COMMONWEALTH OF VIRGINIA SCIENCE CENTER BUILDING TO THE CENTER

STATE CORPORATION COMMISSION

AT RICHMOND, JULY 9, 2024 JUL -9 P 1: 47

PETITION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00097

For approval of a rate adjustment clause, designated Rider GEN, under § 56-585.1 A 6 of the Code of Virginia and the consolidation of Riders B, BW, GV, US-2, US-3, and US-4 pursuant to § 56-585.1 A 7 of the Code of Virginia

ORDER FOR NOTICE AND HEARING

On June 4, 2024, pursuant to Code § 56-585.1 A 6 and Code § 56-585.1 A 7, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") a petition ("Petition"):

1. For approval of a new rate adjustment clause, designated Rider GEN, to recover the costs associated with: (i) the Company's Altavista, Hopewell, and Southampton biomass units, (ii) the Brunswick County Power Station, (iii) the Greensville County Power Station, (iv) the Scott Solar, Whitehouse Solar, and Woodland Solar facilities (collectively, "US-2 Solar Facilities"), (v) the Colonial Trail West Solar and Spring Grove 1 Solar facilities (collectively, "US-3 Solar Facilities"), (vi) the Sadler Solar facility ("US-4 Solar Facility"), and (vii) a proposed liquified natural gas ("LNG") storage facility and related transmission interconnection facilities ("LNG Storage Facility") (collectively, the "Rider GEN Facilities") ("Request 1");²

¹ Pursuant to Code § 56-585.1 A 7, the Commission must issue a Final Order within nine months of the filing date.

² Petition at 1, 3.

- For approval to consolidate Riders B, BW, GV, US-2, US-3, and US-4, resulting in:

 (i) the recovery of costs associated with the Rider GEN Facilities through the new
 Rider GEN rate adjustment clause; and (ii) the withdrawal of Riders B, BW, GV,
 US-2, US-3, and US-4, effective April 1, 2025 ("Request 2");³
- For approval to extend the currently approved Rider BW rate for the rate year commencing September 1, 2023 through August 31, 2024, until March 31, 2025 ("Request 3");⁴
- 4. For approval of a biennial update procedure for Rider GEN with approval of two initial consecutive rate years: (i) April 1, 2025, through March 31, 2026 ("Rate Year 1"); and (ii) April 1, 2026, through March 31, 2027 ("Rate Year 2") ("Request 4");⁵ and
- 5. For approval to project rate base, depreciation expense, and certain other costs into the rate year, and relief from the requirement to use the stipulated methodology

³ Id. at 1. As is discussed in further detail below, Rider B is a previously approved rate adjustment clause to recover costs associated with the Altavista, Hopewell, and Southampton biomass units; Rider BW is a previously approved rate adjustment clause to recover costs associated with the Brunswick County Power Station; Rider GV is a previously approved rate adjustment clause to recover costs associated with the Greensville County Power Station; Rider US-2 is a previously approved rate adjustment clause to recover costs associated with the US-2 Solar Facilities; Rider US-3 is a previously approved rate adjustment clause to recover costs associated with the US-3 Solar Facilities; and Rider US-4 is a previously approved rate adjustment clause to recover costs associated with the US-4 Solar Facility. See id. at 3-5.

⁴ Id. at 1-2.

⁵ Id. at 2. Dominion states that, for purposes of setting rates during two consecutive rate years, the end-of-test-period capital structure and cost of capital are the Company's December 31, 2023, year-end capital structure and year-end cost of capital. Dominion requests that any issues related to the use of the year-end 2023 capital structure be litigated in this docket such that the Company will not be required to file Filing Schedules 3 through 5 in its remaining rider filings this year. Id. at 10.

approved in Case No. PUE-2015-00059 ("Stipulated Methodology"),⁶ in this and future revenue requirements for Rider GEN and other cases on a going-forward basis ("Request 5").⁷

In Case No. PUE-2011-00073, the Commission approved a certificate of public convenience and necessity for major unit modifications of the Altavista, Hopewell, and Southampton biomass units, and Rider B for the recovery of costs associated with the modifications.⁸ The units became operational in 2013.⁹ Since that initial application, Dominion has filed annual or biennial Rider B updates. Rider B was last approved in Case No. PUR-2022-00088, which adopted rate years commencing April 1, 2023, and ending March 31, 2025.¹⁰

The Commission approved a certificate of public convenience and necessity for the Brunswick County Power Station, and Rider BW for the recovery of costs associated with the station, in Case No. PUE-2012-00128.¹¹ The Brunswick County Power Station became

⁶ Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider R, Bear Garden Generating Station, For the rate year commencing April 1, 2016, Case No. PUE-2015-00059, 2016 S.C.C. Ann. Rept. 245, Final Order (Feb. 29, 2016).

