alexandrians has increased
- 2. Capital investment in Alexandria's infrastructure has remained largely flat
- 3. No new commitment to utility undergrounding

Unfortunately, as we have continued into 2021, these outages have continued with large-scale power outages on:

February 8th, April 30th, May 26th, June 11th, July 21st, August 10th, August 29th, September 1st, October 1st, and October 2nd.

At our City Council meeting on the evening of Tuesday October 26th, the City Council will be addressing these chronic outages and we would like to invite you or your representatives to attend the meeting and provide Alexandria's elected leaders with a roadmap of meaningful action that can address these ongoing concerns.

I hope that together the City of Alexandria and Dominion can work to provide more aggressive plans to your customers and my constituents to reassure them that their electricity service will be more reliable in the future.

As we have in the past, the City is prepared to partner with Dominion to address these concerns. As such, we reiterate our requests of the following:

- 1. A multi-year infrastructure investment plan to improve reliability of electricity service for the City of Alexandria, including appropriate exercise of all available authority under the Grid Transformation and Security Act to accelerate implementation
- 2. Improved transparency for customers relating to reliability data and recovery performance
- 3. An enhanced Service Level commitment for customer requests (street light repairs, property construction/renovation, municipal projects, etc.)

Our residents and businesses rely on the services that Dominion provides. We look forward to working with Dominion to improve those services in the months and years to come.

Thank you for your consideration of our requests.

I look forward to discussing our concerns further and welcoming your team later this month.

Justin M. Wilson

Mayor

Cc: Members, Alexandria City Council

Mark Jinks, City Manager, City of Alexandria

Members, City of Alexandria General Assembly Delegation

Senator Richard M. Saslaw

Senator George Barker

Senator Adam P. Ebbin

Delegate Charniele Herring

Delegate Mark H. Levine