

May 1, 2017

VIA ELECTRONIC DELIVERY

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
Dobbs Building
430 North Salisbury Street
Raleigh, North Carolina 27603-5918

**Re: *Historical Review of 2013 REPS Plan*
Docket Nos. E-100, Sub 137 & E-100, Sub 147**

Dear Ms. Jarvis:

Enclosed for filing is Virginia Electric and Power Company's ("Dominion" or "the Company") historical review of 2013 North Carolina Renewable Energy and Energy Efficiency Portfolio Standard Compliance Plan ("2013 REPS Plan"), as originally filed on August 30, 2013, in Docket No. E-100, Sub 137. The Company has reviewed its 2013 REPS Plan in accordance with the Commission's direction in Ordering Paragraph (3) of the June 3, 2013, *Order Granting in Part and Denying in Part Motion for Disclosure* issued in Docket No. E-100, Sub 137 ("2013 Disclosure Order"). The Company has determined that certain information redacted from the 2013 REPS Plan and originally filed confidentially under seal should no longer be withheld from public disclosure. However, information identifying renewable energy credit ("REC") contract counter-parties and REC pricing for active REC contracts remains commercially sensitive. Public disclosure of this information could potentially harm the Company's ability to negotiate and procure cost-effective RECs for future REPS compliance. Accordingly, the Company continues to designate this information as confidential trade secret information pursuant to N.C.G.S. § 132-1.2. The Company will make this information available to other parties pursuant to an appropriate nondisclosure agreement.

The Company notes that its determination regarding disclosure of prior trade secret information in its historical 2013 REPS Plan should not be considered a waiver of Dominion's right to continue its designation of similar information as confidential trade secret information in future REPS Compliance Plans and future historical REPS Compliance Plan confidentiality reviews. *See 2013 Disclosure Order* at 10, (holding that utility's determination that past REPS information is non-confidential information suitable for public disclosure does not constitute waiver of utility's right to claim same category of disclosed REPS information is confidential in future years).

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

Very truly yours,

s/ E. Brett Breitschwerdt

Enclosures

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May 01 2017

DOMINION NORTH CAROLINA POWER 2013 REPS COMPLIANCE PLAN

Pursuant to N.C.G.S. § 62-133.8 and North Carolina Utilities Commission (“NCUC” or “Commission”) Rule R8-67(b), Virginia Electric & Power Company d/b/a Dominion North Carolina Power (“DNCP” or the “Company”) submits its annual Renewable Energy and Energy Efficiency Portfolio Standard (“REPS”) Compliance Plan. The REPS Compliance Plan covers the current calendar year (2013) and immediately subsequent two calendar years (2014-2015) (the “Planning Period”). The Company also presents REPS compliance information for Town of Windsor during the Planning Period.¹ This North Carolina REPS Compliance Plan is an addendum to the Company’s 2013 Integrated Resource Plan update (“2013 Plan”).

As indicated in the Company’s REPS Compliance Report filed on August 29, 2013, the Company has satisfied all 2012 REPS compliance obligations.

1.1 RENEWABLE ENERGY REQUIREMENTS

An overview of North Carolina’s REPS requirements and Virginia’s Renewable Energy Portfolio Standard (“RPS”) goals are provided in Chapter 4, Section 4.3.1 of the Company’s 2013 Plan.

1.2 COMPLIANCE PLAN

In accordance with Rule R8-67(b)(i), the Company describes its planned actions to comply with N.C.G.S. 62-133.8 (b),(c),(d),(e), and (f) for each year.

The Company

During the Planning Period, DNCP plans to meet its statutory annual REPS obligations, as modified by the Commission², through the use of renewable energy certificates (“RECs”)³, energy efficiency (“EE”) savings and new company-generated renewable energy where economically feasible.

¹ Town of Windsor is a wholesale customer of the Company, for which DNCP provides REPS compliance services.

² The Commission issued an Order on November 29, 2012, which eliminated the Swine Waste Set-Aside for 2012 and delayed the Poultry Waste Set-Aside until 2013, in Docket No. E-100, Sub 113. *Order Modifying the Poultry and Swine Waste Set-Aside Requirements and Granting Other Relief*, Docket No. E-100, Sub 113 (Nov. 29, 2012) (“Nov. 29, 2012 Delay Order”).

