

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 8, 2018

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

APPLICATION OF

2018 MAY - 8 1 P 2: 13

COLUMBIA GAS OF VIRGINIA, INC.

CASE NO. PUR-2018-00057

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 April 20, 2018, Columbia Gas of Virginia, Inc. ("CVA" or "Company"), filed with the State Corporation Commission ("Commission") an application ("Application") for authorization to amend and extend its Conservation and Ratemaking Efficiency Plan ("CARE Plan") pursuant to Chapter 25 of Title 56 of the Code of Virginia ("Code").¹ According to the Company, its current CARE Plan includes a portfolio of programs that promote conservation and energy efficiency among CVA's residential and applicable small general service customer classes and a decoupling mechanism that adjusts actual non-gas distribution revenues per customer to the allowed distribution revenues previously approved by the Commission.² In its Application, the Company proposes to extend its CARE Plan, along with certain modifications and amendments, for an additional five-year period, through December 31, 2023 ("Amended CARE Plan").³

The proposed Amended CARE Plan would only be available to residential customers and includes three conservation and energy efficiency programs, with 16 measures.⁴ Specifically, the

¹ Section 56-600 *et seq.* of the Code.

² Application at 1.

³ *Id.* at 2.

⁴ *Id.* at 3, 8.

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Company requests approval to extend the following three conservation and energy efficiency programs,⁵ with certain modifications, for an additional five-year period:

- Web-Based Home Audit Program;
- Home Savings Program; and
- Residential Low-Income and Elderly Program.⁶

The Company expects to invest \$3.7 million over the five years of the Amended CARE Plan.⁷ According to the Company, the proposed Amended CARE Plan 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 (the CARE Program Adjustment ("CPA")).⁸ The Company estimates that the proposed Amended CARE Plan's CPA will cost the average residential customer approximately \$3.29 in 2019.⁹ In its Application, CVA requests authority to implement the CPA effective with the first billing unit for the Company's January 2019 billing cycle (*i.e.*, December 31, 2018).¹⁰ The Company's proposed Amended CARE Plan also includes a performance-based incentive mechanism and a decoupling mechanism.

NOW THE COMMISSION, upon consideration of the matter, is of the opinion and finds that this matter should be docketed; CVA should provide public notice of its Application;

⁵ The Commission approved these programs in Case No. PUE-2015-00072. *See Application of Columbia Gas of Virginia, Inc., For authorization to amend and extend its conservation and ratemaking efficiency plan pursuant to Virginia Code § 56-602*, Case No. PUE-2015-00072, 2016 S.C.C. Ann. Rept. 261, Order Approving Amended Natural Gas Conservation and Ratemaking Efficiency Plan (Feb. 23, 2016).

⁶ Application at 8-9.

⁷ *Id.* at 8.

⁸ *Id.* at 10-11.

⁹ *Id.* at 11. The Company states that this CPA will be subject to a true-up for 2018. *Id.*

¹⁰ *Id.* at 14.

interested persons should have an opportunity to file comments on the Application, file a notice of participation as a respondent, and/or request that a hearing be convened; the Commission's Staff ("Staff") should be directed to investigate the Application and present its findings and recommendations in a report; and a Hearing Examiner should be assigned to rule on any discovery matters that arise during the course of this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) CVA's Application is docketed and assigned Case No. PUR-2018-00057.
- (2) As provided by § 12.1-31 of the Code and Rule 5 VAC 5-20-120, *Procedure before Hearing Examiners*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), a Hearing Examiner is appointed to rule on any discovery matters that arise during the course of this proceeding.
- (3) The Company shall make a copy of the Application, as well as a copy of this Order for Notice and Comment, available for public inspection during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. A copy also may be obtained by submitting a written request to counsel for the Company, Bryan D. Stogdale, Senior Counsel, Columbia Gas of Virginia, Inc., 1809 Coyote Drive, Chester, Virginia 23836. If acceptable to the requesting party, the Company may provide the documents by electronic means. Copies of public versions of all documents filed in this case also shall be available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

(4) On or before June 8, 2018, CVA 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 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-2018-00057

On April 20, 2018, Columbia Gas of Virginia, Inc. ("CVA" or "Company") filed with the State Corporation Commission ("Commission") an application ("Application") for authorization to amend and extend its Conservation and Ratemaking Efficiency Plan ("CARE Plan") pursuant to Chapter 25 of Title 56 of the Code of Virginia. According to the Company, its current CARE Plan includes a portfolio of programs that promote conservation and energy efficiency among CVA's residential and applicable small general service customer classes 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 five-year period, through December 31, 2023 ("Amended CARE Plan").

