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October 30, 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:

Enclosed for filing on behalf of Virginia Electric and Power Company, d/b/a  
Dominion Energy North Carolina, is the Second Supplemental Testimony of George E.  
Hitch and Company Second Supplemental Exhibit GEH-1.

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:kjg

Enclosures

cc: Robert B. Josey

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

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

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

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

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

1    **Q.     What is the purpose of your second supplemental testimony in this**  
2       **proceeding?**

3    A.     The purpose of my second supplemental testimony is to support a change to  
4       Figure 1.3 of my Company Exhibit GEH-1 that the Company is making to  
5       recognize the effects of adjustments made to the Company's Evaluation,  
6       Measurement & Verification ("EM&V") Report filed with the Commission on  
7       October 25, 2018, in Docket No. E-22, Sub 545. The corrected EM&V Report  
8       adjusted the kWh/year savings associated with the Company's Residential  
9       Retail LED Lighting Program for the 2017 compliance year, which resulted in  
10      a decrease of 488 energy efficiency credits ("EECs") for 2017. In order to  
11      reflect that adjustment for purposes of the Company's 2018 REPS  
12      Compliance Report, DENC will place 488 additional general RECs in its NC-  
13      RETS 2017 compliance sub-account to account for the decrease of 488 EECs.

14   **Q.     Mr. Hitch, are you sponsoring any exhibits or schedules in connection**  
15       **with your rebuttal testimony?**

16   A.     Yes. Company Second Supplemental Exhibit GEH-1, consisting of page 3 of  
17      Company Exhibit GEH-1 with an updated Figure 1.3 (provided in public  
18      version and confidential version filed under seal), was prepared under my  
19      supervision and direction and is accurate and complete to the best of my  
20      knowledge and belief.

21   **Q.     Mr. Hitch, are you presenting any changes to the rates or revenue**  
22       **requirements at this time?**

1    A.     No, the Company is not proposing any changes to the rates or revenue  
2           requirements.

3    **Q.     What effect does the change identified above have on the Company's cost**  
4           **recovery in this proceeding?**

5    A.     The change I have described above has no effect on the Company's cost  
6           recovery request in this case.

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

8    A.     Yes, it does.

**CONFIDENTIAL INFORMATION REDACTED**

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

	Quantity	Price / MWh	REC Cost
<b>For DENC (Requirement)</b>	<b>5,628</b>		
	5,628		
<b>For Town of Windsor (Requirement)</b>	<b>65</b>		
	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
<b>For DENC (Requirement)</b>	<b>246,004</b>		
	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>
<b>For Town of Windsor (Requirement)</b>	<b>2,805</b>		
	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.

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing *Second Supplemental Testimony of George E. Hitch and Company Second Supplemental Exhibit GEH-1*, filed in Docket No. E-22, Sub 557, were served electronically or via U.S. mail, first-class postage prepaid, upon all parties of record.

This the 30<sup>th</sup> day of October, 2018.

/s/Andrea R. Kells

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Company, d/b/a Dominion Energy North  
Carolina*