

2023 REPORT ON STATUS OF IMPLEMENTATION OF THE VIRGINIA ELECTRIC UTILITY REGULATION ACT

Presented by Virginia SCC Staff

Wednesday, December 6, 2023

THE SCC SUBMITS
ITS REPORT EACH
YEAR BY
NOVEMBER 1ST
PURSUANT TO
§ 56-596 B AND
§ 30-205 OF THE
CODE OF
VIRGINIA

- ▶ THE REPORT ADDRESSES THE IMPLEMENTATION OF THE VIRGINIA ELECTRIC UTILITY REGULATION ACT
- ▶ VIRGINIA CODE SECTIONS 56-576 THROUGH 56-596.4
- ▶ COMMONLY REFERRED TO AS THE REGULATION ACT
- ▶ RD572 (Published 2023) - Status Report: Implementation of the Virginia Electric Utility Regulation Act Pursuant to § 56-596 B of the Code of Virginia

2023 LEGISLATIVE CHANGES TO THE REGULATION ACT

RETURNED TO BIENNIAL REVIEWS OF BASE RATES FOR DOMINION ENERGY VIRGINIA (DEV) AND APPALACHIAN POWER COMPANY (APCO)

REQUIRED DEV TO FILE A BIENNIAL REVIEW AFTER 7/1/23
SET A 9.7 % RETURN ON EQUITY ("ROE") FOR DEV'S 2023 BIENNIAL REVIEW
APCO WILL FILE BIENNIAL REVIEW ON MARCH 31, 2024

PROVIDED OPPORTUNITY FOR DEV AND APCO TO SECURITIZE THEIR DEFERRED FUEL BALANCE

DIRECTED THE "ROLL-IN" OF \$350 MILLION OF DEV'S RATE ADJUSTMENT CLAUSE ("RAC") REVENUES INTO BASE RATES ON JULY 1, 2023

THE COMMISSION WAS DIRECTED TO INITIATE A PROCEEDING BEFORE DECEMBER 31, 2023 TO DETERMINE PROTOCOLS AND STANDARDS FOR PERFORMANCE-BASED ADJUSTMENTS TO ROE

IMPLEMENTATION OF
VIRGINIA CLEAN
ECONOMY ACT,
GRID
TRANSFORMATION
PLAN AND ENERGY
EFFICIENCY PLANS

APPLICATIONS HAVE BEEN APPROVED FOR THE
FOLLOWING:

RENEWABLE GENERATION
2105 MW SOLAR (DEV)
167.7 MW STORAGE (DEV)
828 MW SOLAR (APCO)

