

October 15, 2018

**VIA ELECTRONIC FILING**

Ms. M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
Dobbs Building  
430 North Salisbury Street  
Raleigh, North Carolina 27603

Re: *Application of Dominion Energy North Carolina for Approval of Cost Recovery for Renewable Energy and Energy Efficiency Portfolio Standard Compliance and Related Costs*  
Docket No. E-22, Sub 557

Dear Ms. Jarvis:

Pursuant to North Carolina General Statutes (“N.C.G.S.”) § 62-133.8 and Rule R8-67(e) of the Rules and Regulations of the North Carolina Utilities Commission (“Commission”), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (the “Company”), hereby files its Supplemental Testimony and Exhibits of George E. Hitch, Alan J. Moore, and Robert C. Rice.

Portions of the Supplemental Exhibits contain confidential information related to renewable energy certificate (“REC”) contract pricing and other vendor contract information, including Company Supplemental Exhibit GEH-2, Schedule 1, and Company Supplemental Exhibit AJM-1, Schedule 2. Information designated by the Company as confidential qualifies as “trade secrets” under N.C.G.S. § 66-152(3). *See Order Granting in Part and Denying in Part Motion for Disclosure*, Docket No. E-100, Sub 137 (June 3, 2013) (holding “specific information concerning REPS contract prices, REC quantities and prices, and other terms would impair [the Company’s] ability to negotiate and transact business on favorable terms” and therefore qualifies as trade secret information). Pursuant to N.C.G.S. § 132-1.2, the Company has redacted this confidential information from this public version of the Company’s Supplemental Testimony and Exhibits and is contemporaneously filing these confidential pages under seal. The Company will make this information available to other interested parties pursuant to an appropriate nondisclosure agreement.

Ms. M. Lynn Jarvis, Chief Clerk  
October 15, 2018  
Page 2

Please do not hesitate to contact me if you have any questions. Thank you for your assistance in this matter.

Very truly yours,

/s/Andrea R. Kells

ARK:mth

Enclosures

cc: Robert B. Josey

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**SUPPLEMENTAL TESTIMONY  
OF  
GEORGE E. HITCH  
ON BEHALF OF  
DOMINION ENERGY NORTH CAROLINA  
BEFORE THE  
NORTH CAROLINA UTILITIES COMMISSION  
DOCKET NO. E-22, SUB 557**

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1    **Q.**    Please state your name, business address, and position with Virginia  
2           Electric and Power Company (“Dominion Energy North Carolina” or the  
3           “Company”).

4    **A.**    My name is George E. Hitch, and my business address is 5000 Dominion  
5           Boulevard, Glen Allen, Virginia. I am a Senior Market Originator for  
6           Dominion Energy North Carolina and Dominion Energy Virginia.

7    **Q.**    Are you the same George E. Hitch who previously prefiled direct  
8           testimony, including schedules, in this proceeding?

9    **A.**    Yes. I prefiled direct testimony, Company Exhibit GEH-1 which is the  
10          Company’s 2018 REPS Compliance Report for calendar year 2017 REPS  
11          compliance, and Company Exhibit GEH-2 consisting of two schedules,  
12          Schedule 1 and 2. (Company Exhibits GEH 1-2 provided in public version  
13          and confidential version filed under seal).

14   **Q.**    What is the purpose of your supplemental testimony in this proceeding?

15   **A.**    The purpose of my supplemental testimony is to explain the Company’s  
16          implementation of three changes in the EMF True-up Period costs due to  
17          corrected information for the brokerage costs, the revenue from excess  
18          renewable energy credit (“REC”) sales, and the allocation factor used to

1 calculate the EMA maintenance fee. These adjustments only affect the EMF  
2 True-up Period used to develop Rider RPE. There are no changes to the  
3 Company's RP rate period costs that were supported by my direct testimony  
4 filed on August 30, 2018.

5 **Q. Mr. Hitch, are you sponsoring any exhibits or schedules in connection**  
6 **with your supplemental testimony?**

7 A. Yes. Company Supplemental Exhibit GEH-2, consisting of updated  
8 Schedule 1 (Schedule 1 provided in public version and confidential version  
9 filed under seal), was prepared under my supervision and direction and is  
10 accurate and complete to the best of my knowledge and belief. Updated  
11 Schedule 1 updates Schedule 1, Page 1 of my Company Exhibit GEH-2 as  
12 filed with my direct testimony, and continues to present the Company's  
13 reasonable and prudently-incurred incremental REPS Compliance Costs  
14 during the EMF True-up Period. No changes to my Company Exhibit GEH-1,  
15 to Schedule 1, Page 2 of my Company Exhibit GEH-2, or to Schedule 2 of my  
16 Company Exhibit GEH-2, are required.

