

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, FEBRUARY 16, 2024

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PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00013

For revision of rate adjustment clause: Rider E,  
for the recovery of costs incurred to comply with  
state and federal environmental regulations pursuant  
to § 56-585.1 A 5 e of the Code of Virginia

ORDER FOR NOTICE AND HEARING

On January 24, 2024, pursuant to § 56-585.1 A 5 e of the Code of Virginia ("Code"), the directive contained in Ordering Paragraph (7) of the Final Order issued by the State Corporation Commission ("Commission") on September 11, 2023 in Case No. PUR-2023-00005 ("2023 Rider E Final Order"),<sup>1</sup> and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Electric Utilities (the "Rate Case Rules"),<sup>2</sup> Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or the "Company") filed a petition ("Petition") with the Commission for an annual update of its rate adjustment clause, designated Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations at the Company's Bremo, Chesterfield, Clover, and Mt. Storm Power Stations.<sup>3</sup>

Dominion states that it is filing this annual update to inform the Commission of the status of the environmental projects located at the Chesterfield Power Station and the Mt. Storm Power

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<sup>1</sup> *Petition of Virginia Electric and Power Company For revision of rate adjustment clause: Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations pursuant to § 56-585.1 A 5 e of the Code of Virginia*, Case No. PUR-2023-00005, Doc. Con. Cen. No. 230910194, Final Order (Sept. 11, 2023).

<sup>2</sup> 20 VAC 5-204-5 *et seq.*

<sup>3</sup> Petition at 1.

Station, including the project approved in the 2023 Rider E Final Order at the Mt. Storm Power Station, and their projected expenditures.<sup>4</sup> Dominion also provides the proposed cost allocation, rate design, and accounting treatment for service rendered during a proposed rate year commencing November 1, 2024, and extending through October 31, 2025 ("Rate Year") as related to the proposed Rider E.<sup>5</sup>

The Company states that the three components of the revenue requirement requested in this case are the Projected Cost Recovery Factor, the Allowance for Funds Used During Construction ("AFUDC") Cost Recovery Factor, and the Actual Cost True-Up Factor.<sup>6</sup> The Company requests a Projected Cost Recovery Factor revenue requirement of \$40,219,695, an AFUDC Cost Recovery Factor of \$739,297, and an Actual Cost True-Up Factor revenue requirement of \$31,033,479.<sup>7</sup> Thus, the Company proposes a total revenue requirement of \$71,992,470 for the Rate Year beginning November 1, 2024.<sup>8</sup>

If the revised Rider E for the Rate Year is approved, the impact on customer bills would depend on the customer's rate schedule and usage. According to Dominion, implementation of its revised Rider E on November 1, 2024 would decrease the monthly bill of a residential

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<sup>4</sup> *Id.* at 4. The Company seeks recovery of three general categories of costs incurred to comply with state and federal environmental laws and regulations: (i) asset retirement obligation ("ARO") expenses associated with existing assets that must be closed; (ii) newly constructed assets and associated expenses; and (iii) ARO expenses associated with the newly constructed assets. *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* at 8. The Actual Cost True-Up Factor includes costs related to projects at the Company's Bremo, Chesterfield, Clover, and Mt. Storm Power Stations.

<sup>7</sup> *Id.* at 9.

<sup>8</sup> *Id.*

customer using 1,000 kilowatt hours per month by approximately \$0.68, compared to the current Rider E.<sup>9</sup>

