

INFORMATION SHEET

PRESIDING: Commissioner Clodfelter, presiding; Chairman Finley and Commissioners Brown-Bland, Dockham, Patterson, Gray, and Mitchell

PLACE: Dobbs Building, Room 2115, Raleigh, NC

DATE: November 8, 2018

TIME: 9:50 a.m. – 9:59 a.m.

DOCKET NO.: E-22, Sub 557

COMPANY: Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina

DESCRIPTION: Application pursuant to G.S. § 62-133.8 and NCUC Rule R8-67 for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Rider.

VOLUME: 2

APPEARANCES

VIRGINIA ELECTRIC AND POWER COMPANY, d/b/a DOMINION ENERGY NORTH CAROLINA:

Andrea Kells, Esq.

Brett Breitschwerdt, Esq.

FOR THE USING AND CONSUMING PUBLIC:

Tim Dodge, Esq., Public Staff

WITNESSES

See attached.

EXHIBITS

See attached.

COPIES ORDERED: E-mail: Kells and Dodge

REPORTED BY: Kim Mitchell

TRANSCRIBED BY: Kim Mitchell

DATE TRANSCRIBED: November 30, 2018

TRANSCRIPT PAGES: 23

PREFILED PAGES: 63

TOTAL PAGES: 86

**FILED**

**DEC 05 2018**

**Clerk's Office  
N.C. Utilities Commission**

1	T A B L E O F C O N T E N T S	
2	E X A M I N A T I O N S	
3	DIRECT TESTIMONY and APPENDIX A OF	
4	GEORGE E. HITCH.....	12
5	DIRECT TESTIMONY and APPENDIX A OF	
6	ALAN J. MOORE.....	33
7	DIRECT TESTIMONY and APPENDIX A OF	
8	ROBERT C. RICE.....	41
9	SUPPLEMENTAL TESTIMONY OF	
10	GEORGE E. HITCH.....	51
11	SUPPLEMENTAL TESTIMONY OF	
12	ALAN J. MOORE.....	56
13	SUPPLEMENTAL TESTIMONY OF	
14	ROBERT C. RICE.....	62
15	SECOND SUPPLEMENTAL TESTIMONY OF	
16	GEORGE E. HITCH.....	66
17	AFFIDAVIT and APPENDIX A OF	
18	JENNY X. LI.....	71
19	AFFIDAVIT and APPENDIX A OF	
20	EVAN D. LAWRENCE .....	77
21		
22		
23		
24		

1	E X H I B I T S	
2	IDENTIFIED/ADMITTED	
3	Company Exhibit GEH-1 and	
4	Company Exhibit GEH-2, Schedules 1 and 2....	12/12
5	Company Exhibit AJM-1, Schedules 1 and 2....	33/33
6	Company Exhibit RCR-1, Schedules 1 - 7.....	41/41
7	Company Supplemental Exhibit GEH-2,	
8	Schedule 1.....	51/51
9	Company Supplemental Exhibit AJM-1,	
10	Schedule 2.....	56/56
11	Company Supplemental Exhibit RCR-1,	
12	Schedules 1 - 7.....	62/62
13	Company Second Supplemental	
14	Exhibit GEH-1.....	66/66
15	Exhibit DENC 1 and Exhibit DENC 2.....	70/70

16  
17  
18  
19  
20  
21  
22  
23  
24

(All confidential schedules and/or portions  
thereof are filed under seal)

**NORTH CAROLINA UTILITIES COMMISSION**  
**APPEARANCE SLIP**

DATE 11/18/2018  
DOCKET #: 822 - Sub. 5517  
NAME OF ATTORNEY Andrea Kells  
TITLE Counsel  
FIRM NAME McGuire Woods  
ADDRESS 434 Fayetteville St. Ste 2600  
CITY Raleigh NC  
ZIP 27613

**APPEARING FOR:** Dominion

**APPLICANT** ☒ **COMPLAINANT** \_\_\_\_\_ **INTERVENOR** \_\_\_\_\_  
**PROTESTANT** \_\_\_\_\_ **RESPONDENT** \_\_\_\_\_ **DEFENDANT** \_\_\_\_\_

PLEASE NOTE: Electronic copies of non-confidential transcripts can be obtained from the Commission's website by accessing the following link and entering the docket number.

<https://starw1.ncuc.net/NCUC/page/Dockets/portal.aspx>

☒ Yes, I would like an electronic copy of the transcript(s)

Email: akells@mcguirewoods.com  
(Required for distribution)

☒ Yes, I have signed the confidentiality agreement and would like an electronic copy of the confidential transcript(s)

**SIGNATURE REQUIRED FOR DISTRIBUTION OF ALL TRANSCRIPTS.**

Signature: akells@mcguirewoods.com

\*There will be a charge of \$5.00 for each transcript\*

OFFICIAL COPY

Dec 05 2018

NORTH CAROLINA UTILITIES COMMISSION  
APPEARANCE SLIP

DATE 11/8/18  
DOCKET #: E-22 Sub 557  
NAME OF ATTORNEY E. Brett Breithaupt  
TITLE Partner  
FIRM NAME McTigue Woods  
ADDRESS 434 Fayetteville St  
CITY \_\_\_\_\_  
ZIP \_\_\_\_\_

APPEARING FOR: Dominion Energy North Carolina

APPLICANT ☒ COMPLAINANT \_\_\_\_\_ INTERVENOR \_\_\_\_\_  
PROTESTANT \_\_\_\_\_ RESPONDENT \_\_\_\_\_ DEFENDANT \_\_\_\_\_

PLEASE NOTE: Electronic copies of non-confidential transcripts can be obtained from the Commission's website by accessing the following link and entering the docket number.

<https://starw1.ncuc.net/NCUC/page/Dockets/portal.aspx>

☐ Yes, I would like an electronic copy of the transcript(s)

Email: \_\_\_\_\_  
(Required for distribution)

☐ Yes, I have signed the confidentiality agreement and would like an electronic copy of the confidential transcript(s)

SIGNATURE REQUIRED FOR DISTRIBUTION OF ALL TRANSCRIPTS.

Signature: \_\_\_\_\_

\*There will be a charge of \$5.00 for each transcript\*

**NORTH CAROLINA UTILITIES COMMISSION**  
**PUBLIC STAFF - APPEARANCE SLIP**

DATE November 8, 2018 DOCKET #: E-22, Sub 557

PUBLIC STAFF MEMBER Tim R. Dodge

ORDER FOR TRANSCRIPT OF TESTIMONY TO BE **E-MAILED** TO THE  
PUBLIC STAFF - PLEASE INDICATE YOUR DIVISION AS WELL AS  
YOUR E-MAIL ADDRESS BELOW:

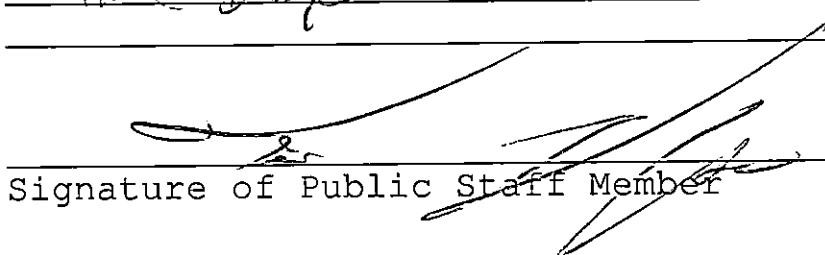
ACCOUNTING \_\_\_\_\_  
WATER \_\_\_\_\_  
COMMUNICATIONS \_\_\_\_\_  
ELECTRIC \_\_\_\_\_  
GAS \_\_\_\_\_  
TRANSPORTATION \_\_\_\_\_  
ECONOMICS \_\_\_\_\_  
LEGAL tim.dodge@psncuc.nc.gov  
CONSUMER SERVICES \_\_\_\_\_

**PLEASE NOTE:** Electronic Copies of the regular transcript can be obtained from the NCUC web site at <https://starw1.ncuc.net/NCUC/page/Dockets/portal.aspx> under the respective docket number.

