

**Virginia State Corporation Commission
eFiling CASE Document Cover Sheet**

230340204

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Case Name (if known)	Application of Virginia Electric and Power Company for approval to modify experimental residential rate, designated Time-Of-Use Rate Schedule 1G (Experimental)
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State Corporation Commission
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1300 East Main Street
Richmond, Virginia 23219

Application of Virginia Electric and Power Company for approval to modify experimental residential rate, designated Time-Of-Use Rate Schedule 1G (Experimental)
Case No. PUR-2019-00214

Dear Mr. Logan:

Enclosed for electronic filing in the above-captioned proceeding, please find the *Application of Virginia Electric and Power Company for Approval to Expand Experimental Residential Rate, Designated Time-Of-Use Rate Schedule 1G, Pursuant to § 56-234 B of the Code of Virginia.*

Please do not hesitate to contact me if you have any questions in regard to this filing.

Highest regards,

/s/ Vishwa B. Link

Vishwa B. Link

enc.

cc: Honorable D. Mathias Roussy
Lisa R. Crabtree, Esq.
Jontille D. Ray, Esq.
Briana M. Jackson, Esq.
Service List

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

APPLICATION OF)
)
VIRGINIA ELECTRIC AND POWER)
COMPANY)
) Case No. PUR-2019-00214
For approval to modify an experimental)
residential rate, designated Time-Of-Use Rate)
Schedule 1G (Experimental))

**APPLICATION OF VIRGINIA ELECTRIC AND POWER COMPANY
FOR APPROVAL TO EXPAND EXPERIMENTAL RESIDENTIAL RATE,
DESIGNATED TIME-OF-USE RATE SCHEDULE 1G,
PURSUANT TO § 56-234 B OF THE CODE OF VIRGINIA**

Pursuant to § 56-234 B of the Code of Virginia (“Va. Code”) and Rule 80 of the Rules of Practice and Procedure of the State Corporation Commission of Virginia (“Commission”), 5 VAC 5-20-80, Virginia Electric and Power Company (“Dominion Energy Virginia” or the “Company”), by counsel, respectfully requests Commission approval of its application (“Application”) to expand the Company’s current experimental residential time-of-use (“TOU Schedule 1G”) rate schedule, designated Time-Of-Use-Rate Schedule 1G (Experimental). Specifically, the Company seeks Commission approval to increase the participation cap for TOU Schedule 1G from 10,000 customers to 20,000. Attachment 1 is a blackline of TOU Schedule 1G showing the proposed change. The Company is not proposing any other changes to the TOU Schedule 1G rates, terms, or conditions. In support of this Application, the Company respectfully shows the following:

1. Dominion Energy Virginia is a public service corporation organized under the laws of the Commonwealth of Virginia furnishing electric service to the public within its certificated service territory. The Company also supplies electric service to non-jurisdictional

customers in Virginia and to the public in portions of North Carolina. The Company is engaged in the business of generating, transmitting, distributing, and selling electric power and energy to the public for compensation. The Company is also a public utility under the Federal Power Act, and certain of its obligations are subject to the jurisdiction of the Federal Energy Regulatory Commission. The Company is an operating subsidiary of Dominion Energy, Inc.

2. The Company's name and post office address are:

Virginia Electric and Power Company
120 Tredegar Street
Richmond, Virginia 23219

3. The names, post office addresses and telephone numbers of the attorneys for the Company are:

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Richmond, Virginia 23219
(804) 573-2286 (telephone)

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I. BACKGROUND

4. On December 12, 2019, the Company sought approval to establish a new experimental rate schedule, designated Time-Of-Use Rate Schedule 1G (Experimental) under

Va. Code § 56-234 B.¹ On May 20, 2020, the Commission approved TOU Schedule 1G as an experimental, voluntary rate schedule under Virginia Code Section 56-234 B.² The approval is “subject to the requirements ordered” by the Commission in finding the experiment was “necessary in order to acquire information which is or may be in furtherance of the public interest.”³ In approving TOU Schedule 1G, the Commission noted that the Company plans for this experiment to lay the groundwork for a systemwide rollout of TOU rates and emphasized that “much more data and detail will be necessary to determine the type and structure of a TOU rate design that will serve the public interest on a significantly wider scale.”⁴ The Commission also highlighted that, “as information regarding actual implementation of this experiment becomes available, the Company shall file proposed modifications thereto designed to strengthen the robustness and efficacy of this experimental program.”⁵

5. Consistent with the Company’s proposal, the Commission’s Order stated that “TOU Schedule 1G shall be limited to 10,000 participants and the Solar Incentive Program shall be limited to 500 participants as a subset of the 10,000 participants in TOU Schedule 1G.”⁶ Additionally, as relevant here, the Commission noted that the Company utilized a stakeholder process to develop the rate and ordered that, “the Company shall also utilize a reasonable stakeholder process during the implementation of this experiment that includes...

