

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-22, SUB 590

| | | |
|---------------------------------------|---|----------------------|
| In the Matter of |) | |
| Application by Virginia Electric and |) | TESTIMONY OF |
| Power Company, d/b/a Dominion Energy |) | EVAN D. LAWRENCE |
| North Carolina Pursuant to N.C.G.S. § |) | PUBLIC STAFF – NORTH |
| 62-133.2 and Commission Rule R8-55 |) | CAROLINA UTILITIES |
| Regarding Fuel and Fuel-Related Cost |) | COMMISSION |
| Adjustments for Electric Utilities |) | |

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND**
2 **PRESENT POSITION.**

3 A. My name is Evan D. Lawrence. My business address is 430 North
4 Salisbury Street, Dobbs Building, Raleigh, North Carolina. I am an
5 engineer with the Energy Division of the Public Staff – North Carolina
6 Utilities Commission.

7 **Q. BRIEFLY STATE YOUR QUALIFICATIONS AND DUTIES.**

8 A. My qualifications and duties are included as Appendix A.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 A. The purpose of my testimony is to present the Public Staff's findings
11 regarding the proposed fuel and fuel-related cost factors for the
12 Residential, Small General Service and Public Authority, Large
13 General Service, Schedule NS, Schedule 6VP, Outdoor Lighting,
14 and Traffic Retail customer classes of Virginia Electric and Power
15 Company, d/b/a Dominion Energy North Carolina (DENC, or the
16 Company), as set forth in the Company's August 11, 2020
17 Application and October 23 errata filing.

18 **Q. WHAT DID YOU REVIEW IN CONDUCTING YOUR**
19 **INVESTIGATION OF THE COMPANY'S APPLICATION?**

20 A. I have reviewed DENC's application, prefiled testimony and exhibits,
21 first and second errata filings, fuel costs, test period baseload power
22 plant performance reports, various documents related to test year

1 power plant outages, and conducted a teleconference related to
2 plant outages during the test period. I have also reviewed the
3 testimony of Public Staff witness Jenny Li and the testimony of Public
4 Staff witness Mike Maness.

5 **Q. WHAT ARE THE TEST AND BILLING PERIODS FOR THIS**
6 **PROCEEDING?**

7 A. For this proceeding, the test period is July 1, 2019 through June 30,
8 2020, and the billing period is February 1, 2021 through January 31,
9 2022.

10 **Q. DID THE COMPANY MEET THE STANDARDS OF COMMISSION**
11 **RULE R8-55(K) FOR THE TEST YEAR?**

12 A. Yes. The during the test year, the Company met the standards of
13 Commission Rule R8-55(k) by maintaining an actual system-wide
14 nuclear capacity factor that exceeded the North American Electric
15 Reliability Corporation (NERC) weighted average nuclear capacity
16 factor. During the test year, the Company maintained a system wide
17 capacity factor of 94.3%, compared to the NERC weighted average
18 five year capacity factor of 92.1%¹. Additionally, the Company's two
19 year simple average of its system-wide nuclear capacity factor
20 exceeded the NERC weighted average nuclear capacity factor.

¹ DENC Witness Matzen listed the NERC weighted five year average capacity at 92.2%. However, the 2014-2018 NERC Generating Unit Statistical Brochure sized and weighted to the Company's plants was 92.1%. This difference is immaterial to this case and warrants no action.

1 Q. WHAT ARE THE RESULTS OF YOUR INVESTIGATION OF THE
2 PROJECTED FUEL PRICES AND THE CALCULATION OF THE
3 TOTAL FUEL FACTOR?

4 A. Based on my investigation, I am not recommending any adjustments
5 to the projected fuel prices or the calculation of the total fuel factor.

6 Q. PLEASE DISCUSS THE PUBLIC STAFF'S INVESTIGATION OF
7 THE TEST PERIOD EXPERIENCE MODIFICATION FACTOR
8 (EMF).

9 A. Witness Li describes the Public Staff's review of the test period EMF
10 in her testimony and I have incorporated her recommendations in
11 Table 1 below.

12 **Table 1- Total Proposed Fuel and Fuel-Related Cost Factors**
(\$ per kWh)

| Rate Class | Base | Rider A | Rider B | Total ² |
|--|-----------|-------------|-------------|--------------------|
| Residential | \$0.02118 | (\$0.00260) | (\$0.00115) | \$0.01743 |
| Small General Service & Public Authority | \$0.02115 | (\$0.00259) | (\$0.00114) | \$0.01742 |
| Large General Service | \$0.02098 | (\$0.00256) | (\$0.00114) | \$0.01728 |
| Schedule NS (Nucor Steel) | \$0.02036 | (\$0.00249) | (\$0.00110) | \$0.01677 |
| Schedule 6VP (Variable Pricing) | \$0.02065 | (\$0.00253) | (\$0.00112) | \$0.01700 |
| Outdoor Lighting | \$0.02118 | (\$0.00260) | (\$0.00115) | \$0.01743 |
| Traffic | \$0.02118 | (\$0.00260) | (\$0.00115) | \$0.01743 |

² Calculations reflect the application of the voltage differentiation factors used by the Company in its application, which the Public Staff accepts.

- 1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**
- 2 **A. Yes, it does.**

QUALIFICATIONS AND EXPERIENCE

EVAN D. LAWRENCE

I graduated from East Carolina University in Greenville, North Carolina in May of 2016 earning a Bachelor of Science degree in Engineering and a concentration in Electrical Engineering. I started my current position with the Public Staff in September of 2016. Since that time my duties and responsibilities have focused on the review of renewable energy projects, rate design, and renewable energy portfolio standards compliance. I have filed affidavits in Dominion Energy North Carolina's 2017 and 2018 REPS cost recovery proceeding, testimony in DEP's 2019 REPS cost recovery proceeding, an affidavit in DEC's 2019 REPS cost recovery proceeding, testimony in New River Light and Power's most recent rate case proceeding, testimony in Western Carolina University's most recent rate case, and testimony in additional small power producer and merchant electric generating facilities. Additionally, I am currently serving as a co-chair of the National Association of State Utility and Consumer Advocates (NASUCA) DER and EE committee.