The proposed Amended CARE Plan would only be available to residential customers and includes three conservation and energy efficiency programs, with 16 measures. Specifically, the Company requests approval to extend the following three conservation and energy efficiency programs, with certain modifications, for an additional five-year period: (1) Web-Based Home Audit Program; (2) Home Savings Program; and (3) Residential Low-Income and Elderly Program.

The Company expects to invest \$3.7 million over the five years of the Amended CARE Plan. According to the Company, the proposed Amended CARE Plan 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 (the CARE Program Adjustment ("CPA")). The Company estimates that the proposed Amended CARE Plan's CPA will cost the average residential customer approximately \$3.29 in 2019. In its Application, CVA requests authority to implement the CPA effective with the first billing unit for the

Company's January 2019 billing cycle (*i.e.*, December 31, 2018). 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 testimony and exhibits for the details of these proposals.

The Commission entered an Order for Notice and Comment in this case 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.

The Company's Application and the Commission's Order for Notice and Comment are available for public inspection during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. Copies also may be obtained by submitting a written request to counsel for the Company, Bryan D. Stogdale, Senior Counsel, Columbia Gas of Virginia, Inc., 1809 Coyote Drive, Chester, Virginia 23836. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Copies of the public version of the Application and other documents filed in this case are also available for interested persons to review in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <http://www.scc.virginia.gov/case>.

On or before June 15, 2018, any interested person wishing to comment on the Company's Application shall file written comments with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Any interested person desiring to file comments electronically may do so on or before June 15, 2018, by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>. Compact disks or any other form of electronic storage medium may not be filed with the comments. All such comments shall refer to Case No. PUR-2018-00057.

On or before June 15, 2018, any person or entity may participate as a respondent in this proceeding by filing a notice of

participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address above. A copy of the notice of participation as a respondent also must be sent to counsel for the Company at the address set forth above. Pursuant to Rule 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 Rule 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2018-00057. 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 June 15, 2018, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the hearing request shall be submitted to the Clerk of the Commission at the address above, and the interested person simultaneously shall serve a copy of the hearing request on counsel to the Company at the address set forth above. All requests for a hearing shall refer to Case No. PUR-2018-00057 and 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 documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, 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 may be viewed at <http://www.scc.virginia.gov/case>. A printed copy of the Commission's Rules of Practice and an official copy of the Commission's Order for Notice and Comment in this proceeding may be obtained from the Clerk of the Commission at the address above.

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(5) On or before June 8, 2018, CVA shall serve a copy of this Order for Notice and Comment on the following local officials, to the extent the position exists, in each county, city, and town in which the Company provides service in the Commonwealth of Virginia: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made by either personal delivery or first class mail to the customary place of business or residence of the person served.

(6) On or before June 22, 2018, the Company shall file with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, proof of the notice and service required by Ordering Paragraphs (4) and (5), including the name, title, and address of each official served.

(7) On or before June 15, 2018, any interested person may file written comments on the Application with the Clerk of the Commission at the address set forth in Ordering Paragraph (6). Any interested person desiring to file comments electronically may do so on or before June 15, 2018, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact disks or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2018-00057.

(8) On or before June 15, 2018, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (6). The respondent simultaneously shall serve a copy of the notice of participation on counsel to the

Company at the address in Ordering Paragraph (3). 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-2018-00057.

(9) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon each respondent a copy of this Order for Notice and Comment, a copy of the Application, and all materials filed by the Company with the Commission, unless these materials have already been provided to the respondent.

(10) On or before June 15, 2018, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the hearing request shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (6), and the interested person simultaneously shall serve a copy of the hearing request on counsel to the Company at the address in Ordering Paragraph (3). All requests for a hearing shall refer to Case No. PUR-2018-00057 and 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.

(11) The Staff shall investigate the Application. On or before July 18, 2018, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of its report and exhibits regarding its investigation of the Application.

(12) On or before July 27, 2018, the Company may file with the Clerk of the Commission any comments on the Staff's report, comments from interested persons, and requests for hearing that were filed with the Commission. If not filed electronically, an original and fifteen (15) copies of such comments shall be filed with the Clerk of the Commission.

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

(14) 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 five (5) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260, 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, or by facsimile, 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.¹¹ 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.*

(15) This matter is continued.

¹¹ The assigned Staff attorney is identified on the Commission's website, <http://www.scc.virginia.gov/case>, by clicking "Docket Search," and clicking "Search Cases," and entering the case number, PUR-2018-00057, in the appropriate box.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Bryan D. Stogdale, Senior Counsel, Columbia Gas of Virginia, Inc., 1809 Coyote Drive, Chester,
Virginia 23836; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of
Consumer Counsel, Office of the Attorney General, 202 N. 9th Street, 8th Floor, Richmond,
Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel
and Divisions of Public Utility Regulation and Utility Accounting and Finance.

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