

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 20, 2019

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2019-00094

For approval of a 100 percent renewable energy tariff,  
designated Rider TRG, pursuant to §§ 56-577 A 5  
and 56-234 of the Code of Virginia

ORDER FOR NOTICE AND HEARING

On May 31, 2019, pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia ("Code") and Rule 80, 5 VAC 5-20-80, of the State Corporation Commission's ("Commission") Rules of Practice and Procedure ("Rules of Practice"),<sup>1</sup> Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed with the Commission an application ("Application") for approval of an optional 100 percent renewable energy tariff, designated Rider TRG, whereby participating customers can voluntarily elect to purchase 100 percent of their energy and capacity needs sourced from renewable energy resources. Dominion requests the Commission approve Rider TRG as a 100 percent renewable energy tariff under Code § 56-577 A 5 and states that Rider TRG is consistent with the 100 percent renewable tariff framework approved by the Commission in Case No. PUR-2017-00179.<sup>2</sup> The Company further requests approval of the Application no more than six months from the date of filing.<sup>3</sup>

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

<sup>2</sup> Application at 4, 10. *Application of Appalachian Power Company, For approval of a 100% renewable energy rider pursuant to § 56-577 A 5 of the Code of Virginia*, Case No. PUR-2017-00179, Doc. Con. Cen. No. 190110100, Order Approving Tariff (Jan. 7, 2019). If the Commission approves Rider TRG as meeting this statutory definition, Rider TRG would impact the Company's obligation to allow retail choice to certain customers seeking to purchase renewable energy.

<sup>3</sup> Application at 1, 10.

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The Application states that Rider TRG customers will receive 100 percent of their energy and capacity from a portfolio of resources ("TRG Portfolio") owned or contracted for by the Company that meet the definition of renewable energy in Code § 56-576.<sup>4</sup> As proposed, the TRG Portfolio would include the following resources: the Scott, Whitehouse, and Woodland solar facilities; the Essex, Williamston Speight, HXOap, Cork Oak, and Sunflower solar power purchase agreements; the Gaston and Roanoke Rapids hydro facilities; and the Altavista, Hopewell, Southampton, and Virginia City Hybrid Energy Center biomass units.<sup>5</sup> As proposed, the Company expects that the TRG Portfolio will be able to meet the capacity and energy requirements of approximately 50,000 residential customers or their commercial equivalent.<sup>6</sup> The Company proposes to compare, on a monthly basis, the subscribed customer load to the monthly generation by the TRG Portfolio and ensure that the generation exceeds the load, with reasonable margins for deviations.<sup>7</sup> The Company also states that it will retire the renewable energy certificates ("RECs") associated with each megawatt-hour generated by the TRG Portfolio that the Company sells to participating customers.<sup>8</sup>

The Company proposes that participating customers in Rider TRG pay a premium over standard service that is based on the prevailing market value of retail renewable energy, using the market value of RECs as a proxy for this premium.<sup>9</sup> The Company proposes an initial rate for

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

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

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

<sup>7</sup> *Id.* at 6.

<sup>8</sup> *Id.*

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

Rider TRG of \$4.21 per megawatt-hour, which is the weighted average value of the RECs produced by the current TRG Portfolio in 2018.<sup>10</sup> The Company states participating customers will also pay a balancing charge that credits the generation component of base rates, fuel, and generation riders in amounts to hold non-participants harmless, including any future generation riders that may be approved.<sup>11</sup> In addition, participating customers would be required to continue to pay their standard tariff for all wires-related charges for transmission and distribution service.<sup>12</sup>

Under the Company's proposal, all customers with a peak demand of less than five megawatts in the most recent 12-month billing period would be eligible to participate in Rider TRG.<sup>13</sup> According to the Application, for a typical residential customer using 1,000 kilowatt-hours per month, Rider TRG would increase a participating customer's monthly bill by \$4.21, or 3.6%.<sup>14</sup> The Company proposes that customers give 30-days' notice to initiate or terminate service under Rider TRG, with no separate contracts required to participate.<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; a public hearing should be scheduled for the purpose of receiving testimony and evidence on the Application; interested persons should have an opportunity to file comments on the Application

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

<sup>11</sup> *Id.* at 7.