⁷ Petition at 2. The Company includes, as part of its proposal to project rate base into the rate year, a proposal to prorate accumulated deferred income taxes for each calculated rate year ("Proration Methodology"). *Id.* at 11.

⁸ Id. at 3; Applications of Virginia Electric and Power Company, For approval and certification of the proposed biomass conversions of the Altavista, Hopewell, and Southampton Power Stations under §§ 56-580 D and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated as Rider B, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUE-2011-00073, 2012 S.C.C. Ann. Rept. 279, Final Order (Mar. 16, 2012).

⁹ Petition at 3.

¹⁰ Id. at 3, 6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider B, Biomass Conversions of the Altavista, Hopewell, and Southampton Power Stations for the Rate Years Commencing April 1, 2023 and April 1, 2024, Case No. PUR-2022-00088, 2023 S.C.C. Ann. Rept. 191, Final Order (Jan. 26, 2023).

¹¹ Petition at 3; Application of Virginia Electric and Power Company, For approval and certification of the proposed Brunswick County Power Station and related transmission facilities pursuant to §§ 56-580 D, 56-265.2,

operational in 2016.¹² Since its initial application, Dominion has filed annual or biennial Rider BW updates. Rider BW was last approved in Case No. PUR-2021-00239, which adopted rate years commencing September 1, 2022, and ending August 31, 2024.¹³

The Commission approved a certificate of public convenience and necessity for the Greensville County Power Station, and Rider GV for the recovery of costs associated with the station, in Case No. PUE-2015-00075.¹⁴ The Greensville County Power Station became operational in 2018.¹⁵ Since that initial application, Dominion has filed annual or biennial Rider GV updates. Rider GV was last approved in Case No. PUR-2023-00094, which adopted rate years commencing April 1, 2024, and ending March 31, 2026.¹⁶

In Case No. PUE-2015-00104, the Commission approved a certificate of public convenience and necessity for the US-2 Solar Facilities, and Rider US-2 for the recovery of costs

and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider BW, pursuant to § 56-585.1 A 6 of the Code of Virginia, Case No. PUE-2012-00128, 2013 S.C.C. Ann. Rept. 302, Final Order (Aug. 2, 2013).

¹² Petition at 3-4.

¹³ Id. at 4, 6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider BW, Brunswick County Power Station, for the Rate Years commencing September 1, 2022, and September 1, 2023, Case No. PUR-2021-00239, 2022 S.C.C. Ann. Rept. 374, Final Order (May 26, 2022).

¹⁴ Petition at 4; Application of Virginia Electric and Power Company, For approval and certification of the proposed Greensville County Power Station and related transmission facilities pursuant to §§ 56-580 D, 56-265.2, and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider GV, pursuant to § 56-585.1 A 6 of the Code of Virginia, Case No. PUE-2015-00075, 2016 S.C.C. Ann. Rept. 264, Final Order (Mar. 29, 2016).

¹⁵ Petition at 4.

¹⁶ Id. at 4, 6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider GV, Greensville County Power Station, for the rate years commencing April 1, 2024 and April 1, 2025, Case No. PUR-2023-00094, Doc. Con. Cen. No. 240230086, Final Order (Feb. 21, 2024).

associated with the US-2 Solar Facilities.¹⁷ The facilities became operational in 2016.¹⁸ Since that initial application, Dominion has filed annual or biennial Rider US-2 updates. Rider US-2 was last approved in Case No. PUR-2022-00164, which adopted rate years commencing September 1, 2023, and ending August 31, 2025.¹⁹

In Case No. PUR-2018-00101, the Commission approved a certificate of public convenience and necessity for the US-3 Solar Facilities, and Rider US-3 for the recovery of costs associated with the US-3 Solar Facilities, subject to certain conditions and requirements, including a performance guarantee.²⁰ Colonial Trail West Solar became operational in 2019, and Spring Grove 1 Solar became operational in 2020.²¹ Since its initial petition, Dominion has filed annual Rider US-3 updates. Rider US-3 was last approved in Case No. PUR-2023-00137, which adopted a rate year commencing June 1, 2024, and ending May 31, 2025.²²

¹⁷ Petition at 4; Application of Virginia Electric and Power Company, For approval and certification for the proposed 2016 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider US-2, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUE-2015-00104, 2016 S.C.C. Ann. Rept. 295, Final Order (June 30, 2016).