DEMAND SIDE MANAGEMENT PROGRAMS

ENERGY EFFICIENCY PROGRAMS

GRID TRANSFORMATION PLAN

ADDITIONAL APPLICATIONS

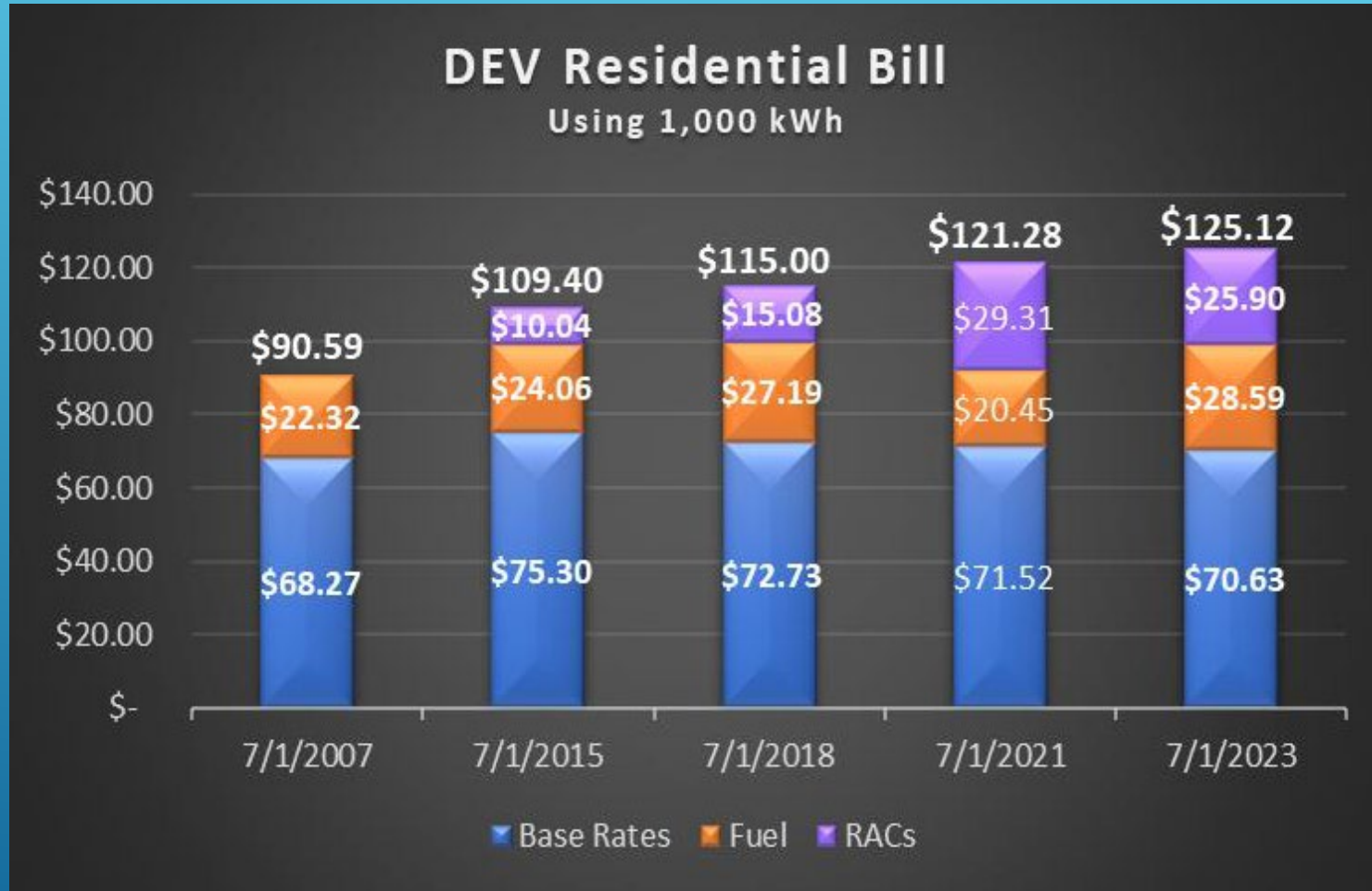
APCO'S TRIENNIAL REVIEW (CONCLUDED)

DEV'S BIENNIAL REVIEW (PENDING)

