

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

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AT RICHMOND, JUNE 4, 2024

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APPLICATION OF

COLUMBIA GAS OF VIRGINIA, INC.

CASE NO. PUR-2024-00025

For authorization to amend and extend  
its conservation and ratemaking efficiency  
plan pursuant to Chapter 25 of Title 56 of the  
Code of Virginia

ORDER FOR NOTICE AND COMMENT

On May 22, 2024, Columbia Gas of Virginia, Inc. ("CVA" or the "Company") filed an application ("Application"), pursuant to Chapter 25 of Title 56 (Code §§ 56-600 *et seq.*<sup>1</sup>) of the Code of Virginia ("Code"), for approval to amend and extend its Conservation and Ratemaking Efficiency Plan ("CARE Plan"). According to the Company, its current CARE Plan includes a portfolio of programs that promote conservation and energy efficiency among CVA's residential customers and a decoupling mechanism that adjusts actual non-gas distribution revenues per customer to the allowed distribution revenues previously approved by the Commission. In its Application, the Company proposes to extend its CARE Plan, along with certain modifications and amendments, for an additional three-year period, from January 1, 2025, through December 31, 2027 ("Amended Care Plan").<sup>2</sup>

The proposed Amended CARE Plan includes five conservation and energy efficiency programs and 43 measures.<sup>3</sup> According to the Application, the Amended CARE Plan as proposed maintains the general structure of the current CARE Plan while adding a new

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<sup>1</sup> Natural Gas Conservation and Ratemaking Efficiency Act ("CARE Act").

<sup>2</sup> Application at 1.

<sup>3</sup> *Id.* at 8.

Residential New Construction Program.<sup>4</sup> According to the Application, the Amended Care Plan consists of the following conservation and energy efficiency programs:

- (1) Web-Based Home Audit Program;
- (2) Home Savings Program;
- (3) Residential New Construction Program;
- (4) Residential Income and Age Qualifying Program; and
- (5) Home Energy Report Program.<sup>5</sup>

The Company expects to invest \$7 million over the three years of the Amended CARE Plan.<sup>6</sup> According to the Company, proposed Phase 6 is designed to recover the incremental costs associated with its conservation and energy efficiency programs, as incurred, by means of a surcharge mechanism described in Section 12.4 of the Company's General Terms and Conditions; specifically, the CARE Program Adjustment ("CPA").<sup>7</sup> The Amended Plan's CPA will cost the average residential customer, using 62.2 dekatherms annually, approximately \$8.46 in 2025,<sup>8</sup> which represents an increase of \$4.04 from the 2024 CPA cost for an average residential customer of \$4.42.<sup>9</sup>

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<sup>4</sup> *Id.* at 8.

<sup>5</sup> *Id.* at 9-10.

<sup>6</sup> *Id.* at 8.

<sup>7</sup> *Id.* at 11.

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

<sup>9</sup> *See* Direct Testimony of Carla Dix at Attachment CD-7.

In its Application, CVA requests authority to implement the CPA effective with the first billing unit for the Company's January 2025 billing cycle (*i.e.*, December 31, 2024).<sup>10</sup> The Company's proposed Amended CARE Plan also includes a performance-based incentive mechanism and a decoupling mechanism.<sup>11</sup>

In its Application, the Company seeks partial waiver of the requirement of 20 VAC 5-205-10 I of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Gas Utilities ("Gas Rules") to provide the Clerk of the Commission with an original and twelve paper copies of the Application.<sup>12</sup>

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; that CVA should provide public notice of its Application; that interested persons should be afforded an opportunity to file comments or request a hearing on the Company's Application; and that Commission Staff ("Staff") should investigate the Application and file a report containing the Staff's findings and recommendations; and a Hearing Examiner should be assigned to rule on any discovery matters that arise during the course of this proceeding.<sup>13</sup>

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.

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<sup>10</sup> Application at 15.

<sup>11</sup> *Id.* at 12-13.

<sup>12</sup> *Id.* at 14.

<sup>13</sup> We further grant CVA's requested partial waiver of 20 VAC 5-205-10 I.

Accordingly, IT IS ORDERED THAT:

(1) CVA's Application is docketed and assigned Case No. PUR-2024-00025.

(2) All pleadings in this matter should be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"). 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 Commission's 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 Code § 12.1-31 and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to rule on any discovery matters that arise during the course of this proceeding and any motions *pro hac vice* that are filed. A copy of each filing relating to discovery matters or motions *pro hac vice* made with the Office of the Clerk in this matter shall also be sent electronically to the Office of the Hearing Examiners.<sup>14</sup>

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<sup>14</sup> Such electronic copies shall be sent to [OHEParalegals@scc.virginia.gov](mailto:OHEParalegals@scc.virginia.gov).

(5) On or before June 28, 2024, the Company shall cause a copy of 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 the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
COLUMBIA GAS OF VIRGINIA, INC., TO AMEND AND  
EXTEND ITS NATURAL GAS CONSERVATION AND  
RATEMAKING EFFICIENCY PLAN  
CASE NO. PUR-2024-00025

On May 22, 2024, Columbia Gas of Virginia, Inc. ("CVA" or the "Company") filed an application ("Application"), pursuant to Chapter 25 of Title 56 (Code §§ 56-600 *et seq.*) of the Code of Virginia ("Code"), for approval to amend and extend its Conservation and Ratemaking Efficiency Plan ("CARE Plan"). According to the Company, its current CARE Plan includes a portfolio of programs that promote conservation and energy efficiency among CVA's residential customers and a decoupling mechanism that adjusts actual non-gas distribution revenues per customer to the allowed distribution revenues previously approved by the Commission. In its Application, the Company proposes to extend its CARE Plan, along with certain modifications and amendments, for an additional three-year period, from January 1, 2025, through December 31, 2027 ("Amended Care Plan").