17 **Q. First, can you comment on the corrected information for the brokerage**  
18 **costs?**

19 A. Yes. In reviewing the Company's records to respond to a Public Staff data  
20 request, I determined that the Company inadvertently double counted a \$2,000  
21 broker invoice in its initial cost recovery application filed on August 30, 2018,  
22 in this proceeding, resulting in overstated brokerage costs for the EMF period.  
23 To correct this error, the Company is reducing the brokerage cost by \$2,000.

1 The correct EMF period brokerage cost, as shown in Company Supplemental  
2 Exhibit GEH-2, is \$19,053.

3 **Q. Mr. Hitch, what change are you making to the credit for excess REC**  
4 **sales?**

5 A. In reviewing the Company's records to respond to a Public Staff data request,  
6 I determined that Schedule 1, Page 1 of my Company Exhibit GEH-2  
7 inadvertently only recognized the margin on excess REC sales associated with  
8 the sale of 225,853 out-of-state wind RECs in April 2018, rather than the total  
9 revenue generated by the excess REC sales associated with this transaction.  
10 Company Supplemental Exhibit GEH-2 reflects the total sales revenue of  
11 \$103,726 (40,941 \* \$0.50 = \$20,470.50 and 185,012 \* \$0.45 = \$83,255.40).

12 **Q. Mr. Hitch, are you presenting any other changes to the updated EMF**  
13 **revenue requirement at this time?**

14 A Yes. In preparing this Supplemental Testimony, I discovered that in  
15 Schedule 1, Page 1 of my Company Exhibit GEH-2, I used the wrong  
16 allocation factor. There is a \$22 increase to the EMA maintenance fee to  
17 reflect the application of the 5.0619 percent allocation factor that was used in  
18 calculating the Rate period Rider RP revenue requirement and the True-up  
19 Period EMF Rider RPE revenue requirement, but not used in Company  
20 Exhibit GEH-2 Schedule 1, which my Company Supplemental Exhibit GEH-2  
21 updates.

1    **Q.     What is the result of the three changes identified above?**

2    A.     The result of the three changes I have discussed is an updated EMF period  
3           total cost of \$798,588 as calculated in my Company Supplemental Exhibit  
4           GEH-2, which reflects a \$69,764 decrease from the original amount of  
5           \$868,352 calculated in my Company Exhibit GEH-2 Schedule 1 as filed on  
6           August 30, 2018.

7    **Q.     Does this conclude your supplemental testimony?**

8    A.     Yes, it does.

Dominion Energy North Carolina  
Docket No. E-22, Sub 557  
For the EMF True Up Period July 1, 2017 to June 30, 2018

**CONFIDENTIAL INFORMATION REDACTED**

Company Supplemental Exhibit GEH-2  
Schedule 1  
Page 1 of 1

<u>Supplier</u>	<u>Renewable Resources</u>	<u>Volume</u>	<u>Price</u>	<u>Date Invoice</u> <u>Paid</u>	<u>REVISED Cost</u>	<u>Original Cost</u>
					\$2,392	\$2,392
					\$97,500	\$97,500
					\$100,000	\$100,000
					\$96,000	\$96,000
					\$24,313	\$24,313
					\$142,100	\$142,100
					\$6,330	\$6,330
					\$1,860	\$1,860
					\$2,326	\$2,326
					\$142,100	\$142,100
					\$930	\$930
					\$15,750	\$15,750
					\$144,235	\$144,235
					\$7,500	\$7,500
					\$83,600	\$83,600
					\$276	\$276
					<u>\$3,150</u>	<u>\$3,150</u>
					<b>\$870,362</b>	<b>\$870,362</b>
Other Incremental Costs						
NC-RETS					\$11,236	\$11,236
EMA Maintenance Fee					<b>\$1,683</b>	<b>\$1,661</b>
Brokerage					<b><u>\$19,053</u></b>	<b><u>\$21,053</u></b>
					\$31,972	\$33,950
Less Revenue from Excess REC Sales					<b><u>-\$103,726</u></b>	<b><u>-\$35,940</u></b>
Less EMA Credit ToW					<u>-\$20</u>	<u>-\$20</u>
<b>Total</b>					<b>\$798,588</b>	<b>\$868,352</b>

**SUPPLEMENTAL TESTIMONY  
OF  
ALAN J. MOORE  
ON BEHALF OF  
DOMINION ENERGY NORTH CAROLINA  
BEFORE THE  
NORTH CAROLINA UTILITIES COMMISSION  
DOCKET NO. E-22, SUB 557**

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Oct 15 2018

1   **Q.**    Please state your name, business address, and position with Virginia  
2           Electric and Power Company (“Dominion Energy North Carolina” or the  
3           “Company”).

4    A.    My name is Alan J. Moore. I am a Regulatory Analyst III in the Regulatory  
5           Accounting Department for Dominion Energy North Carolina. My business  
6           address is 701 East Cary Street, Richmond, Virginia 23219.