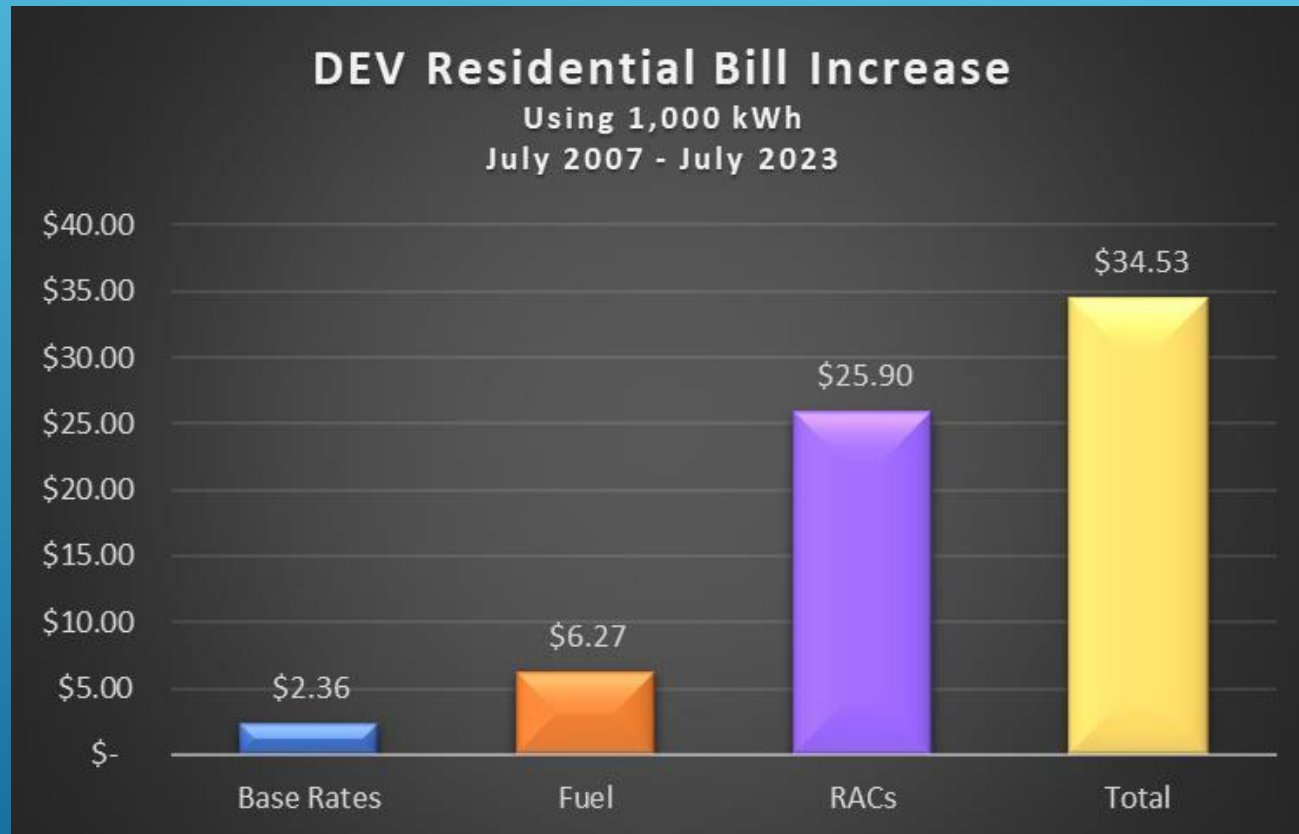
ANNUAL RATE ADJUSTMENT CLAUSE UPDATES

RPS (APCO CONCLUDED; DEV PENDING)