³ For planning purposes, Dominion notes that the Company has unique flexibility to use out-of-state RECs for REPS compliance. *Order on Dominion’s Motion for Further Clarification*, Docket No. E-100, Sub 113 (Sept. 22, 2009) (holding that the meaning of N.C.G.S. § 62-133.8(b)(2)(e) is to allow DNCP to achieve up to 100% REPS general obligation and set-aside compliance using out-of-state RECs).

Figure 1.2.1 summarizes DNCP's REPS compliance requirements and strategy for the Planning Period.

Figure 1.2.1 2013-2015 COMPANY'S REPS COMPLIANCE PLAN SUMMARY

	2013	2014	2015
Baseline Sales Forecast (MWh)	4,174,888	4,029,770	4,085,517
NC Total REPs Requirement %	3%	3%	6%
Total REPS Target (MWh) ¹	123,436	125,247	241,787
NC Total Solar Target %	0.07%	0.07%	0.14%
Total Solar Target (MWh) ¹	2,881	2,923	5,642
NC Total Swine Target %	0.07%	0.07%	0.14%
Total Swine Target (MWh) ¹	2,881	2,923	5,642
NC Total Poultry Target %	3.22%	2.91%	2.90%
Total Poultry Target (MWh) ^{1,2}	5,474	20,370	26,100
General REPS Requirement (net of Solar, Swine and Poultry) (MWh)	112,200	99,031	204,403
Energy Efficiency (MWh) ³	21,488	25,059	30,101
Company Generated Renewables (MWh) ⁴	32,910	80,286	97,419

Notes: (1) 2013 target is based on actual 2012 retail sales of 4,114,540 MWh. 2014-2015 targets are based on baseline retail sales forecasts. The total target is the product of the previous year's baseline load and the current year target percentage. (2) Calculation may not equal due to rounding. (3) The EE savings represents a projected system allocation. It may be more appropriate to use specific EE savings attributable to North Carolina customers. (4) Company Generated Renewables (MWh) are the North Carolina jurisdictional allocation.

As shown in Figure 1.2.1, the Company's requirements in the Planning Period include the solar energy resource requirement ("Solar Set-Aside"), swine waste resource requirement ("Swine Set-Aside"), and poultry waste resource requirement ("Poultry Set-Aside"). In addition, the Company must also ensure that, in total, the RECs that it produces or procures, combined with energy efficiency savings, is an amount equivalent to three percent (3%) of its prior year retail sales in compliance years 2013 and 2014, and six percent (6%) in 2015 ("Total Obligation").⁴

⁴ DNCP refers to its Total Obligation, net of the Solar, Swine, and Poultry Set-Aside requirements, as its General Requirement ("General Requirement").

The Town of Windsor

Planned REPS compliance for Town of Windsor during the Planning Period is outlined in Figure 1.2.2.

Figure 1.2.2 2013-2015 TOWN OF WINDSOR REPS COMPLIANCE PLAN SUMMARY

	2013	2014	2015
Baseline Sales Forecast (MWh)	48,300	50,500	51,000
NC Total REPs Requirement %	3%	3%	6%
Total REPS Target (MWh) ¹	1,419	1,449	3,030
NC Total Solar Target %	0.07%	0.07%	0.14%
Total Solar Target (MWh) ¹	34	34	71
NC Total Swine Target %	0.07%	0.07%	0.14%
Total Swine Target (MWh)	34	34	71
NC Total Poultry Target % ¹	0.04%	0.04%	0.04%
Total Poultry Target (MWh) ¹	68	280	360
General REPS Requirement (net of Solar, Swine and Poultry) (MWh)	1,283	1,101	2,528

Notes: (1) 2013 target is based on actual 2012 retail sales of 47,275 MWh reported by the Town of Windsor to DNCP. 2014-2015 targets are based on forecasts reported by the Town of Windsor to DNCP. The total target is a product of the previous year's baseline retail sales and the current year target percentage.

Solar Set-Aside

Pursuant to N.C.G.S. § 62-133.8(d), the Company must produce or procure solar RECs equal to a minimum of seven hundredths of one percent (0.07%) of the prior year's total electric power in megawatt-hours ("MWh") sold to retail customers in North Carolina in 2013 and 2014, and fourteen hundredths of one percent (0.14%) in 2015.