7   **Q.**    Are you the same Alan J. Moore who previously prefiled direct  
8           testimony, including schedules, in this proceeding?

9    A.    Yes. I prefiled direct testimony and Company Exhibit AJM-1, consisting of  
10          Schedules 1-2 on August 30, 2018, in support of the Company’s Application  
11          to recover the reasonable and prudently incurred cost of its North Carolina  
12          Renewable Energy and Efficiency (“REPS”) incremental costs, through its  
13          updated Rider RP, as well as the Company’s experience modification factor  
14          (“EMF”) rider, Rider RPE (“Application”).

15   **Q.**    What is the purpose of your supplemental testimony in this proceeding?

16   A.    The purpose of my supplemental testimony is to support a change in the Rider  
17          RPE revenue requirement due to corrected information regarding Renewable  
18          Energy Credit (“REC”) sales and broker fees, as further discussed in the



1 supplemental testimony of Company Witness George E. Hitch, and regarding  
2 the July 2017 Rider RP revenue. The adjustments due to this corrected  
3 information only affect the EMF Rider RPE revenue requirement. There is no  
4 change to the Company's revenue requirement for Rider RP that was  
5 supported by my direct testimony filed on August 30, 2018.

6 **Q. Mr. Moore, are you sponsoring any exhibits or schedules in connection**  
7 **with your supplemental testimony?**

8 A. Yes. Company Supplemental Exhibit AJM-1, consisting of updated  
9 Schedule 2 (provided in public version and confidential version filed under  
10 seal), was prepared under my supervision and direction and is accurate and  
11 complete to the best of my knowledge and belief. My Company  
12 Supplemental Exhibit AJM-1 presents the updated revenue requirement for  
13 EMF Rider RPE for the EMF true-up period.

14 **Q. First, can you comment on the corrected information for the sale of**  
15 **RECs?**

16 A. Yes. In responding to the Public Staff's data requests, the Company's review  
17 of its records identified that in April 2018 there was a sale of 225,953  
18 previously purchased RECs, and while the gain on this sale was included in  
19 the true-up calculation, a reversal of the purchase price was excluded. As a  
20 result the total costs included in Company Exhibit AJM-1, Schedule 2, Page 2  
21 of 3, Line 1, were overstated by \$67,786. The corrected amount is shown on  
22 my Company Supplemental Exhibit AJM-1, Schedule 2, Page 2 of 3.

1    **Q.    Next, can you comment on the corrected information for the broker fees?**

2    A.    Yes. In responding to the Public Staff's data requests, the Company's review  
3           of its records identified that brokerage fees of \$2,000 were charged twice to  
4           the true-up costs. As a result, the costs shown on Company Exhibit AJM-1,  
5           Schedule 2, Page 2 of 3, Line 1 were overstated by \$2,000. The corrected  
6           amount is shown on my Company Supplemental Exhibit AJM-1, Schedule 2,  
7           Page 2 of 3.

8    **Q.    Next, can you comment on the corrected information for the Rider RP**  
9           **revenues?**

10   A.    Yes. In responding to a Public Staff data request, the Company's review of its  
11          records identified that revenues used for July 2017 were misstated. As a result  
12          the revenues shown on Company Exhibit AJM-1, Schedule 2, Page 1 of 3,  
13          Line 2 were overstated by \$4,367. The corrected amount is shown on my  
14          Company Supplemental Exhibit AJM-1, Schedule 2, Page 1 of 3.

15   **Q.    Are there any changes to Page 3 of your Company Exhibit AJM-1,**  
16           **Schedule 2?**

17   A.    No, but I am including Page 3 of Company Exhibit AJM-1, Schedule 2 in my  
18          Company Supplemental Exhibit AJM-1 for the purpose of presenting a  
19          complete updated Schedule to the Commission.

1     **Q.     Mr. Moore, do the corrected REC sales, broker fees, and Rider RP**  
2           **revenues that you discuss above change the revenue requirement of Rider**  
3           **RPE that was presented in your direct testimony?**

4     A.    Yes. I have updated the EMF Rider RPE true-up revenue requirement to  
5           correct for the updated REC sales, brokerage fees, and Rider RP revenues.  
6           The changes due to both the RECs sales and brokerage fees adjustment can be  
7           found on Page 2 of 3, Line 1, and the update to the July 2017 Rider RP  
8           revenues can be found on Page 1 of 3, Line 2 of my Company Supplemental  
9           Exhibit AJM-1, Schedule 2, respectively. These changes resulted in an  
10          overall Rider RPE revenue requirement under-recovery position of \$212,889,  
11          as shown at Page 1 of 3, Line 3 of my Supplemental Schedule 2. This under-  
12          recovery amount is \$65,419 less than the revenue requirement under-recovery  
13          position of \$278,308 presented in my Direct Schedule 2.

