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*Commonwealth of Virginia, ex rel. State Corporation Commission,
In re: Virginia Electric and Power Company's 2023 Integrated Resource Plan
filing pursuant to Va. Code § 56-597 et seq.
Case No. PUR-2023-00066*

Dear Mr. Logan:

Please find enclosed for electronic filing in the above-captioned proceeding, the
*Comments of Virginia Electric and Power Company on the December 8, 2023 Report of A. Ann
Berkebile, Senior Hearing Examiner.*

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

Highest regards,

/s/ Vishwa B. Link

Vishwa B. Link

Enclosure

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COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

COMMONWEALTH OF VIRGINIA, <i>ex rel.</i>)	
)	
STATE CORPORATION COMMISSION)	
)	Case No. PUR-2023-00066
In re: Virginia Electric and Power Company's)	
2023 Integrated Resource Plan filing pursuant to)	
Va. Code § 56-597 <i>et seq.</i>)	

COMMENTS OF VIRGINIA ELECTRIC AND POWER COMPANY
ON THE DECEMBER 8, 2023 REPORT OF A. ANN BERKEBILE,
SENIOR HEARING EXAMINER

December 29, 2023

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COMMONWEALTH OF VIRGINIA
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**COMMENTS OF VIRGINIA ELECTRIC AND POWER COMPANY ON THE
DECEMBER 8, 2023 REPORT OF A. ANN BERKEBILE,
SENIOR HEARING EXAMINER**

In this proceeding, Virginia Electric and Power Company (“Dominion Energy Virginia” or the “Company”) presented its 2023 Integrated Resource Plan (“2023 Plan” or the “Plan”) to continue to provide reliable, affordable, and increasingly clean power to its customers. The integrated resource planning (“IRP”) process is an iterative process over which the Virginia State Corporation Commission (the “Commission”) has ongoing oversight. With each plan and update filing, the Company develops a comprehensive, integrated plan to meet customers’ needs while being environmentally responsible and following statutes and Commission directives. An IRP represents a snapshot in time, utilizing the Company’s experience and the best information and assumptions available and representing current technologies, market information, and projections.

An IRP is a long-term planning document, filed pursuant to § 56-599 of the Code of Virginia (“Va. Code”).¹ As recognized by the Commission, an IRP is *not* an application for

¹ House Bill 2275 and Senate Bill 1166 of the 2023 Regular Session of the Virginia General Assembly added a new section D, moving the standard of review to section E. These bills did not take effect until July 1, 2023. The Company’s 2023 Plan must be considered under the

approval of any particular resource and does not create a presumption that resource options contained in an approved IRP will be approved in a future certificate of public convenience and necessity ("CPCN") proceeding. The *only* finding the Commission must make in this proceeding is whether the 2023 Plan is reasonable and in the public interest as a planning document.²

This proceeding was heard by A. Ann Berkebile, Senior Hearing Examiner, on September 19-21, 2023. The Company, Commission Staff ("Staff"), and respondents submitted post-hearing briefs on October 24, 2023. Senior Hearing Examiner Berkebile issued her report on December 8, 2023 (the "Report"). Pursuant to Rule 120 C of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-120 C, and the directive of the Senior Hearing Examiner set

statute existing at the time the Company filed on May 1, 2023. As such, references to Va. Code § 56-599 will be to the sections existing at the time of the Company's filing.

² Va. Code § 56-599 D. *See Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2018-00065, Final Order at 3 (June 27, 2019) (finding that the Company's 2018 IRP, as originally filed and amended, was "reasonable and in the public interest for the specific and limited purposes of filing the planning document as mandated by § 56-597 et seq. of the Code") ("2018 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUR-2017-00051, Order at 3 (Mar. 12, 2018) (same) ("2017 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUE-2016-00049, Final Order at 2 (Dec. 14, 2016) (same) ("2016 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUE-2015-00035, Final Order at 3, 7 (Dec. 30, 2015) (same) ("2015 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUE-2013-00088, Final Order at 3-4 (Aug. 27, 2014) (same) ("2013 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission of Virginia, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.*, Case No. PUE-2011-00092, Final Order at 2 (Oct. 5, 2012) (same) ("2011 IRP Proceeding"); *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to Va. Code § 56-597 et seq.* Case No. PUE-2009-00096, Final Order at 5 (Aug. 6, 2010) (same) ("2009 IRP Proceeding").

forth in the Report, the Company respectfully submits its comments to the Report in this proceeding (“Comments”).

The Company understands that an integrated resource plan proceeding by nature is a large proceeding with extensive information presented by the Company, Staff, and other parties. The Company appreciates the time and expertise of the Senior Hearing Examiner in developing the record in this matter and in preparing the Report. The Company also appreciates the opportunity to comment on the Report to support its case.

The Company incorporates by reference its positions contained in the Company’s post-hearing brief. The Company agrees with many of the findings and recommendations contained in the Report and will focus these Comments on the specific findings and recommendations the Company asks the Commission to reject or clarify.³ Specifically, the Company agrees with or does not oppose Finding and Recommendation Nos. 2-4, 8, 11-20, 23-29, 31, 32, 34, and 36.⁴ For the reasons set forth in these Comments, as supported by the evidentiary record, the Company respectfully requests that the Commission find the Company’s 2023 Integrated Resource Plan is reasonable and in the public interest for the limited purpose of a filing document pursuant to Va. Code § 56-599 D.

I. THE 2023 PLAN IS REASONABLE AND IN THE PUBLIC INTEREST

The 2023 Plan presents the Company’s plan to meet customers’ energy, capacity, and renewable energy certificate (“REC”) needs over the 15-year Planning Period from 2024 to

³ Given the number of findings and recommendations contained in the Report, Attachment 1 to these Comments is a matrix that summarizes the Company’s position on each of the findings and recommendations in the Report.

⁴ The Company notes that the new transmission study to update the import/export transmission limit constraint (Report Recommendation No. 28) will study the Dominion Energy Zone (“DOM Zone”) and not the Dominion Load Serving Entity (“DOM LSE”).

2038. Va. Code § 56-597 defines an integrated resource plan as “a document developed by an electric utility that provides a forecast of its load obligations and a plan to meet those obligations by supply side and demand side resources over the ensuing 15 years to promote reasonable prices, reliable service, energy independence, and environmental responsibility.” Va. Code § 56-598, the Commission’s guidelines issued in Case No. PUE-2008-00099,⁵ and prior Commission orders direct what the Company must include in an integrated resource plan.

The only finding the Commission must make in this proceeding is whether the 2023 Plan is reasonable and in the public interest for the specific and limited purpose of filing the planning document mandated by Va. Code § 56-599 D. The Company respectfully disagrees with the Report’s Finding and Recommendation No. 1 that “Dominion failed to establish the 2023 IRP is reasonable and in the public interest” because the Company “failed to provide more comprehensive information and/or analysis...concerning its ability to overcome § 56-585.1 A 5 of the Code’s presumption against new carbon-generating unit approvals” with the inclusion of 970 megawatts (“MW”) of new natural gas combustion turbines (“CTs”) in Alternative Plans B and D.⁶ The Company respectfully submits that the 2023 Plan fully complies with all statutory and applicable Commission directives and should be found reasonable and in the public interest for the specific and limited purpose of filing the planning document pursuant to Va. Code § 56-599 D. Staff, the Data Center Coalition, and the Virginia Committee for Fair Utility Rates took no position on whether the Company’s 2023 Plan was reasonable and in the public interest. The Office of the Attorney General’s Division of Consumer Counsel (“Consumer Counsel”) did not

⁵ *Commonwealth of Virginia, ex rel. State Corporation Commission, Concerning Electric Utility Integrated Resource Planning Pursuant to §§ 56-597 et seq. Code of Virginia*, Case No. PUE-2008-00099, Order Establishing Guidelines for Developing Integrated Resource Plans (Dec. 23, 2008) (“IRP Guidelines”).

⁶ Report at 129-32, 160.

object to a finding that the 2023 Plan is reasonable and in the public interest for purposes of satisfying the filing requirements of Va. Code § 56-597 *et seq.*⁷

- A. The Report withholds the 2023 IRP reasonable and in the public interest finding based on one perceived deficiency—compliance with a statute applicable to a future CPCN request and not part of the standard of review before the Commission in this proceeding.**

The Report finds that the Company failed to establish the 2023 IRP reasonable and in the public interest, concluding the Company failed to provide “more comprehensive information and/or analysis...concerning its ability to overcome § 56-585.1 A 5 of the Code’s presumption against new carbon-generating unit approvals.”⁸ To support this finding, the Senior Hearing Examiner concludes,

By way of example, the 2023 IRP lacks information reflecting that Dominion has fully considered all in-state and regional resources as an alternative to the CTs. In fact, the Company acknowledged it has not yet conducted an evaluation to determine if there could be third-party alternatives to the CTs, even though it already intends to file for a CPCN. Because the Company failed to provide more fulsome analysis/information with the 2023 IRP concerning its ability to overcome § 56-585.1 A 5 of the Code’s presumption against new carbon-generating unit approvals, I find Dominion failed to establish the 2023 IRP to be reasonable and in the public interest. . . .I merely conclude the Company should have provided *more information* with the 2023 IRP relative to its ability to meet VCEA/§ 56-585.1 A 5 requirements – or, at a minimum, reflecting that it has analyzed and evaluated *all of the factors* relative to § 56-585.1 A 5 of the Code – as a prerequisite to establishing the 2023 IRP is reasonable and in the public interest.⁹

⁷ Joint Issues Matrix at 1-2 (Oct. 24, 2023). The Joint Issues Matrix filed by the parties was incorporated into the Report as an attachment. The Company stands by its positions contained in the Joint Issues Matrix and its post-hearing brief, except as clarified in these Comments.

⁸ Report at 160.

⁹ Report at 131 (emphasis added) (internal citations omitted).

The Senior Hearing Examiner does acknowledge the Commission could reach a different conclusion about the implications of § 56-585.1 A 5¹⁰ and notes that no other single “potential” deficiency rises to the level as the compliance with § 56-585.1 A 5—a statute not part of the standard of review in this proceeding—as a reason to withhold the reasonable and public interest finding. The Report does not withhold the reasonable and public interest finding for any one of twenty factors listed on page 129.¹¹ In fact, the Report acknowledges the Commission could reach a different conclusion on any one of these other twenty factors based on the “weight it gives to various factors and its interpretation of statutory requirements.” The Report concludes that potential deficiencies relative to each of these issues—standing alone—“would not warrant a finding that the 2023 IRP is not reasonable and in the public interest . . . ,”¹² The Report, however, does not explain why the twenty factors listed on page 129 must be combined and weighted, and not judged standing alone, to withhold the reasonable and in the public interest finding while the statutory requirements of § 56-585.1 A 5 hold the penultimate weight and perceived non-compliance with § 56-585.1 A 5, alone, leads to withholding the reasonable and in the public interest finding. There is no basis to conclude § 56-585.1 A 5 holds a trump card over all the other twenty factors and somehow carries more weight than the others. Respectfully, the Company asserts the Report erred in its analysis.

¹⁰ Report at 131.

¹¹ *See also* Report at 132-60.

¹² Report at 129 n.576.

As an initial matter, the Report's reliance on the standard of review in Va. Code § 56-585.1 A 5¹³ is not applicable for an IRP and therefore is not a basis upon which to withhold the reasonable and in the public interest finding.

Specifically, Va. Code § 56-585.1 A 5 provides, in relevant part:

Notwithstanding any other provision of law, unless the Commission finds in its discretion and after consideration of all in-state and regional transmission entity resources that there is a threat to the reliability or security of electric service to the utility's customers, the Commission shall not approve the construction of any new utility-owned generating facilities that emit carbon dioxide as a by-product of combusting fuel to generate electricity unless the utility has already met the energy savings goals identified in § 56-596.2 and the Commission finds that supply-side resources are more cost-effective than demand-side or energy storage resources.

The Company is not asserting that the VCEA should not be considered in an IRP. In fact, the Company's 2023 Plan focuses on paths towards compliance with the VCEA while maintaining reliability and security.¹⁴

By the plain language of the statute, the standard of review in Va. Code § 56-585.1 A 5 applies to an application for the *construction* of new carbon-emitting generation resources; in

¹³ The provision was enacted as part of the 2020 Virginia Clean Economy Act ("VCEA").

¹⁴ See Ex. 39 at 4:7-13 (Compton Rebuttal). The Company presented Alternative Plan A as the least-cost plan that complies with (i) applicable carbon regulations (*i.e.*, the Regional Greenhouse Gas Initiative ("RGGI") or federal carbon tax) and (ii) the mandatory renewable energy standard portfolio program requirements (through the retirement of RECs pursuant to Va. Code § 56-585.5 C). These are the known requirements of the VCEA while the renewable development targets contained in Va. Code § 56-585.5 D and the required retirements contained in Va. Code § 56-585.5 B will require time, technological advancement, and supportive legislative policies that are difficult to model. This is why the Company presented Alternative Plans B through E with a range of possible assumptions. The Commission has found past IRPs reasonable and in the public interest despite uncertainty surrounding new statutory regimes and the Company's paths for compliance. See, *e.g.*, 2015 IRP Proceeding, Final Order at 4-5 (recognizing that modeling options for compliance with the Clean Power Plan would "require some degree of speculation" and finding the four plans presented by the Company reasonable and in the public interest for purposes of filing the planning document).

other words, the provision applies to a CPCN proceeding. As the Commission has repeatedly recognized, an IRP is *not* an application for approval of any particular resource,¹⁵ therefore, the analysis required by Va. Code § 56-585.1 A 5 is not the appropriate standard for review in an IRP proceeding. The Commission cannot determine in this case whether the Company has presented sufficient evidence to overcome the rebuttable presumption in Va. Code § 56-585.1 A 5 because the Company is not seeking approval of any new carbon-emitting resources in this case, and it would be inappropriate and contrary to the long-standing precedent that the IRP does not approve or deny any particular resource to do so. As such, it cannot serve as the sole basis for withholding the reasonable and in the public interest finding for the 2023 Plan.