Based on the Company's actual retail sales in 2012, the Solar Set-Aside is approximately 2,881 RECs in 2013. Based on forecasted retail sales, the Solar Set-Aside is projected to be approximately 2,923 RECs and 5,642 RECs in 2014 and 2015, respectively.

The Company's Solar Set-Aside compliance strategy is consistent with DNCP's plan from the previous years, as described herein. Specifically, DNCP plans to buy unbundled solar RECs. The Company has purchased, or entered into contracts to purchase, solar RECs for DNCP's compliance with N.C.G.S. § 62-133.8(d) through 2014. These contracts will provide enough solar RECs to satisfy DNCP's compliance for

the years 2013 and 2014 and approximately 35% of DNCP's requirements for 2015 through 2017. The Company has also executed contracts with solar facilities located in North Carolina that will satisfy the in-state portion of the Town of Windsor's compliance requirements for 2013 and 2014. DNCP continues to evaluate opportunities to purchase both in-state and out-of-state solar RECs, and will continue to make all reasonable efforts to satisfy DNCP's and Town of Windsor's solar set-aside requirements during the Planning Period.

Swine Set-Aside

Pursuant to N.C.G.S. § 62-133.8(e), for calendar years 2013, 2014, and 2015, at least seven hundredths of one percent (0.07%) of prior year total retail electric power sold in aggregate by electric power suppliers in North Carolina must be supplied by energy derived from swine waste. As the Company's share of the State's total retail megawatt-hour sales is approximately 3.22 percent, the Company's Swine Set-Aside is estimated to be 2,881 RECs in 2013, 2,923 RECs in 2014, and 5,642 RECs in 2015.

In an ongoing effort to comply with the Swine Waste Set-Aside, the Company has attempted to obtain swine waste RECs from facilities in Virginia, North Carolina and across the continental United States. The Company has also contacted digester owners and operators, hog producers and REC marketers/brokers to determine if any swine waste RECs are available for purchase. As a result of its search efforts for swine waste RECs in the marketplace and across the Nation, the Company has determined that swine waste-to-energy technology remains a relatively new technology and may not yet be commercially viable. Furthermore, a ready market for swine waste RECs has not yet developed. Based on this assessment, the Company has concluded that joining the collaborative Swine Waste REC Buyers Group was, and still is, the most cost effective and prudent approach to meet the Company's Swine Waste Set-Aside requirements. The Company joined the Swine Waste REC Buyers Group and continues to be an active participant in the group's efforts.

The Swine Waste REC Buyers Group executed seven (7) long-term contracts with a number of swine waste-to-energy developers. These contracts were expected to meet the Company's Swine Waste Set-Aside requirements until 2015 and a significant portion of ongoing Swine Waste Set-Aside requirements thereafter. Four (4) of these swine waste REC contracts were terminated in May and June 2012 due to consistent failure by the counter-party developers to meet project milestones and to demonstrate progress toward commercial operation. Because of these terminations, the Company is now conducting a new search for other swine waste REC suppliers in North Carolina and across the Nation. DNCP has spent considerable time and effort in an attempt to locate operational swine waste digesters in the continental United States. This exhaustive search has identified only one small potential supplier. The Company has initiated contract negotiations with this supplier.

In sum, DNCP continues to evaluate all potential opportunities to purchase both in-state and out-of-state swine RECs, and will continue to make all reasonable efforts to satisfy DNCP's and Town of Windsor's Swine Set-Aside requirements during the Planning Period.

Poultry Set-Aside

Pursuant to N.C.G.S. § 62-133.8(f) and the November 29, 2012 Delay Order, for calendar years 2013, 2014, and 2015, at least 170,000 MWhs, 700,000 MWhs, and 900,000 MWhs, respectively, of the prior year's total electric power sold to retail electric customers in the State or an equivalent amount of energy shall be produced or procured each year by poultry waste, as defined per the Statute and additional clarifying Orders. As the Company's retail sales share of the State's total retail megawatt-hour sales is approximately 3.22%, the Company's Poultry Set-Aside is estimated to be 5,474 RECs in 2013, 20,370 RECs in 2014, and 26,100 in 2015.

DNCP has worked actively and diligently to comply with its Poultry Set-Aside requirements for the Company and the Town of Windsor. The Company, after searching the REC market for available in-state RECs, concluded that joining the Poultry Waste REC Buyers Group was the most prudent way to meet the Town of Windsor's Poultry Set-Aside requirement.

