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**COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION**

STAFF REPORT

**EX PARTE: IN THE MATTER OF ESTABLISHING REGULATIONS
FOR A MULTI-FAMILY SHARED SOLAR PROGRAM
PURSUANT TO § 56-585.1:12 OF THE CODE OF VIRGINIA**

CASE NO. PUR-2020-00124

DECEMBER 15, 2021

INTRODUCTION

During the 2020 Regular Session, the General Assembly enacted Chapters 1188,¹ 1189,² 1239,³ and, 1187⁴ of the 2020 Virginia Acts of Assembly, which amend the Code of Virginia ("Code") by adding Code § 56-585.1:12. Code § 56-585.1:12 requires the Commission to establish, by regulation, a program affording the Company's eligible multi-family customers the opportunity to participate in shared solar projects ("Multi-Family Shared Solar Program").⁵ The Code also contains guidance on the calculation of the bill credit rate applicable to customer bills, stating, in part, "The Commission shall annually calculate the applicable bill credit rate as the effective retail rate of the customer's rate class, which shall be inclusive of all supply charges, delivery charges, demand charges, fixed charges, and any applicable riders or other charges to the customer. This rate shall be expressed in dollars or cents per kilowatt-hour."⁶

The Commission subsequently docketed the instant case to receive comments from Dominion and other interested parties concerning the Multi-Family Shared Solar Program and the regulations necessary to establish it.⁷

Following the receipt of comments from interested parties and completion of a stakeholder process, conducted in November of 2020, the Commission adopted the Rules Governing Multi-Family Shared Solar Program, 20 VAC 5-342-10 *et seq.*⁸ Additionally, the Order Adopting Rules required the Company to file "any remaining tariffs, agreements,

¹ HB 572.

² HB 1184.

³ HB 1647.

⁴ SB 710.

⁵ Code § 56-585.1:12.

⁶ Code § 56-585.1:12 D.

⁷ Case No. PUR-2020-00124, Order Directing Comment, Doc. Con. Cen. No. 200710010 (Jul. 1, 2020), at 2-4.

⁸ Case No. PUR-2020-00124, Order Adopting Rules, 2020 S.C.C. Ann. Rept. 571 (Dec. 23, 2020).

or forms necessary for the program with the Clerk of the Commission," and "submit the same to the Commission's Division of Public Utility Regulation."⁹ Following receipt of the Company's tariff filing,¹⁰ the Staff of the Commission ("Staff") filed a letter rejecting the tariff sheets as improper for including administrative charges without prior petition for Commission acceptance and approval.¹¹ In response, the Company filed the instant petition on September 1, 2021. The Commission issued an Order for Notice and Comment for interested parties to provide comments or request a hearing on the Company's proposal.¹²

On December 1, 2021, several parties filed notices of participation, comments, and requests for hearing. The Coalition for Community Solar Access & Chesapeake Solar & Storage Association ("CCSA-CHESSA") filed comments indicating "the proposed administrative charges can and should be rejected without the need for a hearing."¹³ Appalachian Voices ("Environmental Respondent") filed comments requesting that "the Commission reject Dominion's proposed administrative charge for the multifamily shared solar program . . . [and i]f the Commission does not reject Dominion's proposal on its face, Environmental Respondent has also filed a request for hearing to establish a more appropriate administrative charge for the multifamily shared solar program."¹⁴ Direct Energy Business, LLC and Direct Energy Services, LLC (collectively, "Direct Energy"),

⁹ Case No. PUR-2020-00124, Order Adopting Rules at 10.

¹⁰ Case No. PUR-2020-00124, Multi-Family Shared Solar Tariffs and Schedules, Doc. Con. Cen. No. 210650121 (Jun. 30, 2021). This tariff filing included the Multi-Family Shared Solar Program Subscriber Organization Coordination Tariff and Agreement, Schedule Multi-Family Shared Solar ("Schedule MFSS"), and Schedule Subscriber Organization – Multi-Family Shared Solar ("Schedule SO-MSS").

¹¹ Case No. PUR-2020-00124, Commission Staff Letter Rejecting Tariff Sheets, Doc. Con. Cen. No. 210720087 (Jul. 15, 2021).