1 Number of copies of confidential portion of regular transcript (assuming a confidentiality agreement has been signed). Confidential pages will still be received in paper copies.

**\*\*\*PLEASE INDICATE BELOW WHO HAS SIGNED A CONFIDENTIALITY AGREEMENT. IF YOU DO NOT SIGN, YOU WILL NOT RECEIVE THE CONFIDENTIAL PORTIONS!!!!**

Tim Dodge

  
Signature of Public Staff Member



**Dominion  
Energy®**

**Application, Direct Testimony  
and Exhibits of Virginia Electric  
and Power Company, d/b/a  
Dominion Energy North  
Carolina**

**Before the North Carolina Utilities  
Commission**

**In the Matter of  
Application by Virginia Electric and  
Power Company, d/b/a Dominion  
Energy North Carolina, for Approval  
of Renewable Energy and Energy  
Efficiency Portfolio Standard Cost  
Recovery Rider Pursuant to N.C.G.S.  
§ 62-133.8 and NCUC Rule R8-67**

**Docket No. E-22, Sub 557**

**Filed: August 30, 2018**

**PUBLIC VERSION**

**Dominion Energy North Carolina  
Application for Approval to Recover Renewable Energy  
and Energy Efficiency Portfolio Standard Compliance Costs**

**DOCKET NO. E-22, SUB 557**

**TABLE OF CONTENTS**

**Application**

**Direct Testimony of George E. Hitch**

Company Exhibit GEH-1, 2018 REPS Compliance Report for 2017 Compliance Year  
(confidential information redacted)

Company Exhibit GEH-2, Schedule 1 - Incremental Costs for July 1, 2017 – June 30,  
2018 EMF True Up Period (confidential information redacted)

Company Exhibit GEH-2, Schedule 2 - Incremental Costs for Rate Period February 1,  
2019 – January 31, 2020 (confidential information redacted)

**Direct Testimony of Alan J. Moore**

Company Exhibit AJM-1, Schedule 1 - Revenue Requirement (Rider RP) For the Rate  
Period February 1, 2019 – January 31, 2020 (confidential information redacted)

Company Exhibit AJM-1, Schedule 2 – Experience Modification Factor (Rider RPE)  
Revenue Requirement for the Test Period July 1, 2017 – June 30, 2018 (confidential  
information redacted)

**Direct Testimony of Robert C. Rice**

Company Exhibit RCR-1, Schedule 1 – Revenue Requirements for Riders RPE and RP

Company Exhibit RCR-1, Schedule 2 – Calculation of Incremental Costs per Customer  
for the EMF True Up Period

Company Exhibit RCR-1, Schedule 3 – Calculation of Rider RPE

Company Exhibit RCR-1, Schedule 4 – Calculation of Incremental Costs per Customer  
Class for the Rate Period

Company Exhibit RCR-1, Schedule 5 – Calculation of Rider RP

Company Exhibit RCR-1, Schedule 6 – Total Monthly per Customer REPS Charges

Company Exhibit RCR-1, Schedule 7 – Rider RP and Rider RPE

**OFFICIAL COPY  
OFFICIAL COPY**

**Aug 30 2018  
Dec 05 2018**



**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-22, SUB 557

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, for Approval of Renewable Energy and Energy Efficiency Portfolio Standard Cost Recovery Rider Pursuant to G.S. 62-133.8 and Commission Rule R8-67	)
	) APPLICATION FOR APPROVAL
	) OF REPS COST RECOVERY RIDER
	) AND 2018 REPS COMPLIANCE
	) REPORT
	)

Pursuant to North Carolina General Statutes ("N.C.G.S") § 62-133.8 and Rule R8-67 of the Rules and Regulations of the North Carolina Utilities Commission ("NCUC" or the "Commission"), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina ("Dominion Energy North Carolina" or the "Company"), by counsel, hereby applies to the Commission for approval of its annual Renewable Energy and Energy Efficiency ("REPS") cost recovery riders, Riders RP and RPE, as further described herein ("Application"). Through this Application, Dominion Energy North Carolina also requests Commission approval of the Company's 2018 REPS Compliance Report for calendar year 2017 REPS compliance, being filed herewith as Company Exhibit GEH-1 attached to the direct testimony of Company Witness George E. Hitch.

In support thereof, the Company respectfully asserts as follows:

1. The Company is a public utility operating in the State of North Carolina as Dominion Energy North Carolina and is engaged in the business of generating, transmitting, distributing, and selling electric power and energy to the public for compensation. As such, the Company's operations in the State are subject to the jurisdiction of the Commission. The Company is also a public utility under the Federal

OFFICIAL COPY  
OFFICIAL COPY

Aug 30 2018  
Dec 05 2018

Power Act, and certain of its operations are subject to the jurisdiction of the Federal Energy Regulatory Commission. The Company is a wholly-owned subsidiary of Dominion Energy, Inc. Dominion Energy North Carolina serves approximately 120,000 customers in North Carolina, with a service territory of about 2,600 square miles in northeastern North Carolina, including Roanoke Rapids, Albemarle, Ahoskie, Elizabeth City, and the Outer Banks. The Company serves major industrial facilities, as well as commercial, governmental, and residential customers. The post office address of Dominion Energy North Carolina is P.O. Box 26666, Richmond, Virginia 23261.

2. The attorneys for the Company are:

Lisa S. Booth  
Horace P. Payne, Jr.  
Dominion Energy Services, Inc.  
Legal Department  
120 Tredegar Street, RS-2  
Richmond, Virginia 23219  
(804) 819-2288 (LSB phone)  
(804) 819-2682 (HPP phone)  
lisa.s.booth@dominionenergy.com  
horace.p.payne@dominionenergy.com

E. Brett Breitschwerdt  
Andrea R. Kells  
McGuireWoods LLP  
434 Fayetteville Street, Suite 2600  
Raleigh, North Carolina 27601  
(919) 755-6563 (EBB Phone)  
(919) 755-6614 (ARK Phone)  
bbreitschwerdt@mcguirewoods.com  
akells@mcguirewoods.com

Copies of all pleadings, testimony, orders, and correspondence in this proceeding should be served upon the attorneys listed above.

3. Session Law 2007-397 (“Senate Bill 3”) established annual renewable energy compliance obligations starting in 2010 for all electric power suppliers providing retail service in North Carolina. These obligations are codified in N.C.G.S. § 62-133.8(b), (c),<sup>1</sup> (d), (e), and (f). N.C.G.S. § 62-133.8(h)(1) also establishes that electric power suppliers, including Dominion Energy North Carolina, shall be allowed to recover their reasonable and prudent “incremental costs” incurred to comply with their REPS obligations and any similar future federal mandate, as well as to fund research that encourages the development of renewable energy, energy efficiency, and improved air quality, up to \$1,000,000 per year. Subsection (h)(5) of this statute directed the Commission to establish a procedure for the annual assessment of the per-account charges to allow for timely recovery of all reasonable and prudent costs of compliance with the REPS requirements and funding of eligible research. N.C.G.S. § 62-133.8(h)(5).