The Report inappropriately adds the standard of review under the VCEA for a *future* CPCN filing for carbon-emitting resources to the IRP's standard of review found in Va. Code § 56-999. Respectfully, it is legal error to apply Va. Code § 56-585.1 A 5 here and as the sole basis to withhold the reasonable and in the public interest finding.¹⁶ Furthermore, the Report

¹⁵ See, e.g., *Commonwealth of Virginia, ex rel. State Corporation Commission, In re: Virginia Electric and Power Company's Integrated Resource Plan* filing pursuant to Va. Code § 56-597 et seq., Case No. PUR-2020-00035, Final Order at 5-6 n.14 (Feb. 1, 2021) ("2020 IRP Proceeding"); *2018 IRP Proceeding*, Final Order at 3 n.7; *2017 IRP Proceeding*, Order at 3; *2016 IRP Proceeding*, Final Order at 2-3; *2015 IRP Proceeding*, Final Order at 6-7; *2013 IRP Proceeding*, Final Order at 3-4); *2011 IRP Proceeding*, Final Order at 2-3; *2009 IRP Proceeding*, Final Order at 5-6.

¹⁶ If full compliance with Va. Code § 56-585.1 A 5 was required for the 2023 Plan, the Commission should have made that specific finding in the 2020 IRP proceeding as 970 MW of CTs were also "imminent" in the 2020 IRP by 2023 for all plans presented. The Company files a matrix with each full IRP as the first document after its cover letter showing all the statutes, Enactment Clauses, IRP Guidelines, and prior Commission final order requirements that must be met and notes the place where each item is addressed in the IRP. The Commission Staff presumably uses that matrix and other information at its disposal to find the filing complete, which was done in this case on May 15, 2023. In addition, the Report recognized that Staff and the respondents "do not directly dispute that the 2023 IRP *includes* the Company's analysis of and/or responses to all relevant requirements." Report at 129 (emphasis added). Therefore, claims by the Report that the Company's 2023 Plan "lacks information" on the alternatives to

appears internally inconsistent by relying on Va. Code § 56-585.1 A 5 as the sole basis to withhold the reasonable and in the public interest finding but, in the next paragraph, recognizing that the implications of the provision have not yet been considered by the Commission.¹⁷ A few pages later, the Report also states that it would be useful for the Commission to establish filing requirements for this “relatively new statutory framework” detailing the analysis the Commission wants to see in a future application seeking to overcome the presumption of the provision and to consider the respondent recommendations made herein when establishing such requirements.¹⁸ The Report’s recommendation that the Commission issue an order establishing requirements for a future CPCN filing is further support that the analysis required under Va. Code § 56-585.1 A 5 is for a future CPCN filing, with a different burden of proof and standard of review,¹⁹ and *not* for an IRP wherein the Company is *not* seeking approval of a particular

CTs, has not yet conducted an evaluation of third-party alternatives, and needs a “more fulsome analysis/information” to overcome the § 56-585.1 A 5 presumption against new carbon-generating unit approvals, could have and should have been addressed by the Commission’s Final Order in the *2020 IRP Proceeding* (“2020 IRP Final Order”) because it seems to connote that information was simply missing. See *2020 IRP Proceeding*, Final Order at 9 (the only Commission directive regarding CTs was for the Company to “include one or more plans without [] ‘placeholder’ additions [of CTs] to address reliability concerns for comparison purposes and to improve transparency in the Company’s planning process”).

¹⁷ Report at 131.

¹⁸ Report at 145. The Commission routinely issues pre-orders establishing requirements for applications seeking approval of new resources under new statutory frameworks. See, e.g., *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Offshore wind development filing of Virginia Electric and Power Company*, Case No. PUR-2021-00142, Order (July 26, 2021); *Commonwealth of Virginia, ex. rel. State Corporation Commission, Ex Parte: Establishing 2020 RPS Proceeding for Virginia Electric and Power Company*, Case No. PUR-2020-00134, Order Establishing 2020 RPS Proceeding (July 10, 2020). The Company welcomes the Commission issuing such an order directing its requirements for a future CPCN application for new natural gas CTs.

¹⁹ In past IRPs, the Commission has declined to withhold the reasonable and in the public interest finding due to the lack of analysis required by other statutes for more onerous CPCN or cost recovery filings for future resources required by other statutes. The Commission found

resource. The Commission has routinely issued directives for specific analysis and data to be provided in future IRPs in past final orders or pre-orders establishing a case.²⁰ However, no such directive or pre-order requires the Company to provide the analysis required in Va. Code § 56-585.1 A 5 in an IRP; yet the Report relies upon the lack of this analysis to make its finding. Because neither Va. Code § 56-597 *et seq.*, nor a prior Commission order require such analysis in an IRP, the lack of the analysis cannot be used as the sole reason to withhold the reasonable and in the public interest finding.

these prior IRPs reasonable and in the public interest in part because it recognizes that IRPs are not proceedings seeking approval of any particular resource. For instance, in the 2015 IRP Proceeding, the Commission rejected Consumer Counsel's recommendation that the Commission withhold the reasonable and in the public interest finding "based on the argument that the Company has failed to demonstrate that the continuing expenditures on the potential North Anna 3 nuclear unit are reasonable and in the public interest." *2015 IRP Proceeding*, Final Order at 6-7.

In the 2013 IRP, the Company's plans included 1,375 MW of a new natural gas combined cycle unit for 2019. In part, Staff and respondents criticized the Company's 2013 IRP for its lack of analysis of third-party market alternatives as capacity resources, which was required under Va. Code § 56-585.1 A 6. The Commission found the Company's 2013 IRP reasonable and in the public interest, declining to apply the recently amended language in Va. Code § 56-585.1 A 6 regarding a third-party market alternatives analysis required for CPCN proceedings to the reasonable and in the public interest determination. *2013 IRP Proceeding*, Final Order at 6-7.

In the 2011 IRP, the Company's plan included the Brunswick Power Station, which the Company later sought approval of in a CPCN filing the next year (Case No. PUE-2012-000128). The Company did not include the extensive analysis that would be required in a CPCN filing in the 2011 IRP and the Commission found the Company's 2011 IRP reasonable and in the public interest. *2011 IRP Proceeding*, Final Order at 4-5.

Finally, in the 2009 IRP, the Company's plan included the Warren County Power Station, which the Company sought approval of in a CPCN filing in 2011 (Case No. PUE-2011-00042). The Company's 2011 IRP included two paragraphs regarding the future Warren County Power Station, including the fact that the Company had already received air and water permits, but no analysis typically required in CPCN filings. The Commission found the Company's 2009 IRP reasonable and in the public interest. *2009 IRP Proceeding*, Final Order at 5.

²⁰ See, e.g., *2020 IRP Proceeding*, Final Order at 8-16; *2020 IRP Proceeding*, Order (Mar. 9, 2020).

B. The Company's modeling assumptions for new natural gas CTs in Alternative Plans B and D are not a reason to withhold the reasonable and in the public interest finding because Plans C and E are equally plausible future paths that were fully analyzed and presented.

Alternative Plans B through E in the Company's 2023 Plan all included new natural gas CTs, albeit in different years and with different modeling assumptions. The Report's finding relies on the fact that 970 MW of new natural gas CTs were included (*i.e.*, forced in for reliability purposes) in the model by the Company for Alternative Plans B and D in 2028.²¹ However, in Alternative Plans C and E, the PLEXOS model chose (*i.e.*, based on a capacity and energy gap) new natural gas resources on a least-cost optimized basis to meet customers' needs by 2033 and 2034, respectively.²²

As the Company noted, the Company does not have a preferred plan²³ but instead presented Alternative Plans B through E to show the range of possible futures given the current uncertainties and significant reliability concerns.²⁴ As explained by Company Witness Shane Compton, Plans B and D are bookends—the outer bounds of the potential paths forward. Both

²¹ Notably, the Company expects the new CT units will be capable of blending hydrogen.

²² Ex. 2 at 26-29 (2023 Plan); Ex. 20 at Attachment GLA-2 (Abbott) (the Company's response to APV Set 03-06); Ex. 39 at 16:15-17:15, 18:1-2 (Compton Rebuttal).

²³ The Company agrees with the Report's finding that the Company was not required to present a preferred plan. Report at 143, 162. *See, e.g., 2016 IRP Proceeding*, Final Order at 2 n.3; *2015 IRP Proceeding*, Final Order at 4.

²⁴ *See, e.g., Ex. 39 at 25:5-12 (Compton Rebuttal)* (noting that reliability concerns are not unique to the Company, but that PJM has also expressed concerns regarding insufficient intermittent generation resources to meet load growth). The Company presented Alternative Plan A for cost comparison purposes only to comply with the Commission's directive in the 2020 IRP Final Order. *See supra* n.14. The Company agrees with the Report's finding that Alternative Plan A complies with the Commission's directives in the 2020 IRP Final Order. *See Virginia Electric and Power Company's Post-Hearing Brief at § IV.C; Report at 130, 160.* Notably, Alternative Plan A, which was fully least-cost optimized for resource selection, chose to build the most new natural gas units. Ex. 2 at 25 (2023 Plan) (Figure 2.2.1 showing more than 5,900 MW of new natural gas).

Plans meet the VCEA development targets,²⁵ with Plan B allowing retirements of existing units on an economic basis and Plan D forcing the retirement of existing carbon-emitting units by 2045.²⁶ Plans C and E use the same retirement assumptions as Plans B and D, respectively, but are fully least-cost optimized for new resource selection, and provide useful data points in comparison to Plans B and D. The Alternative Plans taken together therefore offer possible paths forward for the Planning Period incorporating current feasible technologies and reasonable assumptions based on the best available information known to the Company at the time of preparing the IRP.²⁷ That said, no single plan is more preferable to another, and no plan is a commitment to a particular resource in the plan.

As such, it is inappropriate to withhold the reasonable and in the public interest finding for the entire 2023 Plan on the basis of certain resources included in Plans B and D, especially when Plans C and E select the 970 MW of CTs on a least-cost optimized basis and planned for those resources to come online in 2033 and 2034, respectively. The Report states that the selection of 970 MW of CTs in Plans C and E is of less concern because the Company does not intend to seek “imminent approval of such generation.”²⁸ Therefore, it seems that the Report places great weight on the imminence of a CPCN application for the CT resources as a reason to find the Company should have provided “more information” to support the reliability analysis. The timing of a potential *CPCN* application should have no bearing on the type of information needed for the Company to meet the *IRP* burden of proof because an IRP does not approve or reject any particular resource.

²⁵ Va. Code § 56-585.5 D.

²⁶ Va. Code § 56-585.5 B.

²⁷ Ex. 39 at 16:15-18:2 (Compton Rebuttal).

²⁸ Report at 131 n.584.

Because the Company did not pick any Alternative Plan as a preferred plan and the IRP does not approve any particular resource, respectfully, it is error to withhold the reasonable and in the public interest finding based on two plans including CTs in 2028 when two other plans that are equally as plausible include CTs in the early 2030s. Said another way, inclusion of the CTs in 2028 in Plans B and D and statements that a CPCN filing for those CTs *could* occur as soon as 2024 are not commitments to those resources or more importantly, a request to this Commission to approve those resources. Unless and until the Company comes forward with a CPCN request to this Commission for the CT resources, the Commission is not required to rule on whether those resources should be approved and judge whether the Company has met its burden of proof. Since the Commission is not being asked to grant a CPCN for the CT resources herein, the Commission need not rule on whether the Company met its burden of proof under Va. Code § 56-585.1 A 5 and judicial economy favors the Commission not making such a finding in this IRP proceeding.

C. For an IRP proceeding, the Company provided sufficient evidence of a reliability concern on the system to support inclusion of two Alternative Plans that forced 970 MW of CTs to come online in 2028.