¹² Case No. PUR-2020-00124, Order for Notice and Comment, Doc. Con. Cen. No. 210950018 (Sep. 29, 2021).

¹³ CCSA-CHESSA December 1, 2021 Comments at 7.

¹⁴ Environmental Respondent December 1, 2021 Comments at 1.

filed comments stating that it "urges the Commission to reject such charges as not being reasonable . . . [and i]f Commission determines that it will not outright reject the proposed administrative charge for Schedule MFSS, then Direct Energy seeks an evidentiary hearing as set forth in its separately filed Request for Hearing."¹⁵

STATUTORY GUIDANCE

Code § 56-585.1:12 E 7 states:

The Commission shall establish by regulation a multi-family shared solar program by January 1, 2021, and shall require each investor-owned utility to file any tariffs, agreements, or forms necessary for implementation of the program. Any rule or utility implementation filings approved by the Commission shall:

...

7. Allow the investor-owned utilities to recover reasonable costs of administering the program;

20 VAC 5-342-20 defines "Administrative charge" as "the reasonable incremental cost to the investor-owned utility to administer the program as determined by the commission." Additionally, 20 VAC 5-342-80 A 1 states:

Any administrative charge deemed necessary by the commission may include items such as the following general categories of costs, to be demonstrated by the utility:

- a. Transmission and distribution costs;
- b. Standby generation and balancing costs;
- c. Non-bypassable charges established by the commission or otherwise by law; and
- d. Other administrative costs, including such as any banking, balancing, and storing fees related to the utility's processing and handling of the excess bill credits.

¹⁵ Direct Energy December 2, 2021 Comments at 3-4.

Generally, in Staff's view, there may be five broad categories of charges that could be included in the Administrative Charge for Multi-Family Shared Solar Program subscribers:

1. Administrative charges ("Administrative Charges");
2. Distribution charges ("Distribution Charges");
3. Transmission charges ("Transmission Charges");
4. Generation charges ("Generation Balancing Services Charges"); and,
5. Non-bypassable charges ("Non-Bypassable Charges") as required for compliance with various sections of the Virginia Clean Economy Act ("VCEA"),¹⁶ Code § 56-585.6 ("Rider PIPP"),¹⁷ Code § 10.1-1402.03 ("Rider CCR"),¹⁸ and Code § 56-585.1:9 ("Rider RBB").¹⁹

Staff believes that the appropriateness of including any specific categories of costs in the Administrative Charge is, ultimately, a policy question before the Commission. As such, the discussion below is intended to fully develop the record in this case and provide options to the Commission for its consideration.

DOMINION'S PROPOSED ADMINISTRATIVE CHARGE

The Company's Administrative Charge proposal explicitly quantifies the five broad categories discussed above; specifically:

1. Distribution Charges, to be recovered as part of the Company's proposed Distribution Service Charge;²⁰

¹⁶ Chapter 1193 of the 2020 Acts of Assembly.

¹⁷ Chapter 1193 of the 2020 Acts of Assembly. Staff notes that Code § 56-585.6 A states that the Percentage of Income Payment Program shall be a "non-bypassable universal service fee."

¹⁸ Chapter 1193 of the 2020 Acts of Assembly. Staff notes that Code § 10.1-1402.03 H states that costs associated with the handling of coal combustion residuals shall be allocated to all customers of a utility as a "non-bypassable charge."

¹⁹ Chapter 1193 of the 2020 Acts of Assembly. Staff notes that Code § 56-585.1:9 states that costs associated with expansion of broadband service shall be eligible for recovery as a "non-bypassable charge."

²⁰ Petition, Schedule Multi-Family Shared Solar at Section III. A. 1.

2. Transmission Charges, to be recovered as part of the Company's proposed Transmission Service Charge,²¹
3. Generation Balancing Services Charges to be recovered through the Company's proposed Generation Balancing Services Charges,²²
4. Non-Bypassable Charges, to be collected as part of the Company's proposed Generation Balancing Services Charge,²³ and,
5. Administrative charges to be collected as part of the Program Billing Charge.²⁴

The Company's Administrative Charge proposal, which includes the charge categories identified above, totals \$87.68.²⁵

According to the Company's response to a Staff interrogatory, the Company's proposed Program Billing Charge is "the estimated cost to manage the Multi-Family Shared Solar Program."²⁶ Additionally, the Company's proposed Schedule SO-MSS also includes the costs to manage the Multi-Family Shared Solar Program in the One-time Set-up Charge and the Monthly SO-MSS Program Administrative Charge.²⁷

²¹ Petition, Schedule Multi-Family Shared Solar at Section III. A. 2.

