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November 9, 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: Docket No. G-5, Sub 585
Docket No. E-22, Sub 551

Dear Ms. Jarvis:

Attached for filing on behalf of Dominion Energy, Inc., SCANA Corporation, and the Public Staff (the "Parties") is their *Revised Code of Conduct* in connection with the above-referenced dockets. The Parties filed a Joint Proposed Order, which included a Code of Conduct, in these same dockets on October 31, 2018. The Parties have discovered that the Code of Conduct as filed with the Joint Proposed Order contained a small number of inadvertent errors, and are submitting for filing the enclosed Revised Code of Conduct in redline format as a replacement. The redline changes appear in Section III.A.3.g, Section III.C.3.b, and the Code of Conduct Attachment.

Should you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Very truly yours,

/s/Mary Lynne Grigg

MLG:kjg

Enclosures

**CODE OF CONDUCT GOVERNING
THE RELATIONSHIPS AMONG
DOMINION ENERGY NORTH CAROLINA, PUBLIC SERVICE COMPANY
OF NORTH CAROLINA, INC., THEIR AFFILIATES, AND THEIR
NONPUBLIC UTILITY OPERATIONS**

I. **DEFINITIONS**

For purposes of this Code of Conduct, the terms listed below shall have the following definitions:

Affiliate: Dominion Energy, or any business entity of which ten percent (10%) or more is owned or controlled, directly or indirectly, by Dominion Energy. For purposes of this Code of Conduct, Dominion Energy and any business entity controlled by it are considered to be Affiliates of DENC and PSNC, and DENC and PSNC are considered to be Affiliates of each other.

Commission: The North Carolina Utilities Commission.

Confidential Systems Operation Information or CSOI: Non-public information that pertains to Electric Services provided by DENC, including, but not limited to, information concerning electric generation, transmission, distribution, or sales, and non-public information that pertains to Natural Gas Services provided by PSNC, including, but not limited to, information concerning transportation, storage, distribution, gas supply, or other similar information.

Customer: Any retail electric customer of DENC in North Carolina and any Commission-regulated natural gas sales or natural gas transportation customer of PSNC located in North Carolina.

Customer Information: Non-public information or data specific to a Customer or a group of Customers, including, but not limited to, electricity consumption, natural gas consumption, load profile, billing history, or credit history, that is or has been obtained or compiled by DENC or PSNC in connection with the supplying of Electric Services or Natural Gas Services to that Customer or group of Customers.

DENC: Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, the business entity, wholly owned by Dominion Energy, that holds the franchises granted by the Commission to provide Electric Services within its North Carolina service territory and that engages in public utility operations, as defined in G.S. 62-3(23), within the State of North Carolina. DENC refers to the system business and operation of Virginia Electric and Power Company, and not simply the North Carolina retail assigned or allocated portions of that business and operation.

Dominion Energy: Dominion Energy, Inc., which is the current holding company parent corporation of DENC and PSNC, and any successor company.

Electric Services: Commission-regulated electric power generation, transmission, distribution, delivery, and retail sales, and other related services, including, but not limited to, administration of Customer accounts and rate schedules, metering, billing, standby service, backups, and changeovers of electric service to other suppliers.

FERC: The Federal Energy Regulatory Commission.

Fuel and Purchased Power Supply Services: All fuel for generating electric power and purchased power obtained by DENC from sources other than DENC for the purpose of providing Electric Services.

Fully Distributed Cost: All direct and indirect costs, including overheads and an appropriate cost of capital, incurred in providing the goods and services in question.

Gas Marketing Affiliate: An Affiliate, the business unit of an Affiliate, or the Nonpublic Utility Operations of PSNC that is engaged in the unregulated sale, arrangement, brokering, or management of gas supply, pipeline capacity, or gas storage.

Gas Marketing Affiliate Personnel: An employee or other representative of a Gas Marketing Affiliate that is involved in fulfilling the business purpose of the gas marketing affiliate. An officer or board member of both PSNC and a Gas Marketing Affiliate shall not be considered Gas Marketing Affiliate Personnel unless that individual is directly involved in the day-to-day fulfillment of the business purpose of the Gas Marketing Affiliate.

Market Value: The price at which property, goods, or services would change hands in an arm's-length transaction between a buyer and a seller without any compulsion to engage in a transaction, and both having reasonable knowledge of the relevant facts.

Merger: All transactions contemplated by the Agreement and Plan of Merger between Dominion Energy and SCANA Corporation.