The Company presented sufficient evidence of the near-term reliability concerns, particularly with respect to the ability to have adequate generation resources with certain capabilities to meet customers' energy and capacity needs at all hours of the year.²⁹ The

²⁹ Ex. 2 at 6-9, 31-32, 90-91, 97-98 (2023 Plan); Ex. 39 at 3:3-4, 3:19-21, 8:4-8 (Compton Rebuttal). The Report suggested that the Company has not fully evaluated the transmission reliability concerns. Report at 131 n.583. First, the Company's inclusion of new natural gas CTs in Plans B and D was to address a generation reliability concern. Second, the Company did provide evidence of concerns with transmission reliability and maintaining energy independence. As explained in Section 7.5 of the 2023 Plan, the Company included the high level and preliminary results of the transmission reliability analysis. This analysis is ongoing, and the Company will continue to refine its analysis as the future technical challenges are identified and understood. See, e.g., Ex. 2 at 24 (2023 Plan) (describing Alternative Plans D and E); Ex. 2 at

Company completes its IRP modeling under normal weather scenarios, but must still plan for extreme weather, like Winter Storm Elliott, which places a significant strain on the system. The Company takes its obligation to serve customers seriously and used its expertise in modeling and operations to determine that new natural gas CTs would be needed earlier to ensure the Company can reliably meet customers' needs.³⁰ Dual-fuel CTs, like those included in Alternative Plans B and D, are "currently the most cost-effective and reliable resource to meet a future long-duration winter event or capacity shortage."³¹

The significant increase in the load forecast, coupled with events like Winter Storm Elliott, have highlighted the need for always available, dispatchable generation to serve the Company's customers and ensure grid reliability. The Company's fleet performed well during the peak demand of Winter Storm Elliott,³² with the Company's thermal resources and market purchases contributing almost all of the Company's generation while existing renewable resources contributed very little. In fact, out of an existing 2,300 MW of renewable resources on the Company's system, only 12 MW of wind contributed to the Company's needs during Winter Storm Elliott's peak, which occurred between 7:00 and 8:00 am on December 24, 2022.³³ However, the Company cannot continue to rely on such significant market purchases because such reliance would hinder the Commonwealth's energy independence and market purchases

31-32, 110-15 (2023 Plan) (noting that Alternative Plans D and E will severely challenge the transmission system and reliability and that the results are likely understated given the significant increase in the load forecast after the analysis was completed).

³⁰ Tr. 577:8-14 (Compton); Ex 39 at 8:4-8 (Compton Rebuttal).

³¹ Ex. 39 at 24:17-20 (Compton Rebuttal).

³² Tr. 578:21-579:10 (Compton) (noting the Company's outage rate was half that of PJM's during Winter Storm Elliott and less than a quarter of PJM's during the 2014 polar vortex).

³³ Tr. 579:15-580:10 (Compton).

may not be available. As Company Witness Compton explained, with other states in PJM Interconnection, LLC ("PJM") moving toward cleaner, more intermittent generation portfolios, market purchases are less likely to be available, especially during peaks and extreme weather. Winter Storm Elliott highlighted the risk of relying on market purchases with regional transmission organizations shedding load and requesting emergency energy conservation measures.³⁴

Additionally, the Company hit record peaks in winter 2022 and again in summer 2023, just before the IRP hearing.³⁵ Given the increased load forecast, the Company had to make significant changes to the resource constraints³⁶ and capacity purchase limits in order to get the model to solve for Plans D and E when existing carbon-emitting units are forced to retire by 2045.³⁷ The challenges in getting the model to solve and the significant changes in assumptions for build limits and market purchases further demonstrate the Company's reliability concerns.³⁸ All these factors led to the Company including 970 MW of CTs in Plans B and D for reliability

³⁴ Ex. 39 at 36:5-11 (Compton Rebuttal).

³⁵ Ex. 2 at 8 (2023 Plan) (noting Winter Storm Elliott set a new peak demand for the DOM Zone in December 2022); Ex. 43 at 6:9-10 (Rajan Rebuttal) (noting the Company set a new record peak of 21,993 MW on July 28, 2023, despite normal weather for that day).

³⁶ The Company's annual build limits for solar, onshore wind, and energy storage resources were reasonable and based on the Company's experience developing these resources in Virginia. *See* Virginia Electric and Power Company's Post-Hearing Brief at § IV.F; Report at 139-41, Finding No. 13.

³⁷ Tr. 571:8-572:10 (Compton) ("And still yet, the model needed much, much more capacity and energy to solve.")

³⁸ In fact, the assumptions the Company had to make to get the model to solve are "incredibly aggressive," especially with capacity reform changes being contemplated in PJM's Critical Issue Fast Path stakeholder process (Tr. 575:18-576:12 (Compton)), and the current pace of renewable generation coming online throughout PJM (Tr. 798:17-799:8 (Flowers) (noting that in all of PJM in 2022, only 677 MW of renewable generation went into service)).

purposes in 2028. This evidence should be found sufficient by the Commission to support the reasonable and in the public interest finding appropriate for an IRP proceeding.

D. The Report correctly concludes that many of the perceived infirmities raised by Staff and respondents do not warrant a finding that the 2023 Plan is not reasonable or in the public interest.

Staff and respondents identified many perceived infirmities (*i.e.*, 20) in the 2023 Plan, which the Report lists on page 129 and analyzes in detail on pages 132-160. The Report correctly concludes that none of these perceived infirmities warrant withholding the reasonable and in the public interest finding.

The Company prioritizes providing reliable, affordable, and increasingly clean power to its customers, but meeting those priorities does come with some challenges. Challenges in the 2023 Plan include the significant projected load growth due to data center development, as well as rapidly changing legislation and policy developments related to clean energy. A fundamental and transformational change to the existing electric system to meet clean energy goals will take time and will require supportive legislative and regulatory policies, technological advances, grid modernization, and broader investments across the economy.³⁹ The 2023 Plan is the Company's next iterative response to these challenges and represents an ongoing planning process that will be updated each year with new or revised regulations or legislation, changes in the load forecast, and new Commission directives. The Company's 2023 Plan is supported by well-established industry-standard modeling protocols and based on Company assumptions supported by extensive industry experience.

Pursuant to Va. Code § 56-599 A, effective July 1, 2023, the Company will file its next full IRP by October 15, 2024 and then by October 15 every two years. In the intervening years,

³⁹ Ex. 2 at 2 (2023 Plan); Ex. 39 at 3:4-7 (Compton Rebuttal).

the Company will file an update to the integrated resource plan. The Company will continue to refine and update its modeling and assumptions in future IRP filings.

For these reasons, the Company respectfully requests that the Commission find the 2023 Plan is reasonable and in the public interest as a planning document filed pursuant to Va. Code § 56-599 D. As explained, the Report incorrectly imposed the CPCN statutory requirements to this IRP and recommended withholding the reasonable and in the public interest finding based on the inclusion of new natural gas CTs in Plans B and D in 2028 for reliability reasons. The Report correctly found that no one of the 20 other perceived infirmities raised by Staff and respondents does not warrant withholding the reasonable and in the public interest finding.

II. DATA CENTER LOAD FORECAST: THIRD-PARTY PROFESSIONAL FORECASTER RECOMMENDATION

In most respects, the Company agrees with the Report's analysis and conclusions related to the Company's data center load forecast for the 2023 Plan. Specifically, the Company was pleased that the Report analyzed the evidence in the record and concluded that the Company "established a reasonable basis for relying upon the PJM derived load forecast" for the 2023 Plan.⁴⁰ The Company also was pleased that the Report rejected Appalachian Voices' ("APV") unsupported allegations of double counting, concluding that the "concerns regarding potential double counting are not supported by the record."⁴¹ In rejecting the double-counting contention, the Report pointed to specific evidence in the record: Company Witness Abhijit Rajan's explanation of the Company's process associated with its data center load forecast; PJM's independent review of the data center load forecasts provided to PJM by the Company and Northern Virginia Electric Cooperative ("NOVEC"); and the "regular communications" between

⁴⁰ Report at 136.

⁴¹ Report at 136.

PJM, the Company, and NOVEC.⁴² Further, the Report declined APV's and Clean Virginia's request that the Company be required to expand its load forecast sensitivity to include a variation greater than +/- 5% to "address uncertainties associated with data center load."⁴³

Despite these positive conclusions, however, the Report also noted "unique uncertainties" associated with the Company's data center load forecast beyond the first five years of the Planning Period, namely one sector of demand (and more specifically, five data center customers) being the primary driver of the projected load growth.⁴⁴ The Report expressed concern that "the decision of just one of these data center customers to leave [the Company's] service territory (however unlikely) has the potential to greatly impact the Company's overall load (and associated resource requirements)."⁴⁵ Based on these concerns, the Report

⁴² Report at 136. *See also* Ex. 43 at 2:14-5:10, 10:4-14 (Rajan Rebuttal) (explaining the process by which the PJM Load Forecast and PJM Derived Load Forecast were developed); Ex. 44 (PJM Manual 19 Attachment B) (detailing PJM's process of review); Ex. 47 at 15:11-16:22 (Bradshaw Rebuttal) (explaining the process by which the Company and NOVEC provide information to PJM and how the Company utilized updated information to adjust the data center load forecast to remove load the Company determined would be located outside the DOM LSE); Tr. 637:18-647:16 (Rajan) (detailing the process by which the Company provided, and PJM independently reviewed, the forecast, and the communications between the Company, PJM, NOVEC, and data center customers).

⁴³ Report at 137. It should be noted that the Company's data center load forecast specifically exhibits an increasing percentage range as the years continue, starting small in the early years when the forecast is supported by existing contracts binding customers to significant financial commitments, and growing to 18% in 2037, when the Company acknowledges there is more uncertainty. Ex. 47 at 21:20-22:2 (Bradshaw Rebuttal).

⁴⁴ Report at 136.

⁴⁵ Report at 136. Staff filed its Comments to the Hearing Examiner's Report in this proceeding on December 15, 2023 ("Staff Comments"). Staff also expressed concern about the Company's data center forecast in its comments and supported the recommendation for the Company to hire a third-party forecaster, which Staff believes may provide additional clarity. Notably, however, Staff Witness Johnson's Enverus Report stated: "The Company, PJM, and Enverus all employ different methodologies depending on the forecast subject item; however, all use scientific approaches that can *reasonably [be] expected to map to a legitimate possible outcome.*" Ex. 27, Enverus Report at 5 (B. Johnson) (emphasis added). Further, Staff Witness Johnson admitted

recommended the Commission require the Company to “obtain the services of a third-party professional forecaster with experience in data center-specific market dynamics to perform a data center load forecast that can be used *to supplement*, and *serve as a check upon*, the Company’s internal data center load forecasting” before the Company’s files its next IRP.⁴⁶ Importantly, the evidence the Company presented in this proceeding—existing contracts—serves as confirmation and validation of the Company’s forecast, which was conducted independently.⁴⁷

During the hearing, the Company maintained that, considering its experience, access to future-looking customer-specific intelligence, and ongoing communications with customers, it should perform the data center load forecast.⁴⁸ As outlined above, the Report did not disagree with this point. But the Company also agreed that it would be open to bringing on a consultant to examine the impacts of artificial intelligence (“AI”) on the industry and consequently, on the longer-term data center load forecast.⁴⁹ The Company remains amenable to retaining a

that Enverus does not have the expertise to forecast data centers. *See infra* n.97. The Company, however, provided ample evidence of its expertise in forecasting and data centers specifically. *See supra* n.42; *infra* n.56-64 and accompanying text. Finally, Staff did not explain how another third-party forecast, in addition to the ones provided by Staff and APV Witness Wilson in this proceeding, would offer additional “clarity” to the Commission. Staff and other parties to this proceeding had access to all of the Company’s workpapers and information supporting its data center forecast in this proceeding, providing sufficient “clarity” for the Commission and interested parties to review the forecast. *See infra* n.92-103 and accompanying text.

⁴⁶ Report at 161, Recommendation No. 9 (emphasis added); *see also* Report at 137 (“In addition to supplementing and serving as a check on [the Company’s] overall internal data center load analysis, the third-party forecaster could be instructed to explore and provide information on the likely impacts of land prices issues and technical matters such as AI not yet considered in the Company’s forecast.”). As stated during the hearing, the Company remains amenable to retaining a consultant to consider the implications of AI on forecasted data center load and reporting on the same in future IRP filings. *See* Tr. 702:6-15 (Bradshaw).

⁴⁷ Tr. 696:7-23 (Bradshaw).

⁴⁸ *See, e.g.*, Tr. 698:9-700:20, 701:6-705:15 (Bradshaw) (explaining the extensive information to which the Company has access about the data center industry).

⁴⁹ Tr. 702:6-15 (Bradshaw).

consultant to examine AI impacts. The Company cannot, however, agree that it should be required to retain a third-party to supplement or validate the Company's data center load forecast for the next IRP proceeding. For the reasons outlined herein, the Company respectfully requests the Commission reject this recommendation.

A. The evidence in the record shows that the Company's professional forecasters are best suited to perform the data center load forecast.

The record is replete with evidence that the Company is best suited to perform the data center load forecast and nothing in the Report suggests that the Hearing Examiner disagrees that the Company is most experienced and knowledgeable on the issue. As a result, the Company respectfully requests the Commission to reject the recommendation that the Company retain a third-party forecaster on data center load for the next IRP filing.