¹⁸ Petition at 4.

¹⁹ Id. at 4, 6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider US-2, Scott, Whitehouse, and Woodland Solar Power Stations, for the Rate Years Commencing September 1, 2023 and September 1, 2024, Case No. PUR-2022-00164, 2023 S.C.C. Ann. Rept. 265, Final Order (June 12, 2023).

²⁰ Petition at 3, 5; Petition of Virginia Electric and Power Company, For approval and certification of the proposed US-3 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider US-3, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUR-2018-00101, 2019 S.C.C. Ann. Rept. 239; Order Granting Certificates (Jan. 24, 2019); Petition of Virginia Electric and Power Company, For approval and certification of the proposed US-3 Solar Projects pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider US-3, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUR-2018-00101, 2019 S.C.C. Ann. Rept. 248, Order Approving Rate Adjustment Clause (Apr. 15, 2019).

²¹ Petition at 5.

²² Id. at 5-6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider US-3, Colonial Trail West and Spring Grove 1 Solar Facilities, for the rate year commencing June 1, 2024; Case No. PUR-2023-00137, Doc. Con. Cen. No. 240446066, Final Order (Apr. 30, 2024).

In Case No. PUR-2019-00105, the Commission approved a certificate of public convenience and necessity for the US-4 Solar Facility, and Rider US-4 for the recovery of costs associated with the US-4 Solar Facility, subject to certain conditions and requirements, including a performance guarantee.²³ The US-4 Facility became operational in 2021.²⁴ Since its initial petition, Dominion has filed annual Rider US-4 updates. Rider US-4 was last approved in Case No. PUR-2023-00138, which adopted a rate year commencing June 1, 2024, and ending May 31, 2025.²⁵

Dominion is seeking approval to construct and operate the LNG Storage Facility in Case No. PUR-2024-00096.²⁶ Dominion asserts that the LNG Storage Facility would consist of LNG production, storage, and regasification facilities and would serve as a backup fuel source for the Brunswick County Power Station and Greensville County Power Station to support the stations' operations and improve the reliability of the Company's fleet.²⁷ It is expected to be operational

²³ Petition at 5; Petition of Virginia Electric and Power Company, For approval and certification of the proposed US-4 Solar Project pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider US-4, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUR-2019-00105, 2020 S.C.C. Ann. Rept. 290, Order Granting Certificate (Jan. 22, 2020); Petition of Virginia Electric and Power Company, For approval and certification of the proposed US-4 Solar Project pursuant to §§ 56-580 D and 56-46.1 of the Code of Virginia, and for approval of a rate adjustment clause, designated Rider US-4, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUR-2019-00105, 2020 S.C.C. Ann. Rept. 298, Order Approving Rate Adjustment Clause (Apr. 13, 2020).

²⁴ Petition at 5.

²⁵ Id. at 5-6; Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider US-4, Sadler Solar Facility, for the rate year commencing June 1, 2024, Case No. PUR-2023-00138, Doc. Con. Cen. No. 240440067, Final Order (Apr. 30, 2024).

²⁶ See Petition at 1 n.2, 4; Application of Virginia Electric and Power Company, For approval to amend certificates of public convenience and necessity for the Brunswick and Greensville County Power Stations to construct and operate an LNG Storage Facility pursuant to § 56-580 D of the Code of Virginia; Case No. PUR-2024-00096, Doc. Con. Cen. No. 240610073, Application (June 4, 2024).

²⁷ Petition at 4.

in 2027.²⁸ Dominion is seeking to recover the costs of the LNG Storage Facility through Rider GEN.²⁹ According to the Company, any revenue requirement associated with the LNG Storage Facility is contingent upon the Commission's approval in Case No. PUR-2024-00096.³⁰

With respect to Request 1, Dominion seeks approval of a new rate adjustment clause, designated Rider GEN, to recover the costs associated with the certain generating units. 31 Specifically, Dominion seeks approval of actual and projected capital and operation and maintenance ("O&M") expenditures for the biomass units, Brunswick County Power Station, Greensville County Power Station, the US-2 Solar Facilities, the US-3 Solar Facilities, and the US-4 Solar Facility, and approval of projected capital and O&M expenditures for the LNG Storage Facility, subject to subsequent true-ups. 32 In support thereof, Dominion provides: (i) a five-year budget plan for the Rider GEN Facilities based on expected O&M expenditures, including costs for expected operating levels, staffing, planned outages, and minor capital improvements; and (ii) a five-year budget plan for expected capital expenditures associated with facility operations. 33 The Company also provides construction cost reports for the US-3 Solar Facilities, the US-4 Solar Facility, and the LNG Storage Facility. 34 As the other facilities have been operational for several years, projected construction expenditures are not included for those

²⁸ Id.