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

<sup>13</sup> *Id.*

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

<sup>15</sup> *Id.* at 8.

or participate as a respondent in this proceeding; and the Commission's Staff ("Staff") should be directed to investigate the Application and file testimony and exhibits containing its findings and recommendations thereon.

We also find that a Hearing Examiner should be assigned 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.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUR-2019-00094.

(2) As provided by Code § 12.1-31 and Rule 5 VAC 5-20-120, *Procedure before Hearing Examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to conduct all further proceedings in this matter on behalf of the Commission.

(3) A public hearing on the Application shall be convened on November 21, 2019, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive the testimony of public witnesses and the evidence of the Company, any respondents, and the Staff. Any person desiring to offer testimony as a public witness at this hearing should appear in the Commission's courtroom fifteen (15) minutes prior to the starting time of the hearing and identify himself or herself to the Commission's Bailiff.

(4) The Company shall make copies of the Application, as well as a copy of this Order for Notice and Hearing, 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, Richmond, Virginia 23219. If acceptable to 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>.

(5) On or before July 26, 2019, the Company shall cause 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 in Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
VIRGINIA ELECTRIC AND POWER COMPANY,  
FOR APPROVAL OF A VOLUNTARY  
100% RENEWABLE TARIFF  
CASE NO. PUR-2019-00094

- **Virginia Electric and Power Company ("Dominion") has applied for approval of an optional voluntary 100% renewable energy tariff for customers with peak demand of less than five megawatts.**
- **If the Commission approves the Rider TRG as meeting this statutory definition of 100% renewable, Rider TRG would impact the Company's obligation to allow retail choice to certain customers seeking to purchase renewable energy.**
- **A Hearing Examiner appointed by the Commission will hear the case on November 21, 2019, at 10 a.m.**

On May 31, 2019, pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia ("Code") and Rule 80, 5 VAC 5-20-80, of the State Corporation Commission's ("Commission") Rules of Practice and Procedure ("Rules of Practice"), Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion" or "Company") filed with the Commission an application ("Application") for approval of an optional 100 percent renewable energy tariff, designated Rider TRG, whereby participating customers can voluntarily elect to purchase 100 percent of their energy and capacity needs sourced from renewable energy resources. Dominion requests the Commission approve Rider TRG as a 100 percent renewable energy tariff under Code § 56-577 A 5 and states that Rider TRG is consistent with the 100 percent renewable tariff framework approved by the Commission in Case No. PUR-2017-00179.

The Application states that Rider TRG customers will receive 100 percent of their energy and capacity from a portfolio of resources ("TRG Portfolio") owned or contracted for by the Company that meet the definition of renewable energy in Code § 56-576. As proposed, the TRG Portfolio would include the following resources: the Scott, Whitehouse, and Woodland solar facilities; the Essex, Williamston Speight, HXOap, Cork Oak, and Sunflower solar power purchase agreements; the Gaston and Roanoke Rapids hydro facilities; and the Altavista, Hopewell, Southampton, and Virginia City Hybrid Energy Center biomass units. As proposed, the Company expects that the TRG Portfolio will be able to meet the capacity and energy requirements of approximately 50,000 residential customers or their commercial equivalent. The Company proposes to compare, on a monthly basis, the subscribed customer load to the monthly generation by the TRG Portfolio and ensure that the generation exceeds the load, with reasonable margins for deviations. The Company also states that it will retire the renewable energy certificates ("RECs") associated with each megawatt-hour generated by the TRG Portfolio that the Company sells to participating customers.

