

part 3

210930156

Appendices

APPENDICES

APPENDIX A

1
2 Public comments in this proceeding were received on July 22, 2021, from 18
3 members of the Virginia General Assembly. Staff provides certain additional analyses as
4 described below. If Code § 56-585.1 A 8 did not require certain costs to be recognized as
5 period expenses,²⁸ those costs could be amortized over a period of time for regulatory
6 accounting purposes. For example, in this proceeding, certain automated meter reading
7 ("AMR") equipment impairments, severe weather costs, and coal combustion residual
8 ("CCR") costs could be amortized over a period such as five years rather than recognized
9 as period expenses during the Triennial Period. If amortized in that way, the Company's
10 Triennial Period earnings, based on Staff's analysis, would be a 13.89% ROE and would
11 result in \$1.219 billion of excess revenue above the applicable fair combined ROE of 9.2%.

12 The Code provides for the treatment of excess revenue, including (i) offset of
13 CCROs, if applicable, and (ii) customer refunds of 70% of remaining excess revenues. If,
14 instead, the Code provided for refunds of 100% of revenues in excess of a 9.9% ROE, less
15 customer arrearage forgiveness, a customer refund of \$830.9 million would result.²⁹

16 Staff notes that, as described by Staff witness Pippert, Staff's recommended 8.7%
17 ROE was not impacted by the Code's statutory peer group floor requirements, as it was
18 above the 8.67% floor. Thus, the statutory floor did not impact Staff's going-forward
19 revenue sufficiency calculation of \$212.4 million.

²⁸ These include "costs associated with asset impairments related to ... automated meter reading electric distribution service meters; costs associated with projects necessary to comply with state or federal environmental laws, regulations, or judicial or administrative orders relating to coal combustion by-product management that the utility does not petition to recover through a rate adjustment clause pursuant to subdivision 5 e; costs associated with severe weather events; and costs associated with natural disasters." See Code § 56-585.1 A 8.

²⁹ This is equal to \$1.037 billion of revenue in excess of a 9.9% ROE less \$206.3 million of customer arrearage forgiveness.

1 **APPENDIX B**

2 **Coronavirus Relief Funds**

3 In December 2020, as part of the federal CARES Act and resulting 2020
4 Virginia House Bill ("HB") 5005, DEV received \$589,585 in Coronavirus Relief Funds
5 ("CRF") from the Commission to distribute to customers in arrears who had
6 been impacted by COVID-19.³⁰ As part of this Triennial Review, Staff has performed the
7 following procedures regarding the distribution of those funds. Staff obtained an
8 understanding of how the Company communicated the program to customers and received
9 customer attestations of their eligibility. Staff sampled those attestations and noted no
10 material issues. In addition, Staff obtained an understanding of the calculation of arrears
11 forgiveness as applied first to October 31, 2020 balances and then to April 30, 2021
12 balances, and noted no material issues. As of this testimony's filing date, Staff is
13 continuing to request, receive, and audit documentation supporting the Company's
14 application of CRF to customer accounts, and may provide supplemental testimony on this
15 matter if necessary.

³⁰ Staff notes that the amount received by DEV through this pass-through of CARES funds was relatively small because HB 5005, and then HB 1800, directed the Company to forgive all jurisdictional customer balances more than 30 days in arrears as of September 30, 2020 and December 31, 2020, respectively. The sum of those two forgiveness amounts is approximately \$206 million. Staff has offset that portion of excess Triennial Period revenues prior to computing CCROs and refunds.

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3**APPENDIX C****Customer Credit Reinvestments**

The following table summarizes the Company's eligible CCRO investments:

<u>Project</u>	<u>Amount (\$000)</u>
Coastal Virginia Offshore Wind Project	\$223,471
AMI	\$53,180
Customer Information Platform	\$32,182
Total	\$308,333

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APPENDIX D
Interrogatory Responses

Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 605 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director – Environmental Services
Dominion Energy Services, Inc.

Question No. 605

Please provide a copy of DEV's corporate policies regarding environmental justice.

Response:

The Company's environmental justice policy is:

At Dominion Energy, we are committed to providing reliable, affordable, clean energy in accordance with our values of safety, ethics, excellence, embrace change, and teamwork. This includes listening to and learning all we can from the communities we are privileged to serve. Our values also recognize that environmental justice considerations must be part of our everyday decisions, community outreach, and evaluations as we move forward with projects to modernize the generation and delivery of energy.

To that end, communities should have a meaningful voice in our planning and development process, regardless of race, color, national origin, or income. Our neighbors should have early and continuing opportunities to work with us. We pledge to undertake collaborative efforts to work to resolve issues. We will advance purposeful inclusion to ensure a diversity of views in our public engagement processes.

Dominion Energy will be guided in meeting environmental justice expectations of fair treatment and sincere involvement by being inclusive, understanding, dedicated to finding solutions, and effectively communicating with our customers and our neighbors. We pledge to be a positive catalyst in our communities.

Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 606 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director – Environmental Services
Dominion Energy Services, Inc.

David J. DePippo
Senior Counsel
Dominion Energy Services, Inc.

Question No. 606

How does the Company's application, including the rates and other proposals contained therein, address environmental justice (as defined in Code § 2.2-234)?

Response:

Under the Virginia Environmental Justice Act (“VEJA”), environmental justice is defined as the fair treatment and meaningful involvement of every person—regardless of race, color, national origin, income, faith, or disability—regarding “the development, implementation, or enforcement of any environmental law, regulation, or policy.” “Fair treatment” focuses on the negative and adverse environmental impacts of a project, and is defined to mean “the equitable consideration of all people whereby no group of people bears a disproportionate share of any negative environmental consequence resulting from operations, programs, or policies.” Similarly, “meaningful involvement” under the VEJA means “the requirements that (i) affected and vulnerable community residents have access and opportunities to participate in the full cycle of the decision-making process about a proposed activity that will affect their environment or health and (ii) decision makers will seek out and consider such participation, allowing the views and perspectives of community residents to shape and influence the decision.” The VEJA defines “environment” broadly to mean “the natural, cultural, social, economic, and political assets or components of a community.”

The Company’s application before the Commission was brought under Va. Code § 56-585.1 A, and the Commission Rate Case Rules (20 VAC 5-204-10 *et seq.*)—that is, for the Company’s statutorily required triennial review of its rates. Consistent with Va. Code § 56-585.1 A, this proceeding is focused on a (i) review of the Company’s cost of service and earnings during the four successive twelve-month periods ending December 31, 2020, including whether there are any past earnings available for reinvestment for the benefit of customers or temporary bill credits, (ii) a determination of whether the Company’s base rates should remain stable for the upcoming triennial period or change, taking into account the earnings test results, the Company’s level of investment in qualifying renewable generation and grid transformation

projects, and the statutory prohibition on a rate increase in this case under Va. Code § 56-585.1 A 8, and the present functional alignment of these rates, and (iii) a determination of the Company's prospective fair rate of return on common equity taking into consideration the Company's levels of performance and in accordance with the requirements of Va. Code § 56-585.1 A 2. Application at 1-2. In short, neither the statutes and Commission rules applicable to this proceeding, and their application, nor the Commission's decisions herein can be classified as an "the development, implementation, or enforcement of any environmental law, regulation, or policy." Thus, the focus and goals of the VEJA are not implicated in this case.

Even assuming VEJA concerns might be implicated, an analysis of the application of the statute yields the same conclusion. When conducting an environmental justice review, one evaluates: the type of activity (*e.g.*, a project or program at issue); where it will occur; what type of environmental impacts are likely; if any impacts, are they negative or adverse; and, whether there are environmental justice communities that might suffer the negative or adverse environmental impacts of the proposed activity. The VEJA defines environmental justice communities as identifiable, discrete communities within a specific geographic area. For example, the definition of "community of color" focuses on "any geographically distinct area," and the definition of "low-income community" focuses on "any census block group."

The review and modification of the Company's rates through the triennial proceeding does not have any impact to the environment of any community. That is because it does not occur in the environment; instead, it results in a modification in a charge on bills for a service provided. Without an environmental impact, the review under the VEJA would be at an end. The Company engages in appropriate Environmental Justice reviews with relevant activities, such as the Company's recent Rural Broadband Pilot filing. Even assuming the review and modification of the Company's rates could be considered to have an environmental impact, here, the proposed rate design is revenue neutral

Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 607 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director - Environmental Services
Dominion Energy Services, Inc.

Question No. 607

Explain how the Company's capital project authorization processes consider the impacts of its projects on environmental justice.

Response:

See the Company's responses to Staff Set 35-608 through 610.

Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 608 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director - Environmental Services
Dominion Energy Services, Inc.

Question No. 608

When siting and planning infrastructure work and projects, how does the Company consider the environmental justice ramifications of its decisions?

Response:

As discussed in the Company's response to Staff Set 35-606, and as the Company has discussed in its infrastructure siting projects cases before the Commission (e.g., a transmission line case), the Company applies the relevant definitions in the VEJA, and utilizes, among other things, U.S. Environmental Protection Agency guidance and currently accepted best practices, to analyze potential environmental justice issues. Among other things, the Company determines the potential impacts from the types of project at issue, sets conservative potential impact areas, utilizes EPA's EJSCREEN tool to review demographic information of census blocks near potential impact areas as well as field gathered information, in order to identify whether any environmental justice communities are present. Depending on the outcome of that review, and the location of those communities in light of the potential impacts of the project, as well as, among other things, local geography and topography, the Company can make an initial conclusion regarding whether environmental justice issues may be present. These reviews and conclusions inform our project planning and outreach plans. This includes enhanced outreach efforts targeted to solicit meaningful involvement from communities that might otherwise be unaware of or unable to participate in the planning process.

Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 609 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director - Environmental Services
Dominion Energy Services, Inc.

Question No. 609

Explain how the Company ensures that low-income communities, fenceline communities, and/or communities of color (all as defined in Code § 2.2-234) ("environmental justice communities") have an opportunity to provide input in the Company's business and construction processes that affect them.

Response:

As discussed in the Company's response to Staff Set 35-608, there may be circumstances when the mere identification of the presence an environmental justice community near a project may not yield concerns under the VEJA (*i.e.*, a geographically distinct environmental justice community bearing a disproportionate share of negative environmental consequences of a project). In any event, for its projects or programs that have the potential to have negative environmental consequences for any community (e.g., transmission line projects), the Company conducts outreach activities for all of the communities that might be affected thereby. For transmission line projects, for example, the Company documents those activities in the appendices it files with its applications for certification. As the Commission is aware, these activities include, among other things, direct mailings, open houses, and digital and newspaper advertising, as well as Commission required notices. The Company also meets with local leaders and elected officials about its projects, which also often yields additional information to bolster these activities. These activities ensure that all communities, including communities that might meet the definition of environmental justice communities, have an opportunity to provide input. If an environmental justice community has been identified that might be impacted by negative environmental consequences, as discussed in the Company's response to Staff Set 35-608, the Company can conduct additional, enhanced outreach to ensure these communities have an opportunity to provide input. These types of activities can include additional, community specific open houses or small group meetings, the translation of project communications into other languages, hanging door flyers, and conducting additional direct communications.

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Virginia Electric and Power Company
Case No. PUR-2021-00058
Virginia State Corporation Commission Staff
Thirty-Fifth Set

The following response to Question No. 610 of the Thirty-Fifth Set of Interrogatories and Requests for Production of Documents propounded by the Virginia State Corporation Commission Staff received on August 23, 2021 has been prepared under my supervision.

Molly Parker
Director - Environmental Services
Dominion Energy Services, Inc.

Question No. 610

Does the Company maintain a database or other information identifying environmental justice communities in its service territory?

Response:

The Company does not maintain a unique internal database or other repository of data, including data related to the communities noted in the question. In our environmental justice evaluation and review process, we use publicly and commercially available databases to conduct projectspecific demographic reviews. For example, among other things, we rely on the U.S. Environmental Protection Agency's EJSCREEN mapping tool, and a commercial demographics product called ESRI Demographics.

