

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, AUGUST 30, 2018

SCC-CLERK'S OFFICE  
DOCUMENT CONTROL CENTER  
2018 AUG 30 P 2:07

180850117

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2018-00133

For approval to establish voluntary rate,  
designated Rider CRC, pursuant to § 56-234 B  
of the Code of Virginia

ORDER FOR NOTICE AND COMMENT

On August 15, 2018, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to Enactment Clause 11 of Senate Bill 966, passed during the 2018 General Assembly Session ("Enactment Clause 11"), § 56-234 B of the Code of Virginia ("Code"), and Rule 80 of the Commission's Rules of Practice and Procedure ("Rules of Practice")<sup>1</sup> for approval to establish a voluntary rate, designated Rider CRC, Manufacturing and Commercial Competitiveness Retention Credit Rider ("Rider CRC").<sup>2</sup>

The Company states in its Application that Rider CRC is designed to support economic development in Dominion's service territory by offering a retention credit, in the form of a two percent discount on the total monthly base generation charges, to any eligible retail large general service customers who agree to take Electric Service, including Electricity Supply Service, as those terms are defined in the Company's Terms and Conditions on file with the Commission, exclusively from the Company for a period of at least three years.<sup>3</sup> The Company further states

---

<sup>1</sup> 5 VAC 5-20-10 *et seq.*

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

<sup>3</sup> *Id.* at 2-3.

that Enactment Clause 11 directs the Company to offer a retention credit to large manufacturing and commercial customers who are eligible to participate under the terms and conditions proposed in the Application.<sup>4</sup>

According to the Application, to participate in Rider CRC, large general service customers must currently take service pursuant to, or otherwise qualify to take service under: (1) Rate Schedule GS-3, Large General Service – Secondary Voltage; (2) Rate Schedule GS-4, Large General Service – Primary Voltage; or (3) any special rates or contracts approved pursuant to Code § 56-235.2 (each a "Principal Tariff"), subject to the following limitations.<sup>5</sup> The Company states that large general service customers who wish to subscribe to Rider CRC must not be receiving service from the Company under any experimental or pilot program tariff rate schedule, tariff rate schedule for market-based rates, tariff rate schedule to purchase 100% renewable energy, or companion tariff rate schedule, such as Rate Schedule MBR – GS-3, Large General Service – Secondary Voltage (Experimental), Rate Schedule MBR – GS-4, Large General Service – Primary Voltage (Experimental), or Schedule RF.<sup>6</sup>

The Company states that, to qualify for Rider CRC, an eligible large general service customer account<sup>7</sup> ("Qualifying Account") must have, during the most recent calendar year, established a peak measured average 30-minute demand greater than 500 kilowatts, which did not exceed one percent of the Company's peak load during the most recent calendar year, unless

---

<sup>4</sup> *Id.* at 3.

<sup>5</sup> *Id.* at 3-4.

<sup>6</sup> *Id.* at 5.

<sup>7</sup> The Company's proposed Rider CRC tariff defines "Account" as "the Customer's Company-assigned electric service account number (as may be superseded) associated with the Customer's service location." *See* Application, Attachment 1.

the customer had a non-coincident peak demand in excess of 90 megawatts in calendar year 2006 or any calendar year thereafter.<sup>8</sup> The Company further states that a large general service customer wishing to participate in Rider CRC would be required to execute an Agreement for Electric Service ("ESA") with the Company for each Qualifying Account that memorializes the customer's election to volunteer for Rider CRC.<sup>9</sup> The initial term of each ESA would be separately negotiated with each participating large general service customer; however, the initial term would be for a period of at least three years ("Initial Term").<sup>10</sup> Following the expiration of the Initial Term, the ESA would automatically renew annually for additional one-year terms (each subsequent term referred to as a "Renewal Term"), unless and until the ESA is cancelled by written notice by either party at least 60 days prior to the expiration of the Initial Term or Renewal Term, as applicable.<sup>11</sup>

Once an ESA has been executed, the Company would make service under Rider CRC effective on the first day of the billing month immediately following the last regular meter reading date for each Qualifying Account.<sup>12</sup> The two percent reduction in the total monthly base generation charges (billed by the Company to the Qualifying Account pursuant to the large general service customer's existing Principal Tariff) would appear as a separate line item on the participating customer's billing statement.<sup>13</sup>

---

<sup>8</sup> Application at 3-4.