The Company proposes that participating customers in Rider TRG pay a premium over standard service that is based on the prevailing market value of retail renewable energy, using the market value of RECs as a proxy for this premium. The Company proposes an initial rate for Rider TRG of \$4.21 per megawatt-hour, which is the weighted average value of the RECs produced by the current TRG Portfolio in 2018. The Company states participating customers will also pay a balancing charge that credits the generation component of base rates, fuel, and generation riders in

amounts to hold non-participants harmless, including any future generation riders that may be approved. In addition, participating customers would be required to continue to pay their standard tariff for all wires-related charges for transmission and distribution service.

According to the Application, for a typical residential customer using 1,000 kilowatt-hours per month, Rider TRG would increase a participating customer's monthly bill by \$4.21, or 3.6%. The Company proposes that customers give 30-days' notice to initiate or terminate service under Rider TRG, with no separate contracts required to participate.

Interested persons are encouraged to review the Application and supporting documents for the details of these and other proposals.

The Commission entered an Order for Notice and Hearing that, among other things, scheduled a public hearing on November 21, 2019, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony from members of the public and evidence related to the Application from the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness at this hearing should appear fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

The Company's Application, as well as the Commission's Order for Notice and Hearing, 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, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Copies of the Application and other 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 November 14, 2019, 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 November 14, 2019, 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-2019-00094.

On or before September 17, 2019, 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. 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-2019-00094.

On or before October 17, 2019, each respondent may file with the Clerk of the Commission, and serve on the Commission's Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects to establish its case, and each witness's testimony shall include a summary not to exceed one page. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be submitted to the Clerk of the Commission at the address above. In all filings, respondents shall comply with the Commission's Rules of Practice, including 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-2019-00094.

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 Hearing in this proceeding may be obtained from the Clerk of the Commission at the address above.

VIRGINIA ELECTRIC AND POWER COMPANY

(6) On or before July 26, 2019, the Company shall serve a copy of this Order for Notice and Hearing 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 either personal delivery or first class mail to the customary place of business or residence of the person served.<sup>16</sup>

(7) On or before August 29, 2019, the Company shall file proof of the notice and service required by Ordering Paragraphs (5) and (6), including the name, title, and address of each official served, with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118.

(8) On or before November 14, 2019, any interested person may file written comments on the Application with the Clerk of the Commission at the address shown in Ordering Paragraph (7). Any interested person desiring to submit comments electronically may do so on or before November 14, 2019, by following the instructions found on the Commission's website:

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<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).

<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-2019-00094.

(9) On or before September 17, 2019, 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 (7). The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address in Ordering Paragraph (4). 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-2019-00094.

(10) 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 Hearing, a copy of the public version of the Application, and a copy of the public version of all materials filed by the Company with the Commission, unless these materials already have been provided to the respondent.

(11) On or before October 17, 2019, each respondent may file with the Clerk of the Commission at the address set forth in Ordering Paragraph (7) and serve on the Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects

to establish its case, and each witness's testimony shall include a summary not to exceed one page. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be submitted to the Clerk of the Commission. In all filings, the respondent shall comply with the Commission's Rules of Practice, including 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-2019-00094.

(12) The Staff shall investigate the Application. On or before October 31, 2019, the Staff shall file with the Clerk of the Commission an original and fifteen (15) copies of 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 Dominion and all respondents.

(13) On or before November 12, 2019, Dominion shall file with the Clerk of the Commission: (a) 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; and (b) a summary not to exceed one page of each direct witness's testimony if not previously included therewith. The Company shall serve a copy of the testimony and exhibits on the Staff and all respondents. If not filed electronically, an original and fifteen (15) copies of such rebuttal testimony and exhibits shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (7).

(14) 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.

(15) 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 seven (7) 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> 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.*

(16) This matter is continued.

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

Joseph K. Reid III, Esquire, Elaine S. Ryan, Esquire, Jontille D. Ray, Esquire, and Sarah R. Bennett, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Canal Street, Richmond, Virginia 23219; Lisa S. Booth, Esquire, and David J. Depippo, Esquire, Dominion Energy Services, Inc., 120 Tredegar Street, 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.

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<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-2019-00094, in the appropriate box.