14    **Q.     Mr. Moore, are you presenting any other changes to the development of**  
15          **the updated Rider RPE revenue requirement at this time?**

16    A.    No, I am not.

17    **Q.     What is the result of the changes identified above?**

18    A.    The updated Rider RPE revenue requirement under-recovery of \$212,889 as  
19          calculated in my Supplemental Schedule 2 reflects a \$65,419 decrease to the  
20          original Rider RPE under-recovery amount of \$278,308. As there is no  
21          change to the Rider RP revenue requirement, this decrease results in a total  
22          combined revenue requirement for Rider RP and Rider RPE of \$1,039,706,  
23          representing a (\$146,019) decrease over the rates currently in effect.

1    **Q.     Has the Company developed final rates to reflect the updates to the Rider**  
2       **RPE revenue requirement described above?**

3    A.     Yes. Company Witness Robert C. Rice has developed final rates to reflect the  
4       updates to the Rider RPE revenue requirement. These rates will be filed in  
5       Company Witness Rice's Supplemental Testimony and Exhibit.

6    **Q.     Does this conclude your supplemental testimony?**

7    A.     Yes, it does.

**Dominion Energy North Carolina**  
**Docket No. E-22, Sub 557**  
**DSM/EE Experience Modification Factor REPS Rider RPE for the Test Period July 1, 2017 through June 30, 2018**  
**For (Refund)/Recovery in the Rate Period February 1, 2019 - January 31, 2020**

line no.													EMF REPS Rider RPE
	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>Nov-17</u>	<u>Dec-17</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>	<u>Apr-18</u>	<u>May-18</u>	<u>Jun-18</u>	<u>Total</u>
1 Monthly REPS Rider RPE Revenue Requirement (Page 2, Line 4)	\$ 960	\$ 5,375	\$ 198,483	\$ 271,152	\$ 9,261	\$ 984	\$ 124,128	\$ 3,072	\$ 15,583	\$ 48,992	\$ 88,009	\$ 2,666	\$ 768,667
2 Monthly REPS Compliance Rider RP Revenues (exclude EMF rev)	\$ 32,627	\$ 38,217	\$ 33,573	\$ 36,042	\$ 31,557	\$ 34,813	\$ 46,572	\$ 56,480	\$ 60,428	\$ 60,675	\$ 64,081	\$ 60,711	\$ 555,778
REPS EMF Rider RPE (Over)/Under Recovery to be (refunded)/collected over													
3 the Rate Period January 1, 2018 - December 31, 2018 (Line 1 - Line 2)	\$ (31,667)	\$ (32,842)	\$ 164,910	\$ 235,110	\$ (22,296)	\$ (33,829)	\$ 77,555	\$ (53,408)	\$ (44,845)	\$ (11,682)	\$ 23,928	\$ (58,045)	\$ 212,889

**Dominion North Carolina Power**  
**Docket No. E-22, Sub 557**  
**Actual Revenue Requirement for DSM/EE Experience Modification Factor REPS Rider RPE**  
**For the Test Period July 1, 2017 - June 30, 2018**

line no.	<u>Actual</u> <u>Jul-17</u>	<u>Actual</u> <u>Aug-17</u>	<u>Actual</u> <u>Sep-17</u>	<u>Actual</u> <u>Oct-17</u>	<u>Actual</u> <u>Nov-17</u>	<u>Actual</u> <u>Dec-17</u>	<u>Actual</u> <u>Jan-18</u>	<u>Actual</u> <u>Feb-18</u>	<u>Actual</u> <u>Mar-18</u>	<u>Actual</u> <u>Apr-18</u>	<u>Actual</u> <u>May-18</u>	<u>Actual</u> <u>Jun-18</u>	<u>Totals</u>													
1 NC Jurisdictional REPS Compliance Costs																										
REC Purchases																										
Broker Fees for REC Purchases																										
Admin Expenses (NC - RETS Fees)																										
Excess REC Sales																										
EMA Credit ToW																										
EMA Maintenance Fee																										
2 NC Jurisdiction EMA Costs (Page 3, Line 6)																										
EMA RECS Tracking System																										
3 Micro Grid O&M Expenses																										
4 Revenue Requirement (Line 1 + Line 2 + Line 3)	\$	960	\$	5,375	\$	198,483	\$	271,152	\$	9,261	\$	984	\$	124,128	\$	3,072	\$	15,583	\$	48,992	\$	88,009	\$	2,666	\$	768,667