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APPENDIX E

2

Workpapers

Exhibit No: _____
Witness: Carr
Statement I

DOMINION ENERGY VIRGINIA
2021 Triennial Review
Schedule of Temporary Bill Credits and Customer Credit Reinvestment Offsets (CCRO)
Pursuant to Va. Code § 56-585.1 A 8
(Thousands of Dollars)

Line No.	Description	Notes	Amount
1	Earned return on equity (ROE) for the combined test periods	[Note 1]	13.61%
2	Authorized ROE plus 70 basis point band		9.90%
3	Earnings available for sharing (%)	[Note 2]	3.71%
4	Common equity rate base for the combined test periods	[Note 3]	\$ 19,274,929
5	Earnings available for sharing (\$)	[Line 3 x Line 4]	\$ 716,051
6	Income tax gross-up factor	[Note 4]	1.34
7	Revenue available for sharing	[Line 5 x Line 6]	\$ 961,515
8	Less:		
9	Forgiveness of customer accounts in arrears as of 9/30/2020	[Note 5]	(130,423)
10	Forgiveness of customer accounts in arrears as of 12/31/2020	[Note 6]	(75,911)
11	Revenue available for sharing	[Line 7 + Line 9 + Line 10]	\$ 755,181
12	Less: CCRO projects		\$ 308,833
13	Revenue Available for Refunds	Line 11 - Line 12	\$ 446,348
14	<u>70% customer sharing factor</u>		
15	Revenue available for temporary bill credits	Line 13 x 70%	\$ 312,444

[Note 1]: Staff Witness Long Statement I, Line 33

[Note 2]: Line 1 - Line 2.

[Note 3]: Staff Witness Long Statement I, Line 31

[Note 4]: 1 / (1 - 2020 income tax rate)

[Note 5]: Customer arrears forgiven and applied against earnings pursuant to HB 5005

[Note 6]: Customer arrears forgiven and applied against earnings pursuant to HB 1800

2105110

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-15

2109156

To Remove 2019 Asset Impairments Subject to § 56-585.1 E From O&M Expense
(In Thousands)

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	O&M Expense Write-Off	(a)	34,256	80.86%	27,698
2	O&M Expense Write-Off (Factor 3)	(a)	2,520	78.82%	1,987
3	To Reverse Write-Off				(29,685)
(a)	From Supplemental Schedule 48a.				

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Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2020
Staff Adjustment No. ET-15

**To Remove 2020 Asset Impairments Subject to § 56-585.1 E From O&M
Expense
(In Thousands)**

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	O&M Expense Write-Off	(a)	13,321	82.26%	<u>10,957</u>
2	To Reverse Write-Off				(10,957)
	[a] From Supplemental Schedule 48a.				

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-19
To Remove 2019 Asset Impairments Subject to § 56-585.1 E From Depreciation
Expense
(In Thousands)

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	Depreciation Expense Write-Off	(a)	307,055	80.86%	248,275
2	To Reverse Write-Off				(248,275)
(a) From Supplemental Schedule 48a.					

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2020
Staff Adjustment No. ET-19

**To Remove 2020 Asset Impairments Subject to § 56-585.1 E From Depreciation
Expense
(In Thousands)**

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	Depreciation Expense Write-Off	(a)	769,841	82.26%	633,242
2	To Reverse Write-Off				(633,242)

[a] From Supplemental Schedule 48a.

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Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-20
To Reflect Amortization of 2019 Asset Impairments Subject to § 56-
585.1 E
(In Thousands)

Line No.	Description	Ref	Amount
1	To Amortize 2019 Asset Impairments over a 25 Year Life.	(a)	10,315
2	Jurisdictional Factor 1		<u>80.86%</u>
3	Juris. Amortization Expense		8,340
(a)	Based on a 25-year amortization period. See Adj. ET-47 Workpaper A.		

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2020
Staff Adjustment No. ET-20

21030156

To Reflect Amortization of Asset Impairments Subject to § 56-585.1 E
(In Thousands)

Line No.	Description	Ref	Amount
	To Amortize Asset Impairments over a 25		
1	Year Life.	(a)	37,248
2	Jurisdictional Factor 1		<u>82.26%</u>
3	Juris. Amortization Expense		30,639
(a)	Based on a 25-year amortization period. See Adj. ET-47 Workpaper A.		

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-47

To Include the Unamortized Balance of 2019 Asset Impairments Subject to § 56-585.1 E
In Rate Base
(In Thousands)

210930130

Line No.	Description	Ref	Amount
1	Total Company Unamortized Balance of 2019 Impairments	(a)	260,518
2	Jurisdictional Factor 1		<u>80.86%</u>
3	Juris. Balance to Include in Rate Base		210,647

(a) Thirteen month average of unamortized balances beginning March 31, 2019.
 Based on a 25-year amortization period. See Adj. ET-47 Workpaper A.

**Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2020
Staff Adjustment No. ET-47**

**To Include the Unamortized Balance of Asset Impairments Subject to
§ 56-585.1 E In Rate Base
(In Thousands)**

Line No.	Description	Ref	Amount
1	Total Company Unamortized Balance of 2019 and 2020 Asset Impairments	(a)	920,035
2	Jurisdictional Factor 1		<u>82.26%</u>
3	Juris. Balance to Include in Rate Base		756,786

(a) Based on a 25-year amortization period. See Adj. ET-47 Workpaper A.

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-47 - Workpaper A
Calculation of the Unamortized Balance of Asset Impairments
Subject to § 56-585.1 E In Rate Base
(In Thousands)

Date	Begin Balance	Amortization Expense	End Balance
Mar-19	-	-	343,831,065
Apr-19	343,831,065	1,146,104	342,684,961
May-19	342,684,961	1,146,104	341,538,857
Jun-19	341,538,857	1,146,104	340,392,754
Jul-19	340,392,754	1,146,104	339,246,650
Aug-19	339,246,650	1,146,104	338,100,547
Sep-19	338,100,547	1,146,104	336,954,443
Oct-19	336,954,443	1,146,104	335,808,340
Nov-19	335,808,340	1,146,104	334,662,236
Dec-19	334,662,236	1,146,104	333,516,133
Jan-20	333,516,133	1,146,104	332,370,029
Feb-20	332,370,029	1,146,104	331,223,925
Mar-20	331,223,925	1,146,104	1,113,239,614
Apr-20	1,113,239,614	3,756,643	1,109,482,972
May-20	1,109,482,972	3,756,643	1,105,726,329
Jun-20	1,105,726,329	3,756,643	1,101,969,686
Jul-20	1,101,969,686	3,756,643	1,098,213,043
Aug-20	1,098,213,043	3,756,643	1,094,456,400
Sep-20	1,094,456,400	3,756,643	1,090,699,757
Oct-20	1,090,699,757	3,756,643	1,086,943,114
Nov-20	1,086,943,114	3,756,643	1,083,186,472
Dec-20	1,083,186,472	3,756,643	1,079,429,829
Jan-21	1,079,429,829	3,756,643	1,075,673,186
Feb-21	1,075,673,186	3,756,643	1,071,916,543
Mar-21	1,071,916,543	3,756,643	1,068,159,900
Apr-21	1,068,159,900	3,756,643	1,064,403,257
May-21	1,064,403,257	3,756,643	1,060,646,614
Jun-21	1,060,646,614	3,756,643	1,056,889,972
Jul-21	1,056,889,972	3,756,643	1,053,133,329
Aug-21	1,053,133,329	3,756,643	1,049,376,686
Sep-21	1,049,376,686	3,756,643	1,045,620,043
Oct-21	1,045,620,043	3,756,643	1,041,863,400
Nov-21	1,041,863,400	3,756,643	1,038,106,757
Dec-21	1,038,106,757	3,756,643	1,034,350,114

Dominion Energy Virginia
Case No. PUR-2021-00058
For the Test Year Ended December 31, 2019
Staff Adjustment No. ET-47 - Workpaper A
Calculation of the Unamortized Balance of Asset Impairments
Subject to § 56-585.1 E In Rate Base
(In Thousands)

Date	Begin Balance	Amortization		End Balance
		Expense		
Jan-22	1,034,350,114	3,756,643		1,030,593,472
Feb-22	1,030,593,472	3,756,643		1,026,836,829
Mar-22	1,026,836,829	3,756,643		1,023,080,186
Apr-22	1,023,080,186	3,756,643		1,019,323,543
May-22	1,019,323,543	3,756,643		1,015,566,900
Jun-22	1,015,566,900	3,756,643		1,011,810,257
Jul-22	1,011,810,257	3,756,643		1,008,053,614
Aug-22	1,008,053,614	3,756,643		1,004,296,972
Sep-22	1,004,296,972	3,756,643		1,000,540,329
Oct-22	1,000,540,329	3,756,643		996,783,686
Nov-22	996,783,686	3,756,643		993,027,043
Dec-22	993,027,043	3,756,643		989,270,400

**Dominion Energy Virginia
Case No. PUR-2021-00058**

Staff Adjustment No. RM-26

**To Remove 2020 Asset Impairments Subject to § 56-585.1 E From O&M
Expense
(In Thousands)**

21030150

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	O&M Expense Write-Off	(a)	13,321	81.96%	<u>10,917</u>
2	To Reverse Write-Off				(10,917)
(a)	From Supplemental Schedule 48a.				

Dominion Energy Virginia
Case No. PUR-2021-00058

Staff Adjustment No. RM-33

**To Remove 2020 Asset Impairments Subject to § 56-585.1 E From Depreciation
Expense
(In Thousands)**

21030150

Line No.	Description	Ref	Amount	Juris. Factor	Juris. Amount
1	Depreciation Expense Write-Off	(a)	769,841	81.96%	<u>630,935</u>
2	To Reverse Write-Off				(630,935)
(a)	From Supplemental Schedule 48a.				

Dominion Energy Virginia
Case No. PUR-2021-00058

Staff Adjustment No. RM-34

To Reflect Amortization of Asset Impairments Subject to § 56-585.1 E
(In Thousands)

Line No.	Description	Ref	Amount
	To Amortize Asset Impairments over a 25		
1	Year Life.	(a)	45,080
2	Jurisdictional Factor 1		<u>81.96%</u>
3	Juris. Amortization Expense		36,946
(a)	Based on a 25-year amortization period. See Adj. ET-47 Workpaper A.		

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**Dominion Energy Virginia
Case No. PUR-2021-00058**

Staff Adjustment No. RM-46

**To Include the Unamortized Balance of Asset Impairments Subject to § 56-585.1 E In Rate Base
(In Thousands)**

210330156

Line No.	Description	Ref	Amount
1	Total Company Unamortized Balance of 2019 and 2020 Asset Impairments	(a)	1,011,810
2	Jurisdictional Factor 1		<u>81.96%</u>
3	Juris. Balance to Include in Rate Base		829,244
(a)	Thirteen month average of Rate Year unamortized balances based on a 25-year amortization period. See Adj. ET-47 Workpaper A.		

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Dominion Energy Virginia
PUR-2021-00058
Schedule of Temporary Bill Credits and Customer Credit Reinvestment Offsets (CCRO)
Pursuant to Va. Code § 56-585.1 A 8
(Thousands of Dollars)

Line No.	Description	Notes	Amount
1	Earned return on equity (ROE) for the combined test periods	[Note 1]	13.89%
2	Authorized ROE plus 70 basis point band		9.90%
3	Earnings available for sharing (%)	[Note 2]	3.99%
4	Common equity rate base for the combined test periods	[Note 3]	\$ 19,375,294
5	Earnings available for sharing (\$)	[Line 3 x Line 4]	\$ 772,428
6	Income tax gross-up factor	[Note 4]	1.34
7	Revenue available for sharing	[Line 5 x Line 6]	\$ 1,037,218
8	Less:		
9	Forgiveness of customer accounts in arrears as of 9/30/2020	[Note 5]	(130,423)
10	Forgiveness of customer accounts in arrears as of 12/31/2020	[Note 6]	(75,911)
11	Revenue available for sharing	[Line 7 + Line 9 + Line 10]	\$ 830,884

[Note 1]: APPENDIX A CALCULATIONS, COMBINED 2017-2020 EARNINGS TEST RESULTS, Line 33

[Note 2]: Line 1 - Line 2.