<sup>9</sup> *Id.* at 4.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 4, 6.

<sup>12</sup> *Id.* at 5.

<sup>13</sup> *Id.* at 5, 6.

The Company proposes to make Rider CRC effective for usage on and after the first day of the month that is at least 60 days following the date of the Commission's final order in this proceeding.<sup>14</sup> The Company also proposes to make annual reports to the Commission if Rider CRC is approved.<sup>15</sup>

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 Application; 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) This matter is docketed and assigned Case No. PUR-2018-00133.

(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, a Hearing Examiner is appointed to rule on any discovery matters that arise during the course of this proceeding.

(3) The Company shall make copies of its 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. Copies also may be obtained by submitting a written request to counsel for the Company, Lisa S. Booth, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, RS-2, Richmond, Virginia 23219. If acceptable to

---

<sup>14</sup> *Id.* at 7.

<sup>15</sup> *Id.*

the requesting party, the Company may provide the documents by electronic means. Copies of the public version of all documents 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 September 28, 2018, the Company shall cause a copy of the following notice to be published as display advertising (not classified) on one 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 VIRGINIA ELECTRIC AND POWER COMPANY  
FOR APPROVAL TO ESTABLISH VOLUNTARY RATE,  
DESIGNATED RIDER CRC, PURSUANT TO  
§ 56-234 B OF THE CODE OF VIRGINIA  
CASE NO. PUR-2018-00133

On August 15, 2018, Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") pursuant to Enactment Clause 11 of Senate Bill 966, passed during the 2018 General Assembly Session ("Enactment Clause 11"), § 56-234 B of the Code of Virginia ("Code"), and Rule 80 of the Commission's Rules of Practice and Procedure ("Rules of Practice") for approval to establish a voluntary rate, designated Rider CRC, Manufacturing and Commercial Competitiveness Retention Credit Rider ("Rider CRC").

The Company states in its Application that Rider CRC is designed to support economic development in Dominion's service territory by offering a retention credit, in the form of a two percent discount on the total monthly base generation charges, to any eligible retail large general service customers who agree to take Electric Service, including Electricity Supply Service, as those terms are defined in the Company's Terms and Conditions on file

with the Commission, exclusively from the Company for a period of at least three years. The Company further states that Enactment Clause 11 directs the Company to offer a retention credit to large manufacturing and commercial customers who are eligible to participate under the terms and conditions proposed in the Application.

According to the Application, to participate in Rider CRC, large general service customers must currently take service pursuant to, or otherwise qualify to take service under: (1) Rate Schedule GS-3, Large General Service – Secondary Voltage; (2) Rate Schedule GS-4, Large General Service – Primary Voltage; or (3) any special rates or contracts approved pursuant to Code § 56-235.2 (each a "Principal Tariff"), subject to the following limitations. The Company states that large general service customers who wish to subscribe to Rider CRC must not be receiving service from the Company under any experimental or pilot program tariff rate schedule, tariff rate schedule for market-based rates, tariff rate schedule to purchase 100% renewable energy, or companion tariff rate schedule, such as Rate Schedule MBR – GS-3, Large General Service – Secondary Voltage (Experimental), Rate Schedule MBR – GS-4, Large General Service – Primary Voltage (Experimental), or Schedule RF.

The Company states that, to qualify for Rider CRC, an eligible large general service customer account ("Qualifying Account") must have, during the most recent calendar year, established a peak measured average 30-minute demand greater than 500 kilowatts, which did not exceed one percent of the Company's peak load during the most recent calendar year, unless the customer had a non-coincident peak demand in excess of 90 megawatts in calendar year 2006 or any calendar year thereafter. The Company further states that a large general service customer wishing to participate in Rider CRC would be required to execute an Agreement for Electric Service ("ESA") with the Company for each Qualifying Account that memorializes the customer's election to volunteer for Rider CRC. The initial term of each ESA would be separately negotiated with each participating large general service customer; however, the initial term would be for a period of at least three years ("Initial Term"). Following the expiration of the Initial Term, the ESA would automatically renew annually for additional one-year terms (each subsequent term referred to as a "Renewal Term"), unless and until the ESA is cancelled by written notice by either party at least 60 days prior to the expiration of the Initial Term or Renewal Term, as applicable.