Natural Gas Services: Commission-regulated natural gas sales and natural gas transportation, and other related services, including, but not limited to, administration of Customer accounts and rate schedules, metering and billing, and standby service.

Nonaffiliated Gas Marketer: An entity, not affiliated with DENC or PSNC, engaged in the unregulated sale, arrangement, brokering, or management of gas supply, pipeline capacity, or gas storage.

Nonpublic Utility Operations: All business operations engaged in by DENC or PSNC involving activities (including the sales of goods or services) that are not regulated by the Commission or otherwise subject to public utility regulation at the state or federal level.

Non-Utility Affiliate: Any Affiliate, including Service Company, other than a Utility Affiliate, DENC, or PSNC.

Personnel: An employee or other representative of DENC, PSNC, Dominion Energy, another Affiliate, or a Nonpublic Utility Operation, who is involved in fulfilling the business purpose of that entity.

PSNC: Public Service Company of North Carolina, Inc., the business entity, wholly owned by Dominion Energy and SCANA, that holds the franchise granted by the Commission to provide Natural Gas Services within its North Carolina service territory and that engages in public utility operations, as defined in G.S. 62-3(23), within the State of North Carolina.

PSNC Operating Personnel: An employee or other representative of PSNC that is directly involved on a day-to day basis in the acquisition, marketing, pricing, or scheduling of gas supply, interstate pipeline capacity, or gas storage facilities on behalf of PSNC. PSNC Operating Personnel also includes personnel directly on a day-to day basis involved in managing PSNC's facilities or responsible for determining which Customers to curtail, or involved in selling products and services to PSNC's Customers eligible to purchase gas, products, and services from persons other than PSNC.

Public Staff: The Public Staff of the North Carolina Utilities Commission.

Regulatory Conditions: The conditions imposed by the Commission in connection with or related to the Merger.

Service Company: A centralized service company Affiliate that provides Shared Services to DENC, PSNC, other Affiliates, and/or the Nonpublic Utility Operations of DENC or PSNC, singly or in any combination.

Shared Services: The services that meet the requirements of the Regulatory Conditions approved in Docket Nos. E-22, Sub 551 and G-5, Sub 585, or subsequent orders of the Commission, and that the Commission has explicitly authorized DENC and PSNC to take from Service Company pursuant to a service agreement (a) filed with the Commission pursuant to G.S. 62-153(b), thus requiring acceptance and authorization by the Commission, and (b) subject to all other applicable provisions of North

Carolina law, the rules and orders of the Commission, and the Regulatory Conditions.

Shipper: A Gas Marketing Affiliate, Nonaffiliated Gas Marketer, a municipal gas customer, or an end-user of gas.

Utility Affiliates: The regulated utility operations of The East Ohio Gas Company (Dominion Energy Ohio), Hope Gas, Inc. (Dominion Energy West Virginia), Questar Gas Company (Dominion Energy Utah, Dominion Energy Wyoming, and Dominion Energy Idaho), and South Carolina Electric & Gas Company (SCE&G).

II. **GENERAL**

This Code of Conduct establishes the minimum guidelines and rules that apply to the relationships, transactions, and activities involving the public utility operations of DENC and PSNC, Dominion Energy, other Affiliates, or the Nonpublic Utility Operations of DENC and PSNC, to the extent such relationships, transactions, and activities affect operations of DENC and PSNC in their respective service areas. DENC, PSNC, and the other Affiliates are bound by this Code of Conduct pursuant to Regulatory Condition 5.1 approved by the Commission in Dockets No. E-22, Sub 551, and G-5, Sub 585. This Code of Conduct is subject to modification by the Commission as the public interest may require, including, but not limited to, addressing changes in the organizational structure of DENC, PSNC, Dominion Energy, other Affiliates, or the Nonpublic Utility Operations; changes in the structure of the electric industry or natural gas industry; or other changes that warrant modification of this Code.

DENC or PSNC may seek a waiver of any aspect of this Code of Conduct by filing a request with the Commission showing that circumstances in a particular case justify such a waiver.

III. **STANDARDS OF CONDUCT**

A. **Independence and Information Sharing**

1. Separation:
 - (a) DENC, PSNC, Dominion Energy, and the other Affiliates shall operate independently of each other and in physically separate locations to the maximum extent practicable; provided, however, that (i) Gas Marketing Affiliate Personnel must be located in a facility that is physically separate from that used by the PSNC Operating Personnel performing similar functions and (ii) to the extent that the Commission

has approved or accepted a service company-to-utility or utility-to-utility service agreement or list, DENC, PSNC, Dominion Energy, and the other Affiliates may operate as described in the agreement or list on file at the Commission. DENC, PSNC, Dominion Energy, and each of the other Affiliates shall maintain separate books and records. Each of DENC's and PSNC's Nonpublic Utility Operations shall maintain separate records from those of DENC's and PSNC's public utility operations to ensure appropriate cost allocations and any arm's-length transaction requirements.