DEV CUSTOMER BILLS



DEV CUSTOMER BILLS



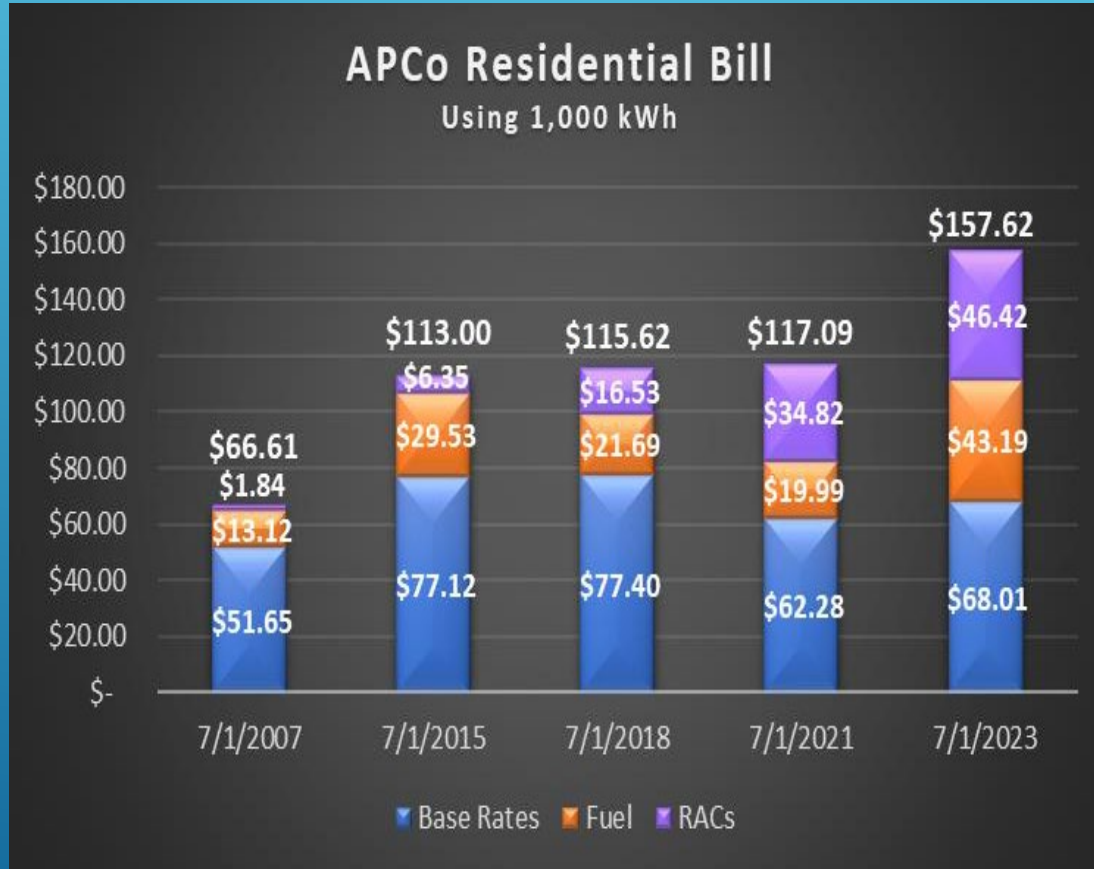
DEV Electric Utility Bills						
As of July 1, 2023						
Recovery Mechanism	Description	Current Residential Bill	Proposed Increase if Pending	Proposed Bill	Requested Effective Date	
Base Rates	Base	\$ 70.63	\$ -	\$ 70.63	-	
Fuel Factor*	Fuel	\$ 28.59	\$ -	\$ 28.59	-	
Rider T1**	Transmission	\$ 3.21	\$ 2.67	\$ 5.88	9/1/23	
Rider R***	Bear Garden Gas CC	\$ -	\$ -	\$ -	-	
Rider W***	Warren Gas CC	\$ -	\$ -	\$ -	-	
Rider BW	Brunswick Gas CC	\$ 2.80	\$ -	\$ 2.80	-	
Rider GV	Greenville Gas CC	\$ 2.47	\$ -	\$ 2.47	-	
Rider S***	VCHEC	\$ -	\$ -	\$ -	-	
Rider B	Biomass	\$ 0.63	\$ -	\$ 0.63	-	
Rider US-2	Solar	\$ 0.22	\$ (0.05)	\$ 0.17	9/1/23	
Rider US-3	Solar	\$ 0.75	\$ -	\$ 0.75	-	
Rider US-4	Solar	\$ 0.31	\$ -	\$ 0.31	-	
Rider CE	Solar	\$ 1.70	\$ -	\$ 1.70	-	
Rider SNA	Nuclear Relicensing	\$ 2.07	\$ -	\$ 2.07	9/1/23	
Rider RPS	RECs	\$ 1.81	\$ -	\$ 1.81	9/1/23	
Rider RGGI	RGGI	\$ -	\$ 4.64	\$ 4.64	9/1/23	
Rider OSW	Offshore Wind	\$ 1.45	\$ 3.29	\$ 4.74	9/1/23	
Rider PPA	Renewable PPAs	\$ (0.07)	\$ (0.22)	\$ (0.29)	9/1/23	
Riders C1A/C2A/etc.	Energy Efficiency	\$ 1.60	\$ 0.24	\$ 1.84	9/1/23	
Rider U	Strategic Undergrounding	\$ 1.99	\$ -	\$ 1.99	-	
Rider GT	Grid Transformation	\$ 0.28	\$ -	\$ 0.28	-	
Rider E	Coal Ash	\$ 1.95	\$ 0.08	\$ 2.03	11/1/23	
Rider CCR	Coal Ash	\$ 2.96	\$ (0.58)	\$ 2.38	12/1/22	
Rider RBB	Rural Broadband	\$ 0.17	\$ -	\$ 0.17	-	
PIPP USF	PIPP	\$ 0.03	\$ -	\$ 0.03	-	
Rider VCR	Voluntary Credit Rider	\$ (0.43)	\$ -	\$ (0.43)	-	
Total		\$ 125.12	\$ 10.07	\$ 135.19		