4. Senate Bill 3 also established a cost containment framework for REPS cost recovery, providing that electric power suppliers shall be allowed to expend and recover all such reasonable and prudent incremental REPS compliance costs and the funding of qualifying research through an annual rider up to the per-account annual charges specified in Subsection (h)(4) of the statute. Specifically, this subsection, as amended by Session Law 2017-192 enacted on July 27, 2017, provides that electric public utilities’ incremental REPS costs for 2015 and after shall not exceed the following per-account charges: \$27.000 per Residential account; \$150.00 per Commercial account; and \$1,000.00 per Industrial account.

---

<sup>1</sup> The compliance obligation set forth in N.C.G.S. § 62-133.8(c) does not apply to Dominion Energy North Carolina. However, the Company has committed to provide REPS compliance for the Town of Windsor, a full requirements customer of the Company, which is subject to the requirements of this subsection.

5. Commission Rule R8-67 was adopted in February 2008<sup>2</sup> to implement the legislature's mandate that the Company and the other electric power suppliers achieve compliance with the annual REPS requirements and to provide for timely recovery of the incremental costs incurred by the respective utilities to achieve such compliance up to the per-account cost caps. The Commission also established annual reporting requirements for the electric power suppliers to annually verify REPS compliance for the prior annual compliance period, and to inform the Commission on their future REPS compliance planning. *See* Commission Rule R8-67(c) and (b), respectively.

6. Rule R8-67(c) and (e) provide for the Commission to conduct an annual proceeding for each electric public utility to review the utility's costs to comply with N.C.G.S. § 62-133.8 and to establish the electric public utility's annual rider to recover such costs in a timely manner. The Commission shall also establish an experience modification factor ("EMF") to collect the difference between the electric public utility's actual reasonable and prudent incremental REPS costs incurred and the actual revenues received during the annual test period. Rule R8-67(c) further provides that the Commission shall consider each electric public utility's REPS compliance report at the hearing provided for in Rule R8-67(e) and shall determine whether the electric public utility has complied with N.C.G.S. § 62-133.8(b), (d), (e) and (f).

7. According to Rules R8-67(c) and (e), the electric public utility is to file its application for recovery of its REPS costs, as well as its REPS compliance report, at the same time it files the information required by Rule R8-55, and the Commission is to conduct an annual rider hearing as soon as practicable after the hearing required by Rule

---

<sup>2</sup> *In the Matter of Rulemaking Proceeding to Implement Session Law 2007-397*, Order Adopting Final Rules, Docket No. E-100, Sub 113 (Feb. 28, 2013).

R8-55. Rule R8-67 also provides that the electric public utility shall annually use the same test period as used in its annual R8-55 fuel proceeding (unless otherwise ordered by the Commission), and shall also recover its REPS costs through a fixed cost recovery period. Rule R8-67(e)(3)-(4). Therefore, and as discussed in Company Witness Hitch's direct testimony, in previous years, the Company has proposed Rider RP rates to be effective for a calendar year rate period, consistent with the rate period previously used for fuel factor riders under Rule R8-55. Based on discussions with the Public Staff following the conclusion of the Company's 2017 rider proceedings, the Company is proposing for updated Riders RP and RPE to be effective for a February 1, 2019 through January 31, 2020 rate period, and is proposing the same adjustment in its cost recovery rider applications filed pursuant to Rules R8-55 and R8-69. The Company is requesting this adjustment to the annual rate period in order to extend the time for the Commission to issue orders in the Company's three annual rider proceedings filed pursuant to NCUC Rules R8-55, R8-67, and R8-69, respectively, and to then allow the Company additional time to finalize rates and customer notices (including allowing reasonable time for Public Staff review) prior to the updated annual riders' effective date. The Company intends to continue to use a February 1 through January 31 rate period in future rider cases. The annual Rule R8-55 historical EMF test period is the preceding July 1 to June 30 period.

8. Pursuant to the provisions of N.C.G.S. § 62-133.8 and Rule R8-67(e), the Company requests approval of its updated REPS Rider, Rider RP, to recover its reasonable and prudent incremental REPS costs projected to be incurred during the February 1, 2019 – January 31, 2020 rate period, \$826,817, as well as its updated EMF Rider, Rider RPE, to recover all of Dominion Energy North Carolina's reasonable and

prudently-incurred REPS compliance costs during the EMF test period, \$278,308.

Combined, Rider RP and the EMF rider, Rider RPE, are intended to allow the Company to recover \$1,105,125 of incremental REPS costs during the February 1, 2019 – January 31, 2020 rate period.

9. Pursuant to N.C.G.S. § 62-133.8 and Rule R8-67(e), the Company requests Commission approval of annual Rider RP billing adjustments of \$0.34 per month for Residential Customers; \$1.88 per month for Commercial Customers; and \$12.63 per month for Industrial Customers. The Company also requests Commission approval of annual Rider RPE billing adjustments of \$0.12 per month for Residential Customers; \$0.60 per month for Commercial Customers; and \$4.26 per month for Industrial Customers. Rider RP and Rider RPE are proposed to become effective February 1, 2019.

10. Pursuant to Rule R8-69(e)(8) and Rule R8-27, the Company requests approval to defer prudently-incurred costs to FERC Account 182.3, "Other Regulatory Assets," until recovered. This includes the deferral of the difference between actual reasonable and prudently-incurred incremental costs and the related revenues realized under rates in effect.

11. In support of the requested change in rates, the Company has attached hereto, as required by Rule R8-67(c)(2) and (e), the direct testimony and exhibits of Company Witnesses George E. Hitch, Alan J. Moore, and Robert C. Rice.

WHEREFORE, Dominion Energy North Carolina respectfully requests that the Commission approve the changes to its rates as set forth in Paragraph nine (9) above,

finding them just and reasonable, and approve the Company's 2018 REPS Compliance Report.

Respectfully submitted, this the 30<sup>th</sup> day of August, 2018.

DOMINION ENERGY NORTH CAROLINA

By: /s/Andrea R. Kells

Counsel

Lisa S. Booth  
Horace P. Payne, Jr.  
Dominion Energy Services, Inc.  
Legal Department  
120 Tredegar Street, RS-2  
Richmond, Virginia 23219  
(804) 819-2288 (LSB phone)  
(804) 819-2682 (HPP phone)  
lisa.s.booth@dominionenergy.com  
horace.p.payne@dominionenergy.com

E. Brett Breitschwerdt  
Andrea R. Kells  
McGuireWoods LLP  
434 Fayetteville Street, Suite 2600  
Raleigh, North Carolina 27601  
(919) 755-6563 (EBB Phone)  
(919) 755-6614 (ARK Phone)  
bbreitschwerdt@mcguirewoods.com  
akells@mcguirewoods.com

*Counsel for Virginia Electric and Power  
Company, d/b/a Dominion Energy North  
Carolina*

OFFICIAL COPY  
OFFICIAL COPY

Aug 30 2018  
Dec 05 2018

**OFFICIAL COPY**  
**OFFICIAL COPY**

**Aug 30 2018**  
**Dec 05 2018**

Thomas P. Wohlfarth  
Thomas P. Wohlfarth

)

)

Denise Ann Sunstall  
Notary Public

April 30, 2020





McGuireWoods LLP  
434 Fayetteville Street  
Suite 2600  
PO Box 27507 (27611)  
Raleigh, NC 27601  
Phone: 919.755.6600  
Fax: 919.755.6699  
www.mcguirewoods.com

Andrea R. Kells  
Direct: 919.755.6614

**McGUIREWOODS**

DENC Exhibit 2  
IIA

akells@mcguirewoods.com

OFFICIAL COPY  
OFFICIAL COPY

November 2, 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:

With this letter, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina ("DENC" or the "Company") advises the North Carolina Utilities Commission ("Commission") that the Company is not filing rebuttal testimony in this proceeding. On October 19, 2018, the Public Staff filed the affidavits of Evan D. Lawrence and Jenny X. Li describing the Public Staff's investigation of the Company's requests for cost recovery and for approval of its 2018 REPS Compliance Report as filed in this docket on August 30, 2018. The Public Staff's affiants recommended that the Commission approve Riders RP and RPE as proposed in the Company's Application and approve the 2018 REPS Compliance Report. On October 30, 2018, the Public Staff filed the revised affidavit of Mr. Lawrence, which maintained the recommendation for approval. In light of the Public Staff's recommendations, the Company is filing this letter in lieu of rebuttal testimony in this proceeding.