- (b) PSNC Operating Personnel may not perform any of the following functions on behalf of a Gas Marketing Affiliate:
 - (i) Purchase gas, pipeline capacity, or storage capacity.
 - (ii) Market or sell gas and related services.
 - (iii) Price or administer products and services.
 - (iv) Hire and/or train Gas Marketing Affiliate Personnel.
 - (v) Offer consulting services regarding gas functions.
- (c) With respect to PSNC and a Gas Marketing Affiliate, an individual may be an officer or a member of the board of directors of both PSNC and a Gas Marketing Affiliate provided that the individual does not obtain or use knowledge of market-sensitive information for more than one of the entities. PSNC shall post on its website the identity, job title, and responsibilities for each officer or board member that falls within the definition of PSNC Operating Personnel.

2. Disclosure of Customer Information:

- (a) Upon request, and subject to the restrictions and conditions contained herein, DENC and PSNC may provide Customer Information to Dominion Energy or another Affiliate under the same terms and conditions that apply to the provision of such information to non-

Affiliates. In addition, DENC may provide Customer Information to its Nonpublic Utility Operations under the same terms and conditions that apply to the provision of such information to non-Affiliates.

- (b) Except as provided in Section III.A.2.(f), Customer Information shall not be disclosed to any Affiliate or non-affiliated third party without the Customer's consent, and then only to the extent specified by the Customer. Consent to disclosure of Customer Information to Affiliates of DENC and PSNC or to DENC's Nonpublic Utility Operations may be obtained by means of written, electronic, or recorded verbal authorization upon providing the Customer with the information set forth in Attachment A or in a format that is otherwise acceptable to the Public Staff; provided, however, that DENC and PSNC retain such authorization for verification purposes for as long as the authorization remains in effect. Written, electronic, or recorded verbal authorization or consent for the disclosure of PSNC's Customer Information to PSNC's Nonpublic Utility Operations is not required.
- (c) If the Customer allows or directs DENC or PSNC to provide Customer Information to Dominion Energy, another Affiliate, or to DENC's Nonpublic Utility Operations, then DENC or PSNC shall ask if the Customer would like the Customer Information to be provided to one or more non-Affiliates. If the Customer directs DENC or PSNC to provide Customer Information to one or more non-Affiliates, the Customer Information shall be disclosed to all entities designated by the Customer contemporaneously and in the same manner.
- (d) Section III.A.2 shall be permanently posted on DENC's and PSNC's website(s).
- (e) No DENC or PSNC employee who is transferred to Dominion Energy or another Affiliate shall be permitted to copy or otherwise compile any Customer Information for use by such entity except as authorized by the Customer pursuant to Section III.A.2.(b). DENC and PSNC shall not transfer any employee to Dominion Energy or another Affiliate for the purpose of disclosing or providing Customer Information to such entity.

- (f) Notwithstanding the prohibitions established by this Section III.A.2:
- (i) DENC and PSNC may disclose Customer Information to Service Company, any other Affiliate, or a non-affiliated third party without Customer consent to the extent necessary for the Affiliate or non-affiliated third party to provide goods or services to DENC or PSNC and upon the written agreement of the other Affiliate or non-affiliated third party to protect the confidentiality of such Customer Information. To the extent the Commission approves a list of services to be provided and taken pursuant to one or more utility-to-utility service agreements, then Customer Information may be disclosed pursuant to the foregoing exception to the extent necessary for such services to be performed.
 - (ii) DENC may disclose Customer Information to its Nonpublic Utility Operations without Customer consent to the extent necessary for the Nonpublic Utility Operations to provide goods or services to DENC and upon the written agreement of the Nonpublic Utility Operations to protect the confidentiality of such Customer Information.
 - (iii) DENC and PSNC may disclose Customer Information if a state or federal regulatory agency or court of competent jurisdiction over the disclosure of the Customer Information requires the disclosure.
 - (iv) DENC may disclose Customer Information to PJM Interconnection, L.L.C. (PJM), and its Market Monitoring Unit (MMU), without Customer consent, but only to the extent necessary for PJM or PJM's MMU to perform duties for DENC as allowed in Docket No. E-22, Sub 418, the performance of which requires the provision of Customer Information. DENC shall designate Customer Information as confidential, or shall direct PJM and PJM's MMU to treat Customer Information as confidential, prior to such provision, and any Customer Information provided shall be considered to be "a Member's

confidential data or information” pursuant to, and subject to the provisions of, Section 18.17 of the PJM Operating Agreement; provided, however, that in the event Section 18.17 is changed, the exception provided herein is subject to review by the Commission to determine whether the changed procedures provide sufficient protection. DENC may not authorize PJM or PJM’s MMU to release such Customer Information except as allowed by this section.