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**Dominion Energy North Carolina**  
**Docket No. E-22, Sub 557**  
**DSM/EE Experience Modification Factor REPS Rider RPE for the Test Period July 1, 2017 through June 30, 2018**  
**EMA RECs Tracking Software Costs**  
**For (Refund)/Recovery in the Rate Period January 1, 2019 - December 31, 2019**

line no.	<u>Actual</u> <u>Jul-17</u>	<u>Actual</u> <u>Aug-17</u>	<u>Actual</u> <u>Sep-17</u>	<u>Actual</u> <u>Oct-17</u>	<u>Actual</u> <u>Nov-17</u>	<u>Actual</u> <u>Dec-17</u>	<u>Actual</u> <u>Jan-18</u>	<u>Actual</u> <u>Feb-18</u>	<u>Actual</u> <u>Mar-18</u>	<u>Actual</u> <u>Apr-18</u>	<u>Actual</u> <u>May-18</u>	<u>Actual</u> <u>Jun-18</u>	<u>Totals</u>
<b>1 Monthly System EMA O&amp;M Expense</b> EMA RECS Tracking System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2 Monthly Amortization of System EMA Pre-paid Subscription to APX</b> EMA RECS Tracking System													
<b>3 Monthly Amortization of System Enhancements to Dominion Owned Software</b> EMA RECS Tracking System													
<b>4 Total System Monthly Operating Expense - EMA Software</b> (Line 1 + Line 2 + Line 3) EMA RECS Tracking System													
<b>5 Jurisdictional Allocation Factor</b> EMA RECS Tracking System	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%	5.0619%
<b>6 Revenue Requirement NC REPS</b> (Line 4 * Line 5)													

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**SUPPLEMENTAL TESTIMONY  
OF  
ROBERT C. RICE  
ON BEHALF OF  
DOMINION ENERGY NORTH CAROLINA  
BEFORE THE  
NORTH CAROLINA UTILITIES COMMISSION  
DOCKET NO. E-22, SUB 557**

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1   **Q.**    Please state your name, business address, and your position with Virginia  
2           Electric and Power Company (“Dominion Energy North Carolina” or the  
3           “Company”).

4    A.    My name is Robert C. Rice. I am Manager – Customer Rates for Dominion  
5           Energy North Carolina. My business address is One James River Plaza, 701  
6           East Cary Street, Richmond, Virginia 23219.

7   **Q.**    Did you previously file direct testimony and an exhibit in this  
8           proceeding?

9    A.    Yes. I prefiled direct testimony and Company Exhibit RCR-1, consisting of  
10          Schedules 1-7 on August 30, 2018, in support of the Company’s Application  
11          to recover all reasonable and prudent incremental Renewable Energy and  
12          Energy Efficiency Portfolio Standard (“REPS”) compliance costs through its  
13          updated Rider RP, as well as the Company’s experience modification factor  
14          (“EMF”) rider, Rider RPE (“Application”).

15   **Q.**    What is the purpose of your supplemental testimony in this proceeding?

16   A.    The purpose of my supplemental testimony is to support the updated Rider  
17          RPE revenue requirement presented by Company Witness Alan J. Moore and  
18          to develop updated Rider RPE rates, to be effective for usage on and after



1 February 1, 2019. I will also discuss the impact the revised rates will have on  
2 customer bills.

3 **Q. Mr. Rice, are you sponsoring any exhibits or schedules in connection with**  
4 **your supplemental testimony?**

5 A. Yes. Company Supplemental Exhibit RCR-1, consisting of updated  
6 Schedules 1 through 7, was prepared under my supervision and is accurate  
7 and complete to the best of my knowledge and belief.

8 **Q. Please summarize the revised rates that the Company is requesting the**  
9 **Commission approve through this supplemental filing.**

10 A. In addition to the Rider RP rates that were proposed in its August 30, 2018  
11 Application, the Company requests Commission approval of updated RPE  
12 rates as follows (all shown on a dollars per account basis):

<u>Customer Class</u>	<u>Rider RP</u> Customer Class Rate (unchanged)	<u>Rider RPE</u> Customer Class Rate (updated)	<u>Total Riders RP &amp; RPE</u> Customer Class Rate (updated)
Residential	\$ 0.34	\$0.09	\$ 0.43
Commercial	\$ 1.88	\$0.47	\$ 2.35
Industrial	\$ 12.63	\$3.26	\$15.89

13 These proposed Rider RP and Rider RPE rates are requested to be in effect for  
14 the 12-month period from February 1, 2019, through January 31, 2020, the  
15 proposed Rate Period.

16 **Q. Have you included the Company's updated Rider RPE in your**  
17 **Supplemental Schedule 7?**

1 A. Yes. Page 1 of my Supplemental Schedule 7 to Company Supplemental  
2 Exhibit RCR-1 presents an updated tariff sheet for the updated Rider RPE,  
3 which, if approved as proposed, would be applicable for usage on and after  
4 February 1, 2019.