The Poultry Waste REC Buyers Group has executed two (2) long-term poultry waste contracts and the Company, as a part of this group, has executed two (2) long-term contracts to satisfy the Town of Windsor's in-state Poultry Set-Aside requirements. These long-term contracts will not yield any RECs until 2017. In an attempt to locate and purchase poultry RECs for compliance before 2017, the Company joined with the Poultry Waste REC Buyers Group in requesting Commission approval for a RFP in Docket E-100 Sub 113. At this time, the Company does not believe it can meet the Town of Windsor's in-state poultry waste requirement for 2013-2015.

The Company has also continued to search for opportunities to purchase poultry waste RECs in North Carolina and throughout the continental United States. These efforts yielded two poultry waste REC contracts with enough volume to comply with both DNCP's and Town of Windsor's out-of-state requirements for years 2013, 2014 and to partially satisfy the 2015 requirement.

General REPS Requirements Net of Solar, Swine and Poultry

Pursuant to N.C.G.S. § 62-133.8(d), DNCP is required to comply with its Total Obligation in the Planning Period by submitting for retirement a total volume of RECs equivalent to three percent (3%) of retail sales in North Carolina in the prior year in 2013 and 2014 and six percent (6%) in 2015. This equates to approximately 123,436 RECs in 2013, 125,247 RECs in 2014, and 241,787 RECs in 2015. This General Requirement, net of

the Solar, Swine, and Poultry Set-Aside requirements, is estimated to be 112,200 RECs in 2013, 99,031 RECs in 2014, and 204,403 in 2015. The various resource options available to the Company to meet the General Requirement are discussed below, as well as the Company's plan to meet the General Requirement with these resources.

The Company plans to comply with the General Requirement using a combination of EE savings generated by the Company's portfolio of approved North Carolina EE programs; purchasing out-of-state wind RECs; using company-generated new renewable energy resources; and, for Town of Windsor, using its Southeastern Power Administration ("SEPA") allocation of hydroelectric RECs. .

In 2010, DNCP obtained Commission approval to deploy its first phase of EE Programs in North Carolina, as part of its broader efforts to integrate demand side management and EE resource options across the Company's system. Approved Phase I programs included the Commercial Lighting Program; Commercial HVAC Upgrade Program; Residential Lighting Program; Low Income Program. Very recently, on August 20, 2013, the Company also filed Applications to deploy six "Phase II" EE Programs in North Carolina as well as to reinstate its currently suspended Commercial Lighting Program and Commercial HVAC Upgrade Program in North Carolina only. Pending Phase II EE Programs include the Non-residential Energy Audit Program; Non-residential Duct Testing and Sealing Program; Residential Home Energy Check-Up Program; Residential Duct Testing & Sealing Program; Residential Heat Pump Tune-Up Program; and Residential Heat Pump Upgrade Program. Pursuant to Commission Rule R8-67(b)(1)(iii), the Company has presented in Figure 1.4.1 below these EE measures that it plans to use toward REPS compliance, including projected impacts.

The Company's 2013 Plan includes in the Preferred Plan, beginning in 2014, company-generated new renewable energy from biomass fuel co-firing at the Company's Virginia City Hybrid Energy Center (VCHEC), which commenced commercial operations in 2012, as well as biomass fuel conversions at the Altavista, Hopewell and Southampton power stations scheduled to commence commercial operations in the second half of 2013.⁵ The Company intends to sell RECs generated at these facilities in PJM Tier 1 markets at a significant premium to the out-of-state general RECs the Company is purchasing for compliance.

⁵ On February 7, 2013, DNCP filed its Rule R8-66 REPS Facility Registration Statement for VCHEC with the Commission in Docket No. E-22, Sub 489. The Company will file Rule R8-66 registration statements for the Altavista, Hopewell and Southampton Power Stations prior to relying on these facilities for REPS compliance.

1.3 REC CONTRACTS

In accordance with Rule R8-67(b)(ii), the Company provides a list of executed contracts to purchase renewable energy certificates.

As mentioned in the previous section, the Company has purchased wind, biomass, poultry waste and solar RECS and entered into long-term poultry waste, swine waste and solar REC contracts to comply with N.C.G.S. § 62-133.8(b), (d), (e), and (f). Figures 1.3.1 through 1.3.4 provide summaries of DNCP's REC purchase contracts. The Company will use a portion of out-of-state REC purchases to satisfy 25% of the Town of Windsor's compliance requirements.