¹ *Application of Virginia Electric and Power Company For approval to establish an experimental residential rate, designated Time-Of-Use Rate Schedule 1G (Experimental) pursuant to § 56-234 B of the Code of Virginia*, Case No. PUR-2019-00214 (filed Dec. 12, 2019).

² *Application of Virginia Electric and Power Company For approval to establish an experimental residential rate, designated Time-Of-Use Rate Schedule 1G (Experimental) pursuant to § 56-234 B of the Code of Virginia*, Case No. PUR-2019-00214, Final Order (May 20, 2020) (hereinafter, “Final Order”).

³ *Id.* at Ordering Paragraph (1).

⁴ *Id.* at Ordering Paragraph (2).

⁵ *Id.*

⁶ *Id.* at Ordering Paragraph (4).

developing proposed modifications to the instant experiment to increase the robustness and efficacy thereof.”⁷

6. The TOU Schedule 1G includes a basic customer charge and energy charges, differentiated by time periods within two seasons, summer and winter. The basic customer charge is the same as the Residential Schedule 1 Basic Customer Charge of \$6.58.

7. TOU Schedule 1G’s energy charges include the use of on-, off-, and super off-peak time periods. To determine the on-peak, off-peak, and super off-peak hours, the Company evaluated the hours during which the Company’s load most frequently peaks in each season. To be eligible for this voluntary rate, residential customers must have an advanced metering infrastructure (“AMI”) meter, cannot have unenrolled from the rate during the past 12 months, and cannot be concurrently enrolled in a Company demand response program (*i.e.*, Smart Cooling Rewards, Smart Thermostat Rewards, EV Charging Rewards). Net metering customers, including those who are subject to a demand charge, are eligible for the rate. Enrollment for TOU Schedule 1G is currently limited to 10,000 participants (*i.e.*, customer accounts).

II. EXPANSION OF PARTICIPATION CAP

8. Upon approval of the TOU Schedule 1G, the Company received a significant level of customer interest in participating in the Company’s voluntary rate schedule, and customer interest continues to grow. In particular, the Company’s projection of 10,000 enrollees occurred in less than a year, reaching maximum enrollment on January 4, 2022. As of the date of this filing, maximum enrollment has continued, with the Company maintaining a list of hundreds of customers requesting to be notified if the enrollment cap is expanded. As the Commission stated in its Final Order, the Company should seek modifications designed to

⁷ *Id.* at Ordering Paragraph (9).

“strengthen the robustness and efficacy of this experimental program.”⁸ Accordingly, through this Application, the Company seeks to expand the cap for TOU Schedule 1G by an additional 10,000 customers, to a total of 20,000.

9. Several factors support increasing the participation cap at this time. First, as noted by the Commission, “much more data and detail will be necessary to determine the type and structure of a TOU rate design” for a systemwide rollout of TOU rates.⁹ Increased participation will lead to more data to better develop and inform a system-wide rate to be proposed in a future biennial review. Over 650,000 customers have received an AMI meter since the enrollment cap was reached in January 2022, most of which have a full year of data from AMI to compare their current rate to the TOU Schedule 1G rate. Giving these additional customers the opportunity to participate in TOU Schedule 1G will not only provide more data but will also provide more diverse data. For instance, the geographical distribution of participants is dependent upon the availability of AMI. As AMI becomes available in more regions throughout the Company’s service territory, customers in different geographical regions can participate, providing information regarding customer behavior on TOU rates in different geographical locations as well as across various customer demographics.

10. Additionally, EM&V data in the most recent annual report indicates that customers are saving money. Notably, on average, the rate is successfully supporting customers efforts to save money on their monthly bills. Increasing the enrollment cap will afford additional customers the opportunity to save money while also providing additional data from a larger sample size to inform the design of a system-wide TOU rate.

⁸ Final Order at Ordering Paragraph (2).

⁹ Final Order at Ordering Paragraph (2).

11. Moreover, the Company has engaged stakeholders regarding this proposed modification. On March 10, 2023, the Company notified stakeholders of its intent to file the instant Application to increase the TOU Schedule 1G participation cap to 20,000 customers. See Attachment 2 for a copy of the email. In the email, the Company provided an update on TOU Schedule 1G and invited stakeholders to provide comments and feedback on the Company's proposal to increase enrollment to 20,000 customers. The Company did not receive any substantive feedback.