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

cc: Parties of Record

Nov 02 2018  
Dec 05 2018

### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Letter in Lieu of Rebuttal Testimony, as filed in Docket No. E-22, Sub 557, was served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 2<sup>nd</sup> day of November, 2018.

/s/Andrea R. Kells

Andrea R. Kells  
McGuireWoods LLP  
434 Fayetteville Street, Suite 2600  
PO Box 27507 (27611)  
Raleigh, North Carolina 27601  
(919) 755-6614 Direct  
akells@mcguirewoods.com

*Attorney for Virginia Electric and Power  
Company, d/b/a Dominion Energy North  
Carolina*

OFFICIAL COPY  
OFFICIAL COPY

Nov 02 2018  
Dec 05 2018

I/A

OFFICIAL COPY  
OFFICIAL COPY

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. E-22, SUB 557

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	2018	REPS	COMPLIANCE
Dominion Energy North Carolina	)	REPORT OF DOMINION ENERGY		
REPS Compliance Report Pursuant	)	NORTH CAROLINA	FOR	
to Rule R8-67(c)	)	CALENDAR YEAR 2017		

Pursuant to North Carolina General Statute ("N.C.G.S.") § 62-133.8 and Rule R8-67(c) of the Rules of the North Carolina Utilities Commission ("Commission"), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina ("Dominion Energy North Carolina" or the "Company"), hereby files its 2018 North Carolina Renewable Energy and Energy Efficiency Portfolio Standards ("NC REPS") Compliance Report for calendar year 2017.

As required by Rule R8-67(c)(1), each year, each electric power supplier shall file with the Commission a report describing the electric power supplier's compliance with the requirements of N.C.G.S. § 62-133.8(b), (c),<sup>1</sup> (d), (e), and (f) during the previous calendar year. The elements of the Company's 2018 NC REPS Compliance Report for calendar year 2017 are stated below and correspond to the items listed in Rule R8-67(c)(1).

As demonstrated by this Report, the Company achieved its 2017 REPS compliance requirements by satisfying the solar carve-out requirement, the poultry waste carve-out, and the general REPS requirement.<sup>2</sup> The Company also satisfied the solar requirement, poultry requirement, and general REPS requirement for the Town of Windsor, a wholesale customer.

*(i) Provide the sources, amounts, and costs of renewable energy certificates, by source, used to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f). Renewable energy*

---

<sup>1</sup> The compliance obligation set forth in N.C.G.S. § 62-133.8(c) does not apply to electric public utilities, such as Dominion Energy North Carolina. However, the Company has committed to provide REPS compliance services for the Town of Windsor, a full requirements customer of the Company, which is subject to the requirements of this subsection.

<sup>2</sup> On October 16, 2017, the Commission issued an Order delaying the initial Swine Waste Set-Aside requirement until 2018 and delaying the scheduled increase in the poultry requirement by one year. *Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief*, Docket No. E-100, Sub 113 (October 16, 2017) ("2017 Delay Order").

Aug 30 2018  
Dec 05 2018

*certificates for energy efficiency may be based on estimates of reduced energy consumption through the implementation of energy efficiency measures, to the extent approved by the Commission;*

**Status:** As the Commission has previously confirmed, N.C.G.S. § 62-133.8(b)(2)(e) provides that Dominion Energy North Carolina may use unbundled out-of-state RECs to meet some or all of the Company's NC REPS requirements.<sup>3</sup> With regard to the Town of Windsor's compliance obligations, 75% of its general obligation and set-aside REPS requirements must be satisfied by renewable power or RECs generated from in-state facilities.

The Company purchased unbundled out-of-state poultry waste RECs, out-of-state wind RECs, and in-state and out-of-state solar RECs to comply with its 2017 NC REPS requirements. In addition, the Company is using energy efficiency ("EE") savings created by Commission-approved EE programs for 2017 compliance. The Company also purchased sufficient in-state and out-of-state solar RECs, poultry waste RECs, and biomass RECs for the Town of Windsor.

Figure 1.1 shows RECs to be retired for 2017 compliance with the solar set-aside REPS requirement for the Company, as well as for the Town of Windsor. Figure 1.2 shows poultry waste RECs to be retired for 2017 compliance with the poultry waste set-aside REPS requirement for the Company, as well as for the Town of Windsor. Figure 1.3 shows the wind, biomass, energy efficiency, and hydro RECs to be retired for 2017 compliance with the general REPS requirement for the Company, as well as for the Town of Windsor.

**CONFIDENTIAL INFORMATION REDACTED**

**Figure 1.1 RECs Used for 2017 Solar Set-Aside Compliance**

	Quantity	Price / MWh	REC Cost
<b>For DENC (Requirement)</b>	<b>6,012</b>		
	771		
	2,500		
	1,329		
	1,412		
<b>For Town of Windsor (Requirement)</b>	<b>69</b>		
	52		
	17		
<b>Total Volume</b>	<b>6,081</b>	<b>Total REC Cost</b>	<b>\$32,846.25</b>

<sup>3</sup> *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 Dominion Energy North Carolina to achieve up to 100% REPS general obligation and set-aside compliance using out-of-state RECs).

CONFIDENTIAL INFORMATION REDACTED

Figure 1.2 RECs Used for 2017 Poultry Waste Set-Aside Compliance

	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	5,628		
	5,628		
For Town of Windsor (Requirement)	65		
	16		
	16		
	10		
	23		
<b>Total Volume</b>	<b>5,693</b>	<b>Total REC Cost</b>	<b>\$134,441.18</b>

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3 RECs Used for 2017 General REPS Compliance

	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	246,004		
	17,417		
	8,519		
	9,693		
	3,785		
	188,159		
DENC Energy Efficiency <sup>1</sup>	18,431	N/A <sup>2</sup>	N/A <sup>2</sup>
For Town of Windsor (Requirement)	2,805		
	247		
	1,858		
	700		
<b>Total Volume</b>	<b>246,704</b>	<b>Total REC Cost</b>	<b>\$74,788.83</b>

- 1) Vintage 2017 energy efficiency credits ("EECs") are derived from Appendix C of the Company's 2018 Evaluation, Measurement, and Verification Report, as filed in Docket No. E-22, Sub 545, on May 1, 2018.  
2) The cost of EECs is based upon the Company's EE program deployment cost approved annually by the Commission for recovery pursuant to N.C.G.S. § 62-133.9.

ii) *Provide the actual North Carolina retail sales and year-end number of customer accounts by customer class;*

**Status:** The following figures are based on the actual Dominion Energy North Carolina retail sales and year-end number of customer accounts by customer class as of December 31, 2017.<sup>4</sup>

Actual North Carolina Retail Sales:	4,167,444MWh
Residential Customer Accounts:	102,620
Commercial Customer Accounts:	18,088
Industrial Customer Accounts:	<u>51</u>
Total Accounts:	120,759

In addition, the Company has a full requirement contract with the Town of Windsor, and its actual retail sales were 46,928 MWh for calendar year 2017 (as reported to the Company by the Town of Windsor).