²⁹ See id. at 1 n.2.

³⁰ Id. at 15.

³¹ *Id.* at 1.

³² *Id.* at 7-8.

³³ Id.

³⁴ Id. at 7.

facilities.³⁵ The Company also provides information on the performance for the US-3 Solar Facilities for the 2023 calendar year, and the performance of the US-4 Solar Facility for the period July 6, 2022 through December 31, 2023.³⁶

With respect to Request 2, Dominion seeks approval to consolidate Riders B, BW, GV, US-2, US-3, and US-4, resulting in the recovery of costs of the Rider GEN Facilities through Rider GEN.³⁷ Such consolidation would also result in the withdrawal of Riders B, BW, GV, US-2, US-3, and US-4.³⁸ The Company asserts that the consolidation of these rate adjustment clauses is in the interest of judicial economy as it would reduce the administrative burden and costs of filing these cases separately.³⁹

With respect to Request 3, Dominion is requesting to extend the currently approved rate year for Rider BW from August 31, 2024, through March 31, 2025, to align with the proposed April 1, 2025, commencement of Rate Year 1 for Rider GEN.⁴⁰ Additionally, as the rate years for Riders GV, US-2, US-3, and US-4 were approved for a period of time that goes beyond the beginning of Rate Year 1, the Company is requesting to end those riders effective April 1, 2025.⁴¹ The Company states that any revenue requirement impacts resulting from the

³⁵ *Id*.

³⁶ See id. at 8-9.

³⁷ Id. at 1.

³⁸ Id.

³⁹ *Id.* at 7.

⁴⁰ Id. at 1-2, 5.

⁴¹ *Id.* at 5. Dominion states that to consolidate these six rate adjustment clauses into one, adjustments are necessary to the filing cadence and rate years of certain riders. *Id.* at 17.

change in these rate years would be accounted for in a true-up in a future Rider GEN proceeding.⁴²

With respect to Request 4, Dominion seeks approval of a biennial update procedure for Rider GEN with approval of two initial rate years. The Company seeks approval of a total revenue requirement of \$438,170,685 for recovery in Rider GEN for Rate Year 1. The Company is requesting a total revenue requirement of \$311,006,139 for Rate Year 2. Dominion states that the proposed revenue requirements are consistent with the calculations approved in the most recent Riders B, BW, GV, US-2, US-3, and US-4 proceedings, except:

(i) an updated revenue lag based on calendar year 2023 is used to calculate the cash working capital component of rate base, and (ii) the Company proposes to begin projecting rate base, depreciation expense, and certain other costs into the rate year. The latter change represents the Company's Request 5.48

If the proposed Rider GEN revenue requirement for the rate years is approved, the impact on customer bills would depend on the customer's rate schedule and usage. According to Dominion, implementation of its proposed Rider GEN for Rate Year 1 on April 1, 2025, would

⁴² Id. at 5-6.

⁴³ Id. at 2.

⁴⁴ Id. at 12.

⁴⁵ *Id.* These revenue requirements incorporate the Company's proposed Proration Methodology. Dominion also provides alternative revenue requirements for each rate year using the Stipulated Methodology for informational purposes. *Id.*

⁴⁶ Id. at 11. The Company requests that any issues related to the updated revenue lag be litigated in this docket. Id.