First, PJM "requested longer-term projections" on data center load growth *from the Company*.⁵⁰ The basis for the request being "'the rapid growth and [efforts] to try and *get a more realistic expectation*'" of the load growth beyond the first 5-year period.⁵¹ Logically, if PJM asked the Company to prepare the longer-term projections because it wanted a "more realistic expectation" of the data center load growth in the longer-term, PJM believed the Company was best suited to prepare those projections. As recognized by the Report, the

⁵⁰ Ex. 43 at 9:22-10:1 (Rajan Rebuttal) (citing PJM Resource Adequacy Planning Department, 2023 Load Forecast Supplement at 20 (Jan. 2023), available at <https://www.pjm.com/-/media/planning/res-adeq/load-forecast/load-forecast-supplement.ashx> ("2023 PJM Load Forecast Supplement")); *see also* Ex. 47 at 3:5-7 (Bradshaw Rebuttal) ("For the 2023 forecast, PJM requested a 15-year data center load forecast for the Dominion Energy load serving entity."); Ex. 47 at 11:7-14 (Bradshaw Rebuttal) (noting that "at PJM's request, the Company provided a 15-year data center load forecast in 2023").

⁵¹ Ex. 43 at 9:20-10:3 (Rajan Rebuttal) (quoting 2023 PJM Load Forecast Supplement at 20 (emphasis added)).

Company “established a reasonable basis for relying on the PJM derived load forecast.”⁵² The Report also found credible PJM’s independent review and “structured process” for receiving separate data center load forecasts, and the coordination between PJM, the Company, and NOVEC.⁵³

Further, as noted by APV Witness Wilson, “nobody wants to do that 15-year forecast”⁵⁴ because, in part, “it’s hard, and it’s not anybody or everybody who’s willing to do the forward-looking research, [and] think about all the different drivers of future data center growth.”⁵⁵ Notably, however, even Mr. Wilson acknowledged “[t]he Company has now been working with customers to prepare for new and expanded data centers *for over a decade now*,” and “has *considerable experience* in seeing the full process unfold, beginning with initial requests and resulting in fully equipped data centers.”⁵⁶ In fact, the Company has an entire team that interacts with data center customers daily and is at the frontline to learn of changes in the industry.⁵⁷

⁵² Report at 136.

⁵³ Report at 136; *see supra* n.42.

⁵⁴ Tr. 250:10-11 (Wilson).

⁵⁵ Tr. 250:24-251:2 (Wilson).

⁵⁶ Ex. 13 at 26:14-17 (Wilson) (emphasis added); *see also* Ex. 47 at 6:7-11, 8:9-14 (Bradshaw Rebuttal) (“I will demonstrate that the Company has over a decade of experience working with data center customers and through these customer partnerships, the Company has been trusted with customer and industry intelligence that informs the Company’s forecast. The access to, and integration of, this real-world intelligence sets the Company’s forecast apart from other forecasting models and approaches.”).

⁵⁷ *See* Ex. 47 at 8:15-9:15 (Bradshaw Rebuttal) (explaining the role of the Company’s Strategic Partnership Department); Tr. 702:17-704:23 (Bradshaw) (explaining the discussions surrounding AI the Company has had with customers and the knowledge the Company has gained regarding the differing needs of data centers built for AI versus other types of data centers).

Moreover, the Company was the *only party* in the 2023 IRP proceeding to include forward-looking research in preparing its long-term data center load forecast.⁵⁸

Second, the Company's team that prepared the 2023 Plan's long-term data center load forecast is a professional forecasting team and no evidence was provided by any party or Staff to the contrary. Company Witness Rajan testified to his experience in this area, confirmed that he considered himself a professional forecaster,⁵⁹ and confirmed "the rest of the load forecasting team['s] . . . extensive experience and educational qualifications."⁶⁰ During the hearing, Company Witness Rajan explained that the Company looked at the "fundamental underlying data uses that drives the need for data centers," "the longer term drivers of that demand," and "technological innovations on the horizons, impact[s] they might have, changes in policies, research, and [it] review[ed] [] a broad range of industry reports, [and] interview[ed] [] key players" when preparing its long-term data center load forecast.⁶¹ Accordingly, the Company used its decade of experience and relied on its team of experts to undertake this "hard" task⁶² that "nobody [else] want[ed] to do."⁶³ Because, as stated by Company Witness Alan Bradshaw, "[t]he Company believes that we should do the forecast. We have access to the data."⁶⁴

⁵⁸ Compare Tr. 267:24 (Wilson) (acknowledging his forecast is based on historical data), and Tr. 430:10-18, 431:13-16 (B. Johnson) (same), with Tr. 698:9-700:20 (Bradshaw) (detailing examples of the customer intelligence the Company has access to and incorporates in its data center load forecast).

⁵⁹ Tr. 665:13-16 (Rajan).

⁶⁰ Ex. 43 at 7:1-8:1 (Rajan Rebuttal) (detailing the qualifications and years of experience of each member of the Company's load forecasting team).

⁶¹ Tr. 667:15-668:21 (Rajan).

⁶² Tr. 250:24-251:2 (Wilson).

⁶³ Tr. 250:10-11 (Wilson).

⁶⁴ Tr. 701:23-24 (Bradshaw).

Third, the Company has used third-party forecasters in the past, and the results have not been particularly accurate, thereby further supporting the Company's contention that it is best suited to forecast data center load.⁶⁵ Included in Company Witness Bradshaw's rebuttal testimony is a table comparing the forecasts and recommendations of previously retained third-party consultants to the 2022 actuals.⁶⁶ The table shows that in 2013, Quanta Technology ("Quanta") forecasted a low of 845 MW, a high of 1,630 MW, and recommended 1,317 MW for the 2022 forecast. The actual data center load in 2022 was 2,767 MW, which is almost 1,500 MW higher than the Quanta recommended figure and over 1,100 MW higher than the Quanta "high" figure.⁶⁷ Further, the table shows that in 2015, Quanta forecasted a low of 1,932 MW, a high of 2,412 MW, and recommended 2,229 MW for the 2022 forecast. Again, while closer, the recommended forecast was off by over 500 MW, and the "high" was off by 355 MW. And then in 2020, another third-party forecaster, Itron, Inc., recommended a forecast of 1,660 MW, more than 1,100 MW short of the 2022 actual load.⁶⁸ Thus, the historical lack of accuracy in prior third-party data center load forecasts provides support to reject the recommendation that the Company should be required to retain a third-party forecaster in its next IRP proceeding. Additionally, because prior third-party forecasts have proven inaccurate, there is no basis to

⁶⁵ The point of identifying the inaccuracies in the forecasts by third-party firms is to show that a third-party consultant is not necessary when, as here, the Company has the skillset to perform this analysis, commensurate with a third-party consultant, and has access to the necessary customer-specific data. *See* Ex. 47 at 11:1-2 (Bradshaw Rebuttal) (noting that the outside firms used by the Company in the past "are highly competent firms"); *see also* Tr. 698:3-8 (Bradshaw) ("I want to make sure everyone understands that those are quality companies, and we use them for other initiatives as well even today. But the forecasts that we have received just demonstrate an extreme amount of variability.").

⁶⁶ Ex. 47 at 10:14-15 (Bradshaw Rebuttal).

⁶⁷ *See* Tr. 264:25-265:1 (Wilson) (acknowledging Quanta's 2013 forecast was "pretty far off").

⁶⁸ *See* Tr. 265:20-23 (Wilson) (conceding that "it's pretty far off" from the actual 2,229 MW in 2022).

require the Company—and therefore its customers—to bear the expense for no evident increase in benefit or accuracy, especially when the litigated IRP process provides a sufficient check on the forecast, as detailed further below.

Finally, as the Company prepared the forecast for the 2023 Plan, the Company used both historical and forward-looking information (*e.g.*, customer contracts), and prepared a high-, mid-, and low-range data center forecast, ultimately taking the conservative approach and choosing the mid-range forecast.⁶⁹ The Report reviewed the evidence in the record and concluded that the Company “established a reasonable basis for relying upon the PJM derived load forecast for the limited purpose of the 2023 IRP and the ‘snapshot in time’ analysis that it provides.”⁷⁰ The Report also referred specifically to Company Witness Rajan’s “explanation of the Company’s process for formulating its data center load forecast,” when concluding that “concerns regarding potential load double counting are not supported by the record.”⁷¹ And despite acknowledging the “unique uncertainties” associated with the data center load forecast as the basis for the recommendation, the Report also concluded that in light of the “Company’s recognition in its IRP analysis of increasing uncertainty in data center load over time,” it did “not recommend a specific revision to [the Company’s] load forecast sensitivity” of +/- 5%.⁷² Therefore, the evidence and the Report’s conclusions suggest the Company’s data center load forecast was sufficient.

⁶⁹ Notably, this process is similar to Quanta’s, which also provided high and low forecasts but recommended using a mid-range forecast.

⁷⁰ Report at 136.

⁷¹ Report at 136.

⁷² Report at 137-38.

As set forth above, the Company has the experience and willingness to prepare the data center load forecast. The Company was the only party to the 2023 IRP to use forward-looking information as part of its data center load forecast. Past practice shows that third-party forecasters have not produced accurate data center load forecasts. And the Report looked at all evidence in the record, pointed to the Company's process for developing the data center load forecast to reject a contention about double counting, and concluded that the Company had established a reasonable basis for relying upon the PJM Derived Load Forecast for the 2023 Plan. All of these reasons support a finding that the Company is best suited to perform its data center load forecast, and the Commission should reject the recommendation that the Company be directed to retain a third-party data center forecaster for the next IRP proceeding.

B. The Report's concerns regarding "unique uncertainties" associated with the load forecast were addressed by the Company in the record and do not support the recommendation for a third-party forecaster.

In making the recommendation for a third-party forecaster, the Report points to certain "unique uncertainties" associated with the load forecast used by the Company in preparing the 2023 IRP.⁷³ Namely, she notes that the large load growth projected in the Company's load forecast is primarily driven by one sector of demand—data center customers.⁷⁴ This was a concern raised by Staff Witness Johnson in relation to the long-term accuracy of the forecast.⁷⁵ Relatedly, the Report notes that "the increased data center demand . . . in 2030 is driven by just five data center customers," and "the decision of just one of these data center customers to leave [the Company's] service territory (however unlikely) has the potential to greatly impact the

⁷³ Report at 136.

⁷⁴ Report at 136.

⁷⁵ Report at 136; *see also* Ex. 27, Enverus Report at 7 (B. Johnson).

Company's overall load (and associated resource requirements).⁷⁶ The Company, however, fully addressed these issues on the record.

At the outset, the fact of increased data center demand in Virginia is just that: a fact.⁷⁷ And the fact that five data center customers are driving most of the demand has no bearing on the forecast in this case because the evidence in the record fails to suggest that a single customer has a plan to change course. In fact, the record shows just the opposite. In his rebuttal testimony, Company Witness Bradshaw explained that "data centers are growing at a fast rate in the DOM LSE with no immediate signs of slowing."⁷⁸ Mr. Bradshaw referenced the JLL Report, which represents only the colocation market,⁷⁹ and the fact that it shows Northern Virginia having 3,442 MW of current capacity and 651 MW in development.⁸⁰ The Northern Virginia figures stand in stark contrast to the Dallas-Fort Worth figures (another of the largest data center markets), which were 734.4 MW current capacity and 182.1 MW in development. Moreover,

⁷⁶ Report at 136.

⁷⁷ See Tr. 420:10-12 (B. Johnson) (noting that "we do agree that data center load is growing. It will continue to grow. It's the reason our overall load is growing.").

⁷⁸ Ex. 47 at 6:5-6 (Bradshaw Rebuttal). As Mr. Bradshaw testified, his group received two new significant customer requests during the week of the hearing: (1) from a new market entrant seeking to build a 1.2-gigawatt campus and (2) from an existing customer for "about a half gigawatt campus" the customer wants to build. Tr. 695:12-24 (Bradshaw).

⁷⁹ During the hearing, Company Witness Bradshaw explained the differences between cloud companies and colocation companies, with colocation companies leasing space in a data center. Two of the Company's top five customers are colocation companies, which act similar to a hotel and lease space to tenants. In the colocation situation, the tenants of the space are driving the load. In the event a colocation company chooses to leave the market in Virginia, the tenants in those data centers will continue to drive the load growth, the owner of the building may just change. Tr. 710:9-711:23 (Bradshaw).

⁸⁰ Ex. 47 at 6:16-7:10 (Bradshaw Rebuttal).

despite Northern Virginia's high land prices and other challenges, "the Company has not seen slower growth."⁸¹

Additionally, Company Witnesses Bradshaw and Rajan explained that the Company's 15-year data center load forecast is informed by existing customer contracts that include financial commitments⁸² and are validated by the "Connect-Growth" method.⁸³ Company Witness Bradshaw's Rebuttal Figures 1 and 2 show the Company's Construction Letters of Authorization ("CLOAs") and Electric Service Agreements ("ESAs") already in place through 2032,⁸⁴ as well as the 8,658 MW of signed Substation Engineering Letters of Authorization ("SELOAs"), which also carry a financial commitment should the customer walk away after signing.⁸⁵ The Company presented evidence that, to date, no customer has walked away from a CLOA or an ESA, which represent at least a \$20-\$30 million commitment.⁸⁶ Additionally, prior to the SELOA process, customers must have a site plan, which requires the purchase of property—another significant financial commitment.⁸⁷ Thus, the Company supported its 15-year

⁸¹ Ex. 47 at 7:14-23 (Bradshaw Rebuttal). *See also* Ex. 47 at 7:7-8 (Bradshaw Rebuttal) (noting growing data center development in Henrico County and southside Virginia counties).

⁸² Ex. 47 at 17:8-21:14 (Bradshaw Rebuttal).