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3.1 Solar REC Purchase Contract Summary¹

	Total Volume	Volume / Year	Term	Price / MWh	Total Expense
	15,000	2,500	2012-2017		
	729	729	2010	\$8.00	\$5,832
	392	392	2009	\$5.00	\$1,960
	4	4	2010	\$85.00	\$340
	4	4	2010	\$130.00	\$520
	50	50	2011	\$85.00	\$4,250
	2,000	1,000	2010-2011	\$11.00	\$22,000
	40	40	2012	\$50.00	\$2,000
	24	24	2012	\$40.00	\$960
Total Volume	18,243			Total Expense	

Notes: Contract counterparties and prices are confidential. (1) The Company plans to bank any surplus RECs from 2011 and 2012 for future compliance purposes. (2) Contracts for Town of Windsor compliance.

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3.2 Poultry Waste REC Purchase Contract Summary^{1,2}

	Total Volume	Volume / Year	Term	Price / MWh	Total Expense
	30,000	Varies	2013-2014	\$19.00	\$570,000
	25,000	25,000	2012	\$23.25	\$581,250
Total Volume	55,000			Total Expense	\$1,151,250

Notes: Contract counterparties and prices are confidential. (1) The Company plans to bank any surplus RECs from 2011 and 2012 for future compliance purposes. (2) The Company has also executed two (2) long-term contracts with Poultry Power USA for in-state RECs for Town of Windsor compliance.

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3.3 General REC Purchase Contract Summary¹

	Total Volume	Volume / Year	Term	Price / MWh	Total Expense
	30,000	30,000	2012	\$1.00	\$30,000
	20,000	20,000	2012	\$1.00	\$20,000
	20,000	20,000	2012	\$0.93	\$18,600
	1,000	1,000	2012	\$5.00	\$5,000
	42,400	42,400	2012	\$0.90	\$38,160
	25,600	25,600	2012	\$0.97	\$24,832
	25,000	25,000	2012	\$0.95	\$23,750
Total Volume	164,011			Total Expense	\$160,342

Notes: Contract counterparties and prices are confidential. (1) The Company plans to bank any surplus RECs from 2012 for future compliance purposes. (2) Contract for Town of Windsor compliance.

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3.4 Swine Waste REC Purchase Contract Summary

	Total Volume	Term	Price / MWh ²	Total Expense
	6,480	20		
	16,200	20		
	19,420	20		
Total Volume	42,100		Total Expense	

Notes: Contract counterparties and prices are confidential. (1) Reduced volumes in first year of contract. Volume / Year shows first full calendar year production. (2) Price escalates annually. Prices given are for initial year. Terminated contracts: Carolina Alternative Energy (5/11/12), ORS Biomass (6/5/12), HKT Biomass (6/5/12), Amber Clean Energy (5/25/12).

1.4 ENERGY EFFICIENCY PROGRAMS

In accordance with Rule R8-67(b)(iii), the Company provides a list of planned or implemented energy efficiency measures, including a brief description of the measure and projected impacts.

The Company intends to apply EE savings to meet the NC REPS requirements as permitted by law. Figure 1.4.1 lists the potential energy efficiency programs and resulting savings based on a projected system allocation. Depending on the outcome of the evaluation of operating EE programs exclusively in North Carolina, it may be more appropriate to use specific EE savings attributable to North Carolina customer participation. A brief description of these energy efficiency programs can be found in Section 3.2 of the 2013 IRP. The Company also intends to seek approval to deploy additional North Carolina EE programs in the future.

Figure 1.4.1 SAVINGS (MWh) NORTH CAROLINA ENERGY EFFICIENCY PROGRAMS

	2013	2014	2015
Commercial HVAC Upgrade Program ¹	356	356	356
Commercial Lighting Program ¹	5,899	5,899	5,899
Low Income Program	366	446	485
Residential Lighting Program	13,473	13,473	13,473
Non-residential Energy Audit Program ²	270	1,062	2,457
Non-residential Duct Testing and Sealing Program ²	279	913	1,747
Residential Home Energy Check-Up Program ²	38	128	246
Residential Duct Testing & Sealing Program ²	40	140	272
Residential Heat Pump Tune-Up Program ²	540	1,829	3,562
Residential Heat Pump Upgrade Program ²	228	815	1,605
Energy Efficiency Total³	21,488	25,059	30,101

Notes: (1) Programs proposed to be offered in North Carolina only. (2) Programs filed August 20, 2013, with Commission and pending approval; and (3) Energy Efficiency savings represent a projected system allocation. For REPS reporting and compliance purpose, DNCP will rely upon EE savings achieved by North Carolina customers.

