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Case Number (if already assigned) PUR-2019-00094

Case Name (if known) Application of Virginia Electric and Power Company 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

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October 17, 2019

VIA ELECTRONIC FILING

Mr. Joel H. Peck, Clerk
c/o Document Control Center
State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Re: Application of Virginia Electric and Power Company 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; Case No. PUR-2019-00094

Dear Mr. Peck:

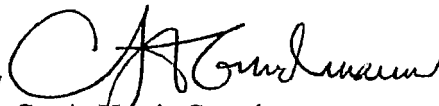
Please find enclosed for filing with the State Corporation Commission ("SCC" or "Commission") on behalf of Walmart Inc. ("Walmart"), the Direct Testimony and Exhibit of Lisa V. Perry in the above-referenced case.

All parties are being served a copy of this letter in accordance with the attached Certificate of Service.

Please contact me if you have any questions.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By 
Carrie Harris Grundmann
(VA Bar No. 76817)

Counsel to Walmart Inc.

CMH:sds
Attachments
cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Direct Testimony and Exhibit of Lisa V. Perry upon the following parties to this proceeding.

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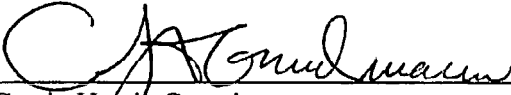
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Carrie Harris Grundmann

Dated: October 17, 2019

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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
VIRGINIA ELECTRIC AND POWER COMPANY)
)
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)

CASE NO. PUR-2019-00094

DIRECT TESTIMONY AND EXHIBIT OF

LISA V. PERRY

ON BEHALF OF

WALMART INC.

OCTOBER 17, 2019

SUMMARY OF DIRECT TESTIMONY OF LISA V. PERRY

Lisa V. Perry provides testimony on behalf of Walmart Inc. in response to Virginia Electric and Power Company's ("Dominion" or "Company") request that the Virginia State Corporation Commission ("Commission") approve its application seeking approval of the Company's rider, designated Rider TRG, as a rider providing 100 percent renewable energy pursuant to Virginia Code § 56-577 A 5.

Walmart is a large commercial customer of Dominion with aggressive corporate renewable energy goals along with significant expertise with the renewable energy landscape. Walmart purchases renewable energy resources through three channels: (1) contracting for off-site resources, primarily through virtual power purchase agreements; (2) on-site, behind the meter resources; and (3) through utility partnerships. In fact, it has successfully leveraged its renewable energy experience when it partnered with the Company to develop Schedule RG.

In light of its experience with renewable energy and its prior joint efforts working with Dominion on renewable offerings that are attractive to customers, it is concerning that Dominion proposed Rider TRG without the benefit of any customer input.

Walmart also objects to the approval of Rider TRG because it does not appear that it will place new renewable resources on the grid. Instead, it appears the Company will take resources already in service and redirect those resources to Rider TRG customers. This has the dual effect of not increasing renewable energy in the Commonwealth of Virginia and removing it as a resource available generally to Dominion's customers.

In light of these deficiencies with Rider TRG, Walmart requests that the Commission closely scrutinize whether Rider TRG produces just and reasonable rates, protects the public interest, and enhances renewable energy opportunities for customers.

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Exhibits

Exhibit LVP-1: Witness Qualifications Statement

1 **Introduction**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

3 A. My name is Lisa V. Perry. My business address is 2001 SE 10th St., Bentonville, AR
4 72716-0550. I am employed by Walmart Inc. as Senior Manager, Energy Services.

5 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?**

6 A. I am testifying on behalf of Walmart Inc. ("Walmart").

7 **Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.**

8 A. I received a J.D. in 1999 and a LL.M. in Taxation in 2000 from the University of Florida
9 Levin College of Law. I was engaged in private practice from 2001 to 2019, and from
10 2007 through 2019, my practice focused on Energy Law. My practice included
11 representing a large commercial client before utility regulatory commissions in
12 Colorado, Texas, New Mexico, Arkansas, and Louisiana in matters ranging from
13 general rate cases to renewable energy programs. I joined the energy department at
14 Walmart in September 2019 as Senior Manager, Energy Services. My Witness
15 Qualifications Statement is attached as Exhibit LVP-1.