⁸³ Ex. 43 at 27:4-31:7 (Rajan Rebuttal); *see also* Tr. 696:7-23 (Bradshaw) (explaining that the data center load forecast was "forecasted independently," and "then the contracts really are just a confirmation, if you will, that our forecast is realistic.").

⁸⁴ Ex. 47 at 19 (Figure 1), 20 (Figure 2) (Bradshaw Rebuttal).

⁸⁵ Tr. 688:18-692:20 (Bradshaw Rebuttal) (explaining load letters, SELOAs, CLOAs, and ESAs and outlining the increasing financial commitment should a customer walk away from the project at each stage of the process); *see also* Tr. 257:20-22 (Wilson). Additionally, the Company has 8,500 MW of existing load letters, conservatively not included in the Company's forecast, but at least some of which will progress through the stages to ESAs. Tr. 694:10-21 (Bradshaw).

⁸⁶ Tr. 691:2-20, 692:1-25 (Bradshaw). *See also* Ex. 47 at 17:12-20:4 (Bradshaw Rebuttal).

⁸⁷ Tr. 700:1-9 (Bradshaw) (explaining that before the SELOA, customers have spent a "tremendous amount of money securing property . . . at 3 to \$4 million an acre" to prepare a site plan).

forecast with existing customer contracts which, in turn, evidence the intent of customers to continue growth and development in the Company's service territory.

Data center growth in the DOM LSE is a fact. The Company's data center load forecast was based on that fact and other concrete and substantiated data. A customer changing course after investing significant funds on new development is unsupported speculation—as seemingly recognized by the Report's reference to a customer's decision to leave the Company's service territory being “however unlikely.”⁸⁸ The Commission should not require the Company to spend considerable expense—all to be borne by customers—to retain a third-party forecaster who may or (more likely) may not be able to forecast data center load changing based on this unsupported speculation.⁸⁹

C. The proper process to supplement or validate the data center load forecast is through other parties' independent analyses.

The Report contends that the purpose of the recommendation of a “third-party professional forecaster with expertise in data center-specific market dynamics” is to “*supplement/serve as a check on* [the Company's] internal data center load forecasting.”⁹⁰ Thus, the Report asks the Commission to direct the Company to retain a third-party forecaster, at the

⁸⁸ Report at 136.

⁸⁹ The Report acknowledged that it may not even be possible for a third-party consultant to complete an analysis of data center load before the Company is required to file its next IRP on October 15, 2024—less than 10 months from the submission of these comments. Report at 137 n.629. Therefore, one questions the value of the recommendation when, if not completed in time for the 2024 IRP, the analysis would not be conducted, presumably, until the next full IRP in 2026. Time is of the essence, because, at PJM's request, the Company already submitted its data center load forecast for use in the 2024 PJM forecast and presented at the Load Analysis Subcommittee Stakeholder Meeting. PJM will finalize the 2024 PJM forecast in the first quarter of 2024, and that forecast will be used to create the PJM Derived Load Forecast for the October 2024 IRP Filing.

⁹⁰ Report at 137 (emphasis added); *see also* Report at 161 (Recommendation No. 9).

Company's—and therefore customers'—expense, to supplement and/or check the Company's data center load forecast, after the Report determined that the Company “established a reasonable basis for relying upon the PJM derived load forecast” in the 2023 IRP.⁹¹ Respectfully, the Company submits that a third-party forecaster is unnecessary and the task of supplementing or checking the Company's data center load forecast can be and is conducted by the Staff and respondents, like APV, during the litigation of an IRP.

Pursuant to the Commission Rules of Practice and Procedure (“Procedural Rules”),⁹² Staff “may appear and participate in any proceeding in order to see that pertinent issues on behalf of the general public interest are clearly presented to the commission.”⁹³ This includes the ability to “conduct investigations and discovery, evaluate the issues raised, testify and offer exhibits, [and] file briefs and make argument.”⁹⁴ In this case, Staff retained Enverus, Inc. (“Enverus”) to “provide comparable forecasts and methodology review of” the Company's 2023 Plan.⁹⁵ Enverus reviewed the Company's data center load forecast and ran its own models based on historical data.⁹⁶ Staff never suggested or implied that it lacked the necessary information to formulate its own data center forecast to “supplement” or “check” the Company's data center load forecast.⁹⁷

⁹¹ Report at 136.

⁹² 5 VAC 5-20-10 *et seq.*

⁹³ 5 VAC 5-20-80 D.

⁹⁴ 5 VAC 5-20-80 D.

⁹⁵ Ex. 27 at Summary (B. Johnson).

⁹⁶ Ex. 27 (B. Johnson); *see also* Tr. 426:15-440:11.

⁹⁷ Staff Witness Johnson explained that “as part of our arrangement and project with the Staff, carving out a specific data center load forecast was not part of our mandate.” Tr. 438:23-439:1 (B. Johnson). Ms. Johnson also admitted that Enverus lacks the expertise to prepare a data

Similarly, the Procedural Rules allow “any person or entity” to participate as a party to a proceeding by filing a notice of participation as a respondent.⁹⁸ A party, including Staff, has the right to serve written interrogatories and requests for production of documents⁹⁹ and serve a request to examine workpapers supporting testimony or exhibits of a witness.¹⁰⁰ APV, for example, participated as a respondent in the proceeding, served 19 formal sets of written discovery on the Company,¹⁰¹ and retained APV Witness Wilson to “evaluate the forecasts of peak loads and total resource requirements included in the 2023 Plan, and provide recommendations as appropriate.”¹⁰² Mr. Wilson did just that. He selected a non-forward-looking forecasting model, the Bass Diffusion Model, to create his own data center load forecast.¹⁰³ Again, neither APV Witness Wilson nor any other respondent in the proceeding

center forecast. *See* Tr. 439:13-440:10 (B. Johnson). Notably, however, she did not say that Staff could not have retained another entity to perform a specific data center load forecast.

⁹⁸ 5 VAC 5-20-80 B.

⁹⁹ 5 VAC 5-20-260.

¹⁰⁰ 5 VAC 5-20-270.

¹⁰¹ Staff served 12 formal sets of discovery. In total, the Company responded to over 1,300 interrogatories, providing extensive workpapers for the parties to review. Tr. 569:14-16 (Compton).

¹⁰² Ex. 13 at 3:6-8 (Wilson Direct). Further, Mr. Wilson and APV are very familiar with evaluating the Company’s forecasts and requesting information through discovery as APV has retained Mr. Wilson to evaluate the Company’s forecasts in past IRPs. *See, e.g., 2020 IRP Proceeding*, Ex. 35 (Direct Testimony of James F. Wilson); *2018 IRP Proceeding*, Ex. 64 (Direct Testimony of James F. Wilson). Additionally, Mr. Wilson has regularly participated in the PJM load forecasting subcommittee meetings since at least 2010. Tr. 237:13-15 (Wilson).

¹⁰³ APV Wilson’s forecast is contrary to his own recommendations on how to conduct a forecast and has significant flaws. It plateaus at 6,810 MW in 2040, a level that is significantly below the load included in just the ESAs and CLOAs (7,835 MW by 2032), and the SELOAs (8,658 MW) that the Company currently has in hand. Ex. 47 at 24:6-17 (Bradshaw Rebuttal). Further, Company Witness Rajan identified key errors in Mr. Wilson’s model that discredit his forecast. Ex. 43 at 34:11-35:9 (Rajan Rebuttal); Ex. 45 (Rajan Critique of APV 2023 Bass Diffusion Model); Tr. 651:1-659:25 (Rajan) (explaining the errors identified in Mr. Wilson’s model).

indicated they lacked the necessary data to “supplement” or “check on” the Company’s data center load forecast. While Staff and respondents had slightly different takes on the continued trajectory of data center load growth in the long-term, they had the necessary data to both “supplement” and “check on” the Company’s data center load forecast.

As recognized by Staff Witness Johnson, “this is a bit of a conundrum for everyone that’s trying to forecast out that far in that there’s a couple of factors that are driving it. It will either show up or it won’t.”¹⁰⁴ But in the end, the procedure followed in the 2023 IRP was the appropriate process to supplement, challenge, or validate any data submitted by the Company in support of its 2023 Plan. Staff and respondents (like APV) serve as checks on the Company’s analyses. They review, have the right to, and do, conduct extensive discovery, and can perform their own analyses that the Commission can weigh and compare against the Company’s analyses. That happened here. Therefore, the Company requests the Commission decline the third-party forecaster recommendation for this additional reason.

D. The Company remains amenable to retaining a consultant to evaluate the impacts of AI on data center load forecasts.

The Company does, however, recognize that uncertainty in all aspects of the Company’s Plan increases as the time extends.¹⁰⁵ Importantly, nothing in the record suggests that a third-party forecaster with expertise in data center-specific market dynamics would be able to resolve (or even lessen) that uncertainty in relation to the data center load forecast. Regardless, the

¹⁰⁴ Tr. 420:19-22 (B. Johnson). As an aside, who would the Company retain to perform this data center load forecast? There is no evidence in the record suggesting that any of the prior outside forecasters retained by the Company have the “expertise in data center-specific market dynamics” referenced by the Report in the recommendation.

¹⁰⁵ See Ex. 39 at 14:14-16 (Compton Rebuttal).

Company maintains its position that additional evaluation of the “real impacts of artificial intelligence” on forecasted data center load could be beneficial in future IRP proceedings.¹⁰⁶

In conclusion, the Company remains amenable to retaining a third-party consultant for the limited purpose of examining the impacts of AI on the forecasted data center load. To the extent the Commission is inclined to recommend that the Company retain a third-party consultant for a future IRP proceeding, the Company requests the Commission limit the directive to the third-party evaluation of AI.¹⁰⁷

III. ENVIRONMENTAL JUSTICE ANALYSIS

A. The Company’s environmental justice analysis in the 2023 Plan is adequate and complies with the 2020 IRP Final Order.

As an initial matter, the Company disagrees with the Report’s finding that the Company did not adequately address environmental justice in Section 9.1 of the 2023 Plan.¹⁰⁸ The 2020 IRP Final Order directed the Company to “address environmental justice in future IRPs and updates, *as appropriate*,” and provided one example of what could be appropriate in the form of unit retirement decisions.¹⁰⁹ Section 9.1 of the 2023 Plan fully complies with the Commission’s directive in the 2020 IRP Final Order, and Staff agreed that the Company’s assessment of

¹⁰⁶ See *supra* n.49.

¹⁰⁷ See *Petition of Virginia Electric and Power Company, For approval of its 2021 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2021-00146, Final Order at 13 (Mar. 15, 2022) (declining to require the Company to “implement any modifications to its RFP process at this time,” following a request by SEIA-CHESSA for an independent evaluator of future RFPs).

¹⁰⁸ Although not a specific finding listed in the Report’s Findings and Recommendations on pages 160-63, the Report made this finding in its analysis on page 146. The Report also found that any deficiency does not warrant “a finding that the 2023 IRP is not reasonable and in the public interest.” Report at 147.

¹⁰⁹ 2020 IRP Proceeding, Final Order at 15 (emphasis added).

environmental justice in the 2023 Plan “appears appropriate.”¹¹⁰ Section 9.1 outlines the Company’s commitment to environmental justice and its belief that environmental justice is best evaluated on a case-by-case and project specific basis.¹¹¹ The Company’s filings, including the IRP, are publicly available on the Commission’s docket and the Company’s website. The Company also provides public notice of these filings and works directly with local residents, businesses, government, and other organizations, as appropriate.¹¹²

The Company has an entire team dedicated to working with the public, including environmental justice communities, on a regular basis to gather feedback.¹¹³ The Company has a robust process to review site-specific projects that includes a comprehensive environmental justice analysis, and the Commission has traditionally accepted these analyses as sufficient under the Virginia Environmental Justice Act (“VEJA”) in several CPCN filings for transmission and generation resources.¹¹⁴ Generally, the Company evaluates: the type of project or program at issue; location; type of environmental impacts; whether impacts, if any, are negative or adverse;

¹¹⁰ Ex. 35 at 24:10-11 (Glattfelder)

¹¹¹ Ex. 2 at 121 (2023 Plan); *see also* Ex. 55 at 4:18-5:3 (MacCormick Rebuttal).

¹¹² Ex. 55 at 14:6-8 (MacCormick Rebuttal); *see* Tr. 831:3-18 (MacCormick).

¹¹³ Tr. 831:3-10 (MacCormick).