1.5 RETAIL SALES & CUSTOMER ACCOUNTS

In accordance with Rule R8-67(b)(iv), the Company states the projected Company's North Carolina retail sales and year-end number of customer accounts by customer class for each year.

The Company

Figure 1.5.1 summarizes the Company's North Carolina retail sales and Figure 1.5.2 summarizes the year-end number of customer accounts by customer class for each year of the Planning Period.

Figure 1.5.1 COMPANY'S NORTH CAROLINA RETAIL SALES¹

Year	Residential Sales (MWh)	Commercial Sales (MWh) ²	Industrial Sales (MWh)	Total Sales (MWh)
2013 (projected)	1,638,118	1,025,774	1,510,995	4,174,887
2014 (projected)	1,604,849	949,426	1,475,495	4,029,770
2015 (projected)	1,626,192	976,678	1,482,647	4,085,517

Notes: (1) Excludes the Town of Windsor's wholesale customer load.

Figure 1.5.2 COMPANY'S NORTH CAROLINA CUSTOMER ACCOUNTS¹

Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
2013 (projected)	106,898	18,511	53	125,462
2014 (projected)	108,430	18,719	53	127,202
2015 (projected)	110,166	18,951	53	129,170

Notes: (1) Customer account totals are year-end forecasts. These differ slightly from Appendix 2F in the 2013 IRP which are average yearly amounts. Forecasts do not include Rate Schedules 1DF, 1W, 7, 26, 30T.

Town of Windsor

Figure 1.5.3 summarizes the Town of Windsor's retail sales and Figure 1.5.4 summarizes the year-end number of customer accounts by customer class for each year of the Planning Period.

Figure 1.5.3 TOWN OF WINDSOR'S RETAIL SALES¹

Year	Residential Sales (MWh)	Commercial Sales (MWh)	Industrial Sales (MWh)	Total Sales (MWh)
2013 (projected)	18,500	28,000	1,800	48,300
2014 (projected)	20,000	28,500	2,000	50,500
2015 (projected)	20,000	29,000	2,000	51,000

Note: (1) Sales are year-end forecasts reported by the Town of Windsor to DNCP.

Figure 1.5.4 TOWN OF WINDSOR'S CUSTOMER ACCOUNTS¹

Year	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
2013 (projected)	1,400	410	1	1,811
2014 (projected)	1,450	415	1	1,866
2015 (projected)	1,450	415	1	1,866

Notes: (1) Customer account totals are year-end forecasts reported by the Town of Windsor to DNCP.

1.6 AVOIDED COST RATES

In accordance with Rule R8-67(b)(v), the Company provides the following statement regarding the current and projected avoided cost rates for each year.

Figure 1.6.1 identifies DNCP's current avoided energy and capacity rates, as filed with the Commission in Docket No. E-100, SUB 127. Figure 1.6.2 identifies the Company's proposed avoided energy and capacity rates, as filed with the Commission in Docket No. E-100, SUB 136.

**Figure 1.6.1 CURRENT AVOIDED ENERGY AND CAPACITY COST
(from E-100 Sub 127)**

	On-Peak (\$/MWh)	Off-Peak (\$/MWh)	Capacity Price (\$/kW-Year)
2013	54.84	41.19	8.41
2014	60.13	45.22	18.27
2015	58.77	44.85	49.22

**Figure 1.6.2 PROPOSED AVOIDED ENERGY AND CAPACITY COST
(from E-100 Sub 136)**

	On-Peak (\$/MWh)	Off-Peak (\$/MWh)	Capacity Price (\$/kW-Year)
2013	43.35	32.35	8.41
2014	47.47	36.75	31.04
2015	52.24	41.47	48.12

1.7 TOTAL & PROJECTED COSTS

In accordance with Rule R8-67(b)(vi), the Company provides the projected total and incremental costs anticipated to implement REPS Compliance plan for each year of the Planning Period

The Company

The Company's Planning Period incremental costs to comply with the Solar Set-Aside, Swine Set-Aside, Poultry Set-Aside and other General Requirements are presented in Figure 1.7.1 below.