16 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE STATE CORPORATION
17 COMMISSION ("COMMISSION")?**

18 A. No.

19 **Q. HAVE YOU PREVIOUSLY APPEARED BEFORE STATE REGULATORY COMMISSIONS?**

20 A. Yes, I have provided legal representation for customer stakeholders before the State
21 Regulatory Commissions for Colorado, Texas, Arkansas, Louisiana, and New Mexico in
22 the cases listed under "Commission Dockets" in Exhibit LVP-1.

1 Q. ARE YOU SPONSORING EXHIBITS IN YOUR TESTIMONY?

2 A. Yes. I am sponsoring the exhibit listed in the Table of Contents.

3 Q. PLEASE BRIEFLY DESCRIBE WALMART'S OPERATIONS IN VIRGINIA.

4 A. As shown on Walmart's website, Walmart operates 150 retail units and four
5 distribution centers and employs over 42,000 associates in the Commonwealth of
6 Virginia. In fiscal year ending 2019, Walmart purchased \$2.1 billion worth of goods
7 and services from 1,048 Virginia-based suppliers, supporting over 66,000 supplier
8 jobs.¹

9 Q. PLEASE BRIEFLY DESCRIBE WALMART'S OPERATIONS WITHIN VIRGINIA ELECTRIC
10 AND POWER COMPANY D/B/A DOMINION ENERGY VIRGINIA'S ("DOMINION" OR
11 "COMPANY") SERVICE TERRITORY.

12 A. Walmart is a large commercial customer of Dominion with approximately 94 stores,
13 two distribution centers, and related facilities that take electric service the Company.

14 Q. HAS WALMART ESTABLISHED CORPORATE RENEWABLE ENERGY GOALS?

15 A. Yes. Walmart has established aggressive and significant company-wide renewable
16 energy goals, including: (1) to be supplied 50 percent by renewable energy by 2025,
17 and, ultimately (2) to be supplied 100 percent by renewable energy². Additionally,
18 Walmart has set a science-based target to reduce emissions in our operations by 18
19 percent by 2025 through the deployment of energy efficiency measures and the

¹ <http://corporate.walmart.com/our-story/locations/united-states#/united-states/virginia>

² <http://corporate.walmart.com/global-responsibility/environmental-sustainability>

1 consumption of renewable energy.³ To date, Walmart has contracted for or currently
2 takes electricity from one or more renewable resources in at least 25 states and
3 Puerto Rico.

4 **Q. CAN YOU PROVIDE INSIGHT TO WALMART'S GENERAL FRAMEWORK FOR**
5 **RENEWABLE OPPORTUNITIES?**

6 A. Yes. Walmart's desire for renewable energy resources must be balanced against its
7 business needs. As a general rule, Walmart does not enter into premium structures
8 or programs that only result in additional costs to its facilities. Rather, Walmart seeks
9 renewable energy resources that deliver industry-leading cost, including renewable
10 and project specific attributes such as renewable energy credits ("RECs"), within
11 structures where the value proposition allows the customer to receive any potential
12 benefits brought about by taking on the risk of being served by that resource instead
13 of, or in addition to, the otherwise applicable resource portfolio. Additionally,
14 Walmart does not enter into programs with terms in excess of 15 years.

15 **Q. WHAT CHANNELS DOES WALMART UTILIZE TO SECURE RENEWABLE ENERGY**
16 **RESOURCES?**

17 A. To meet our renewable energy goals, Walmart utilizes three primary channels to
18 secure renewable energy resources:

- 19 • **Contracting for off-site resources:** These products are typically structured to
20 replace other energy, both physically and on the bill. This mechanism allows

³ <http://news.walmart.com/2016/11/04/walmart-offers-new-vision-for-the-companys-role-in-society>

1 Walmart to leverage its scale to drive the best project economics while
2 simultaneously minimizing transaction time and costs. To date, Walmart has
3 contracted for these resources through Texas Retail Energy, LLC ("TRE"), a
4 competitive electric supplier wholly owned by Walmart that serves as our electric
5 supplier in most deregulated retail markets, to directly serve our load.⁴ We have
6 also entered into "Virtual Power Purchase Agreements" in deregulated wholesale
7 markets, which do not directly serve our load but allow us to bring new large scale
8 renewable resources to the market. Walmart is presently seeking to implement
9 this option in the Commonwealth of Virginia.⁵

10 • **Contracting for on-site resources:** Walmart contracts for on-site, behind the
11 meter resources through power purchase agreements and leases that allow
12 performance guarantees. These resources replace grid energy and are priced with
13 the expectation that the operating costs for the site are reduced.