[Note 3]: APPENDIX A CALCULATIONS, COMBINED 2017-2020 EARNINGS TEST RESULTS, Line 31

[Note 4]: 1 / (1 - 2020 income tax rate)

[Note 5]: Customer arrears forgiven and applied against earnings pursuant to HB 5005

[Note 6]: Customer arrears forgiven and applied against earnings pursuant to HB 1800

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
COMBINED 2017-2020 EARNINGS TEST RESULTS - GENERATION AND DISTRIBUTION
FOR THE TRIENNIAL PERIOD ENDED 12/31/2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(Col.1) 2017 Virginia Jurts. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2017	(Col.2) 2018 Virginia Jurts. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2018	(Col.3) 2019 Virginia Jurts. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2019	(Col.4) 2020 Virginia Jurts. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2020	(Col.5) Combined Virginia Jurts. Cost of Service After Adjustments Col. (1)+(2)+(3)+(4)
1	OPERATING REVENUE				
2	BASE RATES AND 56-56S.1 A4, A5, AND A8 RACS	3,138,459	3,055,955	2,902,123	12,192,631
3	FUEL FACTOR	1,412,669	1,755,183	1,261,012	6,189,806
4	LATE PAYMENT FEES	17,542	18,403	19,875	60,692
5	MISCELLANEOUS	79,441	79,898	59,854	317,878
6	TOTAL OPERATING REVENUES	4,648,110	4,910,149	4,266,814	18,761,007
7	OPERATING REVENUE DEDUCTIONS				
8	OPERATION & MAINTENANCE EXPENSE	2,494,557	3,061,314	2,517,466	10,793,017
9	DEPRECIATION & AMORTIZATION	674,039	606,637	821,289	2,752,232
10	FEDERAL INCOME TAXES	355,387	132,409	148,127	783,134
11	STATE INCOME TAXES	79,414	64,340	56,572	275,517
12	TAXES OTHER THAN INCOME TAXES	184,233	163,806	173,125	688,423
13	(GAIN)LOSS ON DISPOSITION OF PROPERTY	(4)	(350)	(515)	(2,590)
14	TOTAL OPERATING REVENUE DEDUCTIONS	3,787,626	4,028,156	4,118,064	15,269,733
15	OPERATING INCOME	860,484	881,993	817,871	3,491,274
16	PLUS: AFUDC	313	(315)	0	(2)
17	LESS: CHARITABLE DONATIONS	0	0	0	0
18	INTEREST EXPENSE ON CUSTOMER DEPOSITS	1,090	1,823	3,143	8,332
19	OTHER INTEREST EXPENSE/(INCOME)	0	880	1,144	3,368
20	ADJUSTED OPERATING INCOME	879,707	878,966	813,584	3,479,572
21	PLUS: OTHER INCOME/(EXPENSE)	0	0	0	0
22	LESS: INTEREST EXPENSE-BOOKED	196,088	195,591	193,360	780,021
23	PREFERRED DIVIDENDS	0	0	0	0
24	ITC CAPITAL EXPENSE	1,355	1,298	2,721	8,969
25	INCOME AVAILABLE FOR COMMON EQUITY	682,264	682,077	617,503	2,690,582
26	ALLOWANCE FOR WORKING CAPITAL	227,124	320,341	208,200	989,255
27	PLUS: NET UTILITY PLANT	11,484,029	11,585,442	11,798,094	47,061,388
28	LESS: OTHER RATE BASE DEDUCTIONS	2,594,902	2,659,455	2,808,457	10,534,564
29	TOTAL AVERAGE RATE BASE	9,126,251	9,246,327	9,402,437	37,516,077
30	TOTAL AVERAGE CAPITAL	9,126,251	9,246,327	9,402,437	37,516,077
31	AVERAGE COMMON EQUITY CAPITAL	4,701,491	4,730,516	4,895,514	19,375,294
32	% RATE OF RETURN EARNED ON AVG. RATE BASE	9.64%	9.51%	8.65%	9.31%
33	% RATE OF RETURN EARNED ON AVG. COMMON EQ.	14.51%	14.42%	12.61%	13.85%

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
COMBINED 2017-2020 EARNINGS TEST RESULTS - GENERATION
FOR THE TRIENNIAL PERIOD ENDED 12/31/2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(Col.1) 2017 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2017	(Col.2) 2018 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2018	(Col.3) 2019 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2019	(Col.4) 2020 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2020	(Col.5) Combined Virginia Juris. Cost of Service After Adjustments Col. (1)+(2)+(3)+(4)
1					
2	2,075,984	2,034,408	2,042,892	1,834,970	7,988,054
3	1,412,669	1,755,193	1,780,012	1,261,933	6,189,806
4	12,353	14,068	13,836	2,636	42,893
5	87,172	54,369	34,536	76,844	232,921
6	3,568,177	3,858,038	3,851,076	3,176,382	14,453,673
7					
8	2,186,141	2,681,327	2,644,787	1,986,920	9,509,174
9	353,906	271,282	311,261	266,740	1,203,189
10	255,589	127,803	141,835	126,677	651,905
11	59,459	48,205	42,781	64,011	214,456
12	91,413	86,409	92,133	86,105	356,060
13	(42)	(431)	(856)	(1,056)	(2,365)
14	2,956,466	3,214,595	3,231,940	2,529,398	11,932,388
15	611,711	643,444	619,136	646,985	2,521,275
16	313	(315)	0	0	(2)
17	(0)	0	0	(0)	0
18	767	1,321	2,210	1,474	5,772
19	0	566	736	815	2,118
20	611,256	641,242	616,189	644,696	2,513,383
21	0	0	0	0	0
22	103,774	101,474	97,615	96,373	399,236
23	0	0	0	0	0
24	717	673	1,374	1,777	4,541
25	506,765	539,095	517,201	546,545	2,109,607
26					
27	250,630	381,649	263,987	262,659	1,158,926
28	5,831,934	5,715,855	5,711,625	5,839,182	23,098,597
29	1,252,743	1,300,453	1,228,945	1,287,169	5,069,311
30	4,829,821	4,797,051	4,746,668	4,814,672	19,188,212
31	4,829,821	4,797,051	4,746,668	4,814,672	19,188,212
32	2,488,137	2,454,221	2,471,421	2,494,941	9,908,719
33	12,666	13,376	12,988	13,396	53,426
34	20,376	21,976	20,936	21,916	87,290

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
COMBINED 2017-2020 EARNINGS TEST RESULTS - DISTRIBUTION
FOR THE TRIENNIAL PERIOD ENDED 12/31/2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(Col.1) 2017 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2017	(Col.2) 2018 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2018	(Col.3) 2019 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2019	(Col.4) 2020 Virginia Juris. Cost of Service After Adjustments Col. 3 of Sch. 11 - 2020	(Col.5) Combined Virginia Juris. Cost of Service After Adjustments Col. (1)+(2)+(3)+(4)
1	OPERATING REVENUE				
2	1,062,475	1,021,247	1,053,702	1,067,153	4,204,577
3	0	0	0	0	0
4	5,189	5,335	5,839	1,437	17,799
5	12,289	25,528	25,317	21,842	84,957
6	1,079,933	1,052,111	1,084,858	1,090,431	4,307,333
7	OPERATING REVENUE DEDUCTIONS				
8	298,416	379,988	272,680	332,759	1,283,843
9	320,133	335,355	510,028	383,527	1,549,043
10	99,798	4,606	6,292	20,534	131,229
11	19,956	16,135	15,791	9,180	61,061
12	72,820	77,397	80,993	81,154	312,364
13	38	81	340	(664)	(205)
14	811,160	813,562	886,123	828,490	3,337,335
15	268,773	238,549	198,735	263,942	969,998
16	0	0	0	0	0
17	0	(0)	0	0	0
18	323	501	933	803	2,560
19	0	324	408	519	1,250
20	268,450	237,724	197,395	262,620	966,189
21	0	0	0	0	0
22	92,314	94,117	95,745	98,610	380,786
23	0	0	0	0	0
24	638	625	1,347	1,818	4,428
25	175,498	142,982	100,302	162,192	580,975
26	INCOME AVAILABLE FOR COMMON EQUITY				
27	(23,506)	(61,308)	(54,788)	(30,068)	(169,670)
28	5,652,095	5,889,587	6,088,068	6,353,039	23,962,789
29	1,332,159	1,359,002	1,377,511	1,396,581	5,465,254
30	4,296,430	4,449,276	4,655,769	4,926,389	18,327,865
31	4,296,430	4,449,276	4,655,769	4,926,389	18,327,865
32	2,213,355	2,276,296	2,424,093	2,552,832	9,466,575
33	6.25%	5.34%	4.24%	5.33%	5.27%
	7.93%	6.28%	4.14%	6.35%	6.14%

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - GENERATION AND DISTRIBUTION
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. <u>Cost of Service</u>	Regulatory Accounting <u>Adjustments</u>	Virginia Jurisdictional Cost of Service <u>after Adjustments</u> (1)+(2)
1 OPERATING REVENUE			
2 BASE RATES AND 56-585.1 A4, A5, AND A6 RACS	3,128,308	(31,913)	3,096,394
3 FUEL FACTOR	1,760,012	0	1,760,012
4 LATE PAYMENT FEES	17,396	2,279	19,675
5 MISCELLANEOUS	59,931	(78)	59,854
6 TOTAL OPERATING REVENUES	4,965,646	(29,712)	4,935,934
7 OPERATING REVENUE DEDUCTIONS			
8 OPERATION & MAINTENANCE EXPENSE	3,080,770	(163,304)	2,917,466
9 DEPRECIATION & AMORTIZATION	1,035,426	(214,137)	821,289
10 FEDERAL INCOME TAXES	70,646	77,480	148,127
11 STATE INCOME TAXES	36,437	22,135	58,572
12 TAXES OTHER THAN INCOME TAXES	173,125	0	173,125
13 (GAIN)/LOSS ON DISPOSITION OF PROPERTY	(541)	26	(516)
14 TOTAL OPERATING REVENUE DEDUCTIONS	4,395,863	(277,799)	4,118,064
15 OPERATING INCOME	569,783	248,087	817,871
16 PLUS: AFUDC	0	0	0
17 LESS: CHARITABLE DONATIONS	7,991	(7,991)	0
18 INTEREST EXPENSE ON CUSTOMER DEPOSITS	2,779	364	3,143
19 OTHER INTEREST EXPENSE/(INCOME)	1,144	0	1,144
20 ADJUSTED OPERATING INCOME	557,870	255,714	813,584
21 PLUS: OTHER INCOME/(EXPENSE)	0	0	0
22 LESS: INTEREST EXPENSE-BOOKED	169,188	24,172	193,360
23 PREFERRED DIVIDENDS	0	0	0
24 ITC CAPITAL EXPENSE	n/a	2,721	2,721
25 INCOME AVAILABLE FOR COMMON EQUITY	388,682	228,821	617,503
26 ALLOWANCE FOR WORKING CAPITAL	(626,164)	835,364	209,200
27 PLUS: NET UTILITY PLANT	11,332,860	466,834	11,799,694
28 LESS: OTHER RATE BASE DEDUCTIONS	2,479,655	126,801	2,606,457
29 TOTAL AVERAGE RATE BASE	8,227,040	1,175,397	9,402,437
30 TOTAL AVERAGE CAPITAL	8,227,040	1,175,397	9,402,437
31 AVERAGE COMMON EQUITY CAPITAL	4,283,527	611,987	4,895,514
32 % RATE OF RETURN EARNED ON AVG. RATE BASE	6.78%		8.65%
33 % RATE OF RETURN EARNED ON AVG. COMMON EQ.	9.07%		12.61%

Exhibit No: _____

Witness: Carr

APPENDIX A CALCULATIONS

**DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - GENERATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)**