²² Petition, Schedule Multi-Family Shared Solar at Section III. A. 3.

²³ *Id.*

²⁴ Petition, Schedule Multi-Family Shared Solar at Section III. A. 4.

²⁵ Company's Response to Staff Interrogatory No. 3-10, Supplemental Attachment Staff Set 3-10 (MG). See Attachment AFS-1. The \$87.68 Administrative Charge is based on a monthly usage of 1,000 kilowatt-hour ("kWh") and a subscription of level of 1,000 kWh.

²⁶ Company's Response to Staff Interrogatory No. 2-9. See Attachment AFS-1. See also, Case No. PUR-2020-00124, Multi-Family Shared Solar Tariffs and Schedules, Doc. Con. Cen. No. 210650121 (Jun. 30, 2021), Schedule Multi-Family Shared Solar Workpapers.

²⁷ *Id.* See also, Case No. PUR-2020-00124, Multi-Family Shared Solar Tariffs and Schedules, Doc. Con. Cen. No. 210650121 (Jun. 30, 2021), Schedule SO-MSS Administrative Charges Workpapers.

Should the Commission determine that the inclusion of the recovery of such costs through the Administrative Charge is appropriate, Staff is unopposed to the Company's Administrative Charge proposal.

ALTERNATIVE ADMINSTRATIVE CHARGE OPTIONS

Table 1 below provides a list of the Administrative Charge options currently before the Commission in this proceeding. This table includes two Staff options ("Staff Alternate Options") for the Commission's consideration. The Staff Alternative Options will be discussed in more detail below.

Table 1: Administrative Charge Options, Residential Customers		
Administrative Charge Options	\$/Month	Calculation
Company Proposal	\$ 87.68	Contains a volumetric calculation for a typical residential customer utilizing 1,000 kWh/month
Staff Alternative Option A	\$ 16.78	Contains a volumetric calculation for a typical residential customer utilizing 1,000 kWh/month
Staff Alternative Option B	\$ 57.26	Contains a volumetric calculation for a typical residential customer utilizing 1,000 kWh/month

Staff Alternative Option A includes the Program Billing Charge and the Non-Bypassable Charges. Staff Alternative Option A calculates the Non-Bypassable Charges by multiplying a customer's monthly usage by the appropriate Non-Bypassable Charges²⁸ rates. Table 2, below, is an illustrative example of this methodology for a typical residential customer, utilizing 1,000 kWh per month and subscribed to the Multi-Family Shared Solar Program for 1,000 kWh per month:

²⁸ Staff notes that the number and cost of the Non-Bypassable Charges is likely to increase over time as the Company continues to incur costs for compliance with various portions of the VCEA and for Riders PIPP, CCR, and RBB.

Table 2: Staff Alternative Option A		
Charge Type	Charge Amount	\$/1,000 kWh
PROGRAM BILLING CHARGE	\$ 13.40	\$ 13.40
Rider CE - Non-bypassable	\$ 0.000190	\$ 0.19
Rider PIPP - Universal Service Fee	\$ 0.000027	\$ 0.03
Rider RBB - Rural Broadband Pilot Programs	\$ 0.000027	\$ 0.03
Rider RPS – Non-bypassable	\$ 0.000182	\$ 0.18
Rider CCR – Non-bypassable	\$ 0.002945	\$ 2.95
Total:		\$ 16.78

Staff Alternative Option B was developed in response to the Company's position that Multi-Family Shared Solar Program subscribers will continue using the utility's transmission and distribution infrastructure in the delivery of the subscriber's received electricity.²⁹ Specifically, Staff Alternative Option B includes the Program Billing Charge and Non-Bypassable Charges, as found in Staff Alternative Option A above, but additionally includes Transmission and Distribution Charges. The Transmission and Distribution Charges are calculated by multiplying a customer's usage by the applicable Base and Rate Adjustment Clause ("RAC") rates, as approved in the Company's existing tariff. Table 3, below, is an illustrative calculation of the Administrative Charge for a typical residential customer utilizing 1,000 kWh per month and subscribed to 1,000 kWh of solar generation per month through the Multi-Family Shared Solar Program:

²⁹ Company's Response to Staff Interrogatory No. 1-4. See Attachment AFS-1.