14 • **Utility partnerships:** Walmart works with its utility partners to develop useable
15 commercial and industrial programs with economic structures targeted to
16 function within the confines of the regulatory compact and with minimal impact
17 to non-participating customers. When this option is pursued, Walmart works to

⁴ See, e.g., <https://blog.walmart.com/sustainability/20151118/the-farm-that-grows-clean-energy>;
http://www.akuofoundation.com/fileadmin/media/pdf/news-en/CP_AKE_PPA_WalMart_ENG.pdf

⁵ See *Petition of Wal-Mart Stores East, LP and Sam's East, Inc. for Permission to Aggregate or Combine Demands of Two or More Individual Nonresidential Retail Customers of Electric Energy Pursuant to § 56-577 A 4 of the Code of Virginia*, Case No. PUR-2017-00173; *Petition of Wal-Mart Stores East, LP and Sam's East, Inc. for Permission to Aggregate or Combine Demands of Two or More Individual Nonresidential Retail Customers of Electric Energy Pursuant to § 56-577 A 4 of the Code of Virginia*, Case No. PUR-2017-00174.

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1 ensure that programs it assists to develop can be used by the broader group of
2 large commercial and industrial customers, not merely Walmart. Walmart is
3 unique in the large commercial space because we have significant in-house rate
4 and regulatory expertise that we are willing to leverage to create opportunities to
5 move the entire industry forward. The largest of these partnerships to date
6 include the development and participation in Georgia Power Company's 177 MW
7 Commercial & Industrial Renewable Energy Development Initiative program⁶ and
8 Alabama Power Company's 72 MW solar farm in Alabama.⁷ Additionally, Walmart
9 worked with Dominion Energy to develop their recently approved Schedule RG⁸
10 and with Ameren Missouri to develop their Renewable Choice program.⁹ While
11 Walmart assisted in developing these opportunities, the opportunities are open
12 to other interested large customers, not just Walmart.

13

14 **Purpose of Testimony and Summary of Recommendations**

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 A. The purpose of my testimony is to respond to Dominion's proposed renewable energy
17 tariff (designated "Rider TRG") as set forth in the Company's Application

⁶ <https://www.greenbiz.com/article/how-google-and-walmart-work-utilities-procure-clean-power>

⁷ <http://www.alabamane.wscenter.com/2018/01/02/chambers-county-solar-project-now-serving-alabama-power-customers/>

⁸ See *Application of Virginia Electric and Power Company for Approval to Establish a Companion Tariff, Designated Schedule RG, Pursuant to § 56-234 of the Code of Virginia*, Case No. PUR-2017-00163, Order Approving Tariff (issued Nov. 6, 2018)

⁹ See Union Electric Company MO P.S.C. Schedule No. 6, 1st Revised Sheet No. 94.

1 ("Application") filed with the Commission on or about May 31, 2019, providing the
2 perspective of a large energy customer with extensive experience in the renewable
3 resources landscape and an active participant in developing renewable programs
4 throughout the country by working with regulated utility companies.

5 **Q. PLEASE SUMMARIZE WALMART'S RECOMMENDATIONS TO THE COMMISSION.**

6 A. Walmart recommends that the Commission reject the Company's proposal to approve
7 Rider TRG as a 100 percent renewable energy tariff pursuant to Virginia Code § 56-
8 577 A 5 ("Subsection A 5"). Walmart does not oppose the Commission approving
9 Rider TRG as a REC purchase program option for customers. Although I am not
10 licensed in the Commonwealth of Virginia, it is my understanding that if Rider TRG is
11 approved under Subsection A 5, customers would no longer have access to 100
12 percent renewable energy options offered by non-utility electric suppliers. Thus, from
13 a policy perspective, the Commission should carefully scrutinize whether the
14 Company's proposed Rider TRG produces just and reasonable rates, adequately
15 protects the public interest, and enhances renewable opportunities for customers.