12. In sum, the increase in the participation cap for TOU Schedule 1G is in the public interest because it will enable the Company to gather more information and detailed data from additional and more diverse populations to increase the robustness and efficacy of the rate and provide information necessary to analyze and design a viable system-wide TOU rate. Additionally, expanding the participation cap will allow additional customers to save money and reduce energy consumption.

III. CONCLUSION

13. Pursuant to Va. Code § 56-234 B and for the foregoing reasons, the Company is proposing to modify the Company's current TOU Schedule 1G to expand the participation cap to 20,000. The Company is not proposing any other changes to the rates, terms or conditions of the tariff.

WHEREFORE, Dominion Energy Virginia respectfully requests that the Commission: (i) enter an Order to provide notice to the respondents to this proceeding of this Application, and additional notice, if deemed necessary by the Commission; (ii) enter an Order permitting the Company to modify its current TOU Schedule 1G to increase the participation cap to 20,000; and (iii) grant such other and further relief as it deems necessary or appropriate.

Respectfully submitted,

VIRGINIA ELECTRIC AND POWER COMPANY

By: /s/ Vishwa B. Link
Counsel

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Counsel for Virginia Electric and Power Company

Dated: March 24, 2023

Schedule 1G

RESIDENTIAL SERVICE
(EXPERIMENTAL)

230340204

I. APPLICABILITY

This schedule is applicable only to Customers electing to receive separately metered and billed Electricity Supply Service and Electric Delivery Service from the Company for use in and about (a) a single-family residence, flat or apartment, (b) a combination farm and one occupied single-family residence, flat or apartment, (c) a private residence used as a boarding and/or rooming house with no more than one cooking installation nor more than ten bedrooms, or (d) separately metered service to detached accessory buildings appurtenant to residential dwellings unless such buildings use electricity for commercial or industrial purposes.

A combination residence and farm, having more than one single-family residence, flat or apartment served electricity through a single meter, that was being billed under Schedule 1 prior to April 1, 1971, may be supplied electricity under this schedule provided each such dwelling unit is occupied by the owner or by a tenant working on the farm. Such multiple-residence farms connected on and after April 1, 1971, shall not be served under this schedule.

This schedule is not applicable for (a) individual motors rated over 15 HP, and (b) commercial use as in hotels, public inns, motels, auto courts, tourist courts, tourist camps, or trailer camps.

II. AVAILABILITY

Subject to a participation limitation of ~~10,000~~20,000 accounts, this schedule is available only where:

- A. The Company has installed and deployed its advanced metering infrastructure (AMI);
- B. The Customer does not participate in a PJM Interconnection, LLC or Company-Sponsored demand response program or peak-shaving demand response program; and
- C. The Company received the Customer's voluntary request for service in accordance with this schedule through and including December 31, 2024. A Customer who discontinues service under this schedule after less than one year of service may not be served under this schedule for the Customer's account at the same premise within one year of such discontinuation of service.

(Continued)

Filed ~~12-09-24~~03-24-23
Electric-Virginia

Superseding Filing Effective For Usage On and After ~~01-29-24~~01-01-22.
This Filing Effective For Usage On and After ~~01-01-22~~The Date of the
Commission's Order.

Schedule 1G
RESIDENTIAL SERVICE
(EXPERIMENTAL)

(Continued)

III. MONTHLY RATE

A. Distribution Service Charges

1. Basic Customer Charge \$6.58 per billing month

2. Plus Distribution kWh Charge
 - a. All On-Peak kWh @ 1.7255¢ per kWh
 - b. All Off-Peak kWh @ 1.7255¢ per kWh
 - c. All Super Off-Peak kWh @ 1.7255¢ per kWh

3. Plus each Distribution kilowatt-hour used is subject to all applicable riders in the Exhibit of Applicable Riders, including non-bypassable charges.

4. Plus, where the Customer receives service in accordance with Section XXV – NET METERING of the Company's TERMS AND CONDITIONS and where the alternating current capacity of the Renewable Fuel Generator exceeds 15 kW, the Customer shall be billed a Distribution Standby Charge of \$2.62 per kW of demand, minus the charge under III.A.2., above, but not less than zero.