5 **Q. Do the changes you have described affect either Rider RP or the Rider**  
6 **RPE for January 2019?**

7 A. No. The changes I have described impact only the Rider RPE rates for the  
8 Rate Period of February 1, 2019, through January 31, 2020. I am including  
9 the unchanged tariff sheets for the January 2019 Rider RPE and for Rider RP  
10 at Pages 2 and 3 of my Supplemental Schedule 7 for ease of reference,  
11 however, in addition to the updated Rate Period Rider RPE tariff sheet at Page  
12 1 of Supplemental Schedule 7.

13 **Q. Does this conclude your supplemental testimony?**

14 A. Yes, it does.

**Dominion Energy North Carolina**  
**Revenue Requirements for Riders RPE and RP**

Docket No. E-22, Sub 557

Company Supplemental Exhibit RCR-1  
Schedule 1  
Page 1 of 1

Line No.		Revenue Requirement	
1	Rider RPE Revenue Requirement	<b>\$768,667</b>	Exhibit AJM-1, Schedule 2
2	REPS Compliance Rider RPE Revenues	<b>\$555,778</b>	Exhibit AJM-1, Schedule 2
3	REPS Compliance Recovery (Line 1 - Line 2)	<b>\$212,889</b>	REPS EMF Rider RPE (over)/under recovery Exhibit AJM-1, Sched. 2
4	Rider RP Revenue Requirement	<b>\$826,817</b>	Exhibit AJM-1, Schedule 1
5	Total REPS Recovery	<b>\$1,039,706</b>	
6	Rider RPE - Cost of General RECs only	<b>\$193,500</b>	Exhibit GEH-2, Schedule 1 Wind
7	Rider RP - Cost of General RECs only	<b>\$138,000</b>	Exhibit GEH-2, Schedule 2 Wind
8	Rider RPE - All other costs	<b>\$575,167</b>	Line 1 Minus Line 6
9	Rider RP - All other costs	<b>\$688,817</b>	Line 4 Minus Line 7

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**Dominion Energy North Carolina**  
**Calculation incremental costs for the Initial EMF True Up Period**

Docket No. E-22, Sub 557

Company Supplemental Exhibit RCR-1  
 Schedule 2  
 Page 1 of 1

**RIDER RPE**

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
						All Costs other than for General RECS (V)*Total(VI)	Other than General RECS Annual Per- Account Charge (VI)/(II)
Line No.	Customer Class	Total Adjusted Number of Accounts*	Annual Rider Cap per Customer Class	Calculated Annual Revenue Cap (II)*(III)	Cost Cap Allocation Factor (IV)*Total(IV)		
1	Residential	103,079	\$ 27	\$ 2,783,133	50.81%	\$ 80,934	\$ 0.785
2	Commercial	17,565	\$ 150	\$ 2,634,750	48.10%	\$ 76,619	\$ 4.362
3	Industrial	60	\$ 1,000	\$ 60,000	1.10%	\$ 1,745	\$ 29.080
4	Total	120,704		\$ 5,477,883	100%	\$159,297	

GEH-1, Figure 2.2

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
								Gen'l REC Rev Req Allocated to Customer Class Based on Adjusted Cost Cap Allocation Factor (VII)*Total(VIII)	General REC Annual Per-Account Charge (VIII)/Number of Accounts
Line No.	Customer Class	General RECS obligation required for 2017 Compliance Year	Class allocation of total RECS obligation using cost cap allocation Factor.	REP Requirement Supplied by EE by Class**	% of EE REC Supplied by Class** (IV)/(II)	Number of RECs Required Net of EE (II)-(IV)	Adjusted Cost Cap Allocation Factor (VI)/Total(VI)		
5	Residential	124,987	50.81%	6,614	5.29%	118,373	52.02%	\$ 27,876	\$ 0.270
6	Commercial	118,323	48.10%	11,678	9.87%	106,645	46.86%	\$ 25,114	\$ 1.430
7	Industrial	2,695	1.10%	139	5.16%	2,556	1.12%	\$ 602	\$ 10.030
8	Total	246,004	100.00%	18,431	7.49%	227,573	100%	\$53,592	

GEH-1, Figure 1.3

GEH-1, Figure 1.3

\* Rate Year ending January 31, 2020 average projected number of account adjusted to remove "companion" accounts and "auxilliary" accounts.

