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RENEWABLE ENERGY & ENERGY EFFICIENCY

COMMONWEALTH OF VIRGINIA

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Mr. Joel H. Peck, Clerk c/o Document Control Center State Corporation Commission Tyler Building - First Floor 1300 East Main Street Richmond, Virginia 23219

December 13, 2021

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RE: Virginia Department of Energy Comments on Dominion Energy's Proposed RPS Development Plan in Case PUR-2021-00146 (Virginia Electric and Power Company - For approval of RPS Development Plan, approval & certification of proposed CE-2 Solar Projects, revision of rate adjustment clause, designated Rider CE & a prudence determination to enter into power purchase agreement)

Dear Mr. Peck,

On September 15, 2021, the Virginia Electric and Power Company ("Dominion" or "Company") filed an application for approval of its 2021 RPS Development Plan, pursuant to § 56-585.5 D 4 of the Code of Virginia. Virginia Energy supports approval of these projects as they will support the attainment of the renewable energy and storage goals of the Virginia Clean Economy Act (VCEA). However, the agency has concerns regarding the efficiency of planning and procurement for RPS compliant generation and supports many of the Commission Staff's recommendations on how to improve these processes.

Virginia Energy supports approval of the proposed projects as they will support the attainment of the renewable portfolio standard (RPS) requirements and energy storage development targets contained in the VCEA. These ambitious targets require large-scale investments to occur within a near timeframe and the company's proposal presents an excellent opportunity to advance towards these goals.

While the company's current proposal represents an important step towards RPS and storage goals, there is a much greater volume of generation due to be proposed and built in the coming years and it is essential that the company is operating a fair, transparent and efficient process for planning and procuring future projects. Virginia Energy supports the Commission Staff's proposal to form a stakeholder group(s) that collaborates with the company to develop RFP procedures and considers the application of the social cost of carbon. Virginia Energy recommends that a stakeholder group should, at a minimum, review general RFP development, including process transparency, scoring criteria and the value of employing an independent evaluator, renewable energy certificate (REC) reporting and management, as well as any other issue the Commission may identify as an area of concern. For example, Staff has identified prioritization of previously developed sites as a possibly beneficial measure in future solicitations and the company would likely benefit from conversations with stakeholders who are active in the reclamation and repurposing of brownfield sites. Virginia Energy has staff dedicated to the development of renewable energy on previously mined land and could provide valuable expertise on identifying and evaluating sites if given the opportunity through a stakeholder process.

Sincerely,

John Warren Director, Virginia Energy

¹ Staff Testimony (Kuleshova, Part I), 46-47 & 76