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Case Name (if known)	Petition of Virginia Electric and Power Company, For approval of its 2021RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests
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Document Description Summary	the Proposed Partial Stipulation and Recommendation on behalf of Virginia Electric and Power Company, the Staff of the State Corporation Commission, Appalachian Voices, Direct Energy Business, LLC and Direct Energy Services, LLC, subsidiaries of NRG Energy, Inc., the Solar Energy Industries Association and the Chesapeake Solar and Storage Association, and Walmart Inc.
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Petition of Virginia Electric and Power Company, For approval of its 2021 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests
Case No. PUR-2021-00146

Dear Mr. Logan:

Please find enclosed for electronic filing in the above-captioned proceeding, the *Proposed Partial Stipulation and Recommendation* on behalf of Virginia Electric and Power Company, the Staff of the State Corporation Commission, Appalachian Voices, Direct Energy Business, LLC and Direct Energy Services, LLC, subsidiaries of NRG Energy, Inc., the Solar Energy Industries Association and the Chesapeake Solar and Storage Association, and Walmart Inc. (the "Partial Stipulation").

The Company is authorized to represent that Appalachian Power Company and the Virginia Committee for Fair Utility Rates take no position on the Partial Stipulation.

Please do not hesitate to call if you have any questions in regard to the enclosed.

Very truly yours,

/s/ Elaine S. Ryan

Elaine S. Ryan

Enclosures

cc: Paul E. Pfeffer, Esq.
Lisa R. Crabtree, Esq.
Joseph K. Reid, III, Esq.
Sarah R. Bennett, Esq.
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Service List

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

PETITION OF)	
)	
VIRGINIA ELECTRIC AND POWER COMPANY)	Case No. PUR-2021-00146
)	
For approval of its 2021 RPS Development Plan)	
under § 56-585.5 D 4 of the Code of Virginia)	
and related requests)	

PROPOSED PARTIAL STIPULATION AND RECOMMENDATION

This Proposed Partial Stipulation and Recommendation (“Partial Stipulation”) represents the agreement among Virginia Electric and Power Company (“Dominion Energy Virginia” or the “Company”), the Staff of the State Corporation Commission (“Staff”), Appalachian Voices, Direct Energy Business, LLC and Direct Energy Services, LLC, subsidiaries of NRG Energy, Inc. (collectively, “Direct Energy”), the Solar Energy Industries Association (“SEIA”) and the Chesapeake Solar and Storage Association (“CHESSA”) (collectively, SEIA-CHESSA), and Walmart Inc. (“Walmart”) (collectively, the “Stipulating Participants”).

The Stipulating Participants, by their undersigned counsel, stipulate, agree and recommend that this Partial Stipulation be adopted to resolve certain issues concerning system modeling for the 2022 RPS Development Plan proceeding as follows:

1. System Modeling: In the 2022 RPS Development Plan proceeding required by Va. Code § 56-585.5 D 4, the Company will model two alternative plans that adhere to the assumptions and constraints listed below and will include the results in its Subsection D 4 filing. These alternative plans would be in addition to (i) the benchmark least-cost plan directed by the Commission and (ii) an alternative plan consistent with the development targets set forth in Va. Code § 56-585.5 D and E, as well as Va. Code § 56-585.1:11.