- (g) DENC and PSNC shall take appropriate steps to store Customer Information in such a manner as to limit access to those persons permitted to receive it and shall require all persons with access to such information to protect its confidentiality.
- (h) DENC and PSNC shall establish guidelines for its employees and representatives to follow with regard to complying with this Section III.A.2.
- (i) No Service Company employee may use Customer Information to market or sell any product or service to DENC’s or PSNC’s Customers, except in support of a Commission-approved rate schedule or program or a marketing effort managed and supervised directly by DENC or PSNC.
- (j) Service Company employees with access to the Customer Information must be prohibited from making any improper indirect use of the data, including directing or encouraging any actions based on the Customer Information by employees of Service Company that do not have access to such information, or by other employees of Dominion Energy or other Affiliates or Nonpublic Utility Operations of DENC.
- (k) Should any inappropriate disclosure of DENC or PSNC Customer Information occur at any time, DENC or PSNC shall promptly file a statement with the Commission describing the circumstances of the disclosure, the Customer Information disclosed, the results of the disclosure, and the steps taken to mitigate the effects of the disclosure and prevent future occurrences.

- (l) Notwithstanding the foregoing, PSNC shall not disclose information provided by Nonaffiliated Gas Marketers and Customers to its Gas Marketing Affiliate, unless such parties specifically authorize disclosure of the information.

3. Disclosure of Confidential Systems Operation Information – The disclosure of Confidential Systems Operation Information of DENC and PSNC shall be governed as follows:

- (a) CSOI shall not be disclosed by DENC or PSNC to an Affiliate or a Nonpublic Utility Operation unless it is disclosed to all competing non-Affiliates contemporaneously and in the same manner. Disclosure to non-Affiliates is not required under the following circumstances:
 - (i) The CSOI is necessary for the performance of services approved to be performed pursuant to one or more Affiliate utility-to-utility service agreements.
 - (ii) A state or federal regulatory agency or court of competent jurisdiction over the disclosure of the CSOI requires the disclosure.
 - (iii) The CSOI is provided to employees of Service Company or to an Affiliate pursuant to an agreement filed with the Commission pursuant to G.S. 62-153, provided that the agreement specifically describes the types of CSOI to be disclosed.
 - (iv) The CSOI is provided to employees of DENC's or PSNC's Utility Affiliates for the purpose of sharing best practices and otherwise improving the provision of regulated utility service.
 - (v) The CSOI is provided to an Affiliate pursuant to an agreement filed with the Commission pursuant to G.S. 62-153, provided that the agreement specifically describes the types of CSOI to be disclosed.
 - (vi) Disclosure is otherwise essential to enable DENC to provide Electric Services to its

Customers or for PSNC to provide Natural Gas Services to its Customers.

- (vii) Disclosure of the CSOI is necessary for compliance with the Sarbanes-Oxley Act of 2002.
- (b) Any CSOI disclosed pursuant to Section III.A.3.(a)(i)-(vi) shall be disclosed only to employees that need the CSOI for the purposes covered by those exceptions and in as limited a manner as possible. The employees receiving such CSOI must be prohibited from acting as conduits to pass the information to any Affiliate(s) and must have explicitly agreed to protect the confidentiality of such CSOI.
- (c) For disclosures pursuant to Section III.A.3.(a)(vi) and (vii), DENC and PSNC shall include in their annual affiliated transaction reports the following information:
 - (i) The types of CSOI disclosed and the name(s) of the Affiliate(s) to which it is being, or has been, disclosed;
 - (ii) The reasons for the disclosure; and
 - (iii) Whether the disclosure is intended to be a one-time occurrence or an ongoing process.

To the extent a disclosure subject to the reporting requirement is intended to be ongoing, only the initial disclosure and a description of any processes governing subsequent disclosures need to be reported.