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. Cost of Service	Regulatory Accounting Adjustments	Virginia Jurisdictional Cost of Service after Adjustments (1)+(2)
1	<u>OPERATING REVENUE</u>		
2	2,067,488	(24,796)	2,042,692
3	1,760,012	0	1,760,012
4	13,836	0	13,836
5	34,614	(78)	34,536
6	<u>TOTAL OPERATING REVENUES</u>	<u>(24,874)</u>	<u>3,851,076</u>
7	<u>OPERATING REVENUE DEDUCTIONS</u>		
8	2,660,631	(15,844)	2,644,787
9	554,811	(243,550)	311,261
10	88,949	52,886	141,835
11	27,784	14,998	42,781
12	92,133	0	92,133
13	(872)	16	(856)
14	<u>TOTAL OPERATING REVENUE DEDUCTIONS</u>	<u>(191,494)</u>	<u>3,231,940</u>
15	<u>OPERATING INCOME</u>	<u>166,621</u>	<u>619,136</u>
16	0	0	0
17	7,095	(7,095)	0
18	2,210	0	2,210
19	736	0	736
20	<u>ADJUSTED OPERATING INCOME</u>	<u>173,716</u>	<u>616,189</u>
21	0	0	0
22	74,530	23,084	97,615
23	0	0	0
24	n/a	1,374	1,374
25	<u>INCOME AVAILABLE FOR COMMON EQUITY</u>	<u>149,258</u>	<u>517,201</u>
26	(602,548)	866,535	263,987
27	5,376,108	335,517	5,711,625
28	1,149,402	79,543	1,228,945
29	<u>TOTAL AVERAGE RATE BASE</u>	<u>1,122,509</u>	<u>4,746,668</u>
30	TOTAL AVERAGE CAPITAL	1,122,509	4,746,668
31	AVERAGE COMMON EQUITY CAPITAL	584,451	2,471,421
32	% RATE OF RETURN EARNED ON AVG. RATE BASE	12.21%	12.98%
33	% RATE OF RETURN EARNED ON AVG. COMMON EQ.	19.50%	20.93%

Exhibit No: _____

Witness: Carr

APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - DISTRIBUTION
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. Cost of Service	Regulatory Accounting Adjustments	Virginia Jurisdictional Cost of Service after Adjustments (1)+(2)
1 OPERATING REVENUE			
2 BASE RATES AND 56-585.1 A4, A5, AND A6 RACS	1,060,819	(7,117)	1,053,702
3 FUEL FACTOR	0	0	0
4 LATE PAYMENT FEES	3,560	2,279	5,839
5 MISCELLANEOUS	25,317	0	25,317
6 TOTAL OPERATING REVENUES	1,089,696	(4,838)	1,084,858
7 OPERATING REVENUE DEDUCTIONS			
8 OPERATION & MAINTENANCE EXPENSE	420,139	(147,459)	272,680
9 DEPRECIATION & AMORTIZATION	480,615	29,413	510,028
10 FEDERAL INCOME TAXES	(18,303)	24,595	6,292
11 STATE INCOME TAXES	8,653	7,137	15,791
12 TAXES OTHER THAN INCOME TAXES	80,993	0	80,993
13 (GAIN)/LOSS ON DISPOSITION OF PROPERTY	331	10	340
14 TOTAL OPERATING REVENUE DEDUCTIONS	972,428	(86,305)	886,123
15 OPERATING INCOME	117,268	81,467	198,735
16 PLUS: AFUDC	0	0	0
17 LESS: CHARITABLE DONATIONS	895	(895)	0
18 INTEREST EXPENSE ON CUSTOMER DEPOSITS	569	364	933
19 OTHER INTEREST EXPENSE/(INCOME)	408	0	408
20 ADJUSTED OPERATING INCOME	115,397	81,998	197,395
21 PLUS: OTHER INCOME/(EXPENSE)	0	0	0
22 LESS: INTEREST EXPENSE-BOOKED	94,658	1,088	95,745
23 PREFERRED DIVIDENDS	0	0	0
24 ITC CAPITAL EXPENSE	n/a	1,347	1,347
25 INCOME AVAILABLE FOR COMMON EQUITY	20,739	79,563	100,302
26 ALLOWANCE FOR WORKING CAPITAL	(23,617)	(31,171)	(54,788)
27 PLUS: NET UTILITY PLANT	5,956,752	131,316	6,088,068
28 LESS: OTHER RATE BASE DEDUCTIONS	1,330,253	47,258	1,377,511
29 TOTAL AVERAGE RATE BASE	4,602,882	52,887	4,655,769
30 TOTAL AVERAGE CAPITAL	4,602,882	52,887	4,655,769
31 AVERAGE COMMON EQUITY CAPITAL	2,396,557	27,537	2,424,093
32 % RATE OF RETURN EARNED ON AVG. RATE BASE	2.51%		4.24%
33 % RATE OF RETURN EARNED ON AVG. COMMON EQ.	0.87%		4.14%

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Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION AND DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

ADJ. NUMBER		ADJUSTMENT	Generation and Distribution		
STAFF	COMPANY		STAFF	COMPANY	DIFFERENCE
<u>INCOME ADJUSTMENTS</u>					
<u>OPERATING REVENUE ADJUSTMENTS</u>					
<u>Base Rates and §6-585.1 A4, A5, and A6 RACS</u>					
ET-1	ET-1	Customer Refund Adjustment	(1,125)	(1,125)	-
ET-1 SUPP	ET-1 SUPP	Revenue Correction	(30,789)	(30,789)	-
<u>Late Payment Fees</u>					
ET-2	ET-2	Reallocation of Retail Customer Costs	2,279	2,279	-
<u>Miscellaneous</u>					
ET-3	ET-3	Elimination of 25% of Off-System Sales Margins	(78)	(78)	-
ET-4	ET-4	Eliminate Rider Projects from Test Year Results	-	-	-
TOTAL ADJUSTMENTS TO OPERATING REVENUE			(29,712)	(29,712)	-
<u>OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS</u>					
ET-5	ET-5	Elimination of Non-Conforming Advertising Expenses	(918)	(905)	(11)
ET-6	ET-6	Eliminate the Effect of Fuel Expenses from the COS	27,038	27,038	-
ET-7	ET-7	Reallocation of Retail Customer Costs	2,269	2,269	-
ET-8	ET-8	Reclass Certain Non-Operating Expenses	(879)	(879)	-
ET-9	ET-9	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10	Eliminate Incentive Plan Expenses in Excess of Target	(5,533)	(5,533)	-
ET-11	ET-11	Oceana Solar Charge for Birdneck Circuit	(66)	(66)	-
ET-12	ET-12	Eliminate Customer Arrears Forgiveness Costs	-	-	-
ET-13	N/A	Elimination of VA Follower Nuclear Amortization Cost	658	-	658
ET-14	N/A	Elimination of Lobbying Costs	(1,105)	-	(1,105)
ET-15	N/A	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From O&M Expense	(29,685)	-	(29,685)
ET-15.5	N/A	To Remove Section A 8 Period Expenses from the Cost of Service	(155,085)	-	(155,085)
TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE			(163,304)	21,924	(185,228)
<u>DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS</u>					
ET-16	ET-13	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	(4,927)	(4,927)	-
ET-17	ET-14	Eliminate Capitalized AFUDC	(291)	(291)	-
ET-18	ET-15	Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
ET-19	N/A	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	(248,275)	-	(248,275)
ET-20	N/A	To Reflect Amortization of 2019 Asset Impairments Subject to § 56-585.1 E	8,340	-	8,340
ET-20.5	N/A	To Amortize Section A 8 Period Expenses Over Five Years	31,017	-	31,017
TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION			(214,137)	(5,219)	(208,918)
<u>FEDERAL INCOME TAXES</u>					
ET-21	ET-16	Reallocation of Retail Customer Costs	(22)	(22)	-
ET-22	ET-17	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	1,160	1,160	-
ET-23	ET-18	Federal Income Tax Expense Effect of ITC Debt Component	(159)	(270)	111
ET-24	ET-19	Eliminate the Effect of FIN 48	-	172	(172)
ET-25	ET-20	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21	Interest Synchronization	8,727	8,703	(975)
ET-27	ET-22	Federal Income Tax Effect of Adjustments	67,774	(10,210)	77,984
TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES			77,480	532	76,948
<u>STATE INCOME TAXES</u>					
ET-28	ET-23	State Income Tax Expense Effect of ITC Debt Component	(46)	(78)	32
ET-29	ET-24	Eliminate the Effect of FIN 48	-	-	-

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DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION AND DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

ADJ. NUMBER	STAFF	COMPANY	ADJUSTMENT	Generation and Distribution		
				STAFF	COMPANY	REFERENCE
ET-30	ET-25		Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26		Interest Synchronization	2,530	2,813	(283)
ET-32	ET-27		State Income Tax Effect of Adjustments	19,851	(2,960)	22,611
			TOTAL ADJUSTMENTS TO STATE INCOME TAXES	22,135	(226)	22,381
			TAXES OTHER THAN INCOME ADJUSTMENTS			
ET-33	ET-28		Amortize Organizational Design Initiative Costs Against Savings	-	-	-
			TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	-	-	-
			GAIN ON PROPERTY DISPOSITION ADJUSTMENTS			
ET-34	ET-29		Gain/Loss on Disposition of Property	(26)	(26)	-
			TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	(26)	(26)	-
			NET OPERATING INCOME	248,087	(46,749)	294,836
			Adjusted Operating Income Adjustments			
			Charitable Donations			
ET-35	ET-30		Elimination of Charitable Donations	(7,891)	(7,891)	-
			Interest on Customer Deposits			
ET-36	ET-31		Reallocation of Retail Customer Costs	364	364	-
			Total Adjusted Operating Income Adjustments	(7,627)	(7,627)	-
			ADJUSTED OPERATING INCOME	255,714	(39,122)	294,836
			Less:			
			INTEREST EXPENSE ADJUSTMENTS			
ET-37	ET-32		Reflect Interest Expense Using End-of-Period Cost of Capital Statement	24,172	19,245	4,927
			PREFERRED DIVIDENDS ADJUSTMENTS			
ET-38	ET-33		Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	-	-	-
			ITC CAPITAL EXPENSE ADJUSTMENTS			
ET-39	ET-34		Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	2,721	2,852	69
			INCOME AVAILABLE FOR COMMON EQUITY	228,821	(61,019)	289,840
			RATE BASE ADJUSTMENTS			
			ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS			
ET-40	ET-35		Reallocation of Retail Customer Costs	363	363	-
ET-41	ET-36		Cash Working Capital Adjustment	(83,613)	(63,206)	(20,407)
ET-42	ET-37		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	918,831	918,831	-
ET-43	ET-38		Customer Refund Adjustment	(217)	(217)	-
ET-44	ET-39		Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
			TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	835,364	855,771	(20,407)
			ELECTRIC PLANT IN SERVICE ADJUSTMENTS			
ET-45	ET-40		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	151,647	151,647	-
ET-46	ET-41		Eliminate Capitalized AFUDC	(10,322)	(10,322)	-
ET-47	N/A		To include the Unamortized Balance of 2019 Asset Impairments Subject to § 86-585.1 E in Rate Base	210,847	-	210,847
ET-47.5	N/A		To include Unamortized Balance of Section A 8 Expense in Rate Base	139,576	-	139,576
			TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	491,548	141,325	350,223
			PLANT HELD FOR FUTURE USE ADJUSTMENTS			
ET-48	ET-42		Eliminate Plant Held for Future Use	(2,947)	(2,947)	-
			TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(2,947)	(2,947)	-
			ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS			
ET-49	ET-43		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	29,258	29,258	-
ET-50	ET-44		Eliminate Capitalized AFUDC	(7,491)	(7,491)	-
			TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	21,767	21,767	-
			TOTAL NET UTILITY PLANT ADJUSTMENTS	486,834	116,811	350,223
			OTHER RATE BASE DEDUCTIONS ADJUSTMENTS			
ET-51	ET-45		Reallocation of Retail Customer Costs	13,442	13,442	-
ET-52	ET-46		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	23,133	23,133	-
ET-53	N/A		Adjustment to Include the 13 Month Average ADIT Associated with the Impaired Generating Units	54,587	-	54,587
ET-53.5	N/A		To include ADIT of Unamortized A 8 Expenses in Rate Base	35,839	-	35,839
			TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	126,801	36,575	90,226
			COMMON EQUITY CAPITAL ADJUSTMENTS			
ET-54	--		To adjust common equity capital for change in rate base	611,987	-	611,987
			TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	611,987	-	611,987

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONSDOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION
REFLECTED IN COL. 2 OF SCHEDULES 11 AND 14
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

