

**CEUR Staff Policy Proposal:
Extending Phase I and Phase II Electric Utility Spending Commitments
for Energy Assistance and Weatherization Programs**

November 25, 2025

- Policy summary:**
- Extend statutory commitments by Dominion Energy Virginia (Dominion) and Appalachian Power Company (APCo) to fund energy assistance and weatherization programs.
 - Consider updating the spending levels required by statute to reflect increases in electric utility costs since the statute took effect July 1, 2018.
- Background:**
- Section [56-585.1:2](#) of the Code of Virginia requires Dominion and APCo to conduct pilot programs that provide energy assistance and weatherization services to low-income, elderly, and disabled individuals in their service territories. The provision was continued as part of the Grid Transformation and Security Act of 2018.¹
 - By statute, Dominion is required to fund the program at no less than \$13 million annually.
 - APCo is required to fund the program annually “at no less than the existing levels of funding as of July 1, 2018[.]”
 - Statute requires the programs to be funded by Dominion and APCo rather than by customers through base rates or rate adjustment clauses.
 - The spending commitments required by §56-585.1:2 will expire on July 1, 2028.
- Policy recommendations and options:**
- CEUR staff recommend extending the statutory spending commitments an additional 10 years beyond their expiration, to July 1, 2038.
 - *Option 1:* The spending commitments in §56-585.1:2 could be maintained at current spending levels.
 - Dominion currently spends approximately \$13 million annually on the payment assistance and weatherization programs required by statute.

¹ See [SB 966](#) (2018).

- APCo currently spends approximately \$1 million annually on the payment assistance and weatherization programs required by statute.²
- Option 2: The spending commitments in §56-585.1:2 could be updated to reflect changes in electricity costs since 2018.
 - Between July 1, 2018 and July 1, 2025, the typical residential monthly bill (assuming 1,000 kWh per month) for a Dominion customer increased 30 percent (from \$115 to \$149.92).³ Based on this increase, Dominion’s statutory spending commitment could be increased by 30 percent, to approximately \$17 million.
 - Between July 1, 2018 and July 1, 2025, the typical residential monthly bill (assuming 1,000 kWh per month) for an APCo customer increased 50 percent (from \$115.62 to \$173.63).⁴ Based on this increase, APCo’s statutory spending commitment could be increased by 50 percent, to approximately \$1.5 million.
- Statute should continue to require that Dominion and APCo report on the status of their pilot programs to the Governor, the SCC, the House Committee on Labor and Commerce, and the Senate Committee on Commerce and Labor by July 1 of each year that §56-585.1:2 remains in effect. Statute should also require that the utilities provide these annual status reports to the CEUR.

² CEUR staff interview with APCo staff.

³ *2025 Status Report: Implementation of the Virginia Electric Utility Regulation Act*, State Corporation Commission, page 4.

⁴ *2025 Status Report: Implementation of the Virginia Electric Utility Regulation Act*, State Corporation Commission, page 6.