

November 1, 2023

**VIA Electronic Filing**

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

**Re: Docket No. E-100, Sub 194  
Information Regarding Avoided Costs as Required by 18 C.F.R. §  
292.302(b)(1)-(3) (PUBLIC/REDACTED)**

Dear Ms. Dunston:

Pursuant to Federal Energy Regulatory Commission Regulation 18 C.F.R. § 292.302(b)(1)-(3) (2020), which requires electric utilities to file certain avoided cost information with their respective state commissions on a biennial basis, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (the “Company”), herein submits the information required by this regulation.

Portions of this filing contain confidential information. Information designated by the Company as confidential qualifies as “trade secrets” under N.C. Gen. Stat. § 66-1 52(3). Public disclosure of this information would allow access by external vendors to the projected or actual costs for services that will be or have been competitively bid, which may provide commercial value to such external vendors and may ultimately result in harm to ratepayers. Pursuant to N.C. Gen. Stat. § 132-1.2, the Company has redacted this confidential information from the public version of this filing and is contemporaneously filing these confidential pages under seal. The Company will make this information available to other interested parties pursuant to an appropriate nondisclosure agreement.

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

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Enclosures

**Avoided Cost Information as Required by 18 C.F.R. § 292.302(b)**  
**Dominion Energy North Carolina**  
**Docket No. E-100, Sub 194**  
**November 1, 2023**

**292.302(b)(1) REQUIREMENT:**

The estimated avoided cost on the electric utility’s system, solely with respect to the energy component, for various levels of purchases from qualifying facilities. Such levels of purchases shall be stated in blocks of not more than 100 megawatts for systems with peak demand of 1,000 megawatts of more, and in blocks equivalent to not more than 10 percent of the system peak demand for systems of less than 1,000 megawatts. The avoided costs shall be stated on a cents per kilowatt-hour basis, during daily and seasonal peak and off-peak periods, by year, for the current calendar year and each of the next five years.

**RESPONSE:**

<b>Adjusted for LMP Impact and Avoided Hedge Benefit (¢/kWh)</b>									
	<b>Sub1</b>	<b>Sub2</b>	<b>Sub3</b>	<b>Sub4</b>	<b>Sub5</b>	<b>Sub6</b>	<b>Sub7</b>	<b>Sub8</b>	<b>Sub9</b>
<b>2024</b>	6.084	4.781	3.294	6.845	5.879	5.716	4.983	3.951	3.244
<b>2025</b>	6.310	4.978	3.565	7.073	6.110	5.937	5.108	4.166	3.407
<b>2026</b>	6.356	5.042	3.837	6.251	5.365	5.193	4.597	3.982	3.400
<b>2027</b>	4.675	3.725	2.955	6.384	5.480	5.293	4.693	3.324	2.880
<b>2028</b>	3.986	3.182	2.605	5.813	5.010	4.850	4.346	2.917	2.587
<b>2029</b>	4.564	3.585	2.998	5.171	4.348	4.216	3.874	2.862	2.675
<b>2030</b>	4.399	3.464	2.998	4.260	3.555	3.467	3.268	2.606	2.493
<b>2031</b>	4.510	3.560	3.089	4.750	3.966	3.862	3.681	2.763	2.675
<b>2032</b>	5.193	4.112	3.590	5.532	4.585	4.468	4.312	3.302	3.176
<b>2033</b>	4.857	3.857	3.385	5.174	4.287	4.172	4.114	3.114	2.995
<b>2034</b>	4.857	3.819	3.350	5.363	4.357	4.233	4.235	3.130	3.013