*DEV has indicated it will file an application for approval of the issuance of bonds to recover its unrecovered fuel deferral balance.

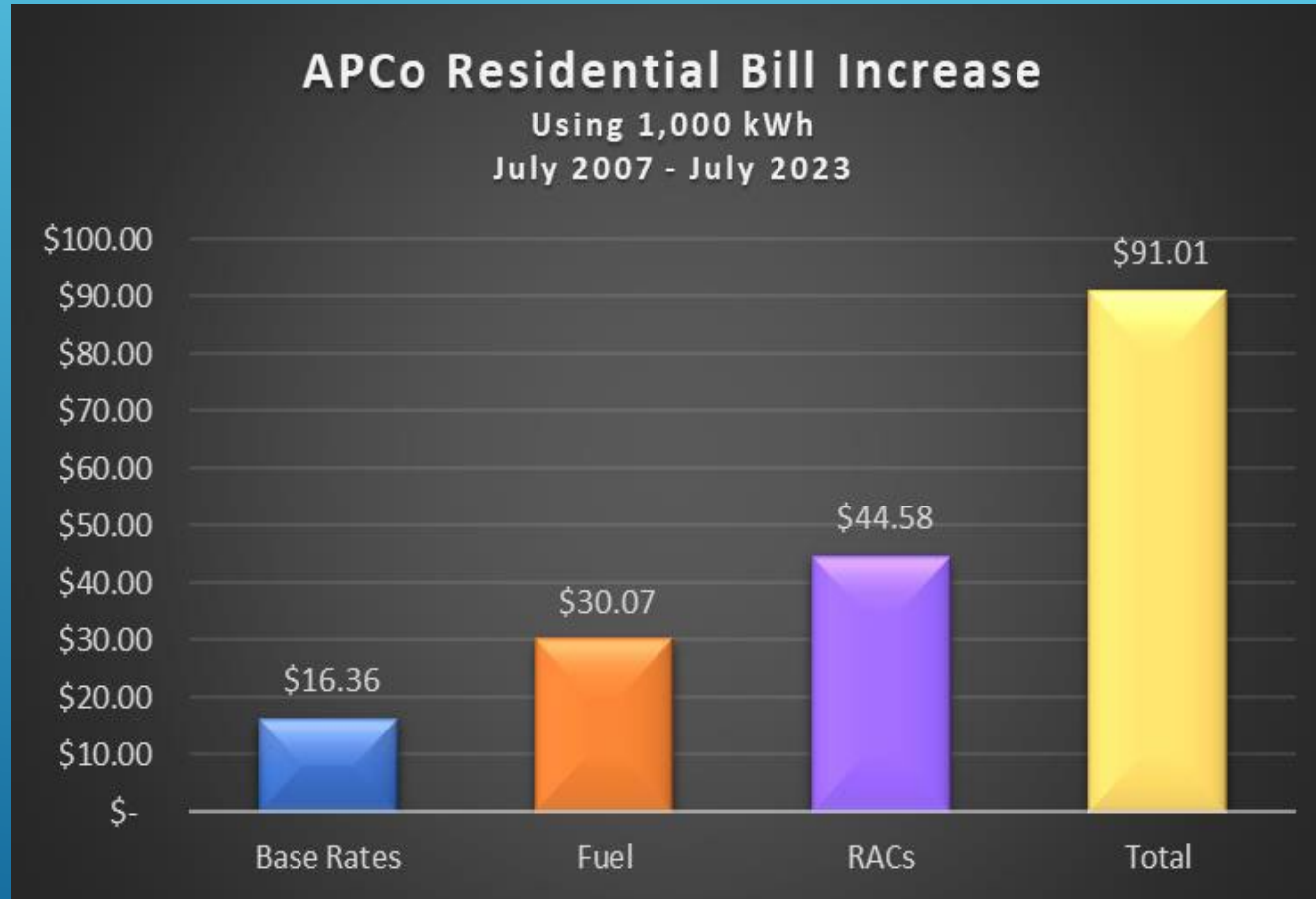
**DEV recovers \$9.70 per month in base rates for transmission in addition to the Rider T1 RAC.