B. Electricity Supply (ES) Service Charges

1. Generation kWh Charge
 - a. For the period beginning May 1 and extending through September 30

All On-Peak ES kWh	@	13.5899¢ per kWh
All Off-Peak ES kWh	@	1.6653¢ per kWh
All Super Off-Peak ES kWh	@	0.0202¢ per kWh
 - b. For the period beginning October 1 and extending through April 30

All On-Peak ES kWh	@	10.6507¢ per kWh
All Off-Peak ES kWh	@	2.8327¢ per kWh
All Super Off-Peak ES kWh	@	2.4595¢ per kWh

2. Plus Transmission kWh Charge
 - a. All kWh @ 0.970¢ per kWh
 - b. Plus, where the Customer receives service in accordance with Section XXV – NET METERING of the Company's TERMS AND CONDITIONS and where the alternating current capacity of the Renewable Fuel Generator exceeds 15 kW, the Customer shall be billed a Transmission Standby Charge of \$1.32 per kW of demand, minus the charge under III.B.2.a., above, but not less than zero.

(Continued)

Schedule 1G

RESIDENTIAL SERVICE
(EXPERIMENTAL)

(Continued)

III. MONTHLY RATE (CONTINUED)

3. Plus, where the Customer receives service in accordance with Section XXV – NET METERING of the Company’s TERMS AND CONDITIONS and where the alternating current capacity of the Renewable Fuel Generator exceeds 15 kW, each measured kW of Demand is subject to all applicable riders, included in the Exhibit of Applicable Riders.
 4. Plus each Electricity Supply kilowatt-hour used is subject to all applicable riders in the Exhibit of Applicable Riders, including non-bypassable charges, as discussed in Paragraph VII., below.
- C. The minimum charge shall be the Basic Customer Charge in Paragraph III.A.1., above.

IV. DETERMINATION OF ON-PEAK, OFF-PEAK, AND SUPER OFF-PEAK HOURS

A. On-Peak Hours (Except certain holidays)

1. For the period of May 1 through September 30, On-Peak hours are: 3 p.m. to 6 p.m., Mondays through Fridays.
2. For the period of October 1 through April 30, On-Peak hours are: 6 a.m. to 9 a.m. and 5 p.m. to 8 p.m., Mondays through Fridays.

B. Off-Peak and Super Off-Peak Hours

1. For the period of May 1 through September 30, Off-Peak hours are: 5 a.m. to 3 p.m. and 6 p.m. to 12 a.m., Mondays through Fridays.
2. For the period of October 1 through April 30, Off-Peak hours are: 5 a.m. to 6 a.m.; 9 a.m. to 5 p.m.; and, 8 p.m. to 12 a.m., Mondays through Fridays.
3. Off-Peak hours are: 5 a.m. to 12 a.m. on weekends and holidays, as identified in Paragraph IV.B.5., below.
4. Super Off-Peak hours are: 12 a.m. to 5 a.m.
5. The following holidays are observed as Off-Peak and Super Off-Peak: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

V. DETERMINATION OF DEMAND

Where demand is measured by the Company, such demand will be determined as the highest average kW measured during any 30-minute interval of the current billing month, rounded to the nearest tenth.

(Continued)

RESIDENTIAL SERVICE
(EXPERIMENTAL)

(Continued)

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VI. METER READING AND BILLING

- A. Meters may be read in units of 10 kilowatt-hours and bills rendered accordingly.
- B. The Company may render an interim monthly bill based on estimated kWh usage during periods for which the meter was not read.
- C. When bills are calculated for a bimonthly period, the Basic Customer Charge shall be multiplied by two; and the minimum charge shall be the modified Basic Customer Charge.

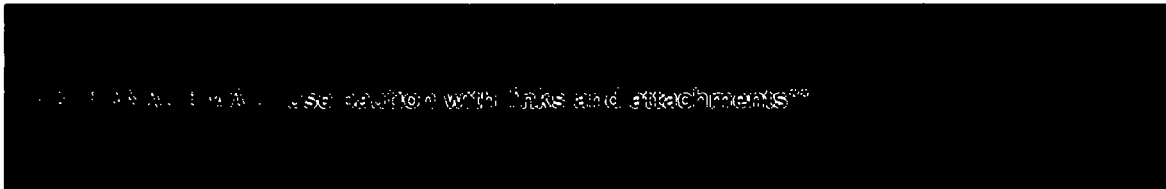
VII. NON-BYPASSABLE CHARGES

Any Commission approved non-bypassable charges in the Exhibit of Applicable Riders shall apply to all Customers pursuant to Virginia Law, unless the Customer meets the statutory requirements for exemption from such charges.

VIII. TERM OF CONTRACT

Open order.