- (d) DENC, PSNC, and Service Company employees with access to CSOI must be prohibited from making any improper indirect use of the data, including directing or encouraging any actions based on the CSOI by employees that do not have access to such information, or by other employees of Dominion Energy or other Affiliates or Nonpublic Utility Operations of DENC and PSNC.
- (e) Should the handling or disclosure of CSOI by the Service Company, or another Affiliate or Nonpublic Utility Operation, or its respective employees, result in (i) a violation of DENC's FERC Statement of

Policy and Code of Conduct (FERC Code), 18 CFR 358 - Standards of Conduct for Transmission Providers (Transmission Standards), or any other relevant FERC standards or codes of conduct, (ii) the posting of such data on an Open Access Same-Time Information System (OASIS) or other Internet website, or (iii) other public disclosure of the data, DENC and PSNC shall promptly file a statement with the Commission in Docket Nos. E-22, Sub 551C, and G-5, Sub 585C, respectively, describing the circumstances leading to such violation, posting, or other public disclosure describing the circumstances leading to such violation, posting, or other public disclosure, any data required to be posted or otherwise publicly disclosed, and the steps taken to mitigate the effects of the current and prevent any future potential violation, posting, or other public disclosure.

- (f) Should any inappropriate disclosure of CSOI occur at any time, DENC or PSNC shall promptly file a statement with the Commission in Dockets No. E-22, Sub 551C, and G-5, Sub 585C, respectively, describing the circumstances of the disclosure, the CSOI disclosed, the results of the disclosure, and the steps taken to mitigate the effects of the disclosure and prevent future occurrences.
- (g) Unless publicly noticed and generally available, should the FERC Code, the Transmission Standards, or any other relevant FERC standards or codes of conduct be eliminated, amended, superseded, or otherwise replaced, DENC ~~and PSNC~~ shall file a letter with the Commission in Docket Nos. E-22, Sub 551D, ~~and G-5, Sub 585D,~~ ~~respectively,~~ describing such action within 60 days of the action, along with a copy of any amended or replacement document.

B. Nondiscrimination

1. General – DENC’s and PSNC’s employees and representatives shall not unduly discriminate against non-Affiliated entities.

2. Preferences – In responding to requests for Electric Services, Natural Gas Services, or both, DENC and PSNC shall not provide any preference to Dominion Energy, another Affiliate, or a Nonpublic Utility

Operation, or to any customers of such an entity, as compared to non-Affiliates or their customers. Moreover, neither DENC, PSNC, Dominion Energy, nor any other Affiliates shall represent to any person or entity that Dominion Energy, another Affiliate, or a Nonpublic Utility Operation will receive any such preference.

3. Application of Tariffs – DENC and PSNC shall apply the provisions of their respective tariffs equally to Dominion Energy, the other Affiliates, the Nonpublic Utility Operations, and non-Affiliates.

4. Requests for Service:

- (a) DENC and PSNC shall process all similar requests for Electric Services, Natural Gas Services, or both, in the same timely manner, whether requested on behalf of Dominion Energy, another Affiliate, a Nonpublic Utility Operation, or a non-Affiliated entity.
- (b) PSNC shall treat similarly situated Shippers in the same manner with respect to the delivery of gas on distribution facilities, contract terms, the scheduling of gas supplies, balancing provisions, and allocation of gas supplies and capacity at city gate stations.
- (c) PSNC shall post on its website its criteria for evaluating proposals from Shippers. PSNC shall not give one Shipper any form of preference over other similarly situated Shippers in matters relating to assignment, release, or other transfer of capacity rights on interstate pipeline systems.

5. Speaking for Utility – No Personnel of DENC, PSNC, Dominion Energy, or another Affiliate shall indicate, represent, or otherwise give the appearance to another party that Dominion Energy or another Affiliate speaks on behalf of DENC or PSNC; provided, however, that this prohibition shall not apply to employees of Service Company providing Shared Services or to employees of another Affiliate to the extent explicitly provided for in an affiliate agreement that has been accepted by the Commission. In addition, no Personnel of a Nonpublic Utility Operation shall indicate, represent, or otherwise give the appearance to another party that they speak on behalf of DENC's or PSNC's regulated public utility operations.

6. Advantages – No Personnel of DENC, PSNC, Dominion Energy, another Affiliate, or a Nonpublic Utility Operation shall indicate, represent, or otherwise give the appearance to another party that any advantage to that party with regard to Electric Services or Natural Gas

Services exists as the result of that party dealing with Dominion Energy, another Affiliate, or a Nonpublic Utility Operation, as compared with a non-Affiliate.

