

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 31, 2024

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APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2024-00078

To revise its fuel factor pursuant to
Va. Code § 56-249.6

ORDER NUNC PRO TUNC

On May 1, 2024, Virginia Electric and Power Company ("Dominion") filed with the State Corporation Commission ("Commission") its application ("Application") pursuant to Code § 56-249.6 to revise its fuel factor effective July 1, 2024.¹

On May 28, 2024, the Commission issued a procedural order ("Order") in this case that, among other things, directed Dominion to give notice of its Application to interested persons and the public. Due to a drafting error, the caption of the Order was incorrectly titled "Order Establishing 2023-2024 Fuel Factor Proceeding." The Commission finds that the caption of the Order should be corrected to be titled "Order Establishing 2024-2025 Fuel Factor Proceeding," *nunc pro tunc*. All other provisions of the Order remain in full force and effect.

Accordingly, IT IS SO ORDERED.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

¹ Application at 1.

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 28, 2024

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APPLICATION OF
VIRGINIA ELECTRIC AND POWER COMPANY

2024 MAY 28 A 9:11

CASE NO. PUR-2024-00078

To revise its fuel factor pursuant to
Va. Code § 56-249.6

ORDER ESTABLISHING 2023-2024 FUEL FACTOR PROCEEDING

On May 1, 2024, Virginia Electric and Power Company ("Company" or "Dominion") filed with the State Corporation Commission ("Commission") its application ("Application") pursuant to Code § 56-249.6 to revise its fuel factor effective July 1, 2024.¹

Dominion's total fuel factor consists of a current period factor ("Current Period Factor") and a prior period factor ("Prior Period Factor").² For the July 1, 2024 through June 30, 2025 fuel year ("Rate Year"), the Company projects jurisdictional fuel expenses, including purchased power expenses, of approximately \$2.178 billion, which results in a Current Period Factor rate of 2.4725 cents per kilowatt-hour ("¢/kWh").³ Dominion proposes a Prior Period Factor rate of (0.3990) ¢/kWh. The Prior Period Factor is designed to credit approximately \$265.660 million to customers, which represents (i) the projected June 30, 2024, over-recovery balance of approximately \$263.384 million associated with recovery of the July 1, 2023, through June 30, 2024, current period expense and (ii) the projected June 30, 2024, over-recovery

¹ Application at 1.

² *Id.* at 2.

³ *Id.*

balance of approximately \$2.275 million associated with recovery of the remaining June 30, 2023, prior period expense.⁴

Together, the components result in a total fuel factor rate of 2.0735 ¢/kWh for the Rate Year.⁵ This represents a 0.7852 ¢/kWh decrease from the total fuel factor currently in effect and a fuel revenue decrease of approximately \$636.1 million when applied to the Company's projected current period kWh sales over the Rate Year.⁶ Implementation of the total fuel factor rate of 2.0735¢/kWh would decrease the bill of a residential customer using 1,000 kWh per month by \$7.85 per month over the Rate Year.⁷

According to Dominion, the over-recovery during the 2023-2024 fuel year was primarily a result of lower-than-expected natural gas and purchased power prices.⁸ Additionally, the decrease in the projected system fuel expense as compared to the 2023-2024 fuel year is driven primarily by the commodity price forecast, especially natural gas prices.

Finally, in conjunction with the filing of its Application, the Company filed the Motion of Virginia Electric and Power Company for Entry of a Protective Order ("Motion for Protective Order") and a proposed protective order that establishes procedures governing the use of confidential information in this proceeding.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that this matter should be docketed; the Company should provide public notice of its

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ Direct Testimony of Gregory A. Workman at 2.

⁸ *Id.*

Application; hearings should be scheduled for the purpose of receiving testimony from public witnesses and evidence on the Application; interested persons should have an opportunity to file comments on the Application or to participate in this proceeding as a respondent; and the Staff of the Commission ("Staff") should be directed to investigate the Application and to file testimony and exhibits containing its findings and recommendations thereon.

Next, the Commission finds that the Company's total fuel factor rate of 2.0735 ¢/kWh shall be placed into effect on an interim basis for usage on and after July 1, 2024.