Figure 1.7.1 COMPANY'S REPS COMPLIANCE COST SUMMARY

Type of REC	2013	2014	2015
Solar			
Target (MWh)	2,881	2,923	5,642
REC Cost (\$/MWh) ¹	\$8.55	\$9.60	\$9.60
Projected Cost	\$24,633	\$28,061	\$54,163
Swine			
Target (MWh)	2,881	2,923	5,642
REC Cost (\$/MWh) ²	\$59	\$61.73	\$64.59
Projected Cost	\$171,247	\$180,437	\$364,417
Poultry			
Target (MWh)	5,474	20,370	26,100
REC Cost (\$/MWh) ³	\$23.25	\$23.07	\$19.00
Projected Cost	\$127,271	\$469,936	\$495,900
General RECs			
Target (MWh)	112,200	99,031	204,403
Less Energy Efficiency ⁴	21,488	25,059	30,101
Net Target	90,712	73,972	174,302
REC Cost (\$/MWh) ⁵	\$1	\$2	\$3
Projected Cost	\$90,712	\$147,944	\$522,907
Projected Administrative and Research Cost ^{6,7}	\$132,253	\$616,970	\$30,000
TOTAL PROJECTED COMPLIANCE COST	\$546,115	\$1,443,347	\$1,467,387

Notes: (1) Solar REC costs for 2013-2015 are from contracts listed in Figure 1.3.1. (2) Projected REC costs are based on single, signed contract with [Begin Confidential] [End Confidential]. (3) Projected REC costs are based on signed contracts listed in Figure 1.3.2. (4) Projected EE savings represents a projected system allocation. (5) 2013/2014 projected REC costs are based on market estimates, signed contracts and/or ongoing negotiations. (6) Administrative costs include, but are not limited to: NC-RETs fees, broker fees and miscellaneous expenses. (7) As permitted by NCGS § 62-133.8 (h)(1) and (4), DNCP plans to fund a North Carolina research and development (R&D) project in 2013 and 2014 with a total projected cost of \$699,223. This figure represents research project cost prior to receiving any offsetting tax credits.

The Town of Windsor

The Town of Windsor's projected Planning Period REPS costs are expected to consist of the sum of the costs required to comply with s Solar Set-Aside, Swine Set-Aside, Poultry Set-Aside and other General Requirements Figure 1.7.2 outlines the Town of Windsor's Compliance Cost Summary from 2013 to 2015.

Figure 1.7.2 TOWN OF WINDSOR'S COMPLIANCE COST SUMMARY

Type of REC	2013	2014	2015
Solar			
Target (MWh)	34	34	71
REC Cost (\$/MWh) ¹	\$70.00	\$35.00	\$20.00
Projected Cost	\$2,380	\$1,190	\$1,420
Swine			
Target (MWh)	34	34	71
REC Cost (\$/MWh) ¹	\$59.44	\$61.73	\$64.59
Projected Cost	\$2,021	\$2,099	\$4,586
Poultry			
Target (MWh)	68	280	360
REC Cost (\$/MWh) ²	\$23.25	\$23.07	\$19.00
Projected Cost	\$395	\$1,615	\$1,710
General REPs			
Target (MWh)	1,283	1,101	2,528
REC Cost (\$/MWh) ³	\$5.00	\$5.00	\$5.00
Projected Cost	\$6,415	\$5,505	\$12,640
TOTAL PROJECTED COMPLIANCE COST	\$11,211	\$10,409	\$20,356

Notes: (1) Solar and Swine REC costs are based on executed contracts. (2) Reflects cost of out-of-state RECs only. (3) 2013-2015 projected REC costs are based on market estimates, signed contracts and/or ongoing negotiations.

1.8 ANNUAL COST CAPS

In accordance with Rule R8-67(b)(vii), the Company provides the following comparison of projected costs to the annual cost caps contained in N.C.G.S. § 62-133.8(h)(4).

Figure 1.8.1 provides a comparison of the Company's projected costs to the annual cost caps for each year of the Planning Period. Compliance costs are allocated to the Customer Classes based on the percentage of each of the Customer Class Cost Caps to the Total Cost Cap.