7. Tying – DENC and PSNC shall not condition or otherwise tie the provision or terms of any Electric Services or Natural Gas Services to the purchasing of any goods or services from, or the engagement in business of any kind with, Dominion Energy, another Affiliate, or a Nonpublic Utility Operation.

8. Information to Customers:

- (a) When any DENC or PSNC Personnel receives a request for information from or provides information to a Customer about goods or services available from Dominion Energy, another Affiliate, or a Nonpublic Utility Operation, the Personnel shall advise the Customer that such goods or services may also be available from non-Affiliated suppliers.
- (b) All PSNC information pertaining to interstate pipeline transportation, storage, distribution, or gas supply that is provided to a Gas Marketing Affiliate shall be made available to all Shippers on a contemporaneous, nondiscriminatory, and non-preferential basis by posting the information on its website and provided in a written form upon the request of a Shipper. Aggregate customer information and market data made available to Shippers shall be made available on a similar basis.
- (c) PSNC shall post on its website a current list of contact persons and telephone numbers of all gas marketers that are active on its system.

9. Disclosure of Customer Information – Disclosure of Customer Information to Dominion Energy, another Affiliate, or a Nonpublic Utility Operation, or a non-Affiliated entity shall be governed by Section III.A.2. of this Code of Conduct.

10. Unless otherwise directed by order of the Commission, electric generation shall not receive a priority of use from PSNC that would supersede or diminish PSNC's provision of service to its human needs firm residential and commercial customers.

11. PSNC shall file an annual report with the Commission summarizing all requests or inquiries for Natural Gas Services made by a

non-utility generator, PSNC's response to the request, and the status of the inquiry.

C. Marketing

1. Joint Marketing – The public utility operations of DENC and PSNC may engage in joint sales, joint sales calls, joint proposals, or joint advertising (a joint marketing arrangement) with their Affiliates and with their Nonpublic Utility Operations, subject to compliance with other provisions of this Code of Conduct and any conditions or restrictions that the Commission may hereafter establish. DENC and PSNC shall not otherwise engage in such joint activities without making such opportunities available to comparable third parties.

2. Affiliate Disclaimers – Neither Dominion Energy nor any of the other Affiliates shall use the names or logos of DENC or PSNC in any communications targeted at DENC's or PSNC's North Carolina service territories without the following disclaimers:

- (a) “[Dominion Energy/Affiliate] is not the same company as [DENC/PSNC], and [Dominion Energy/Affiliate] has separate management and separate employees;”
- (b) “[Dominion Energy/Affiliate] is not regulated by the North Carolina Utilities Commission or in any way sanctioned by the Commission;”
- (c) “Purchasers of products or services from [Dominion Energy/Affiliate] will receive no preference or special treatment from [DENC/PSNC];” and
- (d) “A customer does not have to buy products or services from [Dominion Energy/Affiliate] in order to continue to receive the same safe and reliable electric service from DENC or natural gas service from PSNC.”

3. Nonpublic Utility Operations Disclaimers:

- (a) Nonpublic Utility Operations may not use the names or logos of DENC or PSNC in any communications targeted at DENC's or PSNC's North Carolina service territories without the following disclaimer:

“[Name of product or service being offered by Nonpublic Utility Operation] is not part of the regulated services offered by [DENC/PSNC]

and is not in any way sanctioned by the North Carolina Utilities Commission.”

- (b) DENC's Nonpublic Utility Operations may not use the names or logos of DENC ~~or PSNC~~ in any communications targeted at DENC's ~~or PSNC's~~ North Carolina service territories without the following disclaimers:
- (i) “Purchasers of [name of product or service being offered by Nonpublic Utility Operation] from [Nonpublic Utility Operation] will receive no preference or special treatment from [DENC/PSNC],” and
 - (ii) “A customer does not have to buy this product or service from [Nonpublic Utility Operation] in order to continue to receive the same safe and reliable electric service from [DENC/PSNC].”

The required disclaimers in this Section III.C.3.(b) must be sized and displayed in a way that is commensurate with the name and logo so that the disclaimer is at least the larger of one-half the size of the type that first displays the name and logo or the predominant type used in the communication.

D. Transfers of Goods and Services, Transfer Pricing, and Cost Allocation

1. Cross-Subsidies – Cross-subsidies involving DENC or PSNC and Dominion Energy, other Affiliates, or the Nonpublic Utility Operations are prohibited.

2. Charging of Costs – All costs incurred by Personnel of DENC or PSNC for or on behalf of Dominion Energy, other Affiliates, or the Nonpublic Utility Operations shall be charged to the entity responsible for the costs.