Lastly, the Commission finds that a Hearing Examiner should be assigned to conduct further proceedings in this matter related to discovery and other pre-hearing matters on behalf of the Commission, including ruling on the Company's Motion for Protective Order.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2024-00078.
- (2) The Company's proposed total fuel factor of 2.0735¢/kWh shall be placed into effect on an interim basis for usage on and after July 1, 2024.
- (3) All pleadings in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice").⁹ Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

⁹ 5 VAC 5-20-10 *et seq.*

(4) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or Staff is impeded from preparing its case.

(5) As provided by Code § 12.1-31 and Rule 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to rule on any discovery matters, including the Company's Motion for Protective Order, and motions *pro hac vice* that arise during the course of this proceeding. A copy of each such filing made with the Commission's Clerk's office in this matter shall also be sent electronically to the Office of the Hearing Examiners.¹⁰

(6) The Commission hereby schedules a telephonic portion of the hearing for the receipt of testimony from public witnesses on the Application, as follows:

- (a) The portion of the hearing for the receipt of testimony from public witnesses on the Application shall be convened telephonically on October 3, 2024.
- (b) To promote fairness for all public witnesses, each witness will be allotted five minutes to provide testimony.
- (c) On or before September 26, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141.

¹⁰ Such electronic copies shall be sent to: OHEParalegals@scc.virginia.gov.

(d) Beginning at 10 a.m. on October 3, 2024, the Commission will telephone sequentially each person who has signed up to testify as provided above.

(e) This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

(7) The evidentiary portion of the hearing shall be convened at 10 a.m., on October 3, 2024, or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony and evidence of the Company, any respondents, and Staff on the Application.

(8) An electronic copy of the public version of the Company's Application may be obtained by submitting a written request to counsel for the Company: Elaine S. Ryan, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Cary Street, Richmond, Virginia 23219, or eryan@mcguirewoods.com. Interested persons also may download unofficial copies of the public version of the Application and other documents filed in this case from the Commission's website: scc.virginia.gov/pages/Case-Information.

(9) On or before June 18, 2024, the Company shall cause the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's service territory within Virginia:

NOTICE TO THE PUBLIC OF
VIRGINIA ELECTRIC AND POWER COMPANY'S
REQUEST TO REVISE ITS FUEL FACTOR
CASE NO. PUR-2024-00078

On May 1, 2024, Virginia Electric and Power Company ("Company" or "Dominion") filed with the State Corporation Commission ("Commission") its application ("Application") pursuant to Code § 56-249.6 to revise its fuel factor effective July 1, 2024.

Dominion's total fuel factor consists of a current period factor ("Current Period Factor") and a prior period factor ("Prior Period Factor"). For the July 1, 2024 through June 30, 2025 fuel year ("Rate Year"), the Company projects jurisdictional fuel expenses, including purchased power expenses, of approximately \$2.178 billion, which results in a Current Period Factor rate of 2.4725 cents per kilowatt-hour (" ¢/kWh "). Dominion proposes a Prior Period Factor rate of (0.3990) ¢/kWh . The Prior Period Factor is designed to credit approximately \$265.660 million to customers, which represents (i) the projected June 30, 2024, over-recovery balance of approximately \$263.384 million associated with recovery of the July 1, 2023, through June 30, 2024, current period expense and (ii) the projected June 30, 2024, over-recovery balance of approximately \$2.275 million associated with recovery of the remaining June 30, 2023, prior period expense.

Together, these components result in a total fuel factor rate of 2.0735 ¢/kWh for the Rate Year. This represents a 0.7852 ¢/kWh decrease from the total fuel factor currently in effect and a fuel revenue decrease of approximately \$636.1 million when applied to the Company's projected current period kWh sales over the Rate Year. Implementation of the total fuel factor rate of 2.0735 ¢/kWh would decrease the bill of a residential customer using 1,000 kWh per month by \$7.85 per month over the Rate Year.

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

The Commission entered an Order for Notice and Hearing in this proceeding that, among other things, scheduled a public hearing on the Application. Pursuant to Code § 56-249.6, the Commission also directed Dominion to implement the proposed rate decrease on an interim basis for usage on and after July 1, 2024.

