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VIA ELECTRONIC FILING

March 27, 2015

Ms. Gail Mount, Chief Clerk
North Carolina Utilities Commission
430 North Salisbury Street
Dobbs Building
Raleigh, North Carolina 27603

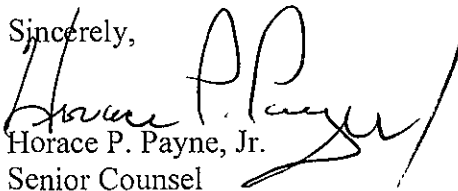
Re: Docket No. E-100, Sub 140 – In the Matter of Biennial Determination of Avoided Cost Rates for Electric Utility Purchases from Qualifying Facilities - 2014

Dear Ms. Mount:

Enclosed for filing are the objections of Dominion North Carolina Power to North Carolina Sustainable Energy Association's First Set of Data Requests dated March 13, 2015 (Phase II).

Should you have any questions, please do not hesitate to call.

Sincerely,


Horace P. Payne, Jr.
Senior Counsel

Enclosures

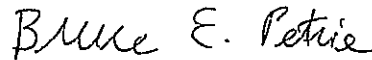
cc: Charlotte A. Mitchell, Esq.
Andrea R. Kells, Esq.

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Mar 27 2015

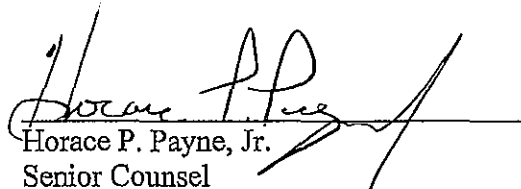
Dominion North Carolina Power
NC Avoided Cost Case – Docket No. E-100, Sub 140 (Phase II)
North Carolina Sustainable Energy Association
Data Request No. 1

The following response to Question No. 1 of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision.



Bruce E. Petrie
Manager – Generation System Planning

The following response to Question No. 1 of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision as it pertains to legal matters.


Horace P. Payne, Jr.
Senior Counsel

Question No. 1:

Concerning the Company's proposed Energy Prices, as reflected in the Company's March 2, 2015 filing in this proceeding:

- (a) Does the Company draw a distinction between “avoided cost rates”, “avoided costs” for energy, “avoided energy costs” and its proposed “Energy Prices”? If so, please fully explain the distinction(s). If the Company considers some of these terms to be interchangeable or synonymous, please so state.
- (b) Provide all of the underlying analyses, computations and workpapers that were used in developing the Company's avoided costs for energy, and its proposed Energy Prices.
- (c) Provide all data, computer modeling results, and other source documents that were used in developing the Company's avoided costs for energy, and its proposed Energy Prices.
- (d) Provide all of the underlying source documents, analyses, computations and workpapers that were used in deciding what Energy Prices to include in the Company's Initial Statement and Exhibits.

(e) Provide a copy of the information responsive to parts (a) through (d) in electronic working spreadsheet (Microsoft Excel) format with all data and formulas intact, to the extent feasible.

Response:

(a) The term “avoided cost rates” is meant to be all inclusive, and includes capacity and energy. The proposed “Energy Prices” equal avoided energy costs plus the avoided fuel hedging costs. The terms “avoided costs for energy” and “avoided energy costs” are synonymous.

(b) See the following:

- Attachment NCSEA Set 1-1(b)(1), which shows the calculation of the annual all-hours avoided energy cost;
- Attachment NCSEA Set 1-1(b)(2), which shows the calculation of the avoided fuel hedging costs;
- Attachment NCSEA Set 1-1(b)(3), which shows the energy rate levelization calculations;
- Attachment NCSEA Set 1-1(b)(4), which shows the calculation of the on peak and off peak factors for the Option A hours definition; and
- Attachment NCSEA Set 1-1(b)(5), which shows the calculation of the on peak and off peak factors for the Option B hours definition.

(c) See the Company’s response to Question No. 1(b) above.

(d) To the extent that NCSEA is seeking documentation of preliminary work that did not ultimately factor into the resulting proposed energy prices, the Company objects to such a request as being vague, overly broad, and unduly burdensome. Subject to and notwithstanding such objection, see the Company’s response to Question No. 1(b) above.

(e) See the Company’s response to Question No. 1(b) above.

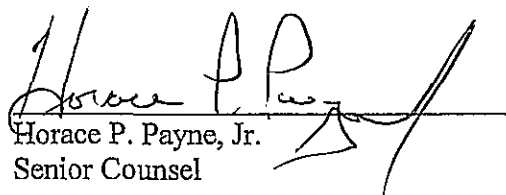
Dominion North Carolina Power
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North Carolina Sustainable Energy Association
Data Request No. 1

The following response to Question No. 2(a)-(d), (h)-(k) of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision.