Table 3: Staff Alternative Option B			
Charge Type	Charge Type	Charge Amount	\$/1,000 kWh
Administrative Charge:	PROGRAM BILLING CHARGE	13.40	13.40
Non-Bypassable Charges:	Rider CE - Nonbypassable	0.00019	0.19
	Rider PIPP - Universal Service Fee	0.000027	0.03
	Rider RBB - Rural Broadband Pilot Programs	0.000027	0.03
	Rider RPS - Nonbypassable	0.000182	0.18
	Rider CCR - Nonbypassable	0.002945	2.95
Base Distribution Charges:	Distribution 800 kWh	\$ 0.021086	\$ 16.87
	Distribution Over 800 kWh	\$ 0.011943	\$ 2.39
Distribution RAC Charges:	Rider C1A - Peak Shaving Increment Rider	\$ 0.000025	\$ 0.03
	Rider C2A - Energy Efficiency Increment Rider	\$ 0.000036	\$ 0.04
	Rider C3A - Energy Efficiency Increment Rider	\$ (0.000184)	\$ (0.18)
	Rider C4A - Energy Efficiency Increment Rider	\$ 0.001417	\$ 1.42
	Rider GT - Grid Transformation Rider	\$ 0.001169	\$ 1.17
	Rider U - Strategic Underground Program	\$ 0.002136	\$ 2.14
Base Trans. Charge:	Base Transmission	\$ 0.009700	\$ 9.70
Trans. RAC Charge:	Rider T1 - Transmission	\$ 0.006898	\$ 6.90
	Total:		\$ 57.26

Further, Staff notes that Code § 56-585.1:12 D requires that the Commission calculate the bill credit rate annually. As such, the Commission may find it appropriate to update the Administrative Charge on an annual basis also, particularly if the Company's Administrative Charge proposal, Staff Alternative Option A, or Staff Alternative Option B are found to be the appropriate Administrative Charge calculation methodology.

In the case of Staff Alternative Options A and B, as previously noted, it is likely that the number of, and rates for, existing Non-Bypassable Charges will increase annually.

As such, the Commission may find it appropriate to update the Administrative Charge calculation to reflect new Non-Bypassable Charges or adjust the rates for existing Non-Bypassable Charges.

In the case of the Company's Administrative Charge proposal, there are several values³⁰ used in the calculation of the Company's Administrative Charge which will change on an annual basis. As such, the Commission may find it appropriate to update these values in the calculation of the Administrative Charge to be charged to Multi-Family Shared Solar Program subscribers.

CONCLUSIONS

Regarding the Administrative Charge proposals presented herein, Staff believes that, ultimately, the determination of the appropriate Administrative Charge calculation is a policy question for the Commission's determination. Staff has endeavored to fully develop the record on the matter and present the Commission with a variety of options.

Regarding the appropriateness of updating the Administrative Charge calculation on an annual basis, Staff believes that, if the Commission determines the Company's Administrative Charge proposal, Staff Alternative Option A, or Staff Alternative Option B is the appropriate methodology for calculating the Administrative Charge in the instant case, it may be appropriate to update the Administrative Charge calculation annually. This annual update, should the Commission determine it to be appropriate, would address the annual changes in several variables used in these Administrative Charge calculations.

³⁰ For example, Staff notes that the Generation Balancing Services Charges proposed by the Company uses actual PJM Interconnection L.L.C. Base Residual Auction results and a forecast of the On-Peak DOM Zone energy price, both of which will change annually. See Petition, Multi-Family Shared Solar Workpapers, Schedule Multi-Family Shared Solar – Rate Design for Avoided Cost Credit.

ATTACHMENT AFS-1

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Virginia Electric and Power Company
Case No. PUR-2021-00124
Virginia State Corporation Commission Staff
Staff Third Set

The following response to Question No. 10 of the Third Set of Interrogatories and Requests for Production of Documents by the Staff of the State Corporation Commission received on October 14, 2021 has been prepared under my supervision.

