

**Virginia State Corporation Commission
eFiling CASE Document Cover Sheet**

229730168

Case Number (if already assigned) PUR-2022-00064

Case Name (if known)

Document Type STIP

Document Description Summary Proposed Stipulation and Recommendation of the Company, Commission Staff, and the Virginia Committee for Fair Utility Rates.

Total Number of Pages 8

Submission ID 25329

eFiling Date Stamp 7/26/2022 12:11:38PM

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, VA 23219-3916
Phone: 804.775.1000
Fax: 804.775.1061
www.mcguirewoods.com

Joseph K. Reid, III
Direct: 804.775.1198

McGUIREWOODS

jreid@mcguirewoods.com

220730168

July 26, 2022

BY ELECTRONIC DELIVERY

Mr. Bernard Logan, Clerk
State Corporation Commission
c/o Document Control Center
Tyler Building – First Floor
1300 East Main Street
Richmond, Virginia 23219

*Application of Virginia Electric and Power Company to revise its fuel factor pursuant to Va.
Code § 56-249.6
Case No. PUR-2022-00064*

Dear Mr. Logan:

Please find enclosed for electronic filing in the above-captioned proceeding the *Proposed Stipulation and Recommendation* of the Company, Commission Staff, and the Virginia Committee for Fair Utility Rates.

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

Highest regards,

/s/ Joseph K. Reid, III

Joseph K. Reid, III

Enclosures

cc: Honorable Alexander F. Skirpan, Chief Hearing Examiner
Paul E. Pfeffer, Esq.
Lisa R. Crabtree, Esq.
Elaine S. Ryan, Esq.
Jontille D. Ray, Esq.
Nicole M. Allaband, Esq.
Service List

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
VIRGINIA ELECTRIC AND POWER COMPANY)
) Case No. PUR-2022-00064
To revise its fuel factor pursuant to Va. Code)
§ 56-249.6)

PROPOSED STIPULATION AND RECOMMENDATION

This Proposed Stipulation and Recommendation (“Stipulation”) represents the agreement among Virginia Electric and Power Company (“Dominion Energy Virginia” or the “Company”), the Staff of the State Corporation Commission, and the Virginia Committee for Fair Utility Rates (collectively, the “Stipulating Participants”) resolving all issues raised by the Stipulating Participants relating to the application, direct testimony, exhibits and schedules filed by Dominion Energy Virginia on May 5, 2022, and as updated on May 23, 2022, (collectively, the “Application”) to revise its fuel factor effective July 1, 2022.

The Stipulating Participants, by their undersigned counsel, stipulate, agree and recommend that this Stipulation be adopted and that the Application be approved as modified below:

1. Fuel Charge Rider A: The Interim Fuel Charge Rider A implemented on July 1, 2022, of 3.5379 cents per kilowatt hour (“¢/kWh”), consisting of a current period factor of 3.0784 ¢/kWh and a prior period factor of 0.4595 ¢/kWh, is approved for use for the July 1, 2022 through June 30, 2023 fuel year.
2. Mitigation: The Company’s Three Year Mitigation proposal is reasonable and is approved.
3. Financing Costs: The Company voluntarily agrees to waive recovery of one-half (1/2) of the reasonable and prudent incremental financing costs arising out of the Three Year

Mitigation proposal, as incurred, over the mitigation period July 1, 2022 - June 30, 2025. Estimated financing costs are shown in Exhibit A to the Stipulation. Review of the actual financing costs incurred will occur in the review of the Company's rates for generation and distribution services conducted in the Company's triennial review proceedings pursuant to § 56-585.1 A 3 of the Code of Virginia, in which remaining financing costs are eligible for recovery.

4. Market-Based Rates Accounting Change: The Company's proposed accounting change for customers taking service under market-based rate ("MBR") schedules, Rate Schedule MBR, Rate Schedule MBR-GS-3, Rate Schedule MBR-GS-4, and the SCR Rate Schedule, is reasonable and is approved.

5. Dispatch Records: Consistent with the Company's agreement in Case No. PUR-2021-00114 concerning the maintenance of dispatch records for the Company's Virginia City Hybrid Energy Center, the Company acknowledges that it will maintain records created in the normal course of business regarding the dispatch decisions of its other coal units (Chesterfield Units 5 and 6, Clover Units 1 and 2, and Mt. Storm Units 1, 2, and 3) and will disclose such documentation through discovery, if requested, in future fuel factor and other relevant proceedings pursuant to the Commission's Rules of Practice and Procedure.

6. Fuel Procurement Strategy Report: Consistent with the Commission's directive in its Order Establishing 2015-2016 Fuel Factor in Case No. PUE-2015-00022, the Company agrees to submit an annual Fuel Procurement Strategy Report by January 31 of each year.

7. Pipeline Capacity Monetization: Consistent with Commission directives in prior fuel factor proceedings, the Company agrees to continue to demonstrate in its next fuel factor proceeding how it monetizes the unused portion of its natural gas pipeline capacity portfolio

on days when the system is not constrained. The Company will include details of any monetization transactions in its annual Fuel Procurement Strategy Report.