16 **Q. DOES THE FACT THAT YOU MAY NOT ADDRESS AN ISSUE OR POSITION ADVOCATED**
17 **BY THE COMPANY INDICATE WALMART'S SUPPORT?**

18 A. No. The fact that an issue is not addressed herein or in related filings should not be
19 construed as an endorsement of, agreement with, or consent to any filed position.
20

1 **Rider TRG Overview**

2 **Q. WHAT IS YOUR UNDERSTANDING OF THE COMPANY'S PROPOSED RIDER TRG?**

3 A. It is my understanding that Dominion proposes Rider TRG as a mechanism for the
4 Company to provide participating customers 100 percent of energy and capacity from
5 renewable resources owned or contracted by the Company. The Company proposes
6 to include the Scott, Whitehouse, and Woodland solar facilities; Essex, Williamston
7 Speight, HXOap, Cork Oak, and Sunflower solar power purchase agreements; Gaston
8 and Roanoke Rapids hydro facilities; and Altavista, Hopewell, Southampton, and
9 Virginia City Hybrid Energy Center biomass units to serve those who opt to take
10 service under Rider TRG. See Direct Testimony of James M. Billingsley, p 2, lines 16-
11 22 and p. 3, lines 1-3.

12 **Q. UNDER WHAT AUTHORITY DOES DOMINION PROPOSE RIDER TRG?**

13 A. Dominion proposes Rider TRG under Subsection A 5. See Application, p. 1. Subsection
14 A 5 states:

15 After the expiration or termination of capped rates, individual
16 retail customers of electric energy within the Commonwealth,
17 regardless of customer class, shall be permitted:

18 a. To purchase electric energy provided 100 percent from
19 renewable energy from any supplier of electric energy
20 licensed to sell retail electric energy within the
21 Commonwealth, other than any incumbent electric utility
22 that is not the incumbent electric utility serving the
23 exclusive service territory in which such a customer is
24 located, if the incumbent electric utility serving the
25 exclusive service territory does not offer an approved tariff
26 for electric energy provided 100 percent from renewable
27 energy; and

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1 b. To continue purchasing renewable energy pursuant to the
2 terms of a power purchase agreement in effect on the date
3 there is filed with the Commission a tariff for the incumbent
4 electric utility that serves the exclusive service territory in
5 which the customer is located to offer electric energy
6 provided 100 percent from renewable energy, for the
7 duration of such agreement.

8 Va. Code Ann. § 56 577 A 5. As such, it is my understanding that approval of Rider
9 TRG as proposed by the Company in its Application would operate to prohibit any
10 other licensed electric supplier in the Commonwealth from selling a 100 percent
11 renewable product to customers eligible for Rider TRG in Dominion's territory.

12 **Q. IS IT YOUR UNDERSTANDING THAT COMMISSION APPROVAL OF RIDER TRG FOR 100**
13 **PERCENT RENEWABLE ENERGY, AS PROPOSED OR MODIFIED BY THE COMMISSION,**
14 **WOULD PRECLUDE CUSTOMERS FROM SEEKING ALTERNATIVE COMPETITIVE 100**
15 **PERCENT RENEWABLE ENERGY OPTIONS?**

16 A. Yes. It is my understanding that approval of Rider TRG as a 100 percent renewable
17 energy offering pursuant to Subsection A 5, as proposed or modified by the
18 Commission, will operate to bar customers from accessing 100 percent renewable
19 energy options from non-utility electric suppliers.

1 **Prior Cases Seeking Approval of a 100 Percent Renewable Energy Tariff**

2 **Q. HAS THE COMPANY PREVIOUSLY PROPOSED A 100 PERCENT RENEWABLE ENERGY**
3 **TARIFF PURSUANT TO SUBSECTION A 5?**

4 A. Yes. The Company has twice sought approval of a 100 percent renewable tariff
5 pursuant to Subsection A 5.¹⁰

6 **Q. DID THE COMMISSION APPROVE THE PROPOSED TARIFFS IN EITHER DOCKET AS 100**
7 **PERCENT RENEWABLE OFFERINGS UNDER SUBSECTION A 5?**