Dominion also requests a waiver, in part, of Rules 20 VAC 5-204-60 ("Rule 60") and 20 VAC 5-204-90 ("Rule 90") of the Rate Case Rules with respect to Schedule 46.<sup>10</sup> Rule 60 states that an application for a rate adjustment clause filed pursuant to Chapter 23 of Title 56 of the Code shall include Schedule 46, "Rate Adjustment Clauses and Prudency Determinations Pursuant to Chapter 23 (§ 56-576 *et seq.*) of the Code of Virginia." Schedule 46 requires an applicant to provide certain information, including key documents supporting the projected and actual costs recovered through the rate adjustment clause, such as economic analyses, contracts, studies, investigations, results from requests for proposals, and cost/benefit analyses.<sup>11</sup> According to Dominion, the supporting documentation responsive to this requirement is voluminous, and therefore the Company seeks waiver of the requirement to file 12 hard copies of the information.<sup>12</sup> Instead, the Company proposes to: (i) provide the Commission with one hard copy and three electronic copies on compact discs, which were included with the filing, and (ii) provide the documentation to Commission Staff ("Staff") and any future case participants in electronic format.<sup>13</sup>

Finally, in conjunction with the filing of its Petition on January 24, 2024, the Company filed the Motion of Virginia Electric and Power Company for Entry of a Protective Order and

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<sup>9</sup> *Id.* at 10.

<sup>10</sup> *Id.* at 12.

<sup>11</sup> Rate Case Rule 90, Schedule 46 instructions, § (c) (1) (iii).

<sup>12</sup> Petition at 12.

<sup>13</sup> *Id.* at 12-13.

Additional Protective Treatment ("Motion for Protective Ruling") and a proposed protective order that establishes procedures governing the use of confidential and extraordinarily sensitive information in this proceeding.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; Dominion should provide public notice of its Petition; hearings should be scheduled for the purpose of receiving testimony from public witnesses and evidence on the Petition; interested persons should have an opportunity to file comments on the Petition and to participate as respondents in this proceeding; and Staff should be directed to investigate the Petition and file testimony and exhibits containing its findings and recommendations thereon. We also appoint a Hearing Examiner to conduct all further proceedings in this matter on behalf of the Commission, including ruling on the Company's Motion for Protective Ruling and filing a final report containing the Hearing Examiner's findings and recommendations. Further, for purposes of making the Petition complete and commencing this proceeding, we grant Dominion's request to waive in part the requirements under Rule 60 and Rule 90 of the Rate Case Rules with respect to the filing of certain Schedule 46 materials.

To promote administrative efficiency and timely service of filings upon participants, the Commission will, among other things, direct the electronic filing of testimony and pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2024-00013.
- (2) All pleadings in this matter shall be submitted electronically to the extent authorized by Rule 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and

Procedure ("Rules of Practice").<sup>14</sup> Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

(3) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and the Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and the Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

(4) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission, including ruling on the Company's Motion for Protective Ruling, and to file a final report. A copy of each filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners.<sup>15</sup>

(5) The Commission hereby schedules a telephonic hearing for the receipt of testimony from public witnesses on the Petition, as follows:

- (a) The portion of the hearing for the receipt of testimony from public witnesses on the Petition shall be convened telephonically on July 10, 2024.

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<sup>14</sup> 5 VAC 5-10-20 *et seq.*

<sup>15</sup> Such electronic copies shall be sent to: [OHEParalegals@scc.virginia.gov](mailto:OHEParalegals@scc.virginia.gov).

- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before July 3, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at [scc.virginia.gov/pages/Webcasting](http://scc.virginia.gov/pages/Webcasting); (ii) by completing and emailing the PDF version of this form to [SCCInfo@scc.virginia.gov](mailto:SCCInfo@scc.virginia.gov); or (iii) by calling (804) 371-9141.
- (d) Beginning at 10 a.m., on July 10, 2024, the Hearing Examiner appointed to this case will telephone sequentially each person who has signed up to testify as provided above.
- (e) This public witness portion of the hearing will be webcast at [scc.virginia.gov/pages/Webcasting](http://scc.virginia.gov/pages/Webcasting).

(6) The evidentiary portion of the hearing shall be convened at 10 a.m. on July 10, 2024, or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony and evidence of the Company, any respondents, and Staff on the Petition.