⁴⁷ *Id.* The Company's request to project rate base into the rate year includes the proposal for the Proration Methodology. *Id.*

⁴⁸ See id. at 2.

increase the bill of a typical residential customer using 1,000 kilowatt hours per month by approximately \$1.00, compared to the combined total residential rates of the current Riders B, BW, GV, US-2, US-3, and US-4.⁴⁹ For Rate Year 2, implementation of Rider GEN on April 1, 2026, would be an incremental decrease of \$1.84 compared to Rate Year 1.⁵⁰ The Company indicates it has calculated the proposed Rider GEN rates in accordance with the same methodology as used for those rates approved by the Commission with respect to the most recent revisions to Riders B, BW, GV, US-2, US-3, and US-4.⁵¹

In its Petition, Dominion requests a waiver, pursuant to Rule 20 VAC 5-204-10 E of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Electric Utilities,⁵² and Rules 5 VAC 5-20-10 and 5 VAC-5-20-110 of the Commission's Rules of Practice and Procedure ("Rules of Practice"),⁵³ of certain requirements.⁵⁴ Specifically, the Company seeks a waiver, to the extent necessary, of the requirements: (i) to provide information responsive to Schedule 46(b)(2) for the LNG Storage Facility;⁵⁵ (ii) to submit paper copies of certain Filing Schedule 46 materials;⁵⁶ (iii) to file Filing Schedules 3

⁴⁹ Id. at 12. This calculation incorporates the Company's proposed prorated methodology. Id.

⁵⁰ Id. at 13. This calculation incorporates the Company's proposed prorated methodology. Id. at 12.

⁵¹ Id. at 12.

^{52 20} VAC 5-204-5 et seq.

⁵³ 5 VAC 5-20-10 et seq.

⁵⁴ Petition at 14-17.

⁵⁵ *Id.* at 14-15. In support of this request, Dominion asserts that the Company has presented information to support the need, reasonableness, and prudence of the LNG Storage Facility in Case No. PUR-2024-00096. *Id.* at 15.

⁵⁶ Id. at 15.

through 5 for the year-end 2021 and 2022 capital structures;⁵⁷ (iv) to provide multiple hard copies of the documentation responsive to Schedule 46(b)(1)(iv), 46(b)(1)(v), and 46(c)(1)(iii);⁵⁸ (v) to provide the calculations supporting the estimated annual revenue requirements required in Schedule 46(b)(1)(vi) and 46(c)(1)(iv) in hard copy (*i.e.*, paper) format;⁵⁹ and (vi) to file the next annual Rider US-3 and Rider US-4 annual updates on or after August 1, 2024, as the Commission directed in its Final Orders in the most recent Rider US-3 and Rider US-4 proceedings (collectively, "Waiver Requests").⁶⁰

Finally, in conjunction with the filing of its Petition, on June 4, 2024, the Company also filed a Motion for Entry of a Protective Order and 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.

⁵⁷ *Id.* In support of this request, Dominion states that the capital structures and weighted average costs of capital have already been reviewed and approved by the Commission in the Company's 2023 biennial review proceeding, Case No. PUR-2023-00101. *See id.* at 15-16; *Application of Virginia Electric and Power Company, For a 2023 biennial review of the rates, terms and conditions for the provision of generation, distribution and transmission services pursuant to § 56-585.1 A of the Code of Virginia, Case No. PUR-2023-00101, Doc. Con. Cen. No. 240240103, Final Order (Feb. 28, 2024). Dominion states that, after consultation with Commission Staff ("Staff"), and in the interest of judicial economy, it is submitting Filing Schedules 3 through 5 and 8 for the year-end 2023 capital structure, to be reviewed and approved in this proceeding. The Company has submitted Filing Schedule 8 for years 2021 and 2022. Petition at 15-16.*

⁵⁸ Petition at 16. The Company claims that the supporting documentation responsive to these requests is voluminous and often not easily viewed in hard copy (*i.e.*, paper) format. The Company instead proposes to: (i) provide the Commission with one hard copy and three electronic copies on compact discs; and (ii) provide the documentation to Staff and any future case participants in electronic format. *Id*.

⁵⁹ *Id.* at 16-17. Dominion states that these calculations are completed in Microsoft Excel, involve multiple worksheets and lines of data, include formulas to complete the calculations, are voluminous, are not easily converted to a printable version, and are not easily viewed in hard copy. The Company instead proposes to: (i) provide the Commission with one hard copy and three electronic copies on compact discs; and (ii) provide the documentation to Staff and any future case participants in electronic format. *Id.*

⁶⁰ Id. at 17.

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; a hearing 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 or 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.

For purposes of making the Petition complete and commencing this proceeding, we grant Dominion's Waiver Requests.

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-2024-00097.
- (2) All pleadings in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's 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 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 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 filing 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.⁶¹
- (5) The Commission hereby schedules a telephonic hearing for the receipt of testimony from public witnesses on the Company's Petition, as follows:
 - (a) A hearing for the receipt of testimony from public witnesses on the Company's Petition shall be convened telephonically at 10 a.m. on December 11, 2024.
 - (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
 - (c) On or before December 4, 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

⁶¹ Such electronic copies shall be sent to OHEParalegals@scc.virginia.gov.