8. No Precedential Effect: The Stipulating Participants agree that this Stipulation represents a compromise for purposes of settlement of this case and for resolution of issues raised in this proceeding and shall have no precedential effect. None of the signatories to this Stipulation necessarily agree with the treatment of any particular item, any procedure followed, or the resolution of any particular issue in agreeing to this 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 Stipulation are in the public interest.

9. This 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 Stipulation in its entirety, including the issuance of a recommendation to approve the Stipulation, each of the signatories herein retain the right to withdraw support for the Stipulation. In the event of such action by the Commission, any of the signatories to the Stipulation will be entitled to give notice exercising its right to withdraw support for the Stipulation; provided, however, that the signatories to the Stipulation may, by unanimous consent, elect to modify the Stipulation to address any modifications required, or issues raised, by the Commission. Should the Stipulation not be approved, it will be considered void and have no precedential effect, and the signatories to the Stipulation reserve their rights to participate in all relevant proceedings in the captioned case notwithstanding their agreement to the terms of the Stipulation.

The following parties join the Stipulation as accepted and agreed to this 26th day of July

2022:

VIRGINIA ELECTRIC AND POWER COMPANY

/s/ Joseph K. Reid, III

By: _____
Counsel

Paul E. Pfeffer
Lisa R. Crabtree
Dominion Energy Services, Inc.
120 Tredegar Street
Richmond, Virginia 23219
(804) 787-7607 (PEP)
(804) 819-2612 (LRC)
paul.e.pfeffer@dominionenergy.com
lisa.r.crabtree@dominionenergy.com

Joseph K. Reid, III
Elaine S. Ryan
Jontille D. Ray
Nicole M. Allaband
McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219-3916
(804) 775-1198 (JKR telephone)
(804) 775-1090 (ESR telephone)
(804) 775-1173 (JDR telephone)
(804) 775-4364 (NMA telephone)
(804) 775-2222 (facsimile)
jreid@mcguirewoods.com
eryan@mcguirewoods.com
jray@mcguirewoods.com
nallaband@mcguirewoods.com

Counsel for Virginia Electric and Power Company

STAFF OF THE VIRGINIA STATE
CORPORATION COMMISSION

/s/ Frederick D. Ochsenhirt

Frederick D. Ochsenhirt, Esq.
Arlen Bolstad, Esq.
Anna Dimitri, Esq.
Office of General Counsel
State Corporation Commission
1300 E. Main Street, Tyler Bldg., 10th Fl.
Richmond, VA 23219

VIRGINIA COMMITTEE FOR FAIR UTILITY
RATES

/s/ S. Perry Coburn

S. Perry Coburn, Esq.
Timothy G. McCormick, Esq.
Dannieka N. McLean, Esq.
Christian & Barton, L.L.P.
901 East Cary Street, Suite 1800
Richmond, VA 23219

Exhibit A

220730163

Carrying Costs by Fuel Year			
Fuel Year	No Mitigation	3 Yr Mitigation	Incremental
Jul 22 - Jun 23	\$ 27.50	\$ 45.84	\$ 18.34
Jul 23 - Jun 24	\$ -	\$ 25.91	\$ 25.91
Jul 24 - Jun 25	\$ -	\$ 10.76	\$ 10.76
Total	\$ 27.50	\$ 82.51	\$ 55.01

220730138

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of July 2022, a true and accurate copy of the foregoing filed in Case No. PUR-2022-00064 was hand delivered, electronically mailed, and/or mailed first class postage pre-paid to the following:

Arlen Bolstad, Esq.
Frederick D. Ochsenhirt, Esq.
Anna Dimitri, Esq.
Office of General Counsel
State Corporation Commission
1300 E. Main Street, Tyler Bldg., 10th Fl.
Richmond, VA 23219

C. Meade Browder, Jr., Esq.
C. Mitch Burton, Jr., Esq.
John E. Farmer, Jr., Esq.
Office of the Attorney General
Division of Consumer Counsel
202 N. Ninth Street
Richmond, VA 23219

Michael J. Quinan, Esq.
Cliona Mary Robb, Esq.
Rachel W. Adams, Esq.
Sean Breit-Rupe, Esq.
Thompson McMullan, P.C.
100 Shockoe Slip, 3rd Floor
Richmond, VA 23219

William Cleveland, Esq.
Gregory Buppert, Esq.
Nathaniel Benforado, Esq.
Josephus Allmond, Esq.
Southern Environmental Law Center
120 Garrett Street, Suite 400
Charlottesville, VA 22902

S. Perry Coburn, Esq.
Timothy G. McCormick, Esq.
Dannieka N. McLean, Esq.
Christian & Barton, L.L.P.
901 East Cary Street, Suite 1800
Richmond, VA 23219-4037

/s/ Joseph K. Reid, III