(7) An electronic copy of the public version of the Company's Petition may be obtained by submitting a written request to counsel for the Company: Elaine S. Ryan, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or [eryan@mcguirewoods.com](mailto:eryan@mcguirewoods.com). Interested persons also may download unofficial copies from the Commission's website: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

(8) On or before March 27, 2024, the Company shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's service territory within Virginia:

NOTICE TO THE PUBLIC OF PETITION BY  
 VIRGINIA ELECTRIC AND POWER COMPANY  
 FOR REVISION OF A RATE ADJUSTMENT CLAUSE,  
 DESIGNATED RIDER E, FOR THE RATE YEAR  
 COMMENCING NOVEMBER 1, 2024  
CASE NO. PUR-2024-00013

- Virginia Electric and Power Company ("Dominion") has filed a Petition with the State Corporation Commission ("Commission") for revision of a rate adjustment clause, designated Rider E, for recovery of costs incurred to comply with state and federal environmental regulations.
- Dominion requests approval for recovery in Rider E of a total revenue requirement of \$71,992,470. According to Dominion, this amount would decrease the bill of a typical residential customer using 1,000 kilowatt hours of electricity per month by \$0.68, compared to the current Rider E.
- A Hearing Examiner appointed by the Commission will hear the case on July 10, 2024, at 10 a.m.
- Further information about this case is available on the Commission website at: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

On January 24, 2024, pursuant to § 56-585.1 A 5 e of the Code of Virginia ("Code"), the directive contained in Ordering Paragraph (7) of the Final Order issued by the State Corporation Commission ("Commission") on September 11, 2023 in Case No. PUR-2023-00005 ("2023 Rider E Final Order"), and the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Electric Utilities (the "Rate Case Rules"), Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or the "Company") filed a petition ("Petition") with the Commission for an annual update of its rate adjustment clause, designated Rider E, for the recovery of costs incurred to comply with state and federal environmental regulations at the Company's Bremo, Chesterfield, Clover, and Mt. Storm Power Stations.

Dominion states that it is filing this annual update to inform the Commission of the status of the environmental projects located

at the Chesterfield Power Station and the Mt. Storm Power Station, including the project approved in the 2023 Rider E Final Order at the Mt. Storm Power Station, and their projected expenditures. Dominion also provides the proposed cost allocation, rate design, and accounting treatment for service rendered during a proposed rate year commencing November 1, 2024, and extending through October 31, 2025 ("Rate Year") as related to the proposed Rider E.

The Company states that the three components of the revenue requirement requested in this case are the Projected Cost Recovery Factor, the Allowance for Funds Used During Construction ("AFUDC") Cost Recovery Factor, and the Actual Cost True-Up Factor. The Company requests a Projected Cost Recovery Factor revenue requirement of \$40,219,695, an AFUDC Cost Recovery Factor of \$739,297, and an Actual Cost True Up Factor revenue requirement of \$31,033,479. Thus, the Company proposes a total revenue requirement of \$71,992,470 for the Rate Year beginning November 1, 2024.

If the revised Rider E for the Rate Year is approved, the impact on customer bills would depend on the customer's rate schedule and usage. According to Dominion, implementation of its revised Rider E on November 1, 2024 would decrease the monthly bill of a residential customer using 1,000 kilowatt hours per month by approximately \$0.68, compared to the current Rider E.

The details of these and other proposals are set forth in the Company's Petition. Interested persons are encouraged to review the Company's Petition, testimony and supporting exhibits for the details of these proposals

**TAKE NOTICE** that the Commission may adopt rates, charges and/or terms and conditions that differ from those appearing in the Company's Petition and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Petition and supporting documents.

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public hearing on Dominion's Petition. On July 10, 2024, at 10 a.m., the Hearing Examiner will hold a telephonic portion of the hearing, for the purpose of receiving the testimony of public witnesses. On or before July 3, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and



(b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at [scc.virginia.gov/pages/Webcasting](http://scc.virginia.gov/pages/Webcasting); (ii) by completing and emailing the PDF version of this form to [SCCInfo@scc.virginia.gov](mailto:SCCInfo@scc.virginia.gov); or (iii) by calling (804) 371-9141. This public witness hearing will be webcast at [scc.virginia.gov/pages/Webcasting](http://scc.virginia.gov/pages/Webcasting).