8 A. No. In Case No. PUR-2017-00060, the Commission rejected the Company's proposed
9 renewable offering as not producing just and reasonable rates because of too much
10 uncertainty and subjectivity.¹¹ The Company elected to withdraw its Application in
11 Case No. PUR-2017-00157.¹²

12 **Q. HAS THE COMMISSION APPROVED A TARIFF UNDER SUBSECTION A 5?**

13 A. Yes. The Commission approved Appalachian Power Company's Rider WWS pursuant
14 to Subsection A 5 (referred to herein as the "APCO Case").¹³

¹⁰ See *Application of Virginia Electric and Power Company For Approval of 100 Percent Renewable Energy Tariffs Pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00060; *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs for Residential and Non-Residential Customers Pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00157.

¹¹ See *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs Pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00060, Final Order (issued May 7, 2018), p. 7.

¹² See *Application of Virginia Electric and Power Company for Approval of 100 Percent Renewable Energy Tariffs for Residential and Non-Residential Customers Pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia*, Case No. PUR-2017-00157, Order Dismissing Case (issued Feb. 6, 2019), p. 3.

¹³ See *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, Order Approving Tariff (issued Jan. 7, 2019), p. 8.

1 Q. DID THE COMMISSION IN THE APCO CASE PROVIDE ANY STANDARDS FOR
2 EVALUATING FUTURE APPLICATIONS FOR A TARIFF UNDER SUBSECTION A 5?

3 A. Yes. The Commission stated in its Order that "any tariff proposed under [Section 56-
4 577 A 5] must be evaluated on its own merits in determining whether it is just and
5 reasonable and should be approved."¹⁴

6 Q. DID THE COMMISSION IN THE APCO CASE PROVIDE ANY ADDITIONAL GUIDANCE
7 BASED ON ITS ANALYSIS OF A 100 PERCENT RENEWABLE ENERGY TARIFF?

8 A. Yes. The Commission specifically set forth the following three principles:

9 First, to be just and reasonable, the proposed tariff should include
10 safeguards that hold non-participating customers substantially
11 harmless.¹⁵

12
13 Second, the tariff must supply the customer's full load
14 requirements with electric energy provided 100 percent from
15 "renewable energy" as defined by statute.¹⁶

16
17 Third, the rates under such tariff should be reasonable for purposes
18 of the renewable energy product that is being supplied.¹⁷
19

20

¹⁴ APCO Case, Order Approving Tariff (issued Jan. 7, 2019), p. 4.

¹⁵ In a footnote, the Commission clarified that whether a *de minimis* or minor incidental effects on non-participating customers is "substantially harmless" is a factual determination made on a case-by-case basis.

¹⁶ The footnote to this language references Section 56-576 of the Code of Virginia.

¹⁷ See APCO Case, Order Approving Tariff (issued Jan. 7, 2019), pp. 4, 5.

1 **Customer Impact of Rider TRG**

2 **Q. DOES THE COMPANY CLAIM THAT RIDER TRG PRODUCES JUST AND REASONABLE**
3 **RATES AS REQUIRED BY VIRGINIA CODE § 56-234?**

4 A. Yes. See Application, p. 8. It is my understanding that any rate proposed under
5 Subsection A 5 must also satisfy the just and reasonable standard set forth in Section
6 56-234 of the Code of Virginia.

7 **Q. TO YOUR KNOWLEDGE, DOES THE COMPANY PROPOSE RIDER TRG AS AN**
8 **EXPERIMENTAL RATE PURSUANT TO VIRGINIA CODE § 56-234 B?**

9 A. No.

10 **Q. WHAT IS THE PROPOSED ELIGIBILITY AND ENROLLMENT PROCESS FOR RIDER TRG?**

11 A. The Company proposes Rider TRG be applicable to customers with peak measured
12 demand not in excess of 5,000 kW in the current or previous calendar year. See Direct
13 Testimony of Robert J. Trexler at Schedule 1, p. 1. Customer participation would take
14 place through notifying the Company of a desire to participate.