***Riders R, W, and S are to be rolled-into base rates effective 7/1/2023.

APCO CUSTOMER BILLS



APCO CUSTOMER BILLS



APCo Electric Utility Bills

As of July 1, 2023

Recovery Mechanism	Description	Current Residential Bill	Proposed Increase if Pending	Proposed Bill	Requested Effective Date
Base Rates	Base	\$ 68.01	\$ 25.03	\$ 93.04	1/1/24
Triennial Remand Rider*	Base	\$ 3.30	\$ (3.30)	\$ -	1/23/24
Fuel Factor	Fuel	\$ 43.19	\$ -	\$ 43.19	-
PIPP USF	PIPP	\$ 0.04	\$ -	\$ 0.04	-
T-RAC	Transmission	\$ 34.43	\$ 4.15	\$ 38.58	9/1/23
G-RAC	Dresden Gas CC	\$ 2.55	\$ 0.66	\$ 3.21	11/1/23
EE-RAC	Energy Efficiency	\$ 1.43	\$ -	\$ 1.43	-
DR-RAC	Demand Response	\$ 0.22	\$ -	\$ 0.22	-
E-RAC	Coal Ash	\$ 2.84	\$ -	\$ 2.84	-
BC-RAC	Rural Broadband	\$ (0.18)	\$ 0.92	\$ 0.74	
RPS-RAC (legacy)	Voluntary RPS	\$ (0.58)	\$ -		
Rider A.5 RPS	VCEA	\$ 2.00	\$ (0.60)	\$ 1.40	10/1/23
Rider A.5 PCAP	VCEA	\$ 0.35	\$ (0.09)	\$ 0.26	10/1/23
Rider A.6 RPS	VCEA	\$ 0.02	\$ 0.03	\$ 0.05	10/1/23
Total		\$ 157.62	\$ 26.80	\$ 185.00	

*Will roll off coincident with the rate change from APCo's currently under review triennial application.

**Current PIPP collections are designed to fund the estimated start-up costs of DSS needed to establish the PIPP. The PIPP will commence no later than one year after DSS publishes guidelines for the adoption, implementation, and general administration of the PIPP and Percentage of Income Payment Fund.

STAKEHOLDER MEETINGS

STAFF PARTICIPATED IN THE FOLLOWING:

ENERGY EFFICIENCY (SB 966, SB1605 AND HB 2293)

ELECTRIC UTILITY INFRASTRUCTURE INVESTMENT (HB 894) –
REPORT SUBMITTED 12/15/2022

RENEWABLE ENERGY FACILITIES LIFECYCLE (SB466 AND HB 774) –
REPORT SUBMITTED 4/13/2023

SHARED SOLAR (SB 660) – REPORT SUBMITTED 11/30/2022

QUESTIONS?

CONTACT INFORMATION

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