From: nathan.j.frost@dominionenergy.com
To: [David Essah](mailto:David.Essah); arlen.bolstad@scc.virginia.gov; mbrowder@oag.state.va.us; cburtonir@oag.state.va.us; kim.pate@scc.virginia.gov; wcleveland@selcva.org; nbenforado@selc.org; smith.geneandjane@verizon.net; director@mdyseia.org; john.warren@energy.virginia.gov; jav@vplc.org
Cc: lisa.r.crabtree@dominionenergy.com; [Ray Jontille D.](mailto:Ray.Jontille.D.); Amelia.C.Berry@dominionenergy.com; [Link Vishwa B.](mailto:Link.Vishwa.B.)
Subject: Request for feedback regarding DEV TOU pilot participant cap increase
Date: Friday, March 10, 2023 1:45:34 PM



All,

Since its approval by the Virginia State Corporation Commission on May 20, 2020, the Company is pleased with the results and continued interest in its experimental rate schedule, Time-of-Use Rate Schedule 1G (Experimental) ("TOU Schedule 1G"). Consistent with the Company's proposal, the Commission approved TOU Schedule 1G with an enrollment cap of 10,000 participants and limited the Solar Incentive Program to 500 participants as a subset of the 10,000 participants. The Company's projection of 10,000 enrollees occurred in less than a year, reaching maximum enrollment on January 4, 2022, and the Company continues to manage an enrollment waitlist of hundreds of customers. As a result of continued customer interest and the reasons discussed below, the Company proposes to seek Commission approval to increase the participant cap for TOU Schedule 1G from 10,000 customers to 20,000.

Since TOU Schedule 1G's approval, the initial results are encouraging that the Off-Peak Plan is meeting the objectives of customer satisfaction, bill reduction, and peak reduction.

- 74% of survey respondents are satisfied with the plan (4 or 5 on a 5-point satisfaction scale). Over 90% of participants read or utilize one or more of the program's communication resources. Program resources include monthly emails to all participants and an online bill comparison to highlight what the customer paid and what they would have paid on their previous rate.
- On average, participants saved approximately \$17 per year on their bill.
- 85% of respondents say they often or sometimes avoid using energy during peak hours, and 94% say they intend to respond to peak hours in the future by reducing or delaying energy use.

In approving TOU Schedule 1G, the Commission noted that the Company plans for this experiment to lay the groundwork for a systemwide rollout of TOU rates and emphasized that "much more data

and detail will be necessary to determine the type and structure of a TOU rate design that will serve the public interest on a significantly wider scale.” The Commission also highlighted that, “as information regarding actual implementation of this experiment becomes available, the Company shall file proposed modifications thereto designed to strengthen the robustness and efficacy of this experimental program.” Accordingly, the Company believes it is the appropriate time to increase the participant cap for TOU Schedule 1G to 20,000 customers and welcomes your feedback and comments regarding its proposal.

As you may recall, to be eligible for this voluntary rate, residential customers must have an advanced metering infrastructure (“AMI”) meter, cannot have unenrolled from the rate during the past 12 months, and cannot be concurrently enrolled in a Company demand response program (*i.e.*, Smart Cooling Rewards, Smart Thermostat Rewards, EV Charging Rewards). Net metering customers, including those who are subject to a demand charge, are eligible for the rate. Several factors support increasing the participation cap.

- Since the enrollment cap was reached in January 2022, over 650,000 customers have received an AMI meter. Giving these additional customers the opportunity to participate in TOU Schedule 1G will not only provide more data but will also provide more diverse data. For instance, the geographical distribution of participants is dependent upon the availability of AMI. As AMI becomes available in more regions throughout the Company’s service territory, customers in different geographical regions can participate, providing information regarding customer behavior on TOU rates in different geographical locations as well as across various customer demographics.
- Finally, on average, the rate is successfully supporting customers efforts to save money on their monthly bills. Increasing the enrollment cap will afford additional customers the opportunity to save money while also providing additional data to inform the design of a system-wide TOU rate.

In sum, increasing the participation cap will provide much more data and detail to determine the type and structure of a TOU rate design for a systemwide rollout of TOU rates and allow additional customers the opportunity to save money.

The Company looks forward to receiving your comments regarding its proposal to expand the enrollment cap for TOU Schedule 1G from 10,000 to 20,000 customers. Please provide any comments to me no later than March 17, 2023.

Thank you,

Nathan Frost
Director - New Technology & Energy Conservation
Dominion Energy Virginia

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CERTIFICATE OF SERVICE

I hereby certify that on this 24th day of March 2023, a true and accurate copy of the foregoing filed in Case No. PUR-2019-00214 was delivered by hand, email or mail first class postage pre-paid to the following:

Arlen Bolstad, Esq.
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C. Meade Browder, Jr., Esq.
C. Mitch Burton, Jr., Esq.
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Division of Consumer Counsel
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/s/ Vishwa B. Link