(iii) *Current avoided cost rates and the avoided cost rates applicable to energy received pursuant to long-term power purchase agreements are discussed below;*

**Status:** The Company's most recently approved Schedule 19 avoided cost rates that would be generally applicable to energy received pursuant to renewable power purchase agreements were approved by the Commission in Docket No. E-100, Sub 148.<sup>5</sup> However, no long-term power purchase agreements have been entered into to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e), or (f), so Dominion Energy North Carolina's avoided costs are not required to determine its incremental costs of 2017 REPS compliance.

(iv) *Provide the Company's actual total and incremental costs during the calendar year incurred to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f);*

**Status:** Figure 2.1 shows the Company's actual total and incremental REPS compliance costs incurred during calendar year 2017 were comprised of the following: purchasing various types of RECs, as well as other reasonable and prudent incremental direct costs.

---

<sup>4</sup> Pursuant to the Commission's *Order Clarifying Electric Power Suppliers' Annual REPS Requirements* in Docket No. E-100, Sub 113 (November 26, 2008), each year's solar, swine waste, and poultry waste set aside requirements are based on the previous year's actual sales. The Company's actual 2016 sales were 4,294,053 MWh. The Town of Windsor's actual 2016 sales were 48,968MWh.

<sup>5</sup> *Order Establishing Standard Rates and Contract Terms for Qualifying Facilities*, Docket No. E-100, Sub 148 (Oct. 11, 2017).

For the Town of Windsor, the Company incurred costs of approximately \$6,100 during calendar year 2017. Since the Company is purchasing unbundled RECs, actual and incremental compliance costs are the same.

**Figure 2.1 DENC Total Costs**

	REC Purchases	Direct	Total Costs
Actual Total Compliance Costs	\$200,193.58	\$34,070.42	\$234,264.00
Actual Total Avoided Costs	-	-	-
Actual Incremental Costs	\$200,193.58	\$34,070.42	\$234,264.00

*(v) Provide a comparison of the actual incremental costs incurred during the calendar year to the per-account annual charges (in N.C.G.S. § 62-133.8(h)(4)) applied to its total number of customer accounts as of December 31 of the previous calendar year;*

**Status:** Dominion Energy North Carolina determined the number of year-end 2016 customer accounts by customer class. The year-end number of customer accounts was then multiplied by the per-account charges set forth in N.C.G.S. § 62-133.8(h)(4) to calculate the cost cap by customer class and in the aggregate. The Company then allocated its share of the incremental costs based upon the customer class' pro rata share of the aggregate cost cap.

**Figure 2.2 DENC Customers**

	Total 2016 Year-End Retail Accounts	2017 Per-Account Cost Cap	Total Annual Cost Cap	Actual Incremental Costs
<b>Account Type</b>				
Residential	102,258	\$27.00	\$2,760,966.00	\$117,607.29
Commercial	17,911	\$150.00	\$2,686,650.00	\$114,441.70
Industrial	52	\$1,000.00	\$52,000.00	\$2,215.01
<b>Total</b>	<b>120,221</b>	<b>Total</b>	<b>\$5,499,616.00</b>	<b>\$234,264.00</b>

(vi) Discuss the status of compliance with the requirements of N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f);

**Status:**

**Solar REPS requirements of N.C.G.S. § 62-133.8(d).** The Company has complied with the N.C.G.S. § 62-133.8(d) solar set-aside requirement for 2017 through the purchases of 6,012 solar RECs, representing 0.14% of its 2016 retail megawatt hour sales of 4,294,053. The Company also purchased 69 qualifying solar RECs on behalf of the Town of Windsor, representing 0.14% of the Town of Windsor's 2016 retail megawatt hour sales of 48,968.

**Swine Waste Set-Aside requirements of N.C.G.S. § 62-133.8(e).** Through the 2017 Delay Order, the Commission delayed the Company's and the Town of Windsor's 2017 swine waste set-aside compliance obligation by one (1) year. However, as directed by Ordering Paragraph 7 of both the 2012 and 2013 Delay Orders, Dominion Energy North Carolina has continued to take all reasonable actions to purchase any available swine RECs. In addition, the Company filed Semiannual Progress Reports as required by Ordering Paragraph 3 of the 2015 Delay Order.<sup>6</sup> The Company has also attended all the animal waste-to-energy stakeholder meetings arranged by the Public Staff.

The Company has sufficient RECs in NC-RETs to satisfy both Dominion Energy North Carolina and the Town of Windsor's 2018 requirements. The Company continues to work with the Swine Waste REC Buyers Group to secure additional swine RECs that could be used for compliance or banked for future use.

**Poultry Waste Set-Aside requirements of N.C.G.S. § 62-133.8(f).** Dominion Energy North Carolina has complied with the N.C.G.S. § 62-133.8(f) poultry waste set-aside requirement for 2017 through the purchases of 5,628 poultry waste RECs, representing 0.13% of the Company's 2016 retail megawatt hour sales of 4,294,053. The Company also purchased 65 qualifying poultry waste RECs on behalf of the Town of Windsor, representing 0.13% of the Town of Windsor's 2016 retail megawatt hour sales of 48,968.

Because the Company may meet all of its Poultry Waste Set-Aside requirements with out-of-state RECs, the Company will be able to meet its 2018 poultry REPS requirement, as well as the 25% out-of-state allowance for the Town of Windsor's poultry waste REPS requirements. At this time, the Company does not reasonably anticipate that it can meet the Town of Windsor's in-state poultry waste set-aside requirement for 2018 unless the Commission delays the scheduled increase in the requirement by one year.

---

<sup>6</sup> Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief, Docket No. E-100, Sub 113 (Dec. 1, 2015) ("2015 Delay Order").



**General REPS requirements of N.C.G.S. § 62-133.8(b).** Dominion Energy North Carolina has complied with the N.C.G.S. § 62-133.8(b) general REPS requirement for 2017, by retiring 246,004 RECs and EECs, representing 5.73% of the Company's 2016 retail megawatt hour sales and consisting of eligible wind RECs and EECs. The Company also purchased 2,558 qualifying general obligation RECs and retired 247 SEPA hydro RECs, on behalf of the Town of Windsor, representing 5.77% of the Town of Windsor's 2016 retail megawatt hour sales.

*(vii) Identify any renewable energy certificates or energy savings to be carried forward pursuant to N.C.G.S. § 62-133.8(b)(2)f or (c)(2)f;*

**Appendix A** contains the renewable energy certificates to be carried forward by the Company on behalf of Dominion Energy North Carolina and the Town of Windsor.

*(viii) The dates and amounts of all payments made for renewable energy certificates; and*

**Appendix B** contains the dates and amounts of all payments made for renewable energy certificates for the period August 1, 2017, through June 30, 2018.