- 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; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.
- (d) Beginning at 10 a.m. on December 11, 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 hearing will be webcast at scc.virginia.gov/pages/Webcasting.
- (6) The evidentiary portion of the hearing on the Petition shall be convened at 10 a.m. on December 11, 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 the testimony and evidence of the Company, any respondents, and Staff.
- (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, McGuire Woods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219, or eryan@mcguirewoods.com. Interested persons also may download unofficial copies from the Commission's website: scc.virginia.gov/pages/Case-Information.
- (8) On or before August 5, 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 A PETITION BY
VIRGINIA ELECTRIC AND POWER COMPANY
D/B/A DOMINION ENERGY VIRGINIA
FOR APPROVAL OF A RATE ADJUSTMENT CLAUSE,
DESIGNATED RIDER GEN, UNDER § 56-585.1 A 6 OF THE
CODE OF VIRGINIA AND THE CONSOLIDATION OF

RIDERS B, BW, GV, US-2, US-3, AND US-4 PURSUANT TO § 56-585.1 A 7 OF THE CODE OF VIRGINIA CASE NO. PUR-2024-00097

On June 4, 2024, pursuant to Code § 56-585.1 A 6 and Code § 56-585.1 A 7, Virginia Electric and Power Company ("Dominion" or "Company") filed with the State Corporation Commission ("Commission") a petition ("Petition"):

- 1. For approval of a new rate adjustment clause, designated Rider GEN, to recover the costs associated with: (i) the Company's Altavista, Hopewell, and Southampton biomass units, (ii) the Brunswick County Power Station, (iii) the Greensville County Power Station, (iv) the Scott Solar, Whitehouse Solar, and Woodland Solar facilities (collectively, "US-2 Solar Facilities"), (v) the Colonial Trail West Solar and Spring Grove 1 Solar facilities (collectively, "US-3 Solar Facilities"), (vi) the Sadler Solar facility ("US-4 Solar Facility"), and (vii) a proposed liquified natural gas ("LNG") storage facility and related transmission interconnection facilities ("LNG Storage Facility") (collectively, the "Rider GEN Facilities") ("Request 1");
- 2. For approval to consolidate Riders B, BW, GV, US-2, US-3, and US-4, resulting in: (i) the recovery of costs associated with the Rider GEN Facilities through the new Rider GEN rate adjustment clause; and (ii) the withdrawal of Riders B, BW, GV, US-2, US-3, and US-4, effective April 1, 2025 ("Request 2");
- 3. For approval to extend the currently approved Rider BW rate for the rate year commencing September 1, 2023, through August 31, 2024, until March 31, 2025 ("Request 3");
- 4. For approval of a biennial update procedure for Rider GEN with approval of two initial consecutive rate years: (i) April 1, 2025, through March 31, 2026 ("Rate Year 1"); and (ii) April 1, 2026, through March 31, 2027 ("Rate Year 2") ("Request 4"); and
- 5. For approval to project rate base, depreciation expense, and certain other costs into the rate year, and relief from the requirement to use the stipulated methodology

approved in Case No. PUE-2015-00059, in this and future revenue requirements for Rider GEN and other cases on a going-forward basis ("Request 5").

In Case No. PUE-2011-00073, the Commission approved a certificate of public convenience and necessity for major unit modifications of the Altavista, Hopewell, and Southampton biomass units, and Rider B for the recovery of costs associated with the modifications. The units became operational in 2013. Since that initial application, Dominion has filed annual or biennial Rider B updates. Rider B was last approved in Case No. PUR-2022-00088, which adopted rate years commencing April 1, 2023, and ending March 31, 2025.

The Commission approved a certificate of public convenience and necessity for the Brunswick County Power Station, and Rider BW for the recovery of costs associated with the station, in Case No. PUE-2012-00128. The Brunswick County Power Station became operational in 2016. Since its initial application, Dominion has filed annual or biennial Rider BW updates. Rider BW was last approved in Case No. PUR-2021-00239, which adopted rate years commencing September 1, 2022, and ending August 31, 2024.

The Commission approved a certificate of public convenience and necessity for the Greensville County Power Station, and Rider GV for the recovery of costs associated with the station, in Case No. PUE-2015-00075. The Greensville County Power Station became operational in 2018. Since that initial application, Dominion has filed annual or biennial Rider GV updates. Rider GV was last approved in Case No. PUR-2023-00094, which adopted rate years commencing April 1, 2024, and ending March 31, 2026.