- a. Optimizes new RPS-eligible resources to meet the Company's need for capacity, energy, and renewable energy certificates ("RECs") for RPS Program compliance based on the load forecasts produced by PJM and adjusted consistent with the methodology agreed upon by the Company and Commission Staff in prior integrated resource plan proceedings, without regard for the development targets set forth in Va. Code § 56-585.5 D and E, as well as Va. Code § 56-585.1:11. However, resources currently pending before the Commission will be included in this model run consisting of the first tranche of offshore wind and the nuclear license extensions. All remaining renewable and storage resources will be selected by the model on a least-cost optimization basis. For solar resources, the Company will use the three-year historical average capacity factors. For RECs, the Company will assume that (a) 100% of RECs for RPS Program compliance may be purchased from the PJM market prior to 2025 and (b) that 25% of RECs for RPS Program compliance may be purchased from the PJM market beginning in 2025 and thereafter at the Tier I REC price forecast. For retirements, the Company will model the same retirement dates for existing units as shown in the Company's preferred plan.
- b. Optimizes new RPS-eligible resources to meet the Company's need for capacity, energy, and RECs for RPS Program compliance based on the load forecasts produced by PJM and adjusted consistent with the methodology agreed upon by the Company and Commission Staff in prior integrated resource plan proceedings, without regard for the development targets set forth in Va. Code § 56-585.5 D and E, as well as Va. Code § 56-585.1:11. For solar resources, the Company will use the three-year historical average capacity factors. For RECs, the Company will assume that (a)

100% of RECs for RPS Program compliance may be purchased from the PJM market prior to 2025 and (b) 25% of RECs for RPS Program compliance may be purchased from the PJM market beginning in 2025 and thereafter at the Tier I REC price forecast. For retirements, both (i) economically retires existing units as appropriate and (ii) retires all carbon-emitting units consistent with the dates set forth in Va. Code § 56-585.5 B, incorporating a reasonable glide path to 2045. For energy efficiency, meets the energy efficiency savings targets set forth in the VCEA, including a reasonable target after 2025 equal to or higher than the 2025 target. Incorporates the social cost of carbon as a dispatch adder consistent with the methodology used for Alternative Plan B incorporated into the 2021 RPS Development Plan.

- c. The Company will convene a meeting with the Stipulating Participants prior to conducting the modeling for the 2022 RPS Development Plan to present and receive any feedback concerning the inputs, assumptions, constraints and processes to be used for all four modeling scenarios.

2. For purpose of modeling inputs, the Stipulating Participants do not have consensus on the legal issue, which has been addressed in this proceeding, concerning the percentage of resources that should be utility-owned versus obtained through power purchase agreements. The Stipulating Participants acknowledge that the Company intends to continue to assume a requirement of 65% utility owned and 35% third party resources absent any Commission direction to the contrary.

3. The Stipulating Participants agree that this Partial Stipulation represents a compromise for purposes of settlement of these issues, and none of the signatories to this Partial Stipulation necessarily agree with the treatment of any particular item, any procedure followed,

or the resolution of any particular issue in agreeing to this Partial Stipulation other than as specified herein, except that the Stipulating Participants agree that the resolution of the issues herein, taken as a whole, and the disposition of all other matters set forth in this Partial Stipulation, are in the public interest and request that the Commission so find.

4. This Partial Stipulation is conditioned upon and subject to acceptance by the Commission and is non-severable and of no force or effect and may not be used for any other purpose unless accepted in its entirety by the Commission. In the event that the Commission does not accept the Partial Stipulation in its entirety, including the issuance of a recommendation to approve the Partial Stipulation, each of the signatories herein retain the right to withdraw support for the Partial Stipulation. In the event of such action by the Commission, any of the signatories to the Partial Stipulation will be entitled to give notice exercising its right to withdraw support for the Partial Stipulation; provided, however, that the signatories to the Partial Stipulation may, by unanimous consent, elect to modify the Partial Stipulation to address any modifications required, or issues raised, by the Commission. Should the Partial Stipulation not be approved, it will be considered void and have no precedential effect, and the signatories to the Partial Stipulation reserve their rights to participate in all relevant proceedings in the captioned case notwithstanding their agreement to the terms of the Partial Stipulation. If the Commission chooses to reject the Partial Stipulation, the Stipulating Participants may request that an *ore tenus* hearing be convened at which time testimony and evidence may be presented by the case participants and cross-examination may occur on any issues arising in this proceeding.

The following parties join the Partial Stipulation as accepted and agreed to this 19th day of January 2022:

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CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of January 2022, a true and accurate copy of the foregoing filed in Case No. PUR-2021-00146 was hand delivered, electronically mailed, and/or mailed first class postage pre-paid to the following:

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