*(ix) For electric membership corporations and municipal electric suppliers, reduced energy consumption achieved after January 1, 2008, through the implementation of a demand-side management program.*

**Status:** As an investor owned utility, this question is not applicable to the Company.

*Pursuant to Rule R8-67(c)(4), in each electric power supplier's initial REPS compliance report, the electric power supplier shall propose a methodology for determining its cap on incremental costs incurred to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f) and fund research as provided in N.C.G.S. § 62-133.8(h)(1), including a determination of year-end number of customer accounts. The proposed methodology may be specific to each electric power supplier, shall be based upon a fair and reasonable allocation of costs, and shall be consistent with N.C.G.S. § 62-133.8(h). The electric power supplier may propose a different methodology that meets the above requirements in a subsequent REPS compliance report filing. For electric public utilities, this methodology shall also be used for assessing the per-account charges pursuant to N.C.G.S. § 62-133.8(h)(5).*

**Status:**

The Company has defined a “Customer” for the purposes of REPS billing as a “service point” or “application of a tariff” to determine the per-account REPS charge. The following rate schedules are not considered “accounts” for purposes of the per-account charge because these rate schedules are generally secondary accounts and customers on these rate schedules will pay a per-account charge under another primary tariff connected with these rate schedules.

- Residential Time Controlled Storage Water Heating (Schedule 1W)
- Residential Dual Fuel (Schedule 1DF)
- Outdoor Lighting (Schedule 26)
- County, Municipal or State – Traffic Control (Schedule 30T)
- Commercial Electric Heating (Schedule 7)
- Commercial Schedule SG (Schedule SG)

Further, if a customer has a non-demand metered service point on contiguous property, with the same service address, premise, and name, that account may be deemed to be auxiliary and not subject to the REPS riders if the Company is notified by the Customer. Upon written notification from the Customer, accounts meeting these criteria will be coded in the billing system to allow the customer to receive only one monthly REPS charge at the Primary service point. A governmental customer for purposes of the application of the REPS charge is considered a commercial account.

**Qualifying Research Projects of G.S. 62-133.8(h)(1).** In 2013, the Commission approved the Company’s request to pursue a Microgrid demonstration project as a research project qualifying for REPS rider cost recovery pursuant to G.S. 62-133.8(h)(1).<sup>7</sup> The Microgrid project is located at the Company’s Kitty Hawk District Office. Construction of the Microgrid project started in February 2014. The facility was dedicated and local operation commenced in July 2014. A fuel cell was added to the project in July 2015.

The Commission’s 2013 Order approving the Microgrid project directed Dominion Energy North Carolina to file annual project updates with the Commission detailing its Microgrid study results after each year of the three-year demonstration period (2015 to 2017). The Company submitted its third and final annual study period report as Appendix C to the 2017 REPS Compliance Report.

---

<sup>7</sup> *Order Approving REPS and REPS EMF Riders and 2012 REPS Compliance*, Docket No. E-22, Sub 503 (Dec. 18, 2013).

**CONFIDENTIAL INFORMATION REDACTED**

**Appendix A Renewable Energy Certificates to be Carried Forward by the Company On Behalf  
 of Dominion Energy North Carolina and the Town of Windsor**

Location	Fuel Type	Windsor	Company	Total
Out-of-State		635	120,722	121,357
In-State		18	0	18
Out-of-State		443	14,481	14,924
In-state		480	0	480
Out-of-State		8,459	240	8,699
In-State		123	0	123
In-state		22,156	51,516	73,672
In-state		0	13,785	13,785
In-state		1,099	13,297	14,396
Out-of-State		255	2,573	2,828
Out-of-State		0	547,104	547,104
		<b>33,668</b>	<b>763,718</b>	<b>797,386</b>

OFFICIAL COPY  
 OFFICIAL COPY

Aug 30 2018  
 Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

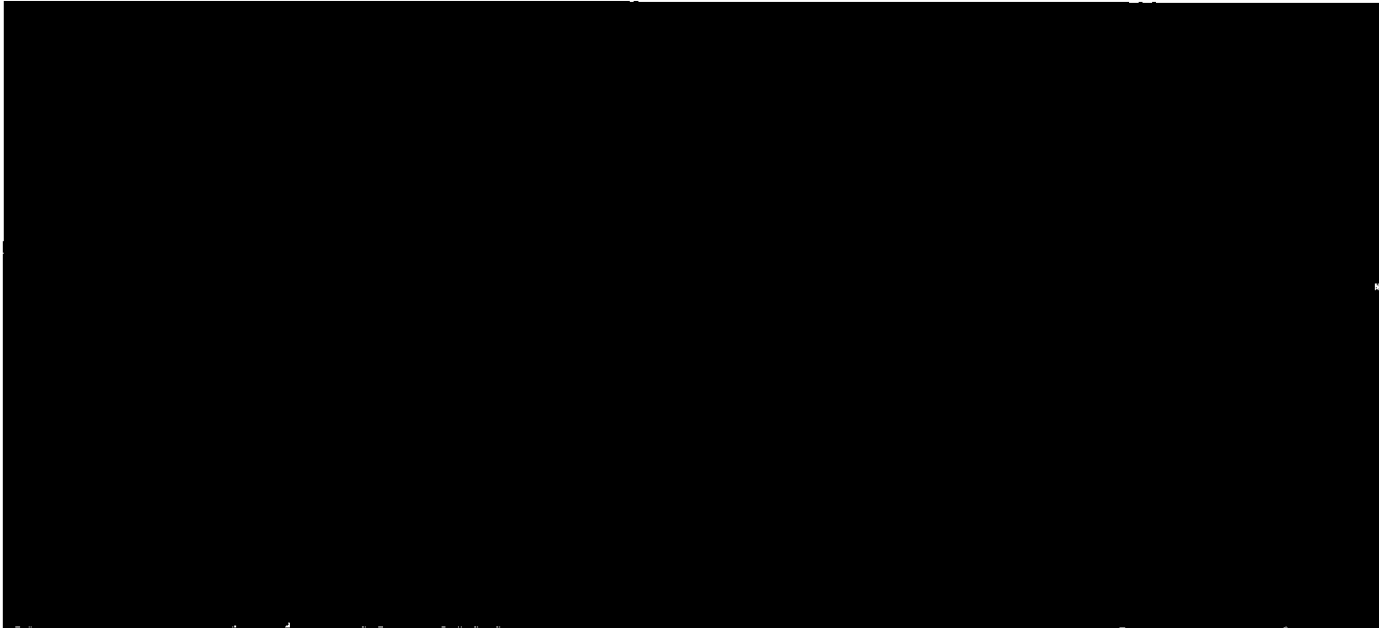
Appendix B Payments Made Between August 1, 2017 and June 30, 2018 On  
Behalf of the Company and the Town of Windsor for Renewable Energy  
Certificates

Seller	Payment Date	Payment
	8/14/2017	\$2,392.20
	9/1/2017	\$97,500.00
	9/7/2017	\$100,000.00
	10/11/2017	\$96,000.00
	10/27/2017	\$24,312.96
	10/23/2017	\$142,100.00
	10/10/2017	\$98.46
	10/18/2017	\$6,330.00
	11/19/2017	\$1,860.00
	11/28/2017	\$2,325.75
	12/26/2017	\$1,275.00
	12/26/2017	\$1,020.00
	1/24/2018	\$142,100.00
	1/11/2018	\$930.30
	1/22/2018	\$15,750.00
	3/28/2018	\$165.87
	4/24/2018	\$144,235.00
	4/27/2018	\$7,500.00
	5/2/2018	\$275.52
	5/2/2018	\$83,600.00
	5/10/2018	\$3,150.00
<i>Payments made through 6/30/2018</i>		\$872,921.06

CONFIDENTIAL INFORMATION REDACTED

*I/A*

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

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

Aug 30 2018

OFFICIAL COPY

OFFICIAL COPY  
Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

Dominion Energy North Carolina  
Docket No. E-22, Sub 557  
For the Rate Period February 1, 2019 to January 31, 2020