ADJ. NUMBER STAFF COMPANY	ADJUSTMENT	STAFF	Generation COMPANY	DIFFERENCE
<u>INCOME ADJUSTMENTS</u>				
<u>OPERATING REVENUE ADJUSTMENTS</u>				
ET-1	ET-1			
	<u>Base Rates and 56-585.1 A4, A5, and A6 RACs</u>			
	Customer Refund Adjustment	(763)	(763)	-
ET-1 SUPP	ET-1 SUPP			
	Revenue Correction	(24,033)	(24,033)	-
ET-2	ET-2			
	<u>Late Payment Fees</u>			
	Reallocation of Retail Customer Costs	-	-	-
ET-3	ET-3			
	<u>Miscellaneous</u>			
	Elimination of 25% of Off-System Sales Margins	(78)	(78)	-
ET-4	ET-4			
	Eliminate Rider Projects from Test Year Results	-	-	-
	TOTAL ADJUSTMENTS TO OPERATING REVENUE	(24,874)	(24,874)	-
<u>OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS</u>				
ET-5	ET-5			
	Elimination of Non-Conforming Advertising Expenses	(508)	(501)	(7)
ET-6	ET-6			
	Eliminate the Effect of Fuel Expenses from the COS	27,038	27,038	-
ET-7	ET-7			
	Reallocation of Retail Customer Costs	-	-	-
ET-8	ET-8			
	Reclass Certain Non-Operating Expenses	(848)	(848)	-
ET-9	ET-9			
	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10			
	Eliminate Incentive Plan Expenses In Excess of Target	(3,833)	(3,833)	-
ET-11	ET-11			
	Oceana Solar Charge for Birdneck Circuit	-	-	-
ET-12	ET-12			
	Eliminate Customer Affects Forgiveness Costs	-	-	-
ET-13	N/A			
	Elimination of VA Follower Nuclear Amortization Cost	658	-	658
ET-14	N/A			
	Elimination of Lobbying Costs	(732)	-	(732)
ET-15	N/A			
	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From O&M Expense	(29,685)	-	(29,685)
ET-15.5	N/A			
	To Remove Section A 8 Period Expenses from the Cost of Service	(7,934)	0	(7,934)
	TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE	(15,844)	21,856	(37,700)
<u>DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS</u>				
ET-16	ET-13			
	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	(4,927)	(4,927)	-
ET-17	ET-14			
	Eliminate Capitalized AFUDC	(274)	(274)	-
ET-18	ET-15			
	Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
ET-19	N/A			
	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	(248,275)	-	(248,275)
ET-20	N/A			
	To Reflect Amortization of 2019 Asset Impairments Subject to § 56-585.1 E	8,340	-	8,340
ET-20.5	N/A			
	To Amortize Section A 8 Period Expenses Over Five Years	1,587	0	1,587
	TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION	(243,550)	(5,201)	(238,348)
<u>FEDERAL INCOME TAXES</u>				
ET-21	ET-16			
	Reallocation of Retail Customer Costs	-	-	-
ET-22	ET-17			
	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	1,160	1,160	-
ET-23	ET-18			
	Federal Income Tax Expense Effect of ITC Debt Component	(80)	(174)	94
ET-24	ET-19			
	Eliminate the Effect of FIN 48	-	107	(107)
ET-25	ET-20			
	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21			
	Interest Synchronization	8,435	8,890	(554)
ET-27	ET-22			
	Federal Income Tax Effect of Adjustments	45,371	(8,237)	54,607
	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES	52,886	(1,154)	54,039
<u>STATE INCOME TAXES</u>				
ET-28	ET-23			
	State Income Tax Expense Effect of ITC Debt Component	(23)	(51)	27
ET-29	ET-24			
	Eliminate the Effect of FIN 48	-	-	-

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DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION
REFLECTED IN COL. 2 OF SCHEDULES 11 AND 14
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

ADJ. NUMBER	STAFF	COMPANY	ADJUSTMENT	STAFF	Generation COMPANY	DIFFERENCE
ET-30	ET-25		Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26		Interest Synchronization	1,868	2,027	(161)
ET-32	ET-27		State Income Tax Effect of Adjustments	13,155	(2,578)	15,833
			TOTAL ADJUSTMENTS TO STATE INCOME TAXES	14,998	(702)	15,700
			TAXES OTHER THAN INCOME ADJUSTMENTS			
ET-33	ET-28		Amortize Organizational Design Initiative Costs Against Savings	-	-	-
			TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	0	0	-
			GAIN ON PROPERTY DISPOSITION ADJUSTMENTS			
ET-34	ET-29		Gain/Loss on Disposition of Property	(16)	(16)	-
			TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	(16)	(16)	-
			NET OPERATING INCOME	166,621	(39,689)	206,309
			Adjusted Operating Income Adjustments			
			Charitable Donations			
ET-35	ET-30		Elimination of Charitable Donations	(7,095)	(7,095)	-
			Interest on Customer Deposits			
ET-36	ET-31		Reallocation of Retail Customer Costs	-	-	-
			Total Adjusted Operating Income Adjustments	(7,095)	(7,095)	-
			ADJUSTED OPERATING INCOME	173,716	(32,593)	206,309
			Less:			
			INTEREST EXPENSE ADJUSTMENTS			
ET-37	ET-32		Reflect Interest Expense Using End-of-Period Cost of Capital Statement	23,084	20,284	2,800
			PREFERRED DIVIDENDS ADJUSTMENTS			
ET-38	ET-33		Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	0	-	-
			ITC CAPITAL EXPENSE ADJUSTMENTS			
ET-39	ET-34		Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	1,374	1,334	40
			INCOME AVAILABLE FOR COMMON EQUITY	149,258	(54,211)	203,469
			RATE BASE ADJUSTMENTS			
			ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS			
ET-40	ET-35		Reallocation of Retail Customer Costs	-	-	-
ET-41	ET-36		Cash Working Capital Adjustment	(52,140)	(26,944)	(25,205)
ET-42	ET-37		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	918,831	918,831	-
ET-43	ET-38		Customer Refund Adjustment	(147)	(147)	-
ET-44	ET-39		Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
			TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	888,535	891,740	(25,205)
			ELECTRIC PLANT IN SERVICE ADJUSTMENTS			
ET-45	ET-40		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	151,847	151,847	-
ET-46	ET-41		Eliminate Capitalized AFUDC	(9,142)	(9,142)	-
ET-47	N/A		To Include the Unamortized Balance of 2019 Asset Impairments Subject to § 56-585.1 E in Rate Base	210,847	-	210,847
ET-47.5	N/A		To include Unamortized Balance of Section A 8 Expense in Rate Base	7,140	0	7,140
			TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	360,292	142,505	217,787
			PLANT HELD FOR FUTURE USE ADJUSTMENTS			
ET-48	ET-42		Eliminate Plant Held for Future Use	(2,651)	(2,651)	-
			TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(2,651)	(2,651)	-
			ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS			
ET-49	ET-43		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	29,258	29,258	-
ET-50	ET-44		Eliminate Capitalized AFUDC	(7,134)	(7,134)	-
			TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	22,124	22,124	-
			TOTAL NET UTILITY PLANT ADJUSTMENTS	335,517	117,730	217,787
			OTHER RATE BASE DEDUCTIONS ADJUSTMENTS			
ET-51	ET-45		Reallocation of Retail Customer Costs	-	-	-
ET-52	ET-46		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	23,133	23,133	-
ET-53	N/A		Adjustment to Include the 13 Month Average ADIT Associated with the Impaired Generating Units	54,587	-	54,587
ET-53.5	N/A		To Include ADIT of Unamortized A 8 Expenses in Rate Base	1,823	0	1,823
			TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	79,543	23,133	56,410
			COMMON EQUITY CAPITAL ADJUSTMENTS			
ET-54	-		To adjust common equity capital for change in rate base	584,451	-	584,451
			TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	584,451	-	584,451

DOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

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ADJ. NUMBER STAFF COMPANY	ADJUSTMENT	STAFF	Distribution COMPANY	DIFFERENCE
INCOME ADJUSTMENTS				
OPERATING REVENUE ADJUSTMENTS				
ET-1	ET-1			
	<u>Base Rates and 56-585.1 A4, A5, and A6 RACS</u>			
	Customer Refund Adjustment	(362)	(362)	-
ET-1 SUPP	ET-1 SUPP			
	Revenue Correction	(8,756)	(8,756)	-
ET-2	ET-2			
	<u>Late Payment Fees</u>			
	Reallocation of Retail Customer Costs	2,278	2,278	-
ET-3	ET-3			
	<u>Miscellaneous</u>			
	Elimination of 25% of Off-System Sales Margins	-	-	-
ET-4	ET-4			
	Eliminate Rider Projects from Test Year Results	-	-	-
	TOTAL ADJUSTMENTS TO OPERATING REVENUE	(4,838)	(4,838)	-
OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS				
ET-5	ET-5			
	Elimination of Non-Conforming Advertising Expenses	(408)	(404)	(4)
ET-6	ET-6			
	Eliminate the Effect of Fuel Expenses from the COS	-	-	-
ET-7	ET-7			
	Reallocation of Retail Customer Costs	2,269	2,269	-
ET-8	ET-8			
	Reclass Certain Non-Operating Expenses	(31)	(31)	-
ET-9	ET-9			
	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10			
	Eliminate Incentive Plan Expenses in Excess of Target	(1,700)	(1,700)	-
ET-11	ET-11			
	Oceana Solar Charge for Birdneck Circuit	(68)	(68)	-
ET-12	ET-12			
	Eliminate Customer Arrears Forgiveness Costs	-	-	-
ET-13	N/A			
	Elimination of VA Follower Nuclear Amortization Cost	-	-	-
ET-14	N/A			
	Elimination of Lobbying Costs	(373)	-	(373)
ET-15	N/A			
	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From O&M Expense	-	-	-
ET-15.5	N/A			
	To Remove Section A 8 Period Expenses from the Cost of Service	(147,151)	0	(147,151)
	TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE	(147,459)	68	(147,528)
DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS				
ET-16	ET-13			
	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-17	ET-14			
	Eliminate Capitalized AFUDC	(17)	(17)	-
ET-18	ET-15			
	Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
ET-19	N/A			
	To Remove 2019 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	-	-	-
ET-20	N/A			
	To Reflect Amortization of 2019 Asset Impairments Subject to § 56-585.1 E	-	-	-
ET-20.5	N/A			
	To Amortize Section A 8 Period Expenses Over Five Years	29,430	0	29,430
	TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION	29,413	(17)	29,430
FEDERAL INCOME TAXES				
ET-21	ET-16			
	Reallocation of Retail Customer Costs	(22)	(22)	-
ET-22	ET-17			
	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-23	ET-18			
	Federal Income Tax Expense Effect of ITC Debt Component	(79)	(96)	18
ET-24	ET-19			
	Eliminate the Effect of FIN 48	-	65	(65)
ET-25	ET-20			
	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21			
	Interest Synchronization	2,292	2,713	(421)
ET-27	ET-22			
	Federal Income Tax Effect of Adjustments	22,403	(974)	23,377
	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES	24,595	1,685	22,909
STATE INCOME TAXES				
ET-28	ET-23			
	State Income Tax Expense Effect of ITC Debt Component	(23)	(28)	5
ET-29	ET-24			
	Eliminate the Effect of FIN 48	-	-	-

DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS)