15 **Q. HOW DOES THE COMPANY PROPOSE TO SET THE GENERATION CHARGES FOR**
16 **PARTICIPATING CUSTOMERS?**

17 A. The Company proposes to replace the existing fuel factor (Rider A), generation riders,
18 and the generation component of base rates with a balancing charge (see Direct
19 Testimony of Robert J. Trexler, p. 8, lines 19-20) as well as a renewable energy
20 premium set at \$0.00421/kWh (see *id.*, p. 7, lines 3-4), which the Company claims will
21 hold non-participating customers substantially harmless. See *id.*, p. 8, lines 13-14.

1 The proposed premium is based on the portfolio of generators and the weighted value
2 of the RECs from each. *See id.*, p 8, lines 3-4.

3 **Q. FROM A CUSTOMER PERSPECTIVE, DOES PROPOSED RIDER TRG APPEAR TO SIMPLY**
4 **BE A REC PURCHASE PROGRAM?**

5 A. Yes. In a normal "REC purchase program," a customer purchases RECs at the market
6 price to source their energy usage from renewable energy options. In this case, rather
7 than providing the customer with a REC, the Company is charging a premium equal to
8 the *cost* of the REC and then retiring the RECs associated with each MWh generated
9 by facilities included in the Rider TRG portfolio. *Application*, p. 6. In reality, the
10 construct is no different than a traditional REC purchase program.

11 For the program to go beyond a REC purchase program, the generation rates
12 would need to reflect the economics of the proposed Rider TRG portfolio, *i.e.*,
13 permitting the customer to realize the benefits/risks of taking service from renewable
14 energy sources, versus the Company's otherwise applicable generation portfolio.

15 **Q. DOES THE COMPANY PROPOSE TO CHANGE THE DISTRIBUTION AND TRANSMISSION**
16 **BILLING TO CUSTOMERS WHO ELECT TO TAKE SERVICE THROUGH RIDER TRG?**

17 A. No.

18

1 **Customer Perspective of Rider TRG**

2 **Q. DOES THE COMPANY CHARACTERIZE RIDER TRG AS A RESPONSE TO INQUIRIES**
3 **MADE BY BUSINESS CUSTOMERS LOOKING FOR "LOW COST RENEWABLE OPTIONS**
4 **OFFERED BY THE INCUMBENT UTILITY"?**

5 A. Yes. See Direct Testimony of Robert J. Trexler, p. 2, lines 18-19.

6 **Q. DID DOMINION DISCUSS THE PROPOSED RIDER TRG WITH WALMART PRIOR TO**
7 **FILING THE PROGRAM?**

8 A. No.

9 **Q. HAS WALMART SUCCESSFULLY WORKED COOPERATIVELY WITH THE COMPANY TO**
10 **SECURE A RENEWABLE PROGRAM THAT IS ATTRACTIVE TO CUSTOMERS?**

11 A. Yes. Indeed, in seeking approval of Schedule RG, Dominion noted that it "worked
12 closely with Walmart during the development of Schedule RG to create a tool that it
13 could utilize to further its aggressive and significant energy goals."¹⁸ Schedule RG
14 allows eligible non-residential customers to purchase the net energy output from
15 renewable energy resources and the environmental attributes associated with those
16 resources in an amount up to 100 percent of the customer's annual energy load.¹⁹

¹⁸ See *Application of Virginia Electric and Power Company for Approval to Establish a Companion Tariff, Designated Schedule RG, Pursuant to § 56-234 of the Code of Virginia*, Case No. PUR-2017-00163, Application (filed Dec. 1, 2017), ¶ 7.

¹⁹ *Id.*; see *Application of Virginia Electric and Power Company for Approval to Establish a Companion Tariff, Designated Schedule RG, Pursuant to § 56-234 of the Code of Virginia*, Case No. PUR-2017-00163, Order Approving Tariff (issued Nov. 6, 2018), p. 1

1 **Q. WHY DID WALMART SUPPORT THE SCHEDULE RG TARIFF?**

2 A. Walmart supported the Schedule RG Tariff because it promotes the development of
3 new, additional renewable energy resources in Virginia²⁰ while providing value to its
4 participating customers.

5 **Q. DOES RIDER TRG INCREASE THE COMPANY'S RENEWABLE ENERGY PORTFOLIO?**

6 A. No. Based on the Company's Application and accompanying Exhibits, it appears that
7 the Company is proposing to redirect energy and capacity from generation assets that
8 are currently in the Company's portfolio and included in current rates to subscribers
9 of Rider TRG. *See* Application, p. 5.