<u>Supplier</u>	<u>Renewable Resources</u>	<u>Volume</u>	<u>Price</u>	<u>Estimated Delivery</u>	<u>Cost</u>
					\$120,000
					\$144,236
					\$6,300
					\$6,300
					\$18,000
					\$4,500
					\$2,066
					\$6,300
					\$146,388
					\$6,300
					\$6,300
					\$2,066
					\$6,300
					\$146,388
					\$6,300
					\$6,300
					\$6,300
					\$6,300
					\$146,388
					\$6,300
					<u>\$6,300</u>
Other Incremental Costs					
	NC-RETS				\$11,400
	EMA Maintenance Fee				\$1,722
	Brokerage				<u>\$7,500</u>
					\$20,622
	Total				\$826,253

Aug 30 2018

OFFICIAL COPY

OFFICIAL COPY  
Dec 05 2018

AIM-1

I/A

OFFICIAL COPY

Dec 05 2018

**Dominion Energy North Carolina  
Docket No. E-22, Sub 557  
Revenue Requirement for the REPS Rider RP  
For the Rate Period February 1, 2019 - January 31, 2020**

<u>line no.</u>	<u>REPS Rider RP</u>	<u>Item Location / Formula</u>
1 Projected REPS Compliance Costs Revenue Requirement	\$ 826,253	Sch 1, Page 2, Lines 1 & 2
2 Projected Microgrid Research Project Costs Revenue Requirement	\$ <u>564</u>	Sch 1, Page 2, Line 3
3 Total REPS Rider RP Revenue Requirement	\$ 826,817	Line 1 + Line 2

Aug 30 2018

OFFICIAL COPY

CONFIDENTIAL INFORMATION REDACTED

**Dominion Energy North Carolina**  
**Docket No. E-22, Sub 557**  
**Projected Revenue Requirement for REPS Rider RP**  
**For the Rate Period February 1, 2019 - January 31, 2020**

line no.	<u>Projection</u> <u>Feb-19</u>	<u>Projection</u> <u>Mar-19</u>	<u>Projection</u> <u>Apr-19</u>	<u>Projection</u> <u>May-19</u>	<u>Projection</u> <u>Jun-19</u>	<u>Projection</u> <u>Jul-19</u>	<u>Projection</u> <u>Aug-19</u>	<u>Projection</u> <u>Sep-19</u>	<u>Projection</u> <u>Oct-19</u>	<u>Projection</u> <u>Nov-19</u>	<u>Projection</u> <u>Dec-19</u>	<u>Projection</u> <u>Jan-20</u>	<u>Rate Period</u> <u>Total</u>
1 Projected NC Jurisdiction Revenue Requirement REPS Compliance Costs													\$ 826,253
2 Projected NC Jurisdiction EMA Revenue Requirement EMA RECS Tracking System Costs													\$ -
3 Microgrid Research Project Costs													\$ 564
4 Total REPS Rider RP Revenue Requirement	\$ 271,532	\$ 30,547	\$ 10,113	\$ 154,435	\$ -9,769	\$ 10,113	\$ 154,435	\$ 8,047	\$ 8,047	\$ 154,435	\$ 7,297	\$ 8,047	\$ 826,817

OFFICIAL COPY

Dec 05 2018

Aug 30 2018

OFFICIAL COPY



**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	\$ 7,375	\$ 198,483	\$ 271,152	\$ 9,261	\$ 984	\$ 124,128	\$ 3,072	\$ 15,583	\$ 116,778	\$ 88,009	\$ 2,666	\$ 838,453	
2 Monthly REPS Compliance Rider RP Revenues (exclude EMF rev)	\$ 36,995	\$ 38,217	\$ 33,573	\$ 36,042	\$ 31,557	\$ 34,813	\$ 46,572	\$ 56,480	\$ 60,428	\$ 60,675	\$ 64,081	\$ 60,711	\$ 560,145	
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)	\$ (36,034)	\$ (30,842)	\$ 164,910	\$ 235,110	\$ (22,296)	\$ (33,829)	\$ 77,555	\$ (53,408)	\$ (44,846)	\$ 56,104	\$ 23,928	\$ (58,045)	\$ 278,308	

Aug 30 2018

OFFICIAL COPY

OFFICIAL COPY  
Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

**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	\$ 7,375	\$ 198,483	\$ 271,162	\$ 9,261	\$ 984	\$ 124,128	\$ 3,072	\$ 15,583	\$ 116,778	\$ 88,009	\$ 2,666	\$ 838,453

Aug 30 2018

OFFICIAL COPY

OFFICIAL COPY  
 Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

**Dominion North Carolina Power**  
**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 (Line 1 + Line 2 + Line 3)</b> 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%	
<b>6 Revenue Requirement NC REPS (Line 4 * Line 5)</b>													

OFFICIAL COPY  
Dec 05 2018

Aug 30 2018

OFFICIAL COPY

PCR  
I/A

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

Line No.		Revenue Requirement	
1	Rider RPE Revenue Requirement	\$838,453	Exhibit AJM-1, Schedule 2
2	REPS Compliance Rider RPE Revenues	\$560,145	Exhibit AJM-1, Schedule 2
3	REPS Compliance Recovery (Line 1 - Line 2)	\$278,308	REPS EMF Rider RPE (over)/under recovery Exhibit AJM-1, Sched. 2
4	Rider RP Revenue Requirement	\$826,817	Exhibit AJM-1, Schedule 1
5	Total REPS Recovery	\$1,105,125	
6	Rider RPE - Cost of General RECs only	\$193,500	Exhibit GEH-2, Schedule 1 Wind
7	Rider RP - Cost of General RECs only	\$138,000	Exhibit GEH-2, Schedule 2 Wind
8	Rider RPE - All other costs	\$644,953	Line 1 Minus Line 6
9	Rider RP - All other costs	\$688,817	Line 4 Minus Line 7

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

## RIDER RPE

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
		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)
Line No.	Customer Class						
1	Residential	103,079	\$ 27	\$ 2,783,133	50.81%	\$ 108,767	\$ 1.055
2	Commercial	17,565	\$ 150	\$ 2,634,750	48.10%	\$ 102,968	\$ 5.862
3	Industrial	60	\$ 1,000	\$ 60,000	1.10%	\$ 2,345	\$ 39.081
4	Total	<u>120,704</u>		<u>\$ 5,477,883</u>	<u>100%</u>	<u>\$214,079</u>	

GEH-1, Figure 2.2

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
		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)	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								
5	Residential	124,987	50.81%	6,614	5.29%	118,373	52.02%	\$ 33,409	\$ 0.324
6	Commercial	118,323	48.10%	11,678	9.87%	106,645	46.86%	\$ 30,099	\$ 1.714
7	Industrial	2,695	1.10%	139	5.16%	2,556	1.12%	\$ 721	\$ 12.021
8	Total	<u>246,004</u>	<u>100.00%</u>	<u>18,431</u>	<u>7.49%</u>	<u>227,573</u>	<u>100%</u>	<u>\$64,229</u>	

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 "auxiliary" accounts.