3. General Transfer Pricing Guidelines – The following conditions shall apply as a general guideline to the transfer prices charged for goods and services, including the use or transfer of Personnel, exchanged between and among DENC or PSNC, and, Dominion Energy, the other Non-Utility Affiliates, and the Nonpublic Utility Operations, to the extent such prices affect DENC's or PSNC's operations or costs of utility service:

- (a) Except as otherwise provided for in this Section III.D., for untariffed goods and services provided by DENC or PSNC to Dominion Energy, a Non-Utility Affiliate, or a Nonpublic Utility Operation, the transfer price paid to DENC or PSNC shall be set at the higher of Market Value or DENC's or PSNC's Fully Distributed Cost.
- (b) Except as otherwise provided for in this Section III.D., for goods and services provided, directly or indirectly, by Dominion Energy, a Non-Utility Affiliate other than Service Company, or a Nonpublic Utility Operation to DENC or PSNC, the transfer price(s) charged by Dominion Energy, the Non-Utility Affiliate, and/or the Nonpublic Utility Operation to DENC or PSNC shall be set at the lower of Market Value or Dominion Energy's, the Non-Utility Affiliate's, or the Nonpublic Utility Operation's Fully Distributed Cost(s). If DENC or PSNC does not engage in competitive solicitation and instead obtains the goods or services from Dominion Energy, a Non-Utility Affiliate, or a Nonpublic Utility Operation, DENC and PSNC shall implement adequate processes to comply with this Code provision and related Regulatory Conditions and ensure that in each case DENC's and PSNC's Customers receive service at the lowest reasonable cost, unless otherwise directed by order of the Commission. For goods and services provided by Service Company to DENC, PSNC, and Utility Affiliates, the transfer price charged shall be set at Service Company's Fully Distributed Cost.
- (c) Tariffed goods and services provided by DENC and PSNC to Dominion Energy, other Affiliates, or a Nonpublic Utility Operation shall be provided at the same prices and terms that are made available to Customers having similar characteristics with regard to Electric Services or Natural Gas Services under the applicable tariff.
- (d) With the exception of gas supply transactions, transportation transactions, or both, between DENC and PSNC, untariffed non-power, non-generation, or non-fuel goods and services provided by DENC or PSNC to DENC, PSNC, or the other Utility Affiliates or by the Utility Affiliates to DENC or PSNC shall be transferred at the supplier's Fully Distributed

Cost, unless otherwise directed by order of the Commission.

- (e) All PSNC deliveries to DENC pursuant to intrastate negotiated sales or transportation arrangements and combinations of sales and transportation transactions shall be at the same price and terms that are made available to other Shippers having comparable characteristics, such as nature of service (firm or interruptible, sales or transportation), pressure requirements, nature of load (process/heating/electric generation), size of load, profile of load (daily, monthly, seasonal, annual), location on PSNC's system, and costs to serve and rates. PSNC shall maintain records in sufficient detail to demonstrate compliance with this requirement.
- (f) All gas supply transactions, interstate transportation and storage transactions, and combinations of these transactions, between DENC and PSNC shall be at the fair market value for similar transactions between non-affiliated third parties. DENC and PSNC shall maintain records, such as published market price indices, in sufficient detail to demonstrate compliance with this requirement.
- (g) All of the margins, also referred to as net compensation, received by PSNC on secondary market sales to DENC shall be recorded in PSNC's Deferred Gas Cost Accounts and shall flow through those accounts for the benefit of ratepayers. None of the margins on secondary market sales by PSNC to DENC shall be included in the secondary market transactions subject to the sharing mechanism on secondary market transactions approved by the Commission in its Order Approving Stipulation, dated December 22, 1995, in Docket No. G-100, Sub 67. The sharing percentage on secondary market sales shall not be considered in determining the prudence of such transactions.

4. Shared Services Pricing – To the extent that DENC, PSNC, Dominion Energy, other Affiliates, or the Nonpublic Utility Operations receive Shared Services from Service Company (or its successor), these Shared Services may be jointly provided to DENC, PSNC, Dominion Energy, other

Affiliates, or the Nonpublic Utility Operations on a Fully Distributed Cost basis, provided that the taking of such Shared Services by DENC and PSNC is cost beneficial on a service-by-service (e.g., accounting management, human resources management, legal services, tax administration, public affairs) basis to DENC and PSNC. Charges for such Shared Services shall be allocated in accordance with the Service Company cost allocation manual filed with the Commission pursuant to Regulatory Condition 4.5, subject to any revisions or other adjustments that may be found appropriate by the Commission on an ongoing basis.