On October 3, 2024, at 10 a.m., the Commission will hold a telephonic portion of the hearing for the purpose of receiving the testimony of public witnesses. On or before September 26, 2024, any person desiring to offer testimony as a public witness shall provide to the Commission (a) your name, and (b) the telephone number that you wish the Commission to call during the hearing to receive your testimony. This information may be provided to the Commission in three ways: (i) by filling out a form on the

Commission's website at scc.virginia.gov/pages/Webcasting; (ii) by completing and emailing the PDF version of this form to SCCInfo@scc.virginia.gov; or (iii) by calling (804) 371-9141. This public witness portion of the hearing will be webcast at scc.virginia.gov/pages/Webcasting.

On October 3, 2024, at 10 a.m., or at the conclusion of the public witness portion of the hearing, whichever is later, in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, the Commission will convene a hearing to receive testimony and evidence related to the Application from Dominion, any respondents, and the Commission's Staff.

To promote administrative efficiency and timely service of filings upon participants, the Commission has directed the electronic filing of testimony and pleadings, unless they contain confidential information, and has required electronic service on parties to this proceeding.

An electronic copy of the public version of the Company's Application may be obtained by submitting a written request to counsel for the Company, Elaine S. Ryan, Esquire, McGuireWoods LLP, Gateway Plaza, 800 East Cary Street, Richmond, Virginia 23219, or eryan@mcguirewoods.com. Interested persons also may download unofficial copies of the public version of the Application and other documents filed in this case from the Commission's website: scc.virginia.gov/pages/Case-Information.

On or before September 26, 2024, any interested person may submit comments on the Application electronically by following the instructions on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00078.

On or before July 23, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Such notice of

participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2024-00078.

On or before August 23, 2024, each respondent may file with the Clerk of the Commission, at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such by U.S. mail to the Clerk of the Commission at the address listed above. Each witness's testimony shall include a summary not to exceed one page. All testimony and exhibits shall be served on the Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, except as modified by the Commission's Order Establishing 2023-2024 Fuel Factor Proceeding, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2024-00078.

Any documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified by the Commission's Order Establishing 2024-2025 Fuel Factor Proceeding, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice, the public version of the Company's Application, the Commission's Order Establishing 2024-2025 Fuel Factor Proceeding, and other documents filed in this case may be viewed at:
scc.virginia.gov/pages/Case-Information.

VIRGINIA ELECTRIC AND POWER COMPANY

(10) The Company shall serve each official listed in 20 VAC 5-204-10 J 1 as provided by 20 VAC 5-204-10 J 2.

(11) On or before July 2, 2024, the Company shall file proof of the notice and service required by Ordering Paragraphs (9) and (10), including the name, title, address, and electronic mail address (if applicable) of each official served, with the Clerk of the Commission at scc.virginia.gov/clk/efiling.

(12) On or before September 26, 2024, any interested person may submit written comments on the Application by following the instructions on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2024-00078.

(13) On or before July 23, 2024, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at: scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically, may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (12). Such notice of participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a

respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2024-00078.

(14) Within five (5) business days of receipt of a notice of participation as a respondent, the Company shall serve upon the respondent a copy of this Order Establishing 2024-2025 Fuel Factor Proceeding as well as a copy of the public version of the Application and supporting materials filed by the Company with the Commission in this docket, unless these materials already have been provided to the respondent.

(15) On or before August 23, 2024, each respondent may file with the Clerk of the Commission, at scc.virginia.gov/clk/efiling, any testimony and exhibits by which the respondent expects to establish its case. Any respondent unable, as a practical matter, to file testimony and exhibits electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed in Ordering Paragraph (12). Each witness's testimony shall include a summary not to exceed one page. A copy of all testimony and exhibits shall be served on the Staff, the Company, and all other respondents simultaneous with its filing. In all filings, respondents shall comply with the Commission's Rules of Practice, except as modified herein, including, but not limited to: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2024-00078.

(16) The Staff shall investigate the Application. On or before September 6, 2024, the Staff shall file with the Clerk of the Commission its testimony and exhibits, and each Staff witness's testimony shall include a summary not to exceed one page. Staff shall serve a copy thereof on counsel to Dominion and all respondents.

(17) On or before September 20, 2024, Dominion shall file with the Clerk of the Commission any rebuttal testimony and exhibits that it expects to offer, and each rebuttal