Bruce E. Petrie

Bruce E. Petrie
Manager – Generation System Planning

The following response to Question No. 1 of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision as it pertains to legal matters.


Horace P. Payne, Jr.
Senior Counsel

Question No. 2 (a)–(d), (h)–(k):

Concerning the Company's proposed Capacity rates, as reflected in the Company's March 2, 2015 filing in this proceeding:

- (a) Does the Company draw a distinction between “avoided cost rates”, “avoided costs” for capacity, “avoided capacity costs,” its proposed “avoided cost capacity prices” and its proposed “Capacity Rates”? If so, please fully explain the distinction(s). If the Company considers some of these terms to be interchangeable or synonymous, please so state.
- (b) Provide all of the underlying analyses, computations and workpapers that were used in developing the Company's avoided cost of capacity, its avoided cost capacity prices and its proposed Capacity Rates.
- (c) Provide all data, computer modeling results, and other source documents that were used in developing the Company's avoided cost of capacity, its avoided cost capacity prices and its proposed Capacity Rates.

(d) Provide all of the underlying source documents, analyses, computations and workpapers that were used in deciding what avoided cost capacity prices and Capacity Rates to include in the Company's March 2, 2015 filing in this proceeding.

(h) Provide all of the data, underlying analyses, computations, workpapers, computer modeling results, and other source documents that were used in developing the Fixed O&M expenses of a Combustion Turbine.

(i) Provide all of the data, underlying analyses, computations, workpapers data, computer modeling results, and other source documents that were used in selecting or developing the General Plant Factor, Working Capital Factor, Marginal Loss Factor and any other factors used in developing the Capacity Costs.

(j) Provide all data, computer modeling results, source documents, analyses, computations and workpapers that were used in deciding what Capacity Costs to include in the Company's Initial Statement and Exhibits.

(k) Provide a copy of the information responsive to parts (a) through (h) in electronic working spreadsheet (Microsoft Excel) format with all data and formulas intact, to the extent feasible.

Response:

(a) The term "avoided cost rates" is meant to be all inclusive, and includes capacity and energy. The following price terms are used interchangeably: "avoided cost capacity prices" and "capacity rates." The terms "avoided costs for capacity" and "avoided capacity costs" are also interchangeable and refer to the underlying CT costs that are used to calculate the "avoided cost capacity prices" and "capacity rates."

(b) See Attachment NCSEA Set 1-2(b) which shows the calculation of the levelized capacity rates. Also see the Company's response to Question No. 2(g) below.

(c) See the Company's response to Question No. 2(b) above.

(d)
To the extent that NCSEA is seeking documentation of preliminary work that did not ultimately factor into the resulting proposed capacity prices, the Company objects to such a request as being vague, overly broad, and unduly burdensome. Subject to and notwithstanding such objection, please see the Company's response to Question No. 2(b) above.

(h) See Attachment NCSEA Set 1-2(h), which shows the annual escalation of the fixed O&M costs.

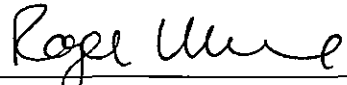
(i) See the Company's response to Question No. 2(g), including Confidential Attachment NCSEA Set 1-2(g) (BN), which shows the detailed calculations of the CT carrying costs. The attachment is being provided pursuant to the protections set forth in the Confidentiality Agreement between DNCP and NCSEA.

(j) See the responses to Question Nos. 2 (b) through (i) above.

(k) See the responses to Question Nos. 2(b) through (i) above.

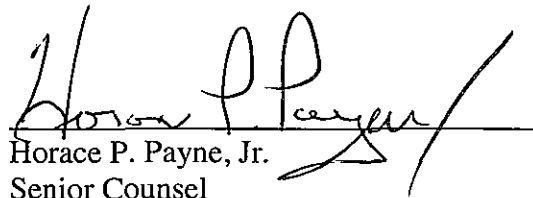
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NC Avoided Cost Case – Docket No. E-100, Sub 140 (Phase II)
North Carolina Sustainable Energy Association
Data Request No. 1

The following response to Question No. 2(e), (f) of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision.



Roger T. Williams
Director Power Contracts

The following response to Question No. 2(e), (f) of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision as it pertains to legal matters.