5. Joint Purchases – DENC, PSNC, and their Utility Affiliates may capture economies-of-scale in joint purchases of goods and services (excluding the purchase of electricity or ancillary services intended for resale unless such purchase is made pursuant to a Commission-approved contract or service agreement), if such joint purchases result in cost savings to DENC's and PSNC's Customers. DENC, PSNC, and their Utility Affiliates may capture economies-of-scale in joint purchases of coal and natural gas, if such joint purchases result in cost savings to DENC's and PSNC's Customers. All joint purchases entered into pursuant to this section shall be priced in a manner that permits clear identification of each participant's portion of the purchases and shall be reported in DENC's and PSNC's affiliated transaction reports filed with the Commission.

6. Accounting – All permitted transactions between DENC, PSNC, Dominion Energy, other Affiliates, and the Nonpublic Utility Operations shall be recorded and accounted for in accordance with the cost allocation manual required to be filed with the Commission pursuant to Regulatory Condition 4.5 and with Affiliate agreements accepted by the Commission or otherwise processed in accordance with North Carolina law, the rules and orders of the Commission, and the Regulatory Conditions.

7. Information Costs – Costs that DENC and PSNC incur in assembling, compiling, preparing, or furnishing requested Customer Information or CSOI for or to Dominion Energy, other Affiliates, or the Nonpublic Utility Operations shall be recovered from the requesting party pursuant to Section III.D.3. of this Code of Conduct.

8. Transfers of Technology and Trade Secrets – Any technology or trade secrets developed, obtained, or held by DENC or PSNC in the conduct of regulated operations shall not be transferred to Dominion Energy, another Affiliate, or a Nonpublic Utility Operation without just compensation and the filing of 60-days prior notification to the Commission. DENC and PSNC are not required to provide advance notice for such transfers to each other and may request a waiver of this requirement from the Commission with respect to such transfers to Dominion Energy, a Utility Affiliate, a Non-Utility Affiliate, or a Nonpublic Utility Operation. In no case, however, shall the notice period requested be less than 20 business days.

9. Intangible Benefits – DENC and PSNC shall receive compensation from Dominion Energy, other Affiliates, and the Nonpublic Utility Operations for intangible benefits, if appropriate.

E. Regulatory Oversight

1. Affiliate Transactions – The requirements regarding affiliate transactions set forth in G.S. 62-153 shall continue to apply to all transactions between DENC, PSNC, Dominion Energy, and the other Affiliates.

2. Books and Records – The books and records of DENC, PSNC, Dominion Energy, other Affiliates, and the Nonpublic Utility Operations shall be open for examination by the Commission, its staff, and the Public Staff as provided in G.S. 62-34, 62-37, and 62-51.

3. Generator Supply Services:

- (a) If PSNC supplies any Natural Gas Services, with the exception of Natural Gas Services provided pursuant to Commission-approved contracts or service agreements, used by DENC to generate electricity, DENC shall file a report with the Commission in its annual fuel and fuel-related cost recovery case demonstrating that the purchase was prudent and the price was reasonable.
- (b) To the extent North Carolina law, the orders and rules of the Commission, and the Regulatory Conditions permit Dominion Energy, an Affiliate, or a Nonpublic Utility Operation to supply DENC with Natural Gas Services or other Fuel and Purchased Power Supply Services used by DENC to provide Electric Services to Customers, and to the extent such Natural Gas Services or other Fuel and Purchased Power Supply Services are supplied, DENC shall demonstrate in its annual fuel adjustment clause proceeding that each such acquisition was prudent and the price was reasonable.

F. Utility Billing Format

To the extent any bill issued by DENC, PSNC, Dominion Energy, another Affiliate, a Nonpublic Utility Operation, or a non-Affiliated third party includes charges to Customers for Electric Services or Natural Gas Services and non-Electric Services, non-Natural Gas Services, or any combination of such services, from Dominion Energy, another Affiliate, a

Nonpublic Utility Operation, or a non-Affiliated third party, the charges for Electric Services and Natural Gas Services shall be separated from the charges for any other services included on the bill. Each such bill shall contain language in bold print stating that the Customer's Electric Services and Natural Gas Services, as applicable, will not be terminated for failure to pay for any other services billed.

G. Complaint Procedure

1. Procedures – DENC and PSNC shall establish procedures to resolve potential complaints that arise due to the relationship of DENC and PSNC with Dominion Energy, the other Affiliates