The proposed Amended CARE Plan includes five conservation and energy efficiency programs and 43 measures. According to the Application, the Amended CARE Plan as proposed, maintains the general structure of the current CARE Plan while adding a new Residential New Construction Program.

According to the Application, the Amended Care Plan consists of the following conservation and energy efficiency programs:

- (1) Web-Based Home Audit Program;
- (2) Home Savings Program;
- (3) Residential New Construction Program;
- (4) Residential Income and Age Qualifying Program;
- and
- (5) Home Energy Report Program.

The Company expects to invest \$7 million over the three years of the Amended CARE Plan. According to the Company, proposed Phase 6 is designed to recover the incremental costs associated with its conservation and energy efficiency programs, as incurred, by means of a surcharge mechanism described in Section 12.4 of the Company's General Terms and Conditions; specifically, the CARE Program Adjustment ("CPA"). The Amended Plan's CPA will cost the average residential customer, using 62.2 dekatherms annually, approximately \$8.46 in 2025, which represents an increase of \$4.04 from the 2024 CPA cost for an average residential customer of \$4.42.

In its Application, CVA requests authority to implement the CPA effective with the first billing unit for the Company's January 2025 billing cycle (*i.e.*, December 31, 2024). The Company's proposed Amended CARE Plan also includes a performance-based incentive mechanism and a decoupling mechanism.

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

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

The Commission entered an Order for Notice and Comment that, among other things, directed the Company to provide notice to the public and provided interested persons an opportunity to comment on the Company's Application.

To promote administrative efficiency and the 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. Please refer to the Commission's Order for Notice and Comment for further instructions concerning Confidential or Extraordinarily Sensitive Information.

An electronic copy of the Application may be obtained, at no charge, by submitting a written request to counsel for the Company: T. Borden Ellis, Esq., 1809 Coyote Drive, Chester, Virginia, 23836, or [tbellis@nisource.com](mailto:tbellis@nisource.com). Interested persons may also download unofficial copies of the Application and other documents from the Commission's website: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

On or before July 18, 2024, any interested person may file comments on the Application 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 such comments shall refer to Case No. PUR-2024-00025.

On or before July 18, 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. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the 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-2024-00025. For additional information about participation as a respondent, any person or

entity should obtain a copy of the Commission's Order for Notice and Comment.

On or before July 18, 2024, any interested person may request that the Commission convene a hearing in this matter by filing a request for hearing electronically via [scc.virginia.gov/clk/efiling](http://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file electronically may file a request for hearing by U.S. mail to the Clerk of the Commission at the address listed above. Requests for a hearing shall include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. All filings shall refer to Case No. PUR-2024-00025.

A copy of any notices of participation and requests for hearing shall be sent to counsel for the Company at the address listed above.

The Company's Application, the Commission's Rules of Practice and the Commission's Order for Notice and Comment may be viewed at: [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information).

COLUMBIA GAS OF VIRGINIA, INC.

(6) The Company shall serve each official listed in 20 VAC 5-205-10 J as provided by 20 VAC 5-205-10 J.

(7) On or before July 12, 2024, CVA shall file proof of the service required by Ordering Paragraphs (5) and (6) with the Clerk of the Commission.

(8) On or before July 18, 2024, any interested person may submit comments on the Application by following the instructions on the Commission's website: [scc.virginia.gov/cascomments/Submit-Public-Comments](http://scc.virginia.gov/cascomments/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-2024-00025.



(9) On or before July 18, 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](https://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 found in Ordering Paragraph (8). Such notice of participation shall include the email addresses of such parties or their counsel, if available. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the 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-2024-00025.

(10) On or before July 18, 2023, any interested person or entity may file a request that the Commission convene a hearing on the Company's Application, with the Clerk of the Commission at: [scc.virginia.gov/clk/efiling](https://scc.virginia.gov/clk/efiling). Those unable, as a practical matter, to file electronically may file a request for hearing by U.S. mail to the Clerk of the Commission at the address found in Ordering Paragraph (8). Such request for hearing shall include the email addresses of such parties or their counsel, if available. Requests for hearing must include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. All such filings shall refer to Case No. PUR-2024-00025.

(11) A copy of each request for hearing and notice of participation shall be sent to counsel for the Company: T. Borden Ellis, Esq., 1809 Coyote Drive, Chester, Virginia, 23836, or [tbellis@nisource.com](mailto:tbellis@nisource.com).

(12) On or before July 25, 2024, the Company may file with the Clerk of the Commission a response to any requests for hearing filed by interested persons in this proceeding.

(13) The Staff shall investigate the Application. On or before August 5, 2024, Staff shall file with the Clerk of the Commission a Staff Report containing its findings and recommendations, and Staff promptly shall serve a copy of the Staff Report on counsel to the Company and any respondents.

(14) On or before August 19, 2024, CVA may file with the Clerk of the Commission any response in rebuttal to comments filed in this case and to the Staff Report.

(15) 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.

(16) 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 five (5) business 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>15</sup> Except as modified herein, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(17) This matter is continued.

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.

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<sup>15</sup> The assigned Staff attorney is identified on the Commission's website, [scc.virginia.gov/pages/Case-Information](http://scc.virginia.gov/pages/Case-Information), by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number PUR-2024-00025 in the appropriate box.