

January 31, 2024

VIA Electronic Filing

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
Dobbs Building
430 North Salisbury Street
Raleigh, North Carolina 27603

Re: *Docket No. E-22, Sub 674*
Docket No. E-22, Sub 675
Docket No. E-22, Sub 676

Dear Ms. Dunston:

Enclosed for filing in the above-captioned proceedings on behalf of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (“Company”), is the Company’s *Notice to Customers of Change in Rates* (“Notice”). The enclosed Notice is being submitted pursuant to North Carolina Utilities Commission (“Commission”) orders issued in the above-referenced dockets on January 24, 2024, in Docket No. E-22, Sub 674 and Docket No. E-22, Sub 675, and on January 17, 2024, in Docket No. E-22, Sub 676.

As directed by the Commission in these orders, the Company has worked with the Public Staff to develop this Notice. The Public Staff has authorized the Company to state that the Public Staff agrees to the content of the Notice.

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

Sincerely,

/s/Andrea R. Kells

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Enclosure

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 674
DOCKET NO. E-22, SUB 675
DOCKET NO. E-22, SUB 676

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 under N.C. Gen. Stat.)
§ 62-133.8 and Commission Rule R8-)
67)

In the Matter of)
Application by Virginia Electric and)
Power Company, d/b/a Dominion)
Energy North Carolina, for Authority to)
Adjust its Electric Rates and Charges)
and Revise its Fuel Factor under N.C.)
Gen. Stat. § 62-133.2 and Commission)
Rule R8-55)

In the Matter of)
Application of Virginia Electric and)
Power Company, d/b/a Dominion)
Energy North Carolina, for Approval of)
Demand-Side Management and Energy)
Efficiency Cost Recovery Rider under)
N.C. Gen. Stat. § 62-133.9 and)
Commission Rule R8-69)

NOTICE TO CUSTOMERS
OF CHANGE IN RATES

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission (“Commission”) has authorized Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (the “Company”), to implement an overall increase in its rates and charges paid by customers for retail electric service in North Carolina, as detailed below. The Commission-authorized rates will recover

increases in Dominion Energy North Carolina's costs and utility incentives associated with Commission-authorized programs implemented to encourage more efficient use of electricity by its customers and total fuel expenses, as well as a decrease in the cost of purchasing renewable energy. These rate changes will become effective for usage on and after February 1, 2024. The Commission's orders authorizing these rate changes were issued on January 24, 2024, in Docket No. E-22, Sub 674; on January 24, 2024, in Docket No. E-22, Sub 675; and on January 17, 2024, in Docket No. E-22, Sub 676.

Renewable Energy and Energy Efficiency Portfolio Standard Rate Update

On January 24, 2024, the Commission approved the Company's updated Riders RP and RPE to become effective February 1, 2024, which are designed to recover annual North Carolina retail revenues of \$1,470,214 associated with the Company's annual obligation to purchase electricity produced by renewable energy resources under North Carolina's Renewable Energy and Energy Efficiency Portfolio Standard ("REPS"). The rate updates were approved by the Commission after review of the Company's incremental REPS compliance costs incurred during the period July 1, 2022, through June 30, 2023, Rider RP revenues recovered during that period, and compliance costs projected to be incurred during the rate period February 1, 2024 – January 31, 2025. The combined Rider RP and Rider RPE charges, including the regulatory fee, result in the following monthly per-account customer charges for usage during the February 1, 2024 – January 31, 2025 rate period:

Residential	Commercial	Industrial
\$0.57	\$3.18	\$21.20

The change in the REPS charges will result in a monthly increase of \$0.41 for a residential customer during the rate period February 1, 2024 – January 31, 2025. Dominion Energy North Carolina’s REPS charges are not applicable to agreements under the Company’s outdoor lighting rate schedules, nor for sub-metered service agreements. Additionally, the REPS charges are not applicable to small auxiliary separately-metered services provided to a customer on the same property as a residential or other service account. An auxiliary service is defined as a non-demand metered, nonresidential service provided on schedule SGS or SG, at the same premises, with the same service address, and with the same account names as an agreement for which a monthly REPS charge has been applied. To qualify for an auxiliary service not subject to the REPS charge, the customer must notify the Company and the Company must verify that such agreement is considered an auxiliary service, after which the REPS charge will not be applied to qualifying auxiliary service agreements. The customer is also responsible for notifying the Company of any change in service that results in the service no longer qualifying as auxiliary. The customer should contact the Company at 1-866-DOM-HELP or 1-866-366-4357 or go to <https://www.dominionenergy.com/REPS-opt-out> for additional detail on qualifying as an eligible auxiliary service account.