In Case No. PUE-2015-00104, the Commission approved a certificate of public convenience and necessity for the US-2 Solar Facilities, and Rider US-2 for the recovery of costs associated with the US-2 Solar Facilities. The facilities became operational in 2016. Since that initial application, Dominion has filed annual or biennial Rider US-2 updates. Rider US-2 was last approved in Case No. PUR-2022-00164, which adopted rate years commencing September 1, 2023, and ending August 31, 2025.

In Case No. PUR-2018-00101, the Commission approved a certificate of public convenience and necessity for the US-3 Solar Facilities, and Rider US-3 for the recovery of costs associated with

the US-3 Solar Facilities, subject to certain conditions and requirements, including a performance guarantee. Colonial Trail West Solar became operational in 2019, and Spring Grove 1 Solar became operational in 2020. Since its initial petition, Dominion has filed annual Rider US-3 updates. Rider US-3 was last approved in Case No. PUR-2023-00137, which adopted a rate year commencing June 1, 2024, and ending May 31, 2025.

In Case No. PUR-2019-00105, the Commission approved a certificate of public convenience and necessity for the US-4 Solar Facility, and Rider US-4 for the recovery of costs associated with the US-4 Solar Facility, subject to certain conditions and requirements, including a performance guarantee. The US-4 Facility became operational in 2021. Since its initial petition, Dominion has filed annual Rider US-4 updates. Rider US-4 was last approved in Case No. PUR-2023-00138, which adopted a rate year commencing June 1, 2024, and ending May 31, 2025.

Dominion is seeking approval to construct and operate the LNG Storage Facility in Case No. PUR-2024-00096. Dominion asserts that the LNG Storage Facility would consist of LNG production, storage, and regasification facilities and would serve as a backup fuel source for the Brunswick County Power Station and Greensville County Power Station to support the stations' operations and improve the reliability of the Company's fleet. It is expected to be operational in 2027. Dominion is seeking to recover the costs of the LNG Storage Facility through Rider GEN. According to the Company, any revenue requirement associated with the LNG Storage Facility is contingent upon the Commission's approval in Case No. PUR-2024-00096.

With respect to Request 1, Dominion seeks approval of a new rate adjustment clause, designated Rider GEN, to recover the costs associated with the certain generating units. Specifically, Dominion seeks approval of actual and projected capital and operation and maintenance ("O&M") expenditures for the biomass units, Brunswick County Power Station, Greensville County Power Station, the US-2 Solar Facilities, the US-3 Solar Facilities, and the US-4 Solar Facility, and approval of projected capital and O&M expenditures for the LNG Storage Facility, subject to subsequent true-ups. In support thereof, Dominion provides: (i) a five-year budget plan for the Rider GEN Facilities based on expected O&M expenditures, including costs for expected operating levels, staffing, planned outages, and minor capital improvements; and (ii) a five-year budget plan for expected capital expenditures associated with facility operations. The Company also provides

construction cost reports for the US-3 Solar Facilities, the US-4 Solar Facility, and the LNG Storage Facility. As the other facilities have been operational for several years, projected construction expenditures are not included for those facilities. The Company also provides information on the performance for the US-3 Solar Facilities for the 2023 calendar year, and the performance of the US-4 Solar Facility for the period July 6, 2022 through December 31, 2023.

With respect to Request 2, Dominion seeks approval to consolidate Riders B, BW, GV, US-2, US-3, and US-4, resulting in the recovery of costs of the Rider GEN Facilities through Rider GEN. Such consolidation would also result in the withdrawal of Riders B, BW, GV, US-2, US-3, and US-4. The Company asserts that the consolidation of these rate adjustment clauses is in the interest of judicial economy as it would reduce the administrative burden and costs of filing these cases separately.

With respect to Request 3, Dominion is requesting to extend the currently approved rate year for Rider BW from August 31, 2024, through March 31, 2025, to align with the proposed April 1, 2025, commencement of Rate Year 1 for Rider GEN. Additionally, as the rate years for Riders GV, US-2, US-3, and US-4 were approved for a period of time that goes beyond the beginning of Rate Year 1, the Company is requesting to end those riders effective April 1, 2025. The Company states that any revenue requirement impacts resulting from the change in these rate years would be accounted for in a true-up in a future Rider GEN proceeding.