On July 10, 2024, at 10 a.m., or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Hearing Examiner will convene a hearing to receive testimony and evidence offered by the Company, respondents, and the Staff on the Petition.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of testimony and pleadings, unless they contain confidential information, and required electronic service on parties to this proceeding.

Electronic copies of the public version of the Petition may be obtained by submitting a written request to counsel for the Company: Elaine S. Ryan, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or [eryan@mcguirewoods.com](mailto:eryan@mcguirewoods.com).

On or before July 3, 2024, any interested person may submit comments on the Petition electronically by following the instructions on the Commission's website: [scc.virginia.gov/casecomments/Submit-Public-Comments](http://scc.virginia.gov/casecomments/Submit-Public-Comments). Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00013.

On or before April 24, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at: [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address

listed above. Such notice of participation shall include the email addresses of such parties or their counsel, if available. A copy of the notice of participation as a respondent also must be sent to counsel for the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2024-00013.

On or before May 22, 2024, each respondent may file electronically with the Clerk of the Commission at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling) any testimony and exhibits by which the respondent expects to establish its case, and each witness's testimony shall include a summary not to exceed one page. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. All testimony and exhibits shall be served on the Commission's Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, as modified by the Commission's Order for Notice and Hearing, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2024-00013.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order for Notice and Hearing, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice, the Commission's Order for Notice and Hearing, and the public version of the Petition and other documents filed in this case may be viewed on the Commission's website at: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

VIRGINIA ELECTRIC AND POWER COMPANY

(9) The Company shall serve each official listed in 20 VAC 5-204-10 J 1 as provided by 20 VAC 5-204-10 J 2.

(10) On or before April 10, 2024, the Company shall file proof of the notice and service required by Ordering Paragraphs (8) and (9), including the name, title, address and electronic mail address (if applicable) of each official served, with the Clerk of the State Corporation Commission by filing electronically at [sec.virginia.gov/clk/efiling](http://sec.virginia.gov/clk/efiling).

(11) On or before July 3, 2024, any interested person may submit written comments on the Petition by following the instructions found on the Commission's website: [scc.virginia.gov/casecomments/Submit-Public-Comments](http://scc.virginia.gov/casecomments/Submit-Public-Comments). Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00013.

(12) On or before April 24, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (11). Such notice of participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation or government body participating as a respondent must be

represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2024-00013.

(13) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve a copy of the public version of the Petition on the respondent, unless it has already have been provided to the respondent.

(14) On or before May 22, 2024, each respondent may file with the Clerk of the Commission, at [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling), any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address in Ordering Paragraph (11). Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Staff, the Company and all other respondents simultaneous with its filing. In all filings, the respondent shall comply with the Commission's Rules of Practice, including 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2024-00013.

(15) On or before June 5, 2024, the Staff shall investigate the Petition and file with the Clerk of the Commission its testimony and exhibits concerning the Petition, and each Staff witness's testimony shall include a summary not to exceed one page. A copy thereof shall be served on counsel to the Company and all respondents.

(16) On or before June 20, 2024, Dominion shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal witness's testimony shall include a summary not to exceed one page. The Company shall serve a copy of the rebuttal testimony and exhibits on the Staff and all respondents.

(17) Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified herein, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

(18) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within seven (7) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney if the interrogatory or request for production is directed to the Staff.<sup>16</sup> Except as modified above, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(19) Dominion's request to waive in part the requirements under Rule 60 and Rule 90 of the Rate Case Rules with respect to the filing of certain Schedule 46 materials is granted as described herein.

(20) This matter is continued.

Commissioner James C. Dimitri participated in this matter.

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<sup>16</sup> The assigned Staff attorney is identified on the Commission's website: [scc.virginia.gov/Case-Information](http://scc.virginia.gov/Case-Information), by clicking "Docket Search," and clicking "Search by Case Information," and entering the case number, PUR-2024-00013, in the appropriate box.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.