10 **Q. DOES THE COMPANY ANTICIPATE ADDITIONAL RENEWABLE RESOURCES?**

11 A. It does not appear that any new resources are being proposed as a result of Rider TRG.
12 The Company does have future resources scheduled to be built, but they are planned
13 system resources and the Company does not commit to adding these resources to the
14 TRG Portfolio. *See* Direct Testimony of James Billingsley, p. 3, lines 5-11.

15 **Q. IF APPROVED, WOULD WALMART TAKE SERVICE ON RIDER TRG?**

16 A. No. The program fails to meet our expectations as a customer because it offers a
17 product that only results in additional costs to Walmart and does not allow Walmart
18 to realize the benefits (or the costs) of opting to be served by renewable resources.
19 Additionally, Walmart is concerned that the program does not bring new resources to

²⁰ *See id.*, p. 11 in which the Commission finds that Schedule RG encourages "utilities to increase their renewable power generation and decrease carbon dioxide emissions."

1 Dominion's system, instead relying on resources that are already included in rates and
2 providing service to all Dominion generation customers.

3
4 **Policy Concerns**

5 **Q. HAS WALMART SOUGHT TO OBTAIN 100 PERCENT RENEWABLE ENERGY FROM**
6 **NON-UTILITY ELECTRIC SUPPLIERS?**

7 A. Not at this time as we continue to engage in the process to procure competitive supply
8 pursuant to Virginia Code § 56 577 A 4. The ability of the Company to preclude
9 development of competitive options -- through approval of a tariff under Subsection
10 A 5 that does not meet customer expectations -- is a concern for Walmart. This is
11 particularly true since the market for renewable energy continues to change quickly
12 and drastically.²¹ Now is the time to foster innovation and development of renewable
13 energy options, not stifle it.

14 **Q. WHY IS THE APPROVAL OF RIDER TRG A CONCERN FOR WALMART?**

15 A. As I discuss earlier in my testimony, Walmart seeks to procure renewable energy in
16 order to meet our corporate sustainability goals. Additionally, we strive to procure
17 renewable energy, in addition to all our energy and capacity requirements, at the
18 lowest possible cost to our stores. In this case, Rider TRG does not further either of
19 Walmart's goals; it does not increase renewable resources on the grid and it does not

²¹ See e.g., *Petition of Appalachian Power Company for Approval to Implement a Renewable Rider, Rider R.E.C.*, Case No. PUR-2017-00160, Application (filed Nov. 11, 2017), p. 2.

1 provide renewable energy at a cost effective rate. Furthermore, it appears that Rider
2 TRG would serve to deprive customers who do not take service under Rider TRG from
3 the renewable benefits of the assets proposed for inclusion in the TRG Portfolio.
4 Limiting the options available to customers -- which approval of an unattractive
5 offering would accomplish -- is not the optimal path forward for customers to be able
6 to realize their renewable energy procurement goals.

7
8 **Recommendation**

9 **Q. WHAT IS WALMART'S RECOMMENDATION TO THE COMMISSION?**

10 A. The Commission should reject the Company's proposal to approve Rider TRG under
11 Subsection A 5, however Walmart does not oppose the Commission approving Rider
12 TRG as a REC purchase program option for customers. Although I am not an attorney
13 licensed in Virginia, it is my understanding that if Rider TRG is approved under
14 Subsection A 5, customers would no longer have access to alternative 100 percent
15 renewable energy options offered by non-utility electric suppliers. Thus, from a policy
16 perspective, the Commission should carefully scrutinize whether the Company's
17 proposed Rider TRG produces just and reasonable rates, adequately protects the
18 public interest, and enhances renewable opportunities for customers.

19 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

20 A. Yes.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
VIRGINIA ELECTRIC AND POWER COMPANY)
)
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)

CASE NO. PUR-2019-00094

EXHIBIT OF
LISA V. PERRY
ON BEHALF OF
WALMART INC.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
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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)

CASE NO. PUR-2019-00094

EXHIBIT LVP-1 OF
LISA V. PERRY
ON BEHALF OF
WALMART INC.