Michele Grant
Regulatory Specialist
Virginia Electric and Power Company

Question No. 10:

Please refer to Table 3 on page 21 of Company witness Trexler's Direct Testimony in PUR-2020-00125, filed on September 21, 2021. Please provide a similar breakdown of the calculation of the administrative charge for this proceeding at different usage and subscription levels. Please include all the same columns and rows, but please replace the "Minimum Bill" column with multiple columns showing the individual components of the administrative charge and the total administrative charge. Please also add rows to show the "DEV Bill Amount" at usage levels of 1000, 900, 800, 700, 600, 500, 400, 300, 200, and 100 kilowatt-hours.

Response:

See Attachment Staff Set 3-10 (MG).

Supplemental Response (11/22/21):

See Supplemental Attachment Staff Set 3-10 (MG). Supplemental Attachment Staff Set 3-10 (MG) updates Attachment Staff Set 3-10 (MG) to provide greater clarity in the labeling of Columns A and C. Columns M and N were also revised to provide clarity in their respective column references.

MULTI-FAMILY SHARED SOLAR PROGRAM

Monthly Metered Usage (kWh)	DEV Monthly Bill Amount	kWh of Generation for Sample Month Attributable to Subscription	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I (Sum of Cols. G+H)	Col. J Non-bypassable Charges	Col. K (Greater of Col. J or L)	Col. L Program Billing Charge	Col. M (Cols. E+I+G+K+L)	Col. N (Cols. B+D+M)
			Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I (Sum of Cols. G+H)	Col. J Non-bypassable Charges	Col. K (Greater of Col. J or L)	Col. L Program Billing Charge	Col. M (Cols. E+I+G+K+L)	Col. N (Cols. B+D+M)
1,000	\$117.80	1,000	(\$117.65)	\$27.32	\$19.93	\$70.50	(\$43.37)	\$27.13	\$0.40	\$27.13	\$13.40	\$0.40	\$27.13	\$13.40	\$87.83	\$87.83
		700	(\$82.36)	\$19.05	\$13.95	\$49.35	(\$30.36)	\$18.99	\$0.28	\$18.99	\$13.40	\$0.28	\$18.99	\$13.40	\$65.39	\$100.83
		500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$109.51
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$118.19
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$126.85
900	\$107.27	900	(\$105.89)	\$24.50	\$17.94	\$63.45	(\$39.03)	\$24.42	\$0.35	\$24.42	\$13.40	\$0.35	\$24.42	\$13.40	\$80.26	\$81.64
		700	(\$82.36)	\$19.05	\$13.95	\$49.35	(\$30.36)	\$18.99	\$0.28	\$18.99	\$13.40	\$0.28	\$18.99	\$13.40	\$65.39	\$90.30
		500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$98.98
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$107.66
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$116.32
800	\$96.86	800	(\$94.12)	\$21.78	\$15.94	\$56.40	(\$34.70)	\$21.70	\$0.32	\$21.70	\$13.40	\$0.32	\$21.70	\$13.40	\$72.82	\$75.56
		700	(\$82.36)	\$19.05	\$13.95	\$49.35	(\$30.36)	\$18.99	\$0.28	\$18.99	\$13.40	\$0.28	\$18.99	\$13.40	\$65.39	\$79.89
		500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$88.57
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$97.25
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$105.91
700	\$85.59	700	(\$82.36)	\$19.05	\$13.95	\$49.35	(\$30.36)	\$18.99	\$0.28	\$18.99	\$13.40	\$0.28	\$18.99	\$13.40	\$65.39	\$68.62
		500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$77.30
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$85.98
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$94.64
600	\$74.32	600	(\$70.59)	\$16.33	\$11.96	\$42.30	(\$26.02)	\$16.28	\$0.24	\$16.28	\$13.40	\$0.24	\$16.28	\$13.40	\$57.97	\$61.70
		500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$66.03
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$74.71
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$83.37
500	\$63.00	500	(\$58.83)	\$13.61	\$9.97	\$35.25	(\$21.69)	\$13.56	\$0.20	\$13.56	\$13.40	\$0.20	\$13.56	\$13.40	\$50.54	\$54.71
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$63.39
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$72.05
400	\$51.73	400	(\$47.06)	\$10.89	\$7.97	\$28.20	(\$17.35)	\$10.85	\$0.16	\$10.85	\$13.40	\$0.16	\$10.85	\$13.40	\$43.11	\$47.78
		300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$52.12
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$60.78
300	\$40.43	300	(\$35.30)	\$8.17	\$5.98	\$21.15	(\$13.01)	\$8.14	\$0.12	\$8.14	\$13.40	\$0.12	\$8.14	\$13.40	\$35.69	\$40.82
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$49.48
200	\$29.17	200	(\$23.53)	\$5.44	\$3.99	\$14.10	(\$8.67)	\$5.43	\$0.09	\$5.43	\$13.40	\$0.09	\$5.43	\$13.40	\$28.26	\$33.90
		100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$38.22
100	\$17.84	100	(\$11.77)	\$2.72	\$1.99	\$7.05	(\$4.34)	\$2.71	\$0.04	\$2.71	\$13.40	\$0.04	\$2.71	\$13.40	\$20.82	\$26.89