With respect to Request 4, Dominion seeks approval of a biennial update procedure for Rider GEN with approval of two initial rate years. The Company seeks approval of a total revenue requirement of \$438,170,685 for recovery in Rider GEN for Rate Year 1. The Company is requesting a total revenue requirement of \$311,006,139 for Rate Year 2. Dominion states that the proposed revenue requirements are consistent with the calculations approved in the most recent Riders B, BW, GV, US-2, US-3, and US-4 proceedings, except: (i) an updated revenue lag based on calendar year 2023 is used to calculate the cash working capital component of rate base, and (ii) the Company proposes to begin projecting rate base, depreciation expense, and certain other costs into the rate year. The latter change represents the Company's Request 5.

If the proposed Rider GEN revenue requirement for the rate years is approved, the impact on customer bills would depend on

the customer's rate schedule and usage. According to Dominion, implementation of its proposed Rider GEN for Rate Year 1 on April 1, 2025, would increase the bill of a typical residential customer using 1,000 kilowatt hours per month by approximately \$1.00, compared to the combined total residential rates of the current Riders B, BW, GV, US-2, US-3, and US-4. For Rate Year 2, implementation of Rider GEN on April 1, 2026, would be an incremental decrease of \$1.84 compared to Rate Year 1. The Company indicates it has calculated the proposed Rider GEN rates in accordance with the same methodology as used for those rates approved by the Commission with respect to the most recent revisions to Riders B, BW, GV, US-2, US-3, and US-4.

Interested persons are encouraged to review Dominion's Petition and supporting documents in full for details about these and other 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 Petition and supporting documents and thus may adopt rates that differ from those appearing in the Company's 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. A hearing for the receipt of testimony from public witnesses on the Company's Petition shall be convened telephonically at 10 a.m. on December 11, 2024. On or before December 4, 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; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness hearing will be webcast at scc.virginia.gov/pages/Webcasting.

Beginning at 10 a.m. on December 11, 2024, the Hearing Examiner will telephone sequentially each person who has signed up to testify as provided above.

On December 11, 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 the evidentiary portion of the hearing to receive testimony and evidence related to the Petition from the Company, any respondents, and the Commission Staff ("Staff").

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. Interested persons also may download unofficial copies of the public version of the Petition and other documents filed in this case from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before December 4, 2024, any interested person may submit comments on the Petition by following the instructions found on the Commission's website: 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-2024-00097.

On or before September 18, 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. Those unable, as a practical matter, to file a notice of participation electronically may file such notice at the address listed above. 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 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-2024-00097. For additional information about participation as a respondent, any person or entity should obtain a copy of the Commission's Order for Notice and Hearing.

On or before October 22, 2024, each respondent may file with the Clerk of the Commission, at 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 listed above. 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, respondents shall comply with the Rules of Practice, as modified herein, 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-2024-00097.

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 Rules of Practice.

The public version of the Company's Petition, the Commission's Rules of Practice, the Commission's Order for Notice and Hearing, and other documents filed in the case may be viewed at: 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 August 26, 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 Commission at scc.virginia.gov/clk/efiling.

- (11) On or before December 4, 2024, any interested person may submit comments on the Petition by following the instructions found on the Commission's website:

 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-2024-00097.
- (12) On or before September 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. 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 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-2024-00097.

- (13) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon the respondent a copy of the public version of the Petition and supporting materials, unless these materials already have been provided to the respondent.
- (14) On or before October 22, 2024, each respondent may file with the Clerk of the Commission, at 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 listed in Ordering Paragraph (11). Each witness's testimony shall include a summary not to exceed one page. A copy of all testimony and exhibits shall be served on the Staff, the Company, and all other respondents. In all filings, respondents shall comply with the Rules of Practice, as modified herein, 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-2024-00097.
- (15) The Staff shall investigate the Petition. On or before November 4, 2024, the Staff shall file with the Clerk of the Commission its testimony and exhibits, and each Staff witness's testimony shall include a summary not to exceed one page. The Staff shall serve a copy thereof on counsel to the Company and all respondents.
- (16) On or before November 19, 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.
- (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 by Ordering

Paragraph (2), 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 to parties 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.⁶² 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*.
 - (19) Dominion's Waiver Requests are granted as set forth herein.
 - (20) 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.

⁶² The assigned Staff attorney is identified on the Commission's website, <u>scc.virginia.gov/pages/Case-Information</u>, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2024-00097, in the appropriate box.