Lisa V. Perry

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EXPERIENCE

September 2019 – Present

Walmart Inc., Bentonville, AR

Senior Manager, Energy Services

November 2017 – September 2019

Oram & Houghton PLLC, Round Rock, TX

Of Counsel, Energy Law

February 2016 – November 2017

Ray Quinney & Nebeker, P.C., Salt Lake City, UT

Of Counsel, Energy Law

September 2007 – February 2016

Welborn, Sullivan, Meck & Tooley, P.C., Denver, CO

Partner, Energy Law

EDUCATION

2000 University of Florida Levin College of Law LL.M. Taxation

1999 University of Florida Levin College of Law J.D.

1996 University of South Florida B.A., Criminology

1993 University of South Florida B.A., Psychology

COMMISSION DOCKETS

2019

Public Utility Commission of Texas Docket No. 49421: Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Texas Docket No. 49494: Application of AEP Texas Inc. for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 19AL-0268E: In the Matter of Advice Letter No. 1797 Filed by Public Service Company of Colorado to Reset the Currently Effective General Rate Schedule Adjustment (“GRSA”) as Applied to Base Rates for all Electric Rate Schedules as well as Implement a Base Rate kWh Charge, General Rate Schedule Adjustment-Energy (“GRSA-E”) to Become Effective June 20, 2019. Issue: General rate case

2018

Public Utility Commission of Texas Docket No. 48371: Entergy Texas, Inc.'s Statement of Intent and Application for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 18M-0074EG: In the Matter of the Commission's Consideration of the Impact of the Federal Tax Cuts and Jobs Act of 2017 on the Rates of Colorado Investor-Owned Electric and Natural Gas Utilities. Issue: Commenced by the Commission to consider the impacts of the Tax Cut and Jobs Act of 2017 on the revenue requirements and rates of all Colorado investor-owned electric and natural gas utilities.

2017

Public Utility Commission of Texas Docket No. 47461: Application of Southwestern Electric Power Company for Certificate of Convenience and Necessity Authorization and Related Relief for the Wind Catcher Energy Connection Project in Oklahoma. Issue: Purchase of a wind generation facility and generation tie line

Public Utility Commission of Texas Docket No. 47527: Application of Southwestern Public Service Company for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 17A-0462EG: In the Matter of the Application of Public Service Company of Colorado for Approval of a Number of Strategic Issues Relating to its Electric and Gas Demand-Side Management Plan. Issue: Seek Commission re-examination and approval of the overall objectives and structure of Public Service's DSM initiatives to guide the Company in designing future DSM plans.

Public Utility Commission of Colorado Docket No. 17AL-0649E: In the Matter of Advice Letter No. 1748-Electric Filed by Public Service Company of Colorado to Revise its PUC No. 8-Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective on Thirty Days' Notice. Issue: General rate case

Arkansas Public Service Commission Docket No. 17-038-U: In the Matter of the Application of Southwestern Electric Power Company for Approval to Acquire a Wind Generating Facility and to Construct a Dedicated Generation Tie Line. Issue: Purchase of a wind generation facility and generation tie line

Louisiana Public Service Commission Docket No. U-34619: Application for Expedited Certification and Approval of the Acquisition of Certain Renewable Resources and the construction of a Generation Tie Pursuant to the 1983 and/or 1994 General Orders. Issue: Purchase of a wind generation facility and generation tie line

2016

Public Utility Commission of Colorado Docket No. 16AL-0048E: In the Matter of Advice Letter No. 1712-Electric Filed by Public Service Company of Colorado to Replace Colorado PUC No. 7-Electric Tariff with Colorado PUC No. 8-Electric Tariff. Issue: General rate case

Public Utility Commission of Colorado Docket No. 16A-0055E: In the Matter of the Application of Public Service Company of Colorado for Approval of its Solar*Connect Program. Issue: Implement a voluntary solar program offering participating customers the ability to offset their current supply of energy from the Public Service system with solar energy produced at a dedicated facility or facilities.

New Mexico Public Regulation Commission Docket No. 16-00276-UT: In the Matter of the Application of Public Service Company of New Mexico for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 533. Issue: General rate case

INDUSTRY TRAINING

2016 Western NARUC Utility Rate School

EUCI Courses on the utility industry, cost allocation, and rate design.