¹¹⁴ Ex. 55 at 3:10-4:3, 10:9-11:3 (MacCormick Rebuttal); Tr. 831:11-18 (MacCormick) (testifying that she has “worked on over 250, probably closer to 300, projects in the last four years . . . all across the Dominion corporate service territory, over 100 of those in Virginia”). *See, e.g., Application of Virginia Electric and Power Company, For approval and certification of electric transmission facilities: Butler Farm to Clover 230 kV Line, Butler Farm to Finneywood 230 kV Line and Related Projects*, Case No. PUR-2022-00175, Final Order 13-14, 20 (May 31, 2023) (finding “that the Company reasonably considered the requirements of the VEJA in its Application” and approving the Company’s proposed route in part because it would have less impact than the route alternatives on an environmental justice community); *Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Final Order at 10 (Apr. 14, 2023) (encouraging the Company to continue its “ongoing and already-planned activities” regarding environmental justice outreach).

and whether there are environmental justice communities that might suffer the negative or adverse environmental impacts.¹¹⁵ The Company has been at the forefront of addressing environmental justice, adopting an environmental justice policy in 2018, before the VEJA was enacted, and working on case-by-case basis assessments of over 100 projects.¹¹⁶

An environmental justice analysis of generation, transmission, or distribution resources is inherently project-specific because one must know the type, size, and location of the resource to complete the analysis. As established by this Commission, an IRP is not a case seeking approval of any particular resource; it is an informational document that does not impact customers' bills.¹¹⁷ Because an IRP is a planning document that contains generic resources without definitive site-specific characteristics, a detailed environmental justice analysis like that the Company conducts for specific projects, is not feasible.¹¹⁸ The Company explained its environmental justice analysis process in Section 9.1 of the Plan, including its reasoning that such an analysis is more appropriate in an application for approval of a specific resource and would be conducted within that CPCN application for the specific resource. As such, the Commission should find that the Company complied with the 2020 IRP Final Order and that Section 9.1 sufficiently addressed environmental justice for purposes of the 2023 Plan.

¹¹⁵ Ex. 55 at 3:10-4:3 (MacCormick Rebuttal) (explaining the Company's environmental justice review process); *see also* Ex. 2 at 121 (2023 Plan).

¹¹⁶ Ex. 55 at 3:1-3, 9:13-15 (MacCormick Rebuttal); *see also* Tr. 831:11-15, 835:15-19.

¹¹⁷ *See supra* n.15.

¹¹⁸ Ex. 55 at 4:6-9 (MacCormick Rebuttal). Staff Witness Glattfelder seemed to agree. Ex. 35 at 24:11-12) (Glattfelder) ("Evaluation of a resource's environmental justice impacts requires site-specific information, and these details are not generally present in the IRP.")

- B. The Report inappropriately appears to put weight on a Commission order inapplicable to the IRP and issued after the close of the evidentiary record to support its finding that the Company did not adequately address environmental justice.**

The Report applies and gives weight to a Commission order in a gas utility rulemaking proceeding, issued *nearly six weeks after* the close of the evidentiary record in this matter, to support its finding that the Company did not comply with the Commission's 2020 IRP Final Order.¹¹⁹ Respectfully, this is error because the Company had no opportunity to address this evidence in pre-filed testimony or at the time of the evidentiary hearing.¹²⁰ Further, it is legal error to apply a Commission order issued nearly six months after the Company filed its 2023 Plan to find the Plan is deficient and does not comply with the 2020 IRP Final Order. The sufficiency of the Company's 2023 Plan must be reviewed based on existing statutory and Commission requirements at the time the Company filed its Plan.¹²¹ The 2020 IRP Final Order directed the Company to address environmental justice "as appropriate" in future IRPs and provided little guidance except one example for the information required. The Company did not address the example of unit retirements because there were no planned retirements during the Planning Period in the Company's 2023 Plan.¹²² In the 2023 Gas Rate Case Rulemaking, the Commission appears to have provided additional guidance for cases in which there are no site-specific resources. However, to rely on and give weight to that new Commission guidance, issued six months after the Company filed its 2023 Plan, respectfully, is legal error and cannot be used as a basis for the finding that the Company did not comply with the Commission's directive in the 2020 IRP Final Order.

Additionally, the rulemaking proceeding, which contained the proposed rule requiring additional environmental justice analysis, was established less than two months before the Company filed its IRP. Since the rulemaking was applicable to gas company rate cases, the

Company did not participate or review and comment on the proposed regulations concerning required environmental justice analyses. Further, the new rules are not even effective until January 1, 2024.¹²³ Accordingly, the Company respectfully requests that the Commission find the 2023 Gas Rate Case Rulemaking order is inapplicable to the evaluation of the sufficiency of the Company's 2023 Plan and that the Company complied with the 2020 IRP Final Order in addressing environmental justice. The Company agrees with the recommendation of the Report that the Company's environmental justice analysis does not warrant withholding the reasonable and in the public interest finding.¹²⁴ The Company is not opposed to including additional analysis in future IRPs, as detailed more fully below, and welcomes the Commission's guidance.

¹¹⁹ Report at 146 (citing *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter adopting new rules of the State Corporation Commission governing utility rate applications by investor-owned utilities*, Case No. PUR-2023-00006, Order Adopting Regulations (Oct. 30, 2023) ("2023 Gas Rate Case Rulemaking")).

¹²⁰ Cf. *Application of Appalachian Power Company, For a rate adjustment clause pursuant to § 56-585.1 A 6 of the Code of Virginia*, Case No. PUR-2017-00031, Order Denying Reconsideration at 6 (Apr. 20, 2018) (noting the evidentiary record closed at the end of the evidentiary hearing and rejecting Appalachian Power Company's request "to add *new evidence* on an *ex parte* basis to a closed evidentiary record" because it "would improperly deny any opportunities for [] parties to raise an objection, [. . .] would prejudice the due process rights of other parties[,] and violate 5 VAC 5-20-240 of [the Commission's] Rules of Practice and Procedure").

¹²¹ See, e.g., *2018 IRP Proceeding*, Final Order at 4 (noting the IRP is a snapshot in time and finding the IRP "appropriately" did not include costs of the statutorily-mandated coal ash removal when the Company's filing of the IRP predated the legislation).

¹²² Ex. 55 at 5:13-15 (MacCormick). The Report seemed to agree that unit retirement decisions beyond the Planning Period are outside the scope of this IRP. Report at 143 ("the Commission need not address the specific reasonableness or sufficiency of [the Company's unit retirement decisions] at this time because December 31, 2024, is beyond the 15-year Planning Period at issue in this case").

¹²³ 2023 Gas Rate Case Rulemaking, Order Adopting Regulations at 3.

¹²⁴ Report at 129, 147.

C. The Company does not oppose including some additional information regarding environmental justice in future IRPs.

The Report makes three recommendations regarding additional information about environmental justice to be included in future IRPs. Generally, the Company does not oppose providing additional information in future IRPs, but seeks to clarify the information that can be presented. The Report recommends that the Commission direct the Company to “expand its environmental justice analysis” and offers two options: (1) “to evaluate and rank the potential environmental impacts of the various resource options considered in the IRP and to include the results of its evaluation with its next IRP,” or, in the alternative, (2) “to develop a more comprehensive environmental justice process relative to resource planning following receipt of input from stakeholders [] during the upcoming, statutorily-mandated stakeholder review process.”¹²⁵

The Company agrees with the Report’s finding that the recommendations of Appalachian Voices related to environmental justice would be “unduly burdensome relative to associated benefits in the context of [] formulating/preparing a non-binding long-term planning document.”¹²⁶ As Company Witness MacCormick explained in rebuttal, many of Appalachian Voices’ recommendations are duplicative of the Company’s existing processes or outside the scope of the requirements of the VEJA.¹²⁷

¹²⁵ Report at 147. Although the Findings and Recommendations section of the Report seems to separately recommend all three, the analysis contained on page 147 indicates that Recommendation Nos. 20 and 21 are possible ways for the Company to comply with Recommendation No. 19 to expand its environmental justice analysis in future IRPs.

¹²⁶ Report at 147. Tr. 827:19-828:2 (MacCormick) (testifying that such burdensome requirements would not “get us closer to the goal of the IRP” but will instead just “create a lot more work”).

¹²⁷ Ex. 55 at 6:6-8:14, 10:5-14:18 (MacCormick Rebuttal).

The Company is not opposed to Recommendation No. 20, recommending the Company “evaluate and rank the potential environmental impacts of various resource options, consistent with the process undertaken in RPS Development Plan cases, in future IRPs.”¹²⁸ As part of its annual RPS Development Plan filings, the Company includes an environmental justice evaluation and ranking of generic renewable generation and energy storage resources.¹²⁹ The document first explains the limitations on reviewing generic resources and then evaluates and ranks the potential renewable generation and energy storage resources on a variety of factors, including air quality and physical health, wetlands impacts, noise impacts, visual impacts, and proximity to residences. Finally, the document provides a chart detailing the likelihood of certain types of impacts for each resource. The Company is not opposed to updating this document to include the non-renewable resource types that are part of the Company’s IRP and providing the document in future IRP proceedings. The Company will address the second recommendation in Section IV below regarding the stakeholder review process.

¹²⁸ Report at 162.

¹²⁹ See, e.g., *Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2022-00124, Ex. 10 at Att. 13 (Petition Ex. 2 RPS Development Plan).

IV. STAKEHOLDER PROCESS

The Company fully intends to comply with the new law and conduct stakeholder meetings prior to filing its next IRP in October 2024.¹³⁰ The Report made several recommendations related to the new statutorily-directed stakeholder process for IRPs.¹³¹

The Company does not oppose the following recommendations regarding the stakeholder process contained in the Report:

- Directing the participation of representatives from Dominion; relevant directors, deputy directors, and staff members of the Commission who participate in oversight of utility resource planning; and directing the invitation of other stakeholders such as Consumer Counsel and representatives from residential and industrial classes of ratepayers and low-income and tribal communities. Furthermore, for the initial stakeholder review process, it would appear appropriate for the Company to be directed to invite, and permit the participation of, all respondents in the present case.
- Directing that the Company provide a report with its next IRP filing summarizing what occurred during the stakeholder review process and including any associated recommendations made therein.¹³²

¹³⁰ Ex. 39 at 40:21-23 (Compton Rebuttal). House Bill 2275 and Senate Bill 1166 became effective July 1, 2023. Under a new subsection D, Va. Code § 56-599 requires the Company to:

[C]onduct outreach to engage the public in a stakeholder review process and provide opportunities for the public to contribute information, input, and ideas on the utility's integrated resource plan, including the plan's development, methodology, modeling inputs, and assumptions, as well as the ability for the public to make relevant inquiries, to the utility when formulating its integrated resource plan.

The Company is required to "include representatives from multiple interest groups, including residential and industrial classes of ratepayers" and report on the stakeholder process in future IRPs.

¹³¹ Report at 148-49, 161-62.

¹³² Report at 148-49.

The Company also does not oppose the Report's recommendation to include non-confidential load forecast and data center forecast information during the stakeholder review process.¹³³

However, the Company urges the Commission to reject the following recommendations at this time:

- Directing that a minimum of two stakeholder meetings (with virtual participation alternatives and translation services, if requested) be conducted before October 15, 2024.
- Directing the consideration of the following matters [...] during the stakeholder review process: [...] (ii) data center demand response opportunities; (iii) environmental justice in planning; and (iv) an appropriate structure for the stakeholder review process going forward.¹³⁴
- Directing the Company's sharing of non-confidential modeling inputs and outputs; modeling assumptions; Company workpapers; Alternative Plans; sensitivity analyses; and load and energy forecasts with participating stakeholders.¹³⁵
- The Commission may deem it appropriate to direct Dominion to develop a more comprehensive environmental justice process relative to resource planning following the receipt of input from stakeholders participating in the stakeholder review process.¹³⁶

The Company believes that such detailed requirements are not needed at this time, and may not be available in time to share for the stakeholder review process that must occur before the Company files its next IRP. The Commission's final order in this case is due by February 1,

¹³³ Report at 137, 161 (Recommendation No. 10). Consistent with the Company's privacy policy, the Company is committed to protecting customers' personal data. *See* <https://www.dominionenergy.com/privacy>. The Company will continue to protect customers' privacy during the stakeholder review process. Further, as noted above, the Company opposes the Report's recommendation to require a third-party professional forecaster, except with respect to studying AI, and the Company therefore opposes that portion of Recommendation No. 10. If the Commission directs the Company to engage a third-party professional forecaster, the Company also notes that any information or results will not likely be available in time for the stakeholder meetings to be held prior to the filing of the 2024 IRP.

¹³⁴ The Company agrees to include load forecasting as a topic of the stakeholder review process.

¹³⁵ Report at 148-49.

¹³⁶ Report at 162 (Recommendation No. 21).

2024 and the Company must file its next full IRP by October 15, 2024, approximately nine months later. As such, there will be limited time for the Company to alter course and incorporate detailed directives from the final order within the limited window available for the stakeholder review process, and then incorporate stakeholder feedback into the next IRP. As explained by Company Witness Compton, the Company spent eight months planning and developing the 2023 Plan. The Company must set all modeling assumptions several months before filing in order to complete the modeling runs.¹³⁷ The Company is planning to conduct the stakeholder review process prior to the modeling assumption deadline in order to be able to review and incorporate feedback, but all modeling assumptions, inputs, and outputs may not be available at the time of the stakeholder meeting. Similarly, there likely is not sufficient time to investigate and gather the recommended information about data center demand response opportunities in time to present at the stakeholder meeting prior to the Company's 2024 IRP.

The Company has promised to invite a diverse group of stakeholders (and is statutorily required to do so), including diverse, low-income, and tribal communities, who could help inform the process for future stakeholder meetings.¹³⁸ The Company will solicit from stakeholders the topics they wish to address in the stakeholder review process and plans to be responsive to those requests to the extent possible. The Company agrees that environmental justice will be a topic for the future stakeholder meetings. As such, the recommendation to address "environmental justice in planning" is not necessary, especially if the Commission

¹³⁷ Ex. 39 at 41:4-6 (Compton Rebuttal); Tr. 569:6-13 (Compton) ("My team of extremely highly proficient modelers and planners who have done this type of work every day for many years spent about eight months building these plans, running hundreds of models, trying to get the models to solve for our capacity energy and REC needs and refining those models, all while complying with over 100 existing requirements from prior orders.").