ADJ. NUMBER STAFF	COMPANY	ADJUSTMENT	STAFF	Distribution COMPANY	DIFFERENCE
ET-30	ET-25	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26	Interest Synchronization	665	787	(122)
ET-32	ET-27	State Income Tax Effect of Adjustments	6,496	(282)	6,778
		TOTAL ADJUSTMENTS TO STATE INCOME TAXES	7,137	476	6,661
TAXES OTHER THAN INCOME ADJUSTMENTS					
ET-33	ET-28	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
		TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	0	0	-
GAIN ON PROPERTY DISPOSITION ADJUSTMENTS					
ET-34	ET-29	Gain/Loss on Disposition of Property	(10)	(10)	-
		TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	(10)	(10)	-
		NET OPERATING INCOME	81,467	(7,061)	88,527
Adjusted Operating Income Adjustments					
Charitable Donations					
ET-35	ET-30	Elimination of Charitable Donations	(895)	(895)	-
Interest on Customer Deposits					
ET-36	ET-31	Reallocation of Retail Customer Costs	364	364	-
		Total Adjusted Operating Income Adjustments	(531)	(531)	-
		ADJUSTED OPERATING INCOME	81,998	(6,529)	88,527
Less:					
INTEREST EXPENSE ADJUSTMENTS					
ET-37	ET-32	Reflect Interest Expense Using End-of-Period Cost of Capital Statement	1,098	(1,039)	2,127
PREFERRED DIVIDENDS ADJUSTMENTS					
ET-38	ET-33	Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	0	-	-
ITC CAPITAL EXPENSE ADJUSTMENTS					
ET-39	ET-34	Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	1,347	1,317	30
		INCOME AVAILABLE FOR COMMON EQUITY	79,563	(6,807)	86,370
RATE BASE ADJUSTMENTS					
ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS					
ET-40	ET-35	Reallocation of Retail Customer Costs	363	363	-
ET-41	ET-36	Cash Working Capital Adjustment	(31,464)	(36,262)	4,798
ET-42	ET-37	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-43	ET-38	Customer Refund Adjustment	(70)	(70)	-
ET-44	ET-39	Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
		TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	(31,171)	(35,969)	4,798
ELECTRIC PLANT IN SERVICE ADJUSTMENTS					
ET-45	ET-40	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-46	ET-41	Eliminate Capitalized AFUDC	(1,180)	(1,180)	-
ET-47	N/A	To include the Unamortized Balance of 2019 Asset Impairments Subject to § 56-585.1 E In Rate Base	-	-	-
ET-47.5	N/A	To include Unamortized Balance of Section A 8 Expense In Rate Base	132,438	0	132,438
		TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	131,255	(1,180)	132,436
PLANT HELD FOR FUTURE USE ADJUSTMENTS					
ET-48	ET-42	Eliminate Plant Held for Future Use	(296)	(296)	-
		TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(296)	(296)	-
ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS					
ET-49	ET-43	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-50	ET-44	Eliminate Capitalized AFUDC	(357)	(357)	-
		TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	(357)	(357)	-
		TOTAL NET UTILITY PLANT ADJUSTMENTS	131,316	(1,119)	132,436
OTHER RATE BASE DEDUCTIONS ADJUSTMENTS					
ET-51	ET-45	Reallocation of Retail Customer Costs	13,442	13,442	-
ET-52	ET-46	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-53	N/A	Adjustment to Include the 13 Month Average ADIT Associated with the Impaired Generating Units	-	-	-
ET-53.5	N/A	To include ADIT of Unamortized A 8 Expenses in Rate Base	33,816	0	33,816
		TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	47,258	13,442	33,816
COMMON EQUITY CAPITAL ADJUSTMENTS					
ET-54	--	To adjust common equity capital for change in rate base	27,537	-	27,537
		TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	27,537	-	27,537

Exhibit No: _____
Witness: Carr

APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - GENERATION AND DISTRIBUTION
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

210630156

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. Cost of Service	Regulatory Accounting Adjustments	Virginia Jurisdictional Cost of Service after Adjustments (1)+(2)
1 OPERATING REVENUE			
2 BASE RATES AND 56-585.1 A4, A5, AND A6 RACS	2,989,251	(87,128)	2,902,123
3 FUEL FACTOR	1,261,933	0	1,261,933
4 LATE PAYMENT FEES	3,439	634	4,073
5 MISCELLANEOUS	100,152	(1,467)	98,685
6 TOTAL OPERATING REVENUES	4,354,775	(87,961)	4,266,814
7 OPERATING REVENUE DEDUCTIONS			
8 OPERATION & MAINTENANCE EXPENSE	2,439,921	(120,242)	2,319,679
9 DEPRECIATION & AMORTIZATION	1,344,812	(694,545)	650,267
10 FEDERAL INCOME TAXES	(77)	147,288	147,211
11 STATE INCOME TAXES	29,635	43,555	73,190
12 TAXES OTHER THAN INCOME TAXES	167,259	0	167,259
13 (GAIN)/LOSS ON DISPOSITION OF PROPERTY	(1,533)	(186)	(1,719)
14 TOTAL OPERATING REVENUE DEDUCTIONS	3,980,016	(624,129)	3,355,887
15 OPERATING INCOME	374,758	536,168	910,927
16 PLUS: AFUDC	0	0	0
17 LESS: CHARITABLE DONATIONS	9,077	(9,077)	(0)
18 INTEREST EXPENSE ON CUSTOMER DEPOSITS	1,923	354	2,277
19 OTHER INTEREST EXPENSE/(INCOME)	1,334	0	1,334
20 ADJUSTED OPERATING INCOME	362,425	544,891	907,316
21 PLUS: OTHER INCOME/(EXPENSE)	0	0	0
22 LESS: INTEREST EXPENSE-BOOKED	163,374	31,609	194,983
23 PREFERRED DIVIDENDS	0	0	0
24 ITC CAPITAL EXPENSE	n/a	3,595	3,595
25 INCOME AVAILABLE FOR COMMON EQUITY	199,051	509,687	708,738
26 ALLOWANCE FOR WORKING CAPITAL	(544,902)	777,493	232,591
27 PLUS: NET UTILITY PLANT	11,117,082	1,075,140	12,192,221
28 LESS: OTHER RATE BASE DEDUCTIONS	2,410,265	273,485	2,683,750
29 TOTAL AVERAGE RATE BASE	8,161,915	1,579,147	9,741,062
30 TOTAL AVERAGE CAPITAL	8,161,915	1,579,147	9,741,062
31 AVERAGE COMMON EQUITY CAPITAL	4,229,466	818,307	5,047,772
32 % RATE OF RETURN EARNED ON AVG. RATE BASE	4.44%		9.31%
33 % RATE OF RETURN EARNED ON AVG. COMMON EQ.	4.71%		14.04%

Exhibit No: _____

Witness: Carr

APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - GENERATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. Cost of Service	Regulatory Accounting Adjustments	Virginia Jurisdictional Cost of Service after Adjustments (1)+(2)
1 OPERATING REVENUE			
2 BASE RATES AND 56-585.1 A4, A5, AND A6 RACS	1,906,552	(71,581)	1,834,970
3 FUEL FACTOR	1,261,933	0	1,261,933
4 LATE PAYMENT FEES	2,636	0	2,636
5 MISCELLANEOUS	78,311	(1,467)	76,844
6 TOTAL OPERATING REVENUES	3,249,431	(73,048)	3,176,382
7 OPERATING REVENUE DEDUCTIONS			
8 OPERATION & MAINTENANCE EXPENSE	2,083,300	(96,379)	1,986,920
9 DEPRECIATION & AMORTIZATION	990,699	(723,958)	266,740
10 FEDERAL INCOME TAXES	(26,528)	153,205	126,677
11 STATE INCOME TAXES	19,837	44,173	64,011
12 TAXES OTHER THAN INCOME TAXES	86,105	0	86,105
13 (GAIN)/LOSS ON DISPOSITION OF PROPERTY	(940)	(115)	(1,056)
14 TOTAL OPERATING REVENUE DEDUCTIONS	3,152,472	(623,075)	2,529,398
15 OPERATING INCOME	96,959	550,026	646,985
16 PLUS: AFUDC	0	0	0
17 LESS: CHARITABLE DONATIONS	7,703	(7,703)	(0)
18 INTEREST EXPENSE ON CUSTOMER DEPOSITS	1,474	0	1,474
19 OTHER INTEREST EXPENSE/(INCOME)	815	0	815
20 ADJUSTED OPERATING INCOME	86,966	557,729	644,696
21 PLUS: OTHER INCOME/(EXPENSE)	0	0	0
22 LESS: INTEREST EXPENSE-BOOKED	65,604	30,769	96,373
23 PREFERRED DIVIDENDS	0	0	0
24 ITC CAPITAL EXPENSE	n/a	1,777	1,777
25 INCOME AVAILABLE FOR COMMON EQUITY	21,362	525,183	546,545
26 ALLOWANCE FOR WORKING CAPITAL	(530,646)	793,305	262,659
27 PLUS: NET UTILITY PLANT	4,865,982	973,201	5,839,182
28 LESS: OTHER RATE BASE DEDUCTIONS	1,057,844	229,325	1,287,169
29 TOTAL AVERAGE RATE BASE	3,277,491	1,537,181	4,814,672
30 TOTAL AVERAGE CAPITAL	3,277,491	1,537,181	4,814,672
31 AVERAGE COMMON EQUITY CAPITAL	1,698,381	796,560	2,494,941
32 % RATE OF RETURN EARNED ON AVG. RATE BASE	2.65%		13.39%
33 % RATE OF RETURN EARNED ON AVG. COMMON EQ.	1.26%		21.91%

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Exhibit No: _____

Witness: Carr

APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
RATE OF RETURN STATEMENT - EARNINGS TEST
ADJUSTED TO A REGULATORY ACCOUNTING BASIS - DISTRIBUTION
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
USING THIRTEEN MONTH AVERAGE RATE BASE AND COMMON EQUITY
(IN THOUSANDS)

LINE NO.	(1)	(2)	(3)
	Per Books Virginia Juris. Cost of Service	Regulatory Accounting Adjustments	Virginia Jurisdictional Cost of Service after Adjustments (1)+(2)
1 OPERATING REVENUE			
2 BASE RATES AND 56-585.1 A4, A5, AND A6 RACS	1,082,699	(15,547)	1,067,153
3 FUEL FACTOR	0	0	0
4 LATE PAYMENT FEES	803	634	1,437
5 MISCELLANEOUS	21,842	0	21,842
6 TOTAL OPERATING REVENUES	1,105,344	(14,913)	1,090,431
7 OPERATING REVENUE DEDUCTIONS			
8 OPERATION & MAINTENANCE EXPENSE	356,622	(23,862)	332,759
9 DEPRECIATION & AMORTIZATION	354,113	29,414	383,527
10 FEDERAL INCOME TAXES	26,451	(5,917)	20,534
11 STATE INCOME TAXES	9,797	(618)	9,180
12 TAXES OTHER THAN INCOME TAXES	81,154	0	81,154
13 (GAIN)/LOSS ON DISPOSITION OF PROPERTY	(593)	(71)	(664)
14 TOTAL OPERATING REVENUE DEDUCTIONS	827,544	(1,055)	826,490
15 OPERATING INCOME	277,800	(13,858)	263,942
16 PLUS: AFUDC	0	0	0
17 LESS: CHARITABLE DONATIONS	1,373	(1,373)	0
18 INTEREST EXPENSE ON CUSTOMER DEPOSITS	449	354	803
19 OTHER INTEREST EXPENSE/(INCOME)	519	0	519
20 ADJUSTED OPERATING INCOME	275,459	(12,839)	262,620
21 PLUS: OTHER INCOME/(EXPENSE)	0	0	0
22 LESS: INTEREST EXPENSE-BOOKED	97,770	840	98,610
23 PREFERRED DIVIDENDS	0	0	0
24 ITC CAPITAL EXPENSE	n/a	1,818	1,818
25 INCOME AVAILABLE FOR COMMON EQUITY	177,689	(15,497)	162,192
26 ALLOWANCE FOR WORKING CAPITAL	(14,256)	(15,813)	(30,069)
27 PLUS: NET UTILITY PLANT	6,251,100	101,939	6,353,039
28 LESS: OTHER RATE BASE DEDUCTIONS	1,352,421	44,160	1,396,581
29 TOTAL AVERAGE RATE BASE	4,884,423	41,966	4,926,389
30 TOTAL AVERAGE CAPITAL	4,884,423	41,966	4,926,389
31 AVERAGE COMMON EQUITY CAPITAL	2,531,085	21,747	2,552,832
32 % RATE OF RETURN EARNED ON AVG. RATE BASE	5.64%		5.33%
33 % RATE OF RETURN EARNED ON AVG. COMMON EQ.	7.02%		6.35%