Horace P. Payne, Jr.
Senior Counsel

Question No. 2 (e), (f):

Concerning the Company's proposed Capacity rates, as reflected in the Company's March 2, 2015 filing in this proceeding:

- (e) Provide all of the underlying analyses, computations and workpapers that were used in developing the installed cost of a Combustion Turbine.
- (f) Provide all data, computer modeling results, and other source documents that were used in developing the installed cost of a Combustion Turbine, including but not limited to the GTW Handbook, the Brattle Study, and any analogous sources that were considered by the Company, even if those sources were subsequently rejected or not relied upon.

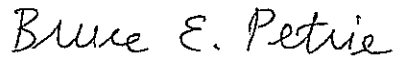
Response:

(e) See Figure 1, "Hypothetical CT Costs, adjusted for 2014 COD (\$ in millions)," as presented in the Company's March 2, 2015 Avoided Cost filing. The calculations are also provided in Attachment NCSEA Set 1-2(e).

(f) The Company objects to the request to provide "any analogous sources that were considered by the Company, even if those sources were subsequently rejected or not relied upon"

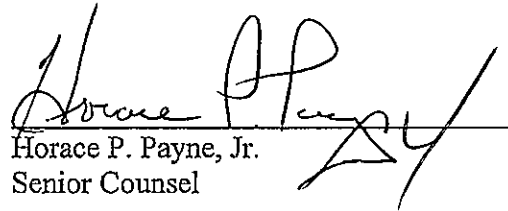
Dominion North Carolina Power
NC Avoided Cost Case – Docket No. E-100, Sub 140 (Phase II)
North Carolina Sustainable Energy Association
Data Request No. 1

The following response to Question No. 4 of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision.



Bruce E. Petrie
Manager – Generation System Planning

The following response to Question No. 4 of North Carolina Sustainable Energy Association Data Request No. 1 dated March 17, 2015, has been prepared under my supervision as it pertains to legal matters.


Horace P. Payne, Jr.
Senior Counsel

Question No. 4:

Since DNCP marginal system running costs are generally dependent upon, or influenced by, the variable operating cost of the generating units with the highest running cost during any given hour:

- (a) Provide a copy of all data sets, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units were running during each hour of the year 2010. Also provide documents that that show, or could potentially be used to estimate, each unit's running cost was during that hour.
- (b) Provide a copy of all data sets, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units were running during each hour of the year 2011. Also provide documents that that show, or could potentially be used to estimate, each unit's running cost was during that hour.
- (c) Provide a copy of all data sets, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units were running during each hour of the year 2012. Also provide documents that that show, or could potentially be used to estimate, each unit's running cost was during that hour.

(d) Provide a copy of all data sets, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units were running during each hour of the year 2013. Also provide documents that that show, or could potentially be used to estimate, each unit's running cost was during that hour.

(e) Provide a copy of all data sets, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units were running during each hour of the year 2014. Also provide documents that that show, or could potentially be used to estimate, each unit's running cost was during that hour.

(f) Provide a copy of system planning documents, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units are anticipated to be dispatched (running) during each hour of the year 2015. Also provide documents that that show, or could potentially be used to estimate, what each unit's running cost is anticipated or projected to be during that hour.

(g) Provide a copy of system planning documents, computer modeling results, or other documents in your possession that show, or could potentially be used to estimate, which generating units are anticipated to be dispatched (running) during each hour of the year 2016. Also provide documents that that show, or could potentially be used to estimate, what each unit's running cost is anticipated or projected to be during that hour.

(h) Provide a copy of the information responsive to parts (a) through (g) in electronic working spreadsheet (Microsoft Excel) format with all data and formulas intact, to the extent feasible.

Response:

(a) – (e) The Company objects to this request of voluminous historical data on the grounds that it unduly burdensome and not relevant to the determination of forecasted avoided energy rates.

Subject to and notwithstanding such objection, see Confidential Attachment NCSEA Set 1-4(e) which shows the hourly MW output, by unit, for 2014. The attachment is being provided pursuant to the protections set forth in the Confidentiality Agreement between DNCP and NCSEA.

(f) See Confidential Attachment NCSEA Set 1-4(f)(1) which shows the forecasted hourly MW unit output, and Confidential Attachment NCSEA Set 1-4(f)(2) which shows the projected unit variable costs by month. The attachment is being provided pursuant to the protections set forth in the Confidentiality Agreement between DNCP and NCSEA.

(g) See Confidential Attachment NCSEA Set 1-4(g)(1) which shows the forecasted hourly MW unit output, and Confidential Attachment NCSEA Set 1-4(g)(2) which shows the projected unit variable costs by month. The attachment is being provided pursuant to the protections set forth in the Confidentiality Agreement between DNCP and NCSEA.

(h) See the Company's responses to 1-4 (e), (f), and (g) above.