



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

December 17, 2020

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. E-22, Sub 589

Dear Ms. Campbell:

The purpose of this letter is to provide the Commission with the results of the Public Staff's review of the costs of the portfolio of demand-side management and energy efficiency (DSM/EE) programs of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (the Company), incurred during the 12-month period ended December 31, 2019 (test year or 2019 program costs).

In his testimony filed on October 26, 2020, Public Staff witness Maness stated that the Public Staff's investigation included a review of the Company's filing, relevant prior Commission proceedings and orders, and workpapers and source documentation used by the Company to develop the proposed DSM/EE billing rates. The review included the selection and review of samples of source documentation for test year program costs included by the Company for recovery through the DSM/EE Rider. Evaluation of these samples was intended to test whether the actual costs included by the Company in the DSM/EE EMF billing rates were either valid costs of approved DSM and EE programs or administrative costs supporting those programs. Mr. Maness stated that the Public Staff was continuing to review certain data responses received from the Company prior to the date his testimony was prefiled, including documentation of costs selected for

Executive Director 733-2435	Communications 733-5610	Economic Research 733-2267	Legal 733-6110	Transportation 733-7766
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review in the Public Staff's samples; once this review was complete, the Public Staff would file the results with the Commission.

The Public Staff has now completed its review of test year program costs and has found no material differences between the program costs as filed by the Company and the costs as reflected in the supporting documentation examined. Therefore, as a result of the review, the Public Staff is of the opinion that the Company has done a good job overall preventing inappropriate costs from being recorded as DSM/EE program costs. Additionally, the Public Staff's review of the remaining data responses does not result in any further recommended adjustments for purposes of this proceeding.

Based on the completion of its review, the Public Staff recommends Commission approval of the proposed Rider C and Rider CE billing rates set forth in the Company's August 11, 2020 Application in this proceeding.

Sincerely,

Electronically Submitted

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cc: Parties of Record