Notes:
 1) DEV Monthly Bill Amount reflect rates in effect 10-01-21 and excludes Consumption Tax, Local Utility Tax and Sales and Use Tax.
 2) Non-bypassable charges in Column J include Riders CE, PIPP and RPS.
 3) Excludes net crediting fee for consolidated billing and subscription fee.

Virginia Electric and Power Company
Case No. PUR-2021-00124
Virginia State Corporation Commission Staff
Staff Second Set

The following response to Question No. 9 of the Second Set of Interrogatories and Requests for Production of Documents propounded by the Staff of the State Corporation Commission received on October 14, 2021 has been prepared under my supervision.

Robert J. Trexler
Director - Regulation
Virginia Electric and Power Company

Question No. 9

Has the Company calculated the cost to manage the Multi-Family Shared Solar Program? If so, please provide a breakdown of these costs.

Response:

The Company has estimated the cost to manage the Multi-Family Shared Solar Program based on labor and time. The breakdown of costs for the following charges is located in the e-room as part of the Company's workpapers:

- Schedule Multi-Family Shared Solar - Program Billing Charge
- Schedule SO-MSS - One-time Set-up Charge
- Schedule SO-MSS - Monthly SO – MSS Program Administrative Charge

Virginia Electric and Power Company
Case No. PUR-2020-00124
Virginia State Corporation Commission Staff
Staff First Set

The following response to Question No. 4 of the First Set of Interrogatories and Requests for Production of Documents by the Staff of the State Corporation Commission received on October 5, 2021 has been prepared under my supervision.

Robert J. Trexler
Director - Regulation
Virginia Electric and Power Company

Question No. 4

Please describe how the Distribution Service Charge recovers a "reasonable incremental cost to the investor-owned utility to administer the program."

Response:

20 VAC 5-342-80(1) states:

Any administrative charge deemed necessary by the Commission may include . . .
(a) transmission and distribution costs; (b) standby generation and balancing costs;
(c) non-bypassable charges established by the Commission or otherwise by law;
and (d) other administrative costs, including such as any banking, balancing, and
storing fees related to the utility's processing and handling of the excess bill credits.

The Company proposes an administrative charge that encompasses exactly these costs. As set forth in the Company's Petition to Accept and Approve Tariff Sheets for Multi-Family Shared Solar Program filed on September 1, 2024, the Program does not have its own delivery component. Subscribing customers rely on the utility's transmission and distribution infrastructure for their electricity usage associated with its Program subscription.

The Distribution and Transmission Service Charges are designed to recover the distribution and transmission-related costs associated with a customer's subscribed usage. Absent the Distribution and Transmission Service Charges, participating customers would pay \$0 for transmission and distribution-related costs for their electricity usage associated with their subscription, thereby resulting in incremental costs borne by the Company, and ultimately non-participating customers. In other words, the Distribution and Transmission Services Charges encompass the stranded power delivery costs associated with customers' program subscriptions. These costs are reasonable because they are intended to cover service necessary for the provision of electricity to participating customers. These are the same utility services the participants

relied on before they subscribed and will rely on as a program participant. Moreover, it would be unreasonable for non-participating customers to pay for any distribution and transmission-related costs related to a participating customer's subscription.