Once an ESA has been executed, the Company would make service under Rider CRC effective on the first day of the billing month immediately following the last regular meter reading date for each Qualifying Account. The two percent reduction in the total monthly base generation charges (billed by the Company to the Qualifying Account pursuant to the large general service customer's existing Principal Tariff) would appear as a separate line item on the participating customer's billing statement.

The Company proposes to make Rider CRC effective for usage on and after the first day of the month that is at least 60 days following the date of the Commission's final order in this proceeding. The Company also proposes to make annual reports to the Commission if Rider CRC is approved.

Interested persons are encouraged to review the Application and supporting documents for further details of the Company's proposals.

The Company's Application and the Order for Notice and Comment that the Commission entered in this case 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, Lisa S. Booth, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, Riverside 2, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Copies of the Application and the public version of all documents filed in this case also are 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 October 12, 2018, any interested person wishing to comment on the Company's Application shall file written comments on the Application 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 October 12, 2018, by following the instructions on the Commission's website: <http://www.scc.virginia.gov/case>.

Compact discs or any other form of electronic storage medium may not be filed with the comments. All such comments shall refer to Case No. PUR-2018-00133.

On or before October 12, 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 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, 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. All filings shall refer to Case No. PUR-2018-00133.

On or before October 12, 2018, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the request for hearing shall be submitted to the Clerk of the Commission at the address set forth above. Written requests for hearing shall refer to Case No. PUR-2018-00133 and shall include: (i) a precise statement of the interest of the filing party; (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 the matter. A copy also shall be served on Dominion at the address set forth above.

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.



VIRGINIA ELECTRIC AND POWER COMPANY

(5) On or before September 28, 2018, Dominion shall serve a copy of its Application and this Order for Notice and Comment on the following 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 personal delivery or by first class mail, postage prepaid, to the customary place of business or residence of the person served.<sup>16</sup>

(6) On or before October 12, 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 October 12, 2018, any interested person may file written comments on the Application with the Clerk of the Commission at the address shown in Ordering Paragraph (6). Any interested person desiring to submit comments electronically may do so on or before October 12, 2018, by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact discs or any other form of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. PUR-2018-00133.

---

<sup>16</sup> Service may also be made electronically if a locality has submitted a written request to the Company for electronic service, pursuant to the Commission's April 19, 2016 Order in Case No. PUE-2016-00039. *See Petition of Virginia Electric and Power Company, For a continuing waiver of 20 VAC-5-201-10 J of the Rules Governing Utility Rate Applications and Annual Informational Filings to permit electronic service to local officials upon request*, Case No. PUE-2016-00039, Doc. Con. Cen. No. 160420194, Order (Apr. 19, 2016).

(8) On or before October 12, 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-2018-00133.

(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 October 12, 2018, any interested person may file a written request for a hearing. If not filed electronically, an original and fifteen (15) copies of the request for hearing shall be submitted to the Clerk of the Commission at the address in Ordering Paragraph (6). Written requests for hearing shall refer to Case No. PUR-2018-00133 and shall include: (i) a precise statement of the interest of the filing party; (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 the matter. A copy also shall be served on counsel to the Company at the address in Ordering Paragraph (3).

(11) The Staff shall investigate the Application. On or before December 21, 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 January 11, 2019, the Company may file with the Clerk of the Commission any comments on the Staff's report and any comments filed by interested persons in this proceeding. 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 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.<sup>17</sup>

---

<sup>17</sup> 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-2018-00133, in the appropriate box.

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.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Joseph K. Reid III, Esquire, and Lauren E. Wood, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; Lisa S. Booth, Esquire, and Horace P. Payne, Jr., Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, RS-2, Richmond, Virginia 23219; 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.