¹³⁸ Ex. 55 at 14:19-22 (MacCormick Rebuttal).

directs the Company to provide the additional analysis recommended in future IRPs.¹³⁹ A stakeholder review process is inherently a conversation between the Company and stakeholders. It involves education from the Company about various topics, a dialog with stakeholders to solicit feedback, and then incorporation of reasonable recommendations into the Company's analysis for future cases. Environmental justice will be one of many topics in that conversation. However, "develop[ing] a more comprehensive environmental justice process" for IRPs is likely not feasible within the limited timeframe between the Commission's final order in this case and the Company's next IRP. The Company has agreed to discuss environmental justice in the stakeholder meetings and incorporate reasonable recommendations for future IRPs; any more detailed requirement is not necessary and likely not feasible before the Company's next IRP filing.

Finally, the recommendation for the extensive materials to be provided to stakeholders is potentially burdensome with little benefit for most stakeholders, logistically difficult with such a wide variety of potential stakeholders, and likely not yet available to be shared with stakeholders at the time of the meetings. The Company plans to be as transparent as possible during the stakeholder meetings and will provide non-confidential information to the extent available to stakeholders, but the detailed list recommended in the Report is premature before the first stakeholder review process is conducted. The Company asks that the Commission reject this recommendation as the Company transitions to the new IRP filing cadence in October and works to develop the stakeholder review process. The Company will report, as required by statute, on the progress of its stakeholder review process efforts in future IRPs.

¹³⁹ See *supra* Section III.

V. MISCELLANEOUS RECOMMENDATIONS

A. The Company's RGGI modeling assumptions were appropriate and complied with prior Commission orders.

The Report contained three findings and recommendations about the Company's modeling of RGGI:

5. While it would have been more appropriate for the Company to model as a base assumption Virginia remaining in RGGI, given the 2023 IRP's filing date, Dominion appears to have provided the information contemplated by the *2022 RPS Order* by modeling Virginia's continued participation in RGGI as a sensitivity.
6. Any potential infirmities in Dominion's RGGI sensitivity analysis are immaterial to the overall determination of whether the 2023 IRP is reasonable and in the public interest.
7. In future IRPs, Dominion should model Virginia's status at the time that the IRP is filed (or when its next RPS Development Plan is filed) and if, at that time, Virginia's status remains unresolved, should model Virginia's status both in and out of RGGI, ideally through its base case assumptions.¹⁴⁰

As an initial matter, the Company asserts that its modeling assumptions for RGGI were appropriate and the Company agrees with the Report's finding that the Company complied with the Commission's Final Order in the Company's 2022 RPS Development Plan proceeding.¹⁴¹ The Company's base case modeling assumed Virginia exits RGGI by the end of 2023, consistent with the Governor's Executive Order 9,¹⁴² but the Company also presented the results of a

¹⁴⁰ Report at 161.

¹⁴¹ Report at 133, 161. *See Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2022-00124, Final Order at 4, 8 (Apr. 14, 2023). Further, the Company agrees that its RGGI modeling assumptions are not a reason to withhold the reasonable and in the public interest finding.

¹⁴² The Company's reliance on the Executive Order was reasonable, as evidenced by the Virginia State Air Pollution Control Board's decision on June 7, 2023, to withdraw Virginia from RGGI by the end of 2023.

sensitivity on all Alternative Plans in which Virginia remains in RGGI.¹⁴³ The Company's modeling appropriately started with the expected conditions on January 1, 2024, the beginning of the Planning Period, not the Company's filing date of May 1, 2023. Given the reasonableness of the Company's expectations surrounding Virginia's exit from RGGI, it was also reasonable for the Company's RGGI prices to assume Virginia exits RGGI. Further, the Company's RGGI allowance forecast was reasonable and supported by Company Witness Maria Scheller.¹⁴⁴

Regarding the recommendation for future IRPs, the Company maintains that the time of filing is not the appropriate period for consideration. Rather the 15-year planning period, which typically begins January 1 following the Company's filing, is the period that should be considered, and assumptions should be made regarding expected circumstances as of the start of the planning period. The Company does not oppose continuing to model Virginia both in and out of RGGI, so long as Virginia's future in RGGI remains uncertain. However, it would be unduly burdensome to require the Company to model both as base case assumptions for all plans

¹⁴³ Ex. 2 at 35, Figure 2.6.1 (2023 Plan); Ex. 39 at 6:12-7:2, 36:17-37:2 (Compton Rebuttal); *see also* Tr. 138:16-22, 589:7 (Compton)

¹⁴⁴ *See generally*, Ex. 50 at 18:18-27:19 (Scheller Rebuttal); Tr. 741:12-745:16, 747:24-749:6, 770:17-782:24 (Scheller). Although Sierra Club witness Shobe discussed RGGI extensively in his pre-filed and oral testimony, the Company maintains that its assumption Virginia would exit RGGI by the end of 2023 was reasonable and therefore much of Witness Shobe's testimony may be irrelevant. Further, Witness Shobe's testimony appeared to oversimplify, fundamentally misunderstand, and even inappropriately conflate the RGGI program and the separate RPS Program. *See* Ex. 50 at 27:1-19 (Scheller Rebuttal); Tr. 742:7-20 (Scheller). Additionally, he made many claims about RGGI auctions that occurred after the Company filed its 2023 Plan (*see* Ex. 31 (RGGI Auction 61 Report); Tr. 453:22-454:3, 454:21-456:24 (Shobe)), but the Company's price forecast was in line with the 2023 auction prices. *See* Ex. 2 at Appendix 4N: Commodity Price Forecast CO₂ (2023 Plan); Ex. 51 (RGGI Allowance Prices and Volumes dated 9/21/23); Tr. 743:5-13, 744:5-25 (Scheller) (testifying that ICF's RGGI forecast is in line with market prices).

presented in an IRP.¹⁴⁵ The Company instead proposes, so long as Virginia's participation in RGGI remains uncertain due to pending litigation, to continue modeling Virginia in RGGI as a sensitivity for most plans, but to model Virginia in and out of RGGI as a base case assumption for the plan that the Company uses to conduct all sensitivities (*i.e.*, Plan B in the 2023 Plan). This would provide the information the Commission, Staff, and respondents seek, without unduly burdening the Company.

B. The Company opposes Recommendation Nos. 30, 33, and 35 regarding additional modeling sensitivities for future IRPs.

The Report makes several recommendations for additional analysis to be included in future IRPs, several of which the Company does not oppose.¹⁴⁶ However, the Company opposes the following Recommendations:

30. The Commission should direct the Company to perform a sensitivity using the S&P Global PJM capacity price forecast in its next IRP.

33. The Commission should direct Dominion to report the social cost of carbon associated with the NPVs of alternative plans presented in future IRPs.

35. The Commission may find it appropriate to direct Dominion to perform a high and low REC price sensitivity, as suggested/recommended by Staff, in future IRPs.¹⁴⁷

The Company generally opposes these recommendations because they would substantially increase the effort required to prepare the IRP, and the parties recommending the additional model sensitivities did not provide evidence that the sensitivities would provide any beneficial information for the Commission to review.

¹⁴⁵ See Tr. 569:6-13 (Compton) (testifying that it took a team eight months to develop the models for the 2023 Plan).

¹⁴⁶ Specifically, the Company does not oppose Recommendation Nos. 12, 23, 24, and 28. Report at 161-63.

¹⁴⁷ Report at 163.

The Company's capacity price and REC forecasts were reasonable.¹⁴⁸ The Company's commodity price forecasts were provided by ICF Resources, LLC ("ICF"), an independent third party. Company Witness Scheller explained the reasonableness of the Company's capacity price forecast and the reason the Market Seller Offer Cap ("MSOC") rule, the incorporation of which is one of the main differences between ICF's and S&P Global's forecast, is artificial and subject to change.¹⁴⁹ Ms. Scheller also explained the reasonableness of the Company's REC price forecast, which included multiple sensitivities.¹⁵⁰

The fuel, capacity, energy, and REC commodity prices are inherently intertwined. The Company already conducts high/low fuel price sensitivities,¹⁵¹ which inherently produce a high/low REC price and capacity price sensitivity because the commodities are linked.¹⁵² Thus, requiring the Company to conduct a separate high/low REC sensitivity¹⁵³ and a separate sensitivity using S&P Global's forecast for capacity prices would add little benefit to the analysis

¹⁴⁸ Ex. 2 at 62-64 (2023 Plan).

¹⁴⁹ Ex. 50 at 11:7-19 (Scheller Rebuttal)

¹⁵⁰ The sensitivities included business as usual, moderate, and aggressive. Ex. 50 at 12:1-18:17; *see also* Ex. 2 at 64 (2023 Plan).

¹⁵¹ The Company conducted the high/low fuel price sensitivity on Plan B. Ex. 2 at 64 (2023 Plan).

¹⁵² Ex. 2 at 35-36, 64 (2023 Plan); Ex. 39 at 43:4-13 (Compton Rebuttal); Ex. 50 at 13:16-18 (Scheller Rebuttal).

¹⁵³ No party specified a +/- range for the high/low REC sensitivity and the Report did not include such a recommendation. The Staff Comments support Recommendation Nos. 30 and 35 but provide no evidence of the benefit to conducting separate sensitivities for REC and capacity price forecasts that are uncorrelated from the commodity price forecast. Additionally, Staff Witness Johnson's Enverus Report stated that, "[t]he Company, PJM, and Enverus all employ different methodologies depending on the forecast subject item; however, all use scientific approaches that can reasonably [be] expected to match to a legitimately possible outcome." Ex. 27, Enverus Report at 5 (B. Johnson).

in the IRP because such sensitivities would be disconnected from the correlated full commodity price forecast.

Finally, the Company opposes the recommendation to “report the social cost of carbon associated with the NPVs of alternative plans presented in future IRPs.”¹⁵⁴ First, it is unclear if “social cost of carbon” is meant to mean the carbon dispatch adder that the Company modeled in its 2022 IRP Update or something else. Without clarification and boundaries, this recommendation could potentially add substantial burden to the Company’s future IRPs. Additionally, the 2023 Plan explained that the social cost of carbon dispatch adder was duplicative given the higher federal carbon forecast provided by ICF for the 2023 Plan.¹⁵⁵ In the Company’s 2022 RPS Development Plan proceeding, the Commission accepted the Company’s proposal, in response to Staff’s recommendation, “to exclude from its carbon dispatch adder an indirect cost associated with the social cost of carbon.”¹⁵⁶ As explained by Company Witness Compton, the Commission directed the Company to retain only one of the components of the

¹⁵⁴ Report at 163.

¹⁵⁵ Ex. 2 at 75 (2023 Plan); *see also* Ex. 39 at 38:13-16 (Compton Rebuttal). Company Witness Scheller supported the federal carbon forecast. Ex. 50 at 18:22-19:11, 20:8-21:13 (Scheller Rebuttal). Staff Witness Johnson agreed with the Company’s federal carbon tax assumptions. Ex. 27, Enverus Report at 27 (B. Johnson) (“Given this view we believe the price assumed in the IRP is reasonable given the uncertainty in this market.”).

¹⁵⁶ *Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2022-00124, Final Order at 8 (Apr. 14, 2023). In the Joint Issues Matrix, Staff took no position on this issue. Joint Issues Matrix at 13. However, in the Staff Comments, Staff supports Recommendation No 33. Notably, this appears contrary to Staff’s position in the Company’s 2022 RPS Development Plan proceeding, where Staff expressed “concerns” about the “shadow price” of the social cost of carbon the Company included in PLEXOS as a dispatch cost adder for fossil fuel units. *See Petition of Virginia Electric and Power Company, For approval of its 2022 RPS Development Plan under § 56-585.5 D 4 of the Code of Virginia and related requests*, Case No. PUR-2022-00124, Report of D. Mathias Roussy, Jr., Hearing Examiner at 94-95 (Mar. 1, 2023).

carbon shadow price—the federal carbon tax—and to exclude the social cost of carbon.¹⁵⁷ The Report found the Company’s exclusion of the social cost of carbon dispatch adder “not unreasonable” and “consistent with the Commission’s determination in the *2022 RPS Order*.”¹⁵⁸ Accordingly, to change course less than a year later would add incremental burden with little benefit because the current forecast for the federal carbon tax is duplicative of the social cost of carbon.

Accordingly, the Company asks the Commission to reject Recommendation Nos. 30, 33, and 35 of the Report.

VI. CONCLUSION

WHEREFORE, Dominion Energy Virginia respectfully requests that the Commission:

- (1) find the 2023 Integrated Resource Plan pursuant to Va. Code § 56-599 D reasonable and in the public interest as a filing document;
- (2) approve the Report’s Finding and Recommendation Nos. 2-4, 8, 11-20, 23-29, 31, 32, 34, and 36; and
- (3) reject or clarify the Report’s Finding and Recommendation Nos. 1, 5-7, 9, 10, 21, 22, 30, 33, and 35 as set forth in these Comments.