\*\* REC Requirement supplied by EE credits are under the 25% Cap

Total EMF \$212,889

AJM-1, Schedule 2 page 1 of 3

Oct 15 2018

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## Dominion Energy North Carolina

Schedule 3

Page 1 of 1

**RIDER RPE**

	(I)	(II)	(III)	(IV)	(V)
Line No.	Customer Class	Annual RPE Per-Account Charge	Monthly RPE Per- Account Charge (II)/12	Regulatory Fee (III)*.001402	Total Monthly RPE Per-Account Charge (III)+(IV)
1	Residential	\$ 1.0556	\$ 0.0880	\$ 0.0001	\$ 0.0881
2	Commercial	\$ 5.7918	\$ 0.4826	\$ 0.0007	\$ 0.4833
3	Industrial	\$ 39.1102	\$ 3.2592	\$ 0.0046	\$ 3.2637

	(I)	(II)	(III)	(IV)
		Rounded Monthly RPE Per-Account Charge	Total Adjusted Number of Accounts*	Annual Revenue Including Regulatory Fee (II)*(III)*12
4	Residential	\$ 0.09	103,079	\$ 111,325
5	Commercial	\$ 0.47	17,565	\$ 99,067
6	Industrial	\$ 3.26	60	\$ 2,347
				\$ 212,739

\* Rate Year ending January 31, 2020 average projected number of account adjusted to remove "companion" accounts and "auxilliary"

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
Line No.	Customer Class	Total Adjusted Number of Accounts*	Annual Rider Cap per Customer Class	Calculated Annual Revenue Cap (II)*(III)	Cost Cap Allocation Factor (IV)*Total(IV)	All Costs other than for General RECS (V)*Total(VI)	Other than General RECS Annual Per- Account Charge (VI)/(II)
1	Residential	103,079	\$ 27	\$ 2,783,133	50.81%	\$ 349,965	\$ 3.395
2	Commercial	17,565	\$ 150	\$ 2,634,750	48.10%	\$ 331,307	\$ 18.862
3	Industrial	60	\$ 1,000	\$ 60,000	1.10%	\$ 7,545	\$ 125.745
4	Total	<u>120,704</u>		<u>\$ 5,477,883</u>	100%	<u>\$ 688,817</u>	

Exhibit No. RCR - 1

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
Line No.	Customer Class	General RECS obligation required for 2019 Compliance Year	Class allocation of total RECS obligation using cost cap allocation Factor.	REP Requirement Supplied by EE by Class**	% of EE REC Supplied by Class** (IV)/(II)	Number of RECS required net of EE (II)-(IV)	Adjusted Cost Cap Allocation Factor (VI)/Total(VI)	Gen'l REC Rev Req Allocated to Customer Class Based on Adjusted Cost Cap Allocation Factor (VII)*Total(VIII)	General REC Annual Per- Account Charge (VIII)/Number of Accounts
5	Residential	190,328	50.81%	6,615	3.48%	183,713	51.58%	\$ 71,179	\$ 0.691
6	Commercial	180,181	48.10%	11,678	6.48%	168,503	47.31%	\$ 65,285	\$ 3.717
7	Industrial	4,103	1.10%	139	3.39%	3,964	1.11%	\$ 1,536	\$ 25.598
8	Total	<u>374,612</u>	100.00%	<u>18,432</u>	4.92%	<u>356,180</u>	100%	<u>\$ 138,000</u>	

Fig. 1.7.1 of the Plan

Fig. 1.4.1 of the Plan

Exhibit No. RCR - 1

\* Rate Year ending January 31, 2020 average projected number of account adjusted to remove "companion" accounts and "auxilliary" accounts.

\*\* REC Requirement supplied by EE credits are under the 25% Cap

## Dominion Energy North Carolina

<b>RIDER RP</b>						
	(I)	(II)	(III)	(IV)	(V)	
Line No.	Customer Class	Annual RP Account Charge	Per- Monthly RP Per- Account Charge (II)/12	Regulatory Fee (III)*.001402	Total Monthly RP Per-Account Charge (III)+(IV)	
1	Residential	\$ 4.0856	\$ 0.3405	\$ 0.0005	\$ 0.3409	
2	Commercial	\$ 22.5786	\$ 1.8815	\$ 0.0026	\$ 1.8842	
3	Industrial	\$ 151.3434	\$ 12.6120	\$ 0.0177	\$ 12.6296	

	(I)	(II)	(III)	(IV)	
		Rounded Monthly RP Per-Account Charge	Total Adjusted Number of Accounts*	Annual Revenue Including Regulatory Fee (II)*(III)*12	
4	Residential	\$ 0.34	103,079	\$ 420,562	
5	Commercial	\$ 1.88	17,565	\$ 396,266	
6	Industrial	\$ 12.63	60	\$ 9,094	
				\$ 825,922	

\* Rate Year ending January 31, 2020 average projected number of account adjusted to remove "companion" accounts and "auxilliary"

**Dominion Energy North Carolina Retail Customers  
Total Monthly REPS Charges Per Customer  
To Be Effective February 1, 2019**

	(I)	(II)	(III)	(IV)	(V)	(VI)
<b>Line No.</b>	<b>Customer Class</b>	<b>Monthly Rider RPE per account charge</b>	<b>Monthly Rider RP per account charge</b>	<b>Total Monthly REPS per customer charge (II)+(III)</b>	<b>Total Adjusted Number of Accounts*</b>	<b>Annual Payment** (IV)*(V)*12</b>
1	Residential	\$ 0.09	\$ 0.34	\$ 0.43	103,079	\$ 531,888
2	Commercial	\$ 0.47	\$ 1.88	\$ 2.35	17,565	\$ 495,333
3	Industrial	\$ 3.26	\$ 12.63	\$ 15.89	60	\$ 11,441
						<u>\$ 1,038,661</u>

\* Rate Year ending January 31, 2020 average projected number of account adjusted to remove "companion" accounts and "auxilliary" accounts.