<b>Subperiod</b>	<b>Name</b>	<b>Abr.</b>	<b>Months</b>	<b>Weekday Hours</b>	<b>Weekend Hours</b>
<b>Sub1</b>	Summer Premium Peak	(S-PP)	Jun-Sep	15-18	
<b>Sub2</b>	Summer On-Peak	(S-On)	Jun-Sep	11-14,19-22	
<b>Sub3</b>	Summer Off-Peak	(S-Off)	Jun-Sep	1-10,23-24	1-24
<b>Sub4</b>	Winter Premium Peak	(W-PP)	Dec-Feb	7-8,18-19	
<b>Sub5</b>	Winter On-Peak(am)	(W-On-AM)	Dec-Feb	9-12	
<b>Sub6</b>	Winter On-Peak(pm)	(W-On-PM)	Dec-Feb	20-22	
<b>Sub7</b>	Winter Off-Peak	(W-Off)	Dec-Feb	1-6,13-17, 23-24	1-24
<b>Sub8</b>	Shoulder On-Peak	(Sh-On)	Shoulder	7-22	
<b>Sub9</b>	Shoulder Off-Peak	(Sh-Off)	Shoulder	1-6,23-24	1-24

**292.302(b)(2) REQUIREMENT:**

The electric utility’s plan for the addition of capacity by amount and type, for purchases of firm energy and capacity, and for capacity retirements for each year during the succeeding 10 years.

**RESPONSE:**

The Company’s 2023 IRP includes the following planned capacity additions:

Plan B RPS Compliant - Proposed VCEA Build (MW)						
	Solar	Solar DG	Wind	Storage	Nuclear	Fossil
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	600	15	-	-	-	-
2028	660	30	260	90	-	970
2029	660	45	-	120	-	-
2030	720	45	-	150	-	-
2031	900	111	60	180	-	-
2032	900	111	-	180	-	-
2033	900	111	2,600	240	-	-

**Notes:**

- The resource additions shown in these figures are incremental to existing generation and approved generation under construction, including solar and storage projects from CE-1, CE-2, and CE-3; nuclear license extensions; and nearly 2,600 MW of offshore wind.
- Solar and Storage shown assume a 65/35 split between company-build and PPA

**Unit Retirements**

Chesterfield Units 5 and 6 and Yorktown Unit 3 retired in May 2023. No additional retirements are included in the Company’s IRP Plan B.

**292.302(b)(3) REQUIREMENT:**

The estimated capacity cost at completion of the planned capacity additions and planned capacity firm purchases, on the basis of dollars per kilowatt, and the associated energy cost of each unit, expressed in cents per kilowatt-hour. These costs shall be expressed terms of individual generating units and of individual planned firm purchases.

**RESPONSE:**

**ESTIMATED CAPITAL AND ENERGY COSTS FOR PLANNED CAPACITY ADDITIONS**

The Solar additions shown above are a combination of Company-built utility scale solar resources and PPA contracts. The Company-built solar projects are estimated to have overnight installed costs ranging from [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] to [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] depending upon whether the project uses fixed tilt or tracking technology. The first-year fuel cost is 0 cents/kWh. For the PPA projects, the year 1 price for projects beginning in 2027 is

expected to be [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL]/MWh. The year 1 price for contracts beginning in 2028 through 2030 are expected to decline roughly 3% each year.

The Company's smaller scale distributed solar energy resources are estimated to have overnight installed costs of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW and a first-year fuel cost of 0 cents/kWh. generation

The commercial onshore wind projects are estimated to have overnight installed costs between [BEGIN CONFIDENTIAL] [REDACTED] ] /kW and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW and first-year fuel cost of 0 cents/kWh. The commercial offshore wind project expected in 2033 is projected to have overnight installed costs of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW.

The battery storage projects beginning in 2028 are estimated to have overnight installed costs of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW.

The combustion turbines are estimated to have overnight installed costs of [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW for the first set of units and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] /kW for the second set.

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing Information Regarding Avoided Costs as Required by 18 C.F.R. § 292.302(b)(1)-(3), filed in Docket No. E-100, Sub 194, were served electronically or via U.S. mail, first-class postage prepaid, upon all parties of record.

This the 1<sup>st</sup> day of November, 2023.

/s/Andrea R. Kells

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