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

Total EMF \$278,308

AJM-1, Schedule 2 page 1 of 3

PER-1

## Dominion Energy North Carolina

## 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)*.0014	Total Monthly RPE Per-Account Charge (III)+(IV)
1	Residential	\$ 1.3793	\$ 0.1149	\$ 0.0002	\$ 0.1151
2	Commercial	\$ 7.5757	\$ 0.6313	\$ 0.0009	\$ 0.6322
3	Industrial	\$ 51.1015	\$ 4.2585	\$ 0.0060	\$ 4.2644

	(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	\$ 0.12	103,079	\$ 148,434
5	Commercial	\$ 0.60	17,565	\$ 126,468
6	Industrial	\$ 4.26	60	\$ 3,067
				\$ 277,969

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

Dominion Energy North Carolina  
Calculation of incremental costs per customer class for the Rate Period

## RIDER RP

	(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)/(III)	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 "auxiliary" accounts.

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

## Dominion Energy North Carolina

RIDER RP							
(I)		(II)		(III)	(IV)	(V)	
				Monthly RP Per-			
		Annual RP	Per-	Account Charge	Total Monthly RP Per-Account		
Line No.	Customer Class	Account Charge		(II)/12	Regulatory Fee (III)*.0014	Charge (III)+(IV)	
1	Residential	\$	4.0856	\$	0.3405	\$	0.3409
2	Commercial	\$	22.5786	\$	1.8815	\$	1.8842
3	Industrial	\$	151.3434	\$	12.6120	\$	12.6296

		(I)	(II)	(III)	(IV)
		Rounded Monthly	Total Adjusted	Annual Revenue Including	
		RP Per-Account	Number of	Regulatory Fee (II)*(III)*12	
		Charge	Accounts*		
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)
Line No.	Customer Class	Monthly Rider RPE per account charge	Monthly Rider RP per account charge	Total Monthly REPS per customer charge (II)+(III)	Total Adjusted Number of Accounts*	Annual Payment** (IV)*(V)*12
1	Residential	\$ 0.12	\$ 0.34	\$ 0.46	103,079	\$ 568,996
2	Commercial	\$ 0.60	\$ 1.88	\$ 2.48	17,565	\$ 522,734
3	Industrial	\$ 4.26	\$ 12.63	\$ 16.89	60	\$ 12,161
						<u>\$ 1,103,891</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.

Rate Class	Dollars per Customer Charge Monthly Bill
Residential Customer	\$ 0.12
Commercial Customer	\$ 0.60
Industrial Customer	\$4.26

<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.

Rate Class	Dollars per Customer Charge Monthly Bill
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 RP

RENEWABLE 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.

Rate Class	Dollars per Customer Charge Monthly Bill
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.

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

I/A

OFFICIAL COPY

Dec 05 2018

<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					<u>\$1,683</u>	<u>\$1,661</u>
Brokerage					<u>\$19,053</u>	<u>\$21,053</u>
					\$31,972	\$33,950
Less Revenue from Excess REC Sales					<u>-\$103,726</u>	<u>-\$35,940</u>
Less EMA Credit ToW					<u>-\$20</u>	<u>-\$20</u>
<b>Total</b>					<b><u>\$798,588</u></b>	<b>\$868,352</b>

Oct 15 2018

OFFICIAL COPY

*EIA*

OFFICIAL COPY

**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)	\$ (44,846)	\$ (11,682)	\$ 23,928	\$ (68,046)	\$ 212,889	

Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

Company Supplemental Exhibit AJM-1  
Schedule 2  
Page 2 of 3

**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

Oct 15 2018

OFFICIAL COPY

OFFICIAL COPY

Dec 05 2018

CONFIDENTIAL INFORMATION REDACTED

**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>
1 Monthly System EMA O&M Expense EMA RECS Tracking System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Monthly Amortization of System EMA Pre-paid Subscription to APX EMA RECS Tracking System													
3 Monthly Amortization of System Enhancements to Dominion Owned Software EMA RECS Tracking System													
4 Total System Monthly Operating Expense - EMA Software (Line 1 + Line 2 + Line 3) EMA RECS Tracking System													
5 Jurisdictional Allocation Factor 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%
6 Revenue Requirement NC REPS (Line 4 * Line 5)													

OFFICIAL COPY

Dec 05 2018

Oct 15 2018

OFFICIAL COPY



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

I/A

OFFICIAL COPY

Dec 05 2018

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

Oct 15 2018

OFFICIAL COPY

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)
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%	\$ 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	<u>120,704</u>		<u>\$ 5,477,883</u>	<u>100%</u>	<u>\$159,297</u>	

GEH-1, Figure 2.2

	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
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)/(III)	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	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	<u>246,004</u>	<u>100.00%</u>	<u>18,431</u>	<u>7.49%</u>	<u>227,573</u>	<u>100%</u>	<u>\$53,592</u>	

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

OFFICIAL COPY

Dec 05 2018

Oct 15 2018

OFFICIAL COPY

**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 (III)*(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)/(III)	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 "auxiliary" accounts.

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

**RIDER RP**

	(I)	(II)	(III)	(IV)	(V)
			Monthly RP Per-		
Line No.	Customer Class	Annual RP Account Charge	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)
Line No.	Customer Class	Monthly Rider RPE per account charge	Monthly Rider RP per account charge	Total Monthly REPS per customer charge (II)+(III)	Total Adjusted Number of Accounts*	Annual Payment** (IV)*(V)*12
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
						\$ 1,038,661

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

\*\*Includes regulatory fee.

Virginia Electric and Power Company  
Dominion Energy North Carolina

Company Supplemental Exhibit RCR-1  
Schedule 7  
Page 1 of 3

OFFICIAL COPY  
OFFICIAL COPY

Oct 15 2018  
Dec 05 2018

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.

Rate Class	Dollars per Customer Charge Monthly Bill
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.

Virginia Electric and Power Company  
Dominion Energy North Carolina

Company Supplemental Exhibit RCR-1  
Schedule 7  
Page 2 of 3

OFFICIAL COPY  
OFFICIAL COPY

Oct 15 2018  
Dec 05 2018

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.

Rate Class	Dollars per Customer Charge Monthly Bill
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.



Virginia Electric and Power Company  
Dominion Energy North Carolina

Company Supplemental Exhibit RCR-1  
Schedule 7  
Page 3 of 3

OFFICIAL COPY  
OFFICIAL COPY

Oct 15 2018  
Dec 05 2018

RIDER RP

RENEWABLE 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.

Rate Class	Dollars per Customer Charge Monthly Bill
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.

OFFICIAL COPY  
 Dec 05 2018  
 I/A

CONFIDENTIAL INFORMATION REDACTED

Figure 1.2 RECs Used for 2017 Poultry Waste Set-Aside Compliance

	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	5,628		
	5,628		
For Town of Windsor (Requirement)	65		
	16		
	16		
	10		
	23		
<b>Total Volume</b>	<b>5,693</b>	<b>Total REC Cost</b>	<b>\$134,441.18</b>

CONFIDENTIAL INFORMATION REDACTED

Figure 1.3 RECs Used for 2017 General REPS Compliance

	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	246,004		
	17,417		
	8,519		
	9,693		
	3,785		
	188,647		
DENC Energy Efficiency <sup>1</sup>	17,943	N/A <sup>2</sup>	N/A <sup>2</sup>
For Town of Windsor (Requirement)	2,805		
	247		
	1,858		
	700		
<b>Total Volume</b>	<b>246,704</b>	<b>Total REC Cost</b>	<b>\$74,935.23</b>

1) Vintage 2017 energy efficiency credits ("EECs") are derived from Appendix C of the Company's 2018 Evaluation, Measurement, and Verification Report, as filed in Docket No. E-22, Sub 545, on May 1, 2018, and corrected on October 25, 2018.

2) The cost of EECs is based upon the Company's EE program deployment cost approved annually by the Commission for recovery pursuant to N.C.G.S. § 62-133.9.