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONSDOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION AND DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ. NUMBER STAFF	COMPANY	ADJUSTMENT	Generation and Distribution		
			STAFF	COMPANY	DIFFERENCE
INCOME ADJUSTMENTS					
OPERATING REVENUE ADJUSTMENTS					
<u>Base Rates and 56-585.1 A4, A5, and A8 RACS</u>					
ET-1	ET-1	Customer Refund Adjustment	-	-	-
ET-1 SUPP	ET-1 SUPP	Revenue Correction	(87,128)	(87,128)	-
<u>Late Payment Fees</u>					
ET-2	ET-2	Reallocation of Retail Customer Costs	634	634	-
<u>Miscellaneous</u>					
ET-3	ET-3	Elimination of 25% of Off-System Sales Margins	(1,467)	(1,467)	-
ET-4	ET-4	Eliminate Rider Projects from Test Year Results	-	-	-
TOTAL ADJUSTMENTS TO OPERATING REVENUE			(87,961)	(87,961)	-
OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS					
ET-5	ET-5	Elimination of Non-Conforming Advertising Expenses	(2,371)	(2,313)	(58)
ET-6	ET-6	Eliminate the Effect of Fuel Expenses from the COS	256	256	-
ET-7	ET-7	Reallocation of Retail Customer Costs	21,161	21,161	-
ET-8	ET-8	Reclass Certain Non-Operating Expenses	(581)	(581)	-
ET-9	ET-9	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10	Eliminate Incentive Plan Expenses in Excess of Target	(8,505)	(9,110)	605
ET-11	ET-11	Oceana Solar Charge for Birdneck Circuit	(66)	(68)	-
ET-12	ET-12	Eliminate Customer Arrears Forgiveness Costs	(117,072)	(117,072)	-
ET-13	N/A	Elimination of VA Follower Nuclear Amortization Cost	(1,168)	-	(1,168)
ET-14	N/A	Elimination of Lobbying/Donation Costs	(958)	-	(958)
ET-15	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From O&M Expense	(10,957)	-	(10,957)
ET-15.5	N/A	To Remove Section A 8 Period Expenses from the Cost of Service	-	-	-
TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE			(120,242)	(107,705)	(12,536)
DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS					
ET-16	ET-13	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	(2,700)	(2,700)	-
ET-17	ET-14	Eliminate Capitalized AFUDC	(259)	(259)	-
ET-18	ET-15	Eliminate Customer Credit Reinvestment Offset Reserve	(120,000)	(120,000)	-
ET-19	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	(833,242)	-	(833,242)
ET-20	N/A	To Reflect Amortization of Asset Impairments Subject to § 56-585.1 E	30,639	-	30,639
ET-20.5	N/A	To Amortize Section A 8 Period Expenses Over Five Years	31,017	-	31,017
TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION			(694,545)	(122,959)	(571,586)
FEDERAL INCOME TAXES					
ET-21	ET-16	Reallocation of Retail Customer Costs	(3,783)	(3,783)	-
ET-22	ET-17	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	669	669	-
ET-23	ET-18	Federal Income Tax Expense Effect of ITC Debt Component	(210)	(355)	144
ET-24	ET-19	Eliminate the Effect of FIN 48	-	-	-
ET-25	ET-20	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21	Interest Synchronization	7,312	9,576	(2,264)
ET-27	ET-22	Federal Income Tax Effect of Adjustments	143,300	27,616	115,684
TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES			147,288	33,723	113,565
STATE INCOME TAXES					
ET-28	ET-23	State Income Tax Expense Effect of ITC Debt Component	(61)	(103)	42
ET-29	ET-24	Eliminate the Effect of FIN 48	-	-	-

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DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION AND DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ NUMBER STAFF	COMPANY	ADJUSTMENT	Generation and Distribution		
			STAFF	COMPANY	DIFFERENCE
ET-30	ET-25	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26	Interest Synchronization	2,118	2,773	(856)
ET-32	ET-27	State Income Tax Effect of Adjustments	41,489	7,997	33,501
		TOTAL ADJUSTMENTS TO STATE INCOME TAXES	43,555	10,868	32,888
		TAXES OTHER THAN INCOME ADJUSTMENTS			
ET-33	ET-28	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
		TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	-	-	-
		GAIN ON PROPERTY DISPOSITION ADJUSTMENTS			
ET-34	ET-29	Gain/Loss on Disposition of Property	188	(353)	539
		TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	188	(353)	539
		NET OPERATING INCOME	536,168	97,859	438,209
		Adjusted Operating Income Adjustments			
		Charitable Donations			
ET-35	ET-30	Elimination of Charitable Donations	(9,077)	(9,077)	-
		Interest on Customer Deposits			
ET-36	ET-31	Reallocation of Retail Customer Costs	354	354	-
		Total Adjusted Operating Income Adjustments	(8,723)	(8,723)	-
		ADJUSTED OPERATING INCOME	544,891	108,682	438,209
		Less:			
		INTEREST EXPENSE ADJUSTMENTS			
ET-37	ET-32	Reflect Interest Expense Using End-of-Period Cost of Capital Statement	31,609	20,174	11,435
		PREFERRED DIVIDENDS ADJUSTMENTS			
ET-38	ET-33	Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	-	-	-
		ITC CAPITAL EXPENSE ADJUSTMENTS			
ET-39	ET-34	Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	3,595	3,384	211
		INCOME AVAILABLE FOR COMMON EQUITY	509,687	83,124	426,563
		RATE BASE ADJUSTMENTS			
		ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS			
ET-40	ET-35	Reallocation of Retail Customer Costs	1,089	1,089	-
ET-41	ET-36	Cash Working Capital Adjustment	(91,110)	(24,042)	(67,068)
ET-42	ET-37	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	879,144	879,144	-
ET-43	ET-38	Customer Refund Adjustment	-	-	-
ET-44	ET-39	Eliminate Customer Credit Reinvestment Offset Reserve	(11,830)	(11,830)	-
		TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	777,493	844,581	(67,068)
		ELECTRIC PLANT IN SERVICE ADJUSTMENTS			
ET-45	ET-40	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	247,410	247,410	-
ET-46	ET-41	Eliminate Capitalized AFUDC	(9,026)	(9,026)	-
ET-47	N/A	To include the Unamortized Balance of Asset Impairments Subject to § 56-565.1 E in Rate Base	756,786	-	756,786
ET-47.5	N/A	To include Unamortized Balance of Section A 8 Expense in Rate Base	108,559	-	108,559
		TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	1,103,730	238,384	865,345
		PLANT HELD FOR FUTURE USE ADJUSTMENTS			
ET-48	ET-42	Eliminate Plant Held for Future Use	(2,994)	(2,994)	-
		TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(2,994)	(2,994)	-
		ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS			
ET-49	ET-43	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	32,071	32,071	-
ET-50	ET-44	Eliminate Capitalized AFUDC	(6,475)	(6,475)	-
		TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	25,596	25,596	-
		TOTAL NET UTILITY PLANT ADJUSTMENTS	1,075,140	209,795	865,345
		OTHER RATE BASE DEDUCTIONS ADJUSTMENTS			
ET-51	ET-45	Reallocation of Retail Customer Costs	17,864	17,864	-
ET-52	ET-46	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	28,833	28,833	-
ET-53	N/A	Adjustment to include the 13 Month Average ADIT Associated with the Impaired Generating Units	199,274	-	199,274
ET-53.5	N/A	To include ADIT of Unamortized Balance of Section A 8 Expense in Rate Base	27,714	-	27,714
		TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	273,485	46,497	226,988
		COMMON EQUITY CAPITAL ADJUSTMENTS			
ET-54	N/A	To adjust common equity capital for change in rate base	818,307	-	818,307
		TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	818,307	-	818,307

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ. NUMBER STAFF	COMPANY	ADJUSTMENT	STAFF	Generation COMPANY	DIFFERENCE
INCOME ADJUSTMENTS					
OPERATING REVENUE ADJUSTMENTS					
<u>Base Rates and 56-585.1 A4, A5, and A6 RACS</u>					
ET-1	ET-1	Customer Refund Adjustment	-	-	-
ET-1 SUPP	ET-1 SUPP	Revenue Correction	(71,581)	(71,581)	-
<u>Late Payment Fees</u>					
ET-2	ET-2	Reallocation of Retail Customer Costs	-	-	-
<u>Miscellaneous</u>					
ET-3	ET-3	Elimination of 25% of Off-System Sales Margins	(1,487)	(1,487)	-
ET-4	ET-4	Eliminate Rider Projects from Test Year Results	-	-	-
		TOTAL ADJUSTMENTS TO OPERATING REVENUE	(73,048)	(73,048)	-
OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS					
ET-5	ET-5	Elimination of Non-Conforming Advertising Expenses	(1,433)	(1,391)	(42)
ET-6	ET-6	Eliminate the Effect of Fuel Expenses from the COS	258	256	-
ET-7	ET-7	Reallocation of Retail Customer Costs	-	-	-
ET-8	ET-8	Reclass Certain Non-Operating Expenses	(561)	(561)	-
ET-9	ET-9	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10	Eliminate Incentive Plan Expenses in Excess of Target	(8,101)	(6,535)	434
ET-11	ET-11	Oceana Solar Charge for Birdneck Circuit	-	-	-
ET-12	ET-12	Eliminate Customer Arrears Forgiveness Costs	(75,771)	(75,771)	-
ET-13	N/A	Elimination of VA Follower Nuclear Amortization Cost	(1,188)	-	(1,188)
ET-14	N/A	Elimination of Lobbying/Donation Costs	(643)	-	(643)
ET-15	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From O&M Expense	(10,957)	-	(10,957)
ET-15.5	N/A	To Remove Section A 8 Period Expenses from the Cost of Service	0	0	-
		TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE	(96,379)	(84,004)	(12,378)
DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS					
ET-16	ET-13	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	(2,700)	(2,700)	-
ET-17	ET-14	Eliminate Capitalized AFUDC	(243)	(243)	-
ET-18	ET-15	Eliminate Customer Credit Reinvestment Offset Reserve	(120,000)	(120,000)	-
ET-19	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	(833,242)	-	(833,242)
ET-20	N/A	To Reflect Amortization of Asset Impairments Subject to § 56-585.1 E	30,639	-	30,639
ET-20.5	N/A	To Amortize Section A 8 Period Expenses Over Five Years	1,587	0	1,587
		TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION	(723,958)	(122,942)	(601,016)
FEDERAL INCOME TAXES					
ET-21	ET-16	Reallocation of Retail Customer Costs	-	-	-
ET-22	ET-17	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	669	669	-
ET-23	ET-18	Federal Income Tax Expense Effect of ITC Debt Component	(104)	(217)	113
ET-24	ET-19	Eliminate the Effect of FIN 48	-	-	-
ET-25	ET-20	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21	Interest Synchronization	5,289	7,246	(1,947)
ET-27	ET-22	Federal Income Tax Effect of Adjustments	147,341	25,903	121,438
		TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES	153,205	33,602	119,604
STATE INCOME TAXES					
ET-28	ET-23	State Income Tax Expense Effect of ITC Debt Component	(30)	(83)	33
ET-29	ET-24	Eliminate the Effect of FIN 48	-	-	-

DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - GENERATION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ. NUMBER	STAFF	COMPANY	ADJUSTMENT	STAFF	Generation COMPANY	DIFFERENCE
ET-30	ET-25		Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26		Interest Synchronization	1,534	2,098	(564)
ET-32	ET-27		State Income Tax Effect of Adjustments	42,869	7,501	35,188
			TOTAL ADJUSTMENTS TO STATE INCOME TAXES	44,173	9,537	34,636
			<u>TAXES OTHER THAN INCOME ADJUSTMENTS</u>			
ET-33	ET-28		Amortize Organizational Design Initiative Costs Against Savings	-	-	-
			TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	0	0	-
			<u>GAIN ON PROPERTY DISPOSITION ADJUSTMENTS</u>			
ET-34	ET-29		Gain/Loss on Disposition of Property	115	(218)	334
			TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	115	(218)	334
			NET OPERATING INCOME	550,026	90,540	459,486
			<u>Adjusted Operating Income Adjustments</u>			
			<u>Charitable Donations</u>			
ET-35	ET-30		Elimination of Charitable Donations	(7,703)	(7,703)	-
			<u>Interest on Customer Deposits</u>			
ET-36	ET-31		Reallocation of Retail Customer Costs	-	-	-
			Total Adjusted Operating Income Adjustments	(7,703)	(7,703)	-
			ADJUSTED OPERATING INCOME	557,729	98,244	459,486
			<u>Losses</u>			
			<u>INTEREST EXPENSE ADJUSTMENTS</u>			
ET-37	ET-32		Reflect Interest Expense Using End-of-Period Cost of Capital Statement	30,769	20,832	9,837
			<u>PREFERRED DIVIDENDS ADJUSTMENTS</u>			
ET-38	ET-33		Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	0	-	-
			<u>ITC CAPITAL EXPENSE ADJUSTMENTS</u>			
ET-39	ET-34		Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	1,777	1,598	181
			INCOME AVAILABLE FOR COMMON EQUITY	525,183	75,715	449,468
			<u>RATE BASE ADJUSTMENTS</u>			
			<u>ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS</u>			
ET-40	ET-35		Reallocation of Retail Customer Costs	-	-	-
ET-41	ET-36		Cash Working Capital Adjustment	(74,208)	(4,002)	(70,207)
ET-42	ET-37		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	879,144	879,144	-
ET-43	ET-38		Customer Refund Adjustment	-	-	-
ET-44	ET-39		Eliminate Customer Credit Reinvestment Offset Reserve	(11,630)	(11,630)	-
			TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	793,305	863,512	(70,207)
			<u>ELECTRIC PLANT IN SERVICE ADJUSTMENTS</u>			
ET-45	ET-40		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	247,410	247,410	-
ET-46	ET-41		Eliminate Capitalized AFUDC	(7,916)	(7,916)	-
ET-47	N/A		To Include the Unamortized Balance of Asset Impairments Subject to § 56-585.1 E in Rate Base	756,786	-	756,786
ET-47.5	N/A		To Include Unamortized Balance of Section A 8 Expense in Rate Base	5,554	0	5,554
			TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	1,001,833	239,494	762,340
			<u>PLANT HELD FOR FUTURE USE ADJUSTMENTS</u>			
ET-48	ET-42		Eliminate Plant Held for Future Use	(2,697)	(2,697)	-
			TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(2,697)	(2,697)	-
			<u>ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS</u>			
ET-49	ET-43		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	32,071	32,071	-
ET-50	ET-44		Eliminate Capitalized AFUDC	(6,135)	(6,135)	-
			TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	25,936	25,936	-
			TOTAL NET UTILITY PLANT ADJUSTMENTS	973,201	210,861	762,340
			<u>OTHER RATE BASE DEDUCTIONS ADJUSTMENTS</u>			
ET-51	ET-45		Reallocation of Retail Customer Costs	-	-	-
ET-52	ET-46		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	28,633	28,633	-
ET-53	N/A		Adjustment to Include the 13 Month Average ADIT Associated with the Impaired Generating Units	199,274	0	199,274
ET-53.5	N/A		To Include ADIT of Unamortized Balance of Section A 8 Expense in Rate Base	1,418	0	1,418
			TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	229,325	28,633	200,692
			<u>COMMON EQUITY CAPITAL ADJUSTMENTS</u>			
ET-54	N/A		To adjust common equity capital for change in rate base	798,560	-	798,560
			TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	798,560	-	798,560

Exhibit No: _____
Witness: Carr
APPENDIX A CALCULATIONS

DOMINION ENERGY VIRGINIA
DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ. NUMBER STAFF	COMPANY	ADJUSTMENT	STAFF	Distribution COMPANY	DIFFERENCE
INCOME ADJUSTMENTS					
OPERATING REVENUE ADJUSTMENTS					
<u>Base Rates and 56-585.1 A4, A5, and A6 RACS</u>					
ET-1	ET-1	Customer Refund Adjustment	-	-	-
ET-1 SUPP	ET-1 SUPP	Revenue Correction	(15,547)	(15,547)	
<u>Late Payment Fees</u>					
ET-2	ET-2	Reallocation of Retail Customer Costs	634	634	-
<u>Miscellaneous</u>					
ET-3	ET-3	Elimination of 25% of Off-System Sales Margins	-	-	-
ET-4	ET-4	Eliminate Rider Projects from Test Year Results	-	-	-
TOTAL ADJUSTMENTS TO OPERATING REVENUE			(14,913)	(14,913)	-
OPERATION AND MAINTENANCE EXPENSE ADJUSTMENTS					
ET-5	ET-5	Elimination of Non-Conforming Advertising Expenses	(938)	(922)	(16)
ET-6	ET-6	Eliminate the Effect of Fuel Expenses from the COS	-	-	-
ET-7	ET-7	Reallocation of Retail Customer Costs	21,161	21,161	-
ET-8	ET-8	Reclass Certain Non-Operating Expenses	-	-	-
ET-9	ET-9	Amortize Organizational Design Initiative Costs Against Savings	-	-	-
ET-10	ET-10	Eliminate Incentive Plan Expenses In Excess of Target	(2,404)	(2,575)	171
ET-11	ET-11	Oceano Solar Charge for Birdneck Circuit	(66)	(66)	-
ET-12	ET-12	Eliminate Customer Arrears Forgiveness Costs	(41,300)	(41,300)	-
ET-13	N/A	Elimination of VA Follower Nuclear Amortization Cost	-	-	-
ET-14	N/A	Elimination of Lobbying/Donation Costs	(315)	-	(315)
ET-15	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From O&M Expense	-	-	-
ET-15.5	N/A	To Remove Section A 8 Period Expenses from the Cost of Service	-	-	-
TOTAL ADJUSTMENTS TO OPERATION & MAINTENANCE EXPENSE			(23,862)	(23,702)	(160)
DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS					
ET-16	ET-13	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-17	ET-14	Eliminate Capitalized AFUDC	(17)	(17)	-
ET-18	ET-15	Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
ET-19	N/A	To Remove 2020 Asset Impairments Subject to § 56-585.1 E From Depreciation Expense	-	-	-
ET-20	N/A	To Reflect Amortization of Asset Impairments Subject to § 56-585.1 E	-	-	-
ET-20.5	N/A	To Amortize Section A 8 Period Expenses Over Five Years	29,430	-	29,430
TOTAL ADJUSTMENTS TO DEPRECIATION AND AMORTIZATION			29,414	(17)	29,430
FEDERAL INCOME TAXES					
ET-21	ET-16	Reallocation of Retail Customer Costs	(3,783)	(3,783)	-
ET-22	ET-17	Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-23	ET-18	Federal Income Tax Expense Effect of ITC Debt Component	(106)	(138)	32
ET-24	ET-19	Eliminate the Effect of FIN 48	-	-	-
ET-25	ET-20	Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-26	ET-21	Interest Synchronization	2,014	2,330	(317)
ET-27	ET-22	Federal Income Tax Effect of Adjustments	(4,041)	1,713	(5,754)
TOTAL ADJUSTMENTS TO FEDERAL INCOME TAXES			(5,917)	122	(6,039)
STATE INCOME TAXES					
ET-28	ET-23	State Income Tax Expense Effect of ITC Debt Component	(31)	(40)	9
ET-29	ET-24	Eliminate the Effect of FIN 48	-	-	-

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DETAIL OF REGULATORY ACCOUNTING ADJUSTMENTS - DISTRIBUTION
REFLECTED IN COL. 2 OF SCHEDULE 11
FOR THE TEST YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS)

ADJ. NUMBER	STAFF	COMPANY	ADJUSTMENT	STAFF	Distribution COMPANY	DIFFERENCE
ET-30	ET-25		Adjust Taxes for Domestic Production Activities Deduction	-	-	-
ET-31	ET-26		Interest Synchronization	583	675	(92)
ET-32	ET-27		State Income Tax Effect of Adjustments	(1,170)	496	(1,666)
			TOTAL ADJUSTMENTS TO STATE INCOME TAXES	(618)	1,131	(1,749)
			TAXES OTHER THAN INCOME ADJUSTMENTS			
ET-33	ET-28		Amortize Organizational Design Initiative Costs Against Savings	-	-	-
			TOTAL ADJUSTMENTS TO TAXES OTHER THAN INCOME TAXES	-	-	-
			GAIN ON PROPERTY DISPOSITION ADJUSTMENTS			
ET-34	ET-29		Gain/Loss on Disposition of Property	71	(134)	205
			TOTAL ADJUSTMENTS TO GAIN/LOSS ON DISPOSITION OF PROPERTY	71	(134)	205
			NET OPERATING INCOME	(13,858)	7,419	(21,277)
			Adjusted Operating Income Adjustments			
			Charitable Donations			
ET-35	ET-30		Elimination of Charitable Donations	(1,373)	(1,373)	-
			Interest on Customer Deposits			
ET-36	ET-31		Reallocation of Retail Customer Costs	354	354	-
			Total Adjusted Operating Income Adjustments	(1,019)	(1,019)	-
			ADJUSTED OPERATING INCOME	(12,839)	8,438	(21,277)
			Loss:			
			INTEREST EXPENSE ADJUSTMENTS			
ET-37	ET-32		Reflect Interest Expense Using End-of-Period Cost of Capital Statement	840	(758)	1,598
			PREFERRED DIVIDENDS ADJUSTMENTS			
ET-38	ET-33		Reflect Preferred Dividends Using End-of-Period Cost of Capital Statement	-	-	-
			ITC CAPITAL EXPENSE ADJUSTMENTS			
ET-39	ET-34		Reflect ITC Expenses Using End-of-Period Cost of Capital Statement	1,818	1,769	29
			INCOME AVAILABLE FOR COMMON EQUITY	(15,497)	7,408	(22,904)
			RATE BASE ADJUSTMENTS			
			ALLOWANCE FOR WORKING CAPITAL ADJUSTMENTS			
ET-40	ET-35		Reallocation of Retail Customer Costs	1,089	1,089	-
ET-41	ET-36		Cash Working Capital Adjustment	(18,902)	(20,040)	3,138
ET-42	ET-37		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-43	ET-38		Customer Refund Adjustment	-	-	-
ET-44	ET-39		Eliminate Customer Credit Reinvestment Offset Reserve	-	-	-
			TOTAL ADJUSTMENTS TO ALLOWANCE FOR WORKING CAPITAL	(15,813)	(18,951)	3,138
			ELECTRIC PLANT IN SERVICE ADJUSTMENTS			
ET-45	ET-40		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-46	ET-41		Eliminate Capitalized AFUDC	(1,109)	(1,109)	-
ET-47	N/A		To Include the Unamortized Balance of Asset Impairments Subject to § 56-585.1 E in Rate Base	-	-	-
ET-47.5	N/A		To Include Unamortized Balance of Section A 8 Expense in Rate Base	103,005	-	103,005
			TOTAL ADJUSTMENTS TO UTILITY PLANT IN SERVICE	101,896	(1,109)	103,005
			PLANT HELD FOR FUTURE USE ADJUSTMENTS			
ET-48	ET-42		Eliminate Plant Held for Future Use	(298)	(298)	-
			TOTAL ADJUSTMENTS TO PLANT HELD FOR FUTURE USE	(298)	(298)	-
			ACCUMULATED DEPRECIATION AND AMORTIZATION ADJUSTMENTS			
ET-49	ET-43		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-50	ET-44		Eliminate Capitalized AFUDC	(340)	(340)	-
			TOTAL ADJUSTMENTS TO ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	(340)	(340)	-
			TOTAL NET UTILITY PLANT ADJUSTMENTS	101,939	(1,068)	103,005
			OTHER RATE BASE DEDUCTIONS ADJUSTMENTS			
ET-51	ET-45		Reallocation of Retail Customer Costs	17,864	17,864	-
ET-52	ET-46		Eliminate the Effects of Nuclear Related Asset Retirement Obligation (ARO)	-	-	-
ET-53	N/A		Adjustment to Include the 13 Month Average ADIT Associated with the Impaired Generating Units	-	-	-
ET-53.5	N/A		To Include ADIT of Unamortized Balance of Section A 8 Expense in Rate Base	28,296	-	28,296
			TOTAL ADJUSTMENTS TO OTHER RATE BASE DEDUCTIONS	44,160	17,864	26,296
			COMMON EQUITY CAPITAL ADJUSTMENTS			
ET-54	N/A		To adjust common equity capital for change in rate base	21,747	-	21,747
			TOTAL ADJUSTMENTS TO COMMON EQUITY CAPITAL	21,747	-	21,747