Fuel Related Rate Decrease

On January 24, 2024, the Commission approved annual non-base fuel rate changes to become effective February 1, 2024, including projected fuel factor (Fuel Cost Rider A) and Experience Modification Factor (EMF) rider (Rider B), as well as EMF Rider B-1. This total net decrease includes recovery of the Company’s

North Carolina fuel expense under-recovery of \$7,351,825. The rate decrease was approved by the Commission after review of the Company's fuel expenses and related revenues during the 15-month period ending September 30, 2023, and represents changes experienced by the Company with respect to its reasonable costs of fuel and the fuel component of purchased power. The approved decrease in fuel and fuel related charges for usage from February 1, 2024, through January 31, 2025, are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
(0.4102) ¢/kWh	(0.4261) ¢/kWh	(0.3991) ¢/kWh	(0.3506) ¢/kWh	(0.4050) ¢/kWh	(0.4561) ¢/kWh	(0.4325) ¢/kWh

The net change of the EMF rider B and Fuel Rider A, plus Rider B1, will result in a monthly decrease for a residential customer using 1,000 kWh per month of approximately \$4.10 during the period February 1, 2024 – January 31, 2025. Dominion Energy North Carolina's total net fuel factors (for each customer class) for the February 1, 2024 – January 31, 2025, period are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
4.3086 ¢/kWh	4.2864 ¢/kWh	4.2789 ¢/kWh	4.1860 ¢/kWh	4.1968 ¢/kWh	4.2627 ¢/kWh	4.2863 ¢/kWh

Demand-Side Management and Energy Efficiency Related Rate Update

On January 17, 2024, the Commission approved rates to become effective February 1, 2024, that are designed to collect approximately the Commission's approved change in required annual North Carolina retail costs and utility incentives of \$4,018,188 (including appropriate interest) associated with offering

the Company's portfolio of demand-side management ("DSM") and energy efficiency ("EE") programs. The rate updates were approved by the Commission after review of the Company's projected DSM and EE program expenses and utility incentives for the rate period February 1, 2024 – January 31, 2025, and a true-up of calendar year 2022 DSM/EE expenses and utility incentives through an Experience Modification Factor ("EMF") Rider. The combined projected (Rider C) and EMF (Rider CE) rates result in the following per kilowatt-hour ("kWh") charges for usage during the rate period February 1, 2024 – January 31, 2025:

Residential	SGS & Public Authority	LGS	6VP	NS	Outdoor Lighting	Traffic
0.1317 ¢/kWh	0.1787 ¢/kWh	0.1616 ¢/kWh	0.0000 ¢/kWh	0.0000 ¢/kWh	0.0000 ¢/kWh	0.0000 ¢/kWh

The change in the DSM and EE rates will result in a monthly decrease of approximately \$0.64 for a residential customer using 1,000 kWh per month during the February 1, 2024 – January 31, 2025 rate period. Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year, and all industrial customers, may elect not to participate in the Company's DSM/EE programs and thereby avoid paying these charges by notifying the Company that they have implemented or will implement their own DSM or EE measures. Commercial and industrial customers choosing this option will receive an offsetting credit to the DSM/EE rates on their monthly bills. Please go to <https://www.dominionenergy.com/north-carolina-electric/save-energy/dsm-program-opt-out> for additional details on DSM/EE opt out eligibility.

Summary of Rate Changes

The foregoing changes to Dominion Energy North Carolina's approved rates and charges relating to renewable energy costs, DSM and EE programs, and fuel expenses are effective on a final basis for usage on and after February 1, 2024. Compared to the rates previously approved by the Commission, the total aggregate monthly impact of these rate changes for a residential customer using 1,000 kWh per month is a decrease of \$4.33, or 3.2% for the period of February 1, 2024, through January 31, 2025 (using August 1, 2023, as the reference point). The total monthly impact for commercial and industrial customers will vary based upon consumption and customers' participation in Dominion Energy North Carolina's DSM and EE programs.

ISSUED BY ORDER OF THE COMMISSION.

This [] day of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

_____, Chief Clerk

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Notice to Customers of Change in Rates, as filed in Docket No. E-22, Subs 674, 675, and 676, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 31st day of January, 2024.

/s/Andrea R. Kells

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