\*\*Includes regulatory fee.



RIDER RPE  
REPS EXPERIENCE MODIFICATION FACTOR  
(REPS EMF)

Service supplied to Dominion Energy North Carolina retail customers is subject to the Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”) monthly charge<sup>1</sup>. This Rider is not applicable to agreements for the Company’s Outdoor Lighting Rate Schedule 26, Traffic Control Rate Schedule 30T, companion rates such as Schedule 1W, Schedule 1DF or Schedule 7, or auxiliary accounts<sup>2</sup>. An auxiliary account is defined as a non-demand metered service at the same premise, with the same service address, and the same customer account name as an account for which a REPS charge has been applied.

<b>Rate Class</b>	<b>Dollars per Customer Charge Monthly Bill</b>
Residential Customer	\$ 0.09
Commercial Customer	\$ 0.47
Industrial Customer	\$3.26

<sup>1</sup> Monthly billing schedules will only be prorated if the number of days in the billing month is less than 26 or greater than 40.

<sup>2</sup> The Company can identify an account that qualifies as auxiliary service, not subject to this Rider, through the Company’s own research, or notification from the Customer. The Company will verify that such agreement is considered an auxiliary service, after which the Rider charge will not be applied to the auxiliary service account. The customer shall also be responsible for notifying the Company of any change in service that would no longer qualify the service as auxiliary.

RIDER RPE  
REPS EXPERIENCE MODIFICATION FACTOR  
(REPS EMF)

Service supplied to Dominion Energy North Carolina retail customers is subject to the Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”) monthly charge<sup>1</sup>. This Rider is not applicable to agreements for the Company’s Outdoor Lighting Rate Schedule 26, Traffic Control Rate Schedule 30T, companion rates such as Schedule 1W, Schedule 1DF or Schedule 7, or auxiliary accounts<sup>2</sup>. An auxiliary account is defined as a non-demand metered service at the same premise, with the same service address, and the same customer account name as an account for which a REPS charge has been applied.

<b>Rate Class</b>	<b>Dollars per Customer Charge Monthly Bill</b>
Residential Customer	\$ 0.00
Commercial Customer	\$ 0.00
Industrial Customer	\$0.00

<sup>1</sup> Monthly billing schedules will only be prorated if the number of days in the billing month is less than 26 or greater than 40.

<sup>2</sup> The Company can identify an account that qualifies as auxiliary service, not subject to this Rider, through the Company’s own research, or notification from the Customer. The Company will verify that such agreement is considered an auxiliary service, after which the Rider charge will not be applied to the auxiliary service account. The customer shall also be responsible for notifying the Company of any change in service that would no longer qualify the service as auxiliary.

RIDER RPRENEWABLE ENERGY & ENERGY EFFICIENCY PORTFOLIO STANDARD RIDER

Service supplied to Dominion Energy North Carolina retail customers is subject to the Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”) monthly charge<sup>1</sup>. This Rider is not applicable to agreements for the Company’s Outdoor Lighting Rate Schedule 26, Traffic Control Rate Schedule 30T, companion rates such as Schedule 1W, Schedule 1DF or Schedule 7, or auxiliary accounts<sup>2</sup>. An auxiliary account is defined as a non-demand metered service at the same premise, with the same service address, and the same customer account name as an account for which a REPS charge has been applied.

<b>Rate Class</b>	<b>Dollars per Customer Charge Monthly Bill</b>
Residential Customer	\$ 0.34
Commercial Customer	\$ 1.88
Industrial Customer	\$12.63

<sup>1</sup> Monthly billing schedules will only be prorated if the number of days in the billing month is less than 26 or greater than 40.

<sup>2</sup> The Company can identify an account that qualifies as auxiliary service, not subject to this Rider, through the Company’s own research, or notification from the Customer. The Company will verify that such agreement is considered an auxiliary service, after which the Rider charge will not be applied to the auxiliary service account. The customer shall also be responsible for notifying the Company of any change in service that would no longer qualify the service as auxiliary.

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing Supplemental Testimony and Exhibits of George E. Hitch, Alan J. Moore, and Robert C. Rice, filed in Docket No. E-22, Sub 557, were served electronically or via U.S. mail, first-class postage prepaid, upon all parties of record.

This the 15<sup>th</sup> day of October, 2018.

/s/Andrea R. Kells

Andrea R. Kells

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