Figure 1.8.1 COMPANY'S COMPARISSON TO ANNUAL CAPS

Compliance Year 2013	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Actual Year-End Annual Customers (2012)	101,085	17,369	50	118,504
Annual Cost Cap per Customer	\$12	\$150	\$1,000	-
Annual Cost Cap, Total	\$1,213,020	\$2,605,350	\$50,000	\$3,868,370
Projected Cost of Compliance¹	\$171,247	\$367,809	\$7,059	\$546,115

Compliance Year 2014	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Projected Year-End Annual Customers (2013)	106,898	18,511	53	125,462
Annual Cost Cap per Customer	\$12	\$150	\$1,000	-
Annual Cost Cap, Total	\$1,282,776	\$2,776,650	\$53,000	\$4,112,426
Projected Cost of Compliance¹	\$450,219	\$974,527	\$18,602	\$1,443,347

Compliance Year 2015	Residential Customers²	Commercial Customers	Industrial Customers	Total Customers
Projected Year-End Annual Customers (2014)	108,430	18,719	53	127,202
Annual Cost Cap per Customer	\$34	\$150	\$1,000	-
Annual Cost Cap, Total	\$3,686,620	\$2,807,850	\$53,000	\$6,547,470
Projected Cost of Compliance¹	\$826,228	\$629,282	\$11,878	\$1,467,387

Notes: (1) Projected costs were allocated to the customer classes based on customer percentage of total cost cap.

(2) The residential customer cost cap increases in 2015.

Figure 1.8.2 provides a comparison of the Town of Windsor's projected costs to the annual cost caps for each year of the REPS Compliance Plan.

Figure 1.8.2 TOWN OF WINDSOR'S COMPARISON TO ANNUAL CAPS

Compliance Year 2013	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Actual Year-End Annual Customers (2012)	1,387	407	1	1,795
Annual Cost Cap per Customer	\$12	\$150	\$1,000	-
Annual Cost Cap, Total	\$16,644	\$61,050	\$1,000	\$78,694
Projected Cost of Compliance¹	\$2,371	\$8,698	\$142	\$11,211

Compliance Year 2014	Residential Customers	Commercial Customers	Industrial Customers	Total Customers
Projected Year-End Annual Customers (2013)	1,400	410	1	1,811
Annual Cost Cap per Customer	\$12	\$150	\$1,000	-
Annual Cost Cap, Total	\$16,800	\$61,500	\$1,000	\$79,300
Projected Cost of Compliance¹	\$2,205	\$8,072	\$131	\$10,409

Compliance Year 2015	Residential Customers²	Commercial Customers	Industrial Customers	Total Customers
Projected Year-End Annual Customers (2014)	1,450	415	1	1,866
Annual Cost Cap per Customer	\$34	\$150	\$1,000	-
Annual Cost Cap, Total	\$49,300	\$62,250	\$1,000	\$112,550
Projected Cost of Compliance¹	\$8,916	\$11,259	\$181	\$20,356

Notes: (1) The Town of Windsor is to determine the allocation among the different customer classes. (2) The residential customer cost cap increases in 2015.

1.9 REPS RIDER

In accordance with Rule R8-67(b)(viii), the Company provides an estimate of the amount of the REPS rider and the impact on the cost of fuel and fuel-related costs rider necessary to fully recover the projected costs.

Figure 1.9.1 REPS Rider Costs

	2013	2014	2015
Total Projected REPS Compliance Costs	\$546,115	\$1,443,347	\$1,467,387
Costs recovered through the Fuel Rider	\$0	\$0	\$0
Total Incremental Cost	\$546,115	\$1,443,347	\$1,467,387
Annual REPS Rider - Residential	\$214,281	\$574,811	\$584,076
Annual REPS Rider - Commercial	\$134,181	\$340,057	\$350,792
Annual REPS Rider - Industrial	\$197,652	\$528,480	\$532,520
Projected Annual Cost Caps (REPS Rider)	\$3,868,370	\$4,112,426	\$6,547,470

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Historical Review of 2013 North Carolina Renewable Energy and Energy Efficiency Portfolio Standard Compliance Plan, as filed in Docket Nos. E-100, Sub 137 and E-100, Sub 147, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 1st day of May, 2017.

s/ E. Brett Breitschwerdt

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