Respectfully submitted by:

VIRGINIA ELECTRIC AND POWER COMPANY

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¹⁵⁷ Ex. 39 at 39:1-18 (Compton Rebuttal).

¹⁵⁸ Report at 157.

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December 29, 2023

Attachment 1

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

Hearing Examiner's Findings and Recommendations and Company Position

No.	Finding or Recommendation	Statement of Company's Position
1	Given the 2023 IRP's focus upon the imminent addition of new natural gas CTs, and because the Company failed to provide more comprehensive information and/or analysis with the 2023 IRP concerning its ability to overcome § 56-585.1 A 5 of the Code's presumption against new carbon-generating unit approvals, I find that Dominion failed to established the 2023 IRP is reasonable and in the public interest.	The Company opposes this finding. The Company's 2023 Plan fully complies with all statutory and applicable Commission directives and should be found reasonable and in the public interest for the specific and limited purpose of filing the planning document pursuant to Va. Code § 56-599 D. Respectfully, it is legal error to apply Va. Code § 56-585.1 A 5 to the standard of review in an IRP and use it as the sole basis to withhold the reasonable and in the public interest finding. See Comments Section I.
2	The Company's Alternative Plan A appears to reasonably comply with the Commission's directive in the <i>2020 IRP Order</i> for Dominion to provide at least one least-cost plan meeting applicable carbon regulations and mandatory RPS Program requirements.	The Company agrees with this finding. See Post-hearing Brief Section IV.C.
3	The Company's provision in the 2023 IRP of Alternative Plans considering VCEA requirements, rather than a single least-cost VCEA-compliant plan, is adequate for purposes of a planning document.	The Company agrees with this finding. See generally Post-hearing Brief Section IV.A.
4	Even if the Commission finds the 2023 IRP is not reasonable and in the public interest, Dominion should not be required to refile the 2023 IRP.	The Company respectfully asserts that the Commission should find the 2023 Plan is reasonable and in the public interest. See Comments Section I. However, should the Commission find otherwise, the Company agrees with this finding.
5	While it would have been more appropriate for the Company to model as a base assumption Virginia remaining in RGGI, given the 2023 IRP's filing date, Dominion appears to have provided the information contemplated by the <i>2022 RPS Order</i> by modeling Virginia's continued participation in RGGI as a sensitivity.	The Company opposes this finding in part. The Company's modeling assumptions regarding RGGI were appropriate. The Company agrees that its modeling assumptions regarding RGGI comply with prior Commission orders. See Comments Section V.A.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
6	Any potential infirmities in Dominion's RGGI sensitivity analysis are immaterial to the overall determination of whether the 2023 IRP is reasonable and in the public interest.	The Company opposes this finding in part because the Company's RGGI sensitivity analysis did not have any infirmities. However, the Company agrees that any perceived infirmities do not warrant withholding the reasonable and in the public interest finding. See Comments Section V.A.
7	In future IRPs, Dominion should model Virginia's RGGI status at the time that the IRP is filed (or when its next RPS Development Plan is filed) and if, at that time, Virginia's RGGI status remains unresolved, should model Virginia's status both in and out of RGGI, ideally through its base case assumptions.	The Company opposes this finding in part because: (1) the appropriate time to consider is the Planning Period, not the status at the time of the Company's filing; and (2) it would be unduly burdensome to require the Company to model Virginia both in and out of RGGI as base case assumptions for all plans presented in an IRP. The Company instead proposes, so long as Virginia's participation in RGGI remains uncertain due to pending litigation, to continue modeling Virginia in RGGI as a sensitivity for most plans, but to model Virginia in and out of RGGI as a base case assumption for the plan that the Company uses to conduct all sensitivities (<i>i.e.</i> , Plan B in the 2023 Plan). See Comments Section V.A.
8	The Company established a reasonable basis for relying upon the PJM derived load forecast for the limited purpose of the 2023 IRP and the "snapshot in time" analysis that it provides.	The Company agrees with this finding. See Post-hearing Brief Section IV.B.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
9	The Commission should direct Dominion, before filing its next IRP, to obtain the services of a third-party professional forecaster with experience in data center-specific market dynamics to perform a data center load forecast that can be used to supplement, and serve as a check upon, the Company's internal data center load forecasting.	The Company opposes this recommendation. The Company has the experience and expertise to perform the data center forecast, which was independently validated by existing contracts that bind customers to significant financial commitments and Company Witness Rajan's Connect-Growth method. Further, the existing litigation process whereby Staff and respondents have access to all of the workpapers and support underlying the Company's data center forecast, and can develop and present their own forecasts, is a sufficient "supplement" or "check" on the Company's forecast. However, the Company does not oppose hiring a third-party consultant to examine the impacts of artificial intelligence ("AI") on the data center forecast. See Comments Section II.
10	The Commission should direct the Company to share any updated, non-confidential data center load information with stakeholders, including information provided by the third-party professional forecaster, through the statutorily-directed stakeholder review process and to include the results of the third-party consultant's study with a future IRP.	The Company opposes this recommendation to the extent it recommends the Company be required to hire a third-party forecaster to conduct a data center load forecast. The Company does not oppose sharing public information about the Company's load forecast and data center forecast with stakeholders, but will continue to protect customer privacy consistent with the Company's privacy policy. The Company also does not oppose hiring a third-party consultant to examine the impacts of AI on the data center forecast and providing that information in a future stakeholder meeting and IRP filing. The Company notes, however, that a study regarding the impacts of AI on the data center forecast would likely not be available in time for the stakeholder review process to be conducted before the Company's next IRP filing on October 15, 2024. See Comments Section II.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
11	Dominion's energy efficiency assumptions utilized in the preparation of the 2023 IRP were reasonable and complied with the Commission's directive in the <i>2022 RPS Order</i> .	The Company agrees with this finding. See Post-hearing Brief Section IV.H.
12	The Commission should direct the Company to run model sensitivities with only Category 1 DSM program savings for Alternative Plans B and E.	The Company does not oppose this recommendation.
13	Dominion established a reasonable basis for the renewable and energy storage annual build limits utilized in the 2023 IRP "snapshot in time" analysis, particularly for the Planning Period directly at issue in the 2023 IRP.	The Company agrees with this finding. See Post-hearing Brief Section IV.F.
14	The assumptions utilized in the Company's retirement analysis were not unreasonable for the limited purpose of the 2023 IRP.	The Company agrees with this finding. See Post-hearing Brief Section IV.G.
15	The Commission need not address herein the specific reasonableness of Dominion's decision not to model the retirement of all fossil-fuel generating units by December 31, 2045, in Alternative Plans A, B and C.	The Company agrees with this finding. See Post-hearing Brief Section IV.G.
16	The results of the Company's 2023 IRP cash-flow analysis relative to the NPVs of generation units should not necessarily be determinative in future cost recovery proceedings.	The Company agrees with this finding because the proper place to consider units' cost recovery is a cost recovery proceeding, not an IRP proceeding where the record does not include all the evidence supporting the retirement decisions or reasonableness and prudence of units' cost recovery. It is not appropriate to prejudice cost recovery in an IRP proceeding. See Post-hearing Brief Section IV.G.
17	Dominion was not required to provide a preferred plan as a condition of establishing that the 2023 IRP is reasonable and in the public interest.	The Company agrees with this finding. See Comments n.23.
18	The Commission may find it appropriate to establish filing requirements, either in this docket or in a separate proceeding, specific to the CPCN the Company intends to file for new gas CTs in 2024.	The Company agrees with this recommendation and welcomes the Commission issuing an order with guidance for a future CPCN filing for new natural gas CTs. See Comments at n.18 and accompanying text.
19	Dominion should expand its environmental justice analysis, consistent with the recommendations made herein, relative to resource planning before filing its next IRP.	The Company is not opposed to expanding its environmental justice analysis in future IRPs and welcomes the Commission's guidance in this matter. See Comments Section III.C.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
20	The Commission may deem it appropriate to direct the Company to evaluate and rank the potential environmental impacts of various resource options, consistent with the process undertaken in RPS Plan Development cases, in future IRPs.	The Company does not oppose updating the document it provides in its annual RPS Development Plan proceedings to include all resources contemplated in an IRP and providing the document with future IRP filings. See Comments Section III.C.
21	The Commission may deem it appropriate to direct Dominion to develop a more comprehensive environmental justice process relative to resource planning following the receipt of input from stakeholders participating in the stakeholder review process.	The Company opposes this recommendation because the Company will invite many stakeholders to participate in the stakeholder review process, including diverse, low-income, and tribal communities, and environmental justice will be a topic discussed at those meetings. However, there is limited time between the Commission's final order in this proceeding and the Company's next IRP filing to conduct the stakeholder process, develop a new "process" for environmental justice analysis, and implement it before the next IRP filing. See Comments Section IV.
22	The Commission may deem it appropriate to establish, in the present proceeding, preliminary parameters associated with the upcoming statutorily-directed stakeholder review process and, in doing so, to consider suggestions contained herein.	The Company opposes this recommendation in part because such detailed requirements are not needed at this time; may not be feasible to complete between the Commission's final order in this proceeding and the Company's next IRP filing; and are potentially burdensome with little benefit for most stakeholders, logistically difficult with such a wide variety of potential stakeholders, and likely not yet available in time to be shared with stakeholders. See Comments Section IV.
23	The Commission should direct the Company to utilize more regionally specific onshore wind data, whenever possible, in future IRP filings.	The Company does not oppose this recommendation and will continue to evaluate and refine its capacity factor assumptions for onshore wind in future filings.
24	The Commission should direct Dominion to use unadjusted ELCC values published by PJM in its capacity value assumptions for solar resources in future IRP modeling.	The Company does not oppose this recommendation.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
25	The Company established a reasonable basis for its continued use of ICAP in its PLEXOS modeling.	The Company agrees with this finding.
26	Dominion's consideration of data center-related NWAs and DSM/demand response was reasonable in the context of the 2023 IRP.	The Company agrees with this finding.
27	The Commission should direct the Company to continue to explore reasonable opportunities to reduce or manage data center load, including through avenues such as data center stakeholder groups; to report back in future IRPs on the status of such opportunities and discussions with data centers regarding NWAs and DSM/demand response; and to report back in future IRPs regarding the status of the "from scratch" data center or load curtailment program that Dominion is attempting to establish with data centers.	The Company does not oppose this recommendation.
28	The Commission should direct Dominion to conduct a new transmission study setting an updated import/export transmission limit constraint; if the new study is completed in time, to utilize it in, and provide it with, the Company's 2024 IRP; and if the study is not completed in time, to provide an update with the 2024 IRP as to the study's status.	The Company does not oppose this recommendation. The Company notes that the new transmission study to update the import/export transmission limit constraint will study the Dominion Energy Zone, not the Dominion Load Serving Entity.
29	Issues related to the ARB capacity and energy assumptions used in the Company's planning should be addressed in Dominion's pending RPS Development Plan proceeding.	The Company agrees with this recommendation. The Company notes that its 2023 RPS Development Plan is currently pending before the Commission and is scheduled for hearing on January 10, 2024.
30	The Commission should direct the Company to perform a sensitivity using the S&P Global PJM capacity price forecast in its next IRP.	The Company opposes this recommendation because it would substantially increase the effort required to prepare the IRP and the parties recommending this sensitivity did not provide evidence the sensitivity would be useful. The Company's third-party forecast was reasonable, and the Company included a high/low fuel sensitivity, which inherently produced a high/low-capacity price sensitivity. See Comments Section V.B.
31	Dominion reasonably accounted for existing and proposed federal regulations in the 2023 IRP.	The Company agrees with this finding.
32	The Company's decision not to include a social cost of carbon dispatch adder in its modeling assumptions was not unreasonable.	The Company agrees with this finding.

Attachment 1: Position on Hearing Examiner's Findings and Recommendations

No.	Finding or Recommendation	Statement of Company's Position
33	The Commission should direct Dominion to report the social cost of carbon associated with the NPVs of alternative plans presented in future IRPs.	The Company opposes this recommendation because it is unclear what the Company should report regarding the "social cost of carbon" and could potentially add substantial burden to the Company's future IRPs. The Company also explained that the social cost of carbon dispatch adder was duplicative given the higher federal carbon tax forecast. See Comments Section V.B.
34	The Company's utilization of ICF's REC pricing forecast in the 2023 IRP was not unreasonable given the nascent and opaque nature of the REC market.	The Company agrees with this finding.
35	The Commission may find it appropriate to direct Dominion to perform a high and low REC price sensitivity, as suggested/recommended by Staff, in future IRPs.	The Company opposes this recommendation because it would substantially increase the effort required to prepare the IRP and the parties recommending this sensitivity did not provide evidence the sensitivity would be useful. The Company's third-party forecast was reasonable, and the Company included a high/low fuel sensitivity, which inherently produced a high/low REC price sensitivity. See Comments Section V.B.
36	Dominion reasonably included in its analysis energy storage options that were commercially and economically available when developing the 2023 IRP.	The Company agrees with this finding. See Post-hearing Brief Section IV.F.

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of December 2023, a true and accurate copy of the foregoing filed in Case No. PUR-2023-00066 was hand delivered, electronically mailed, and/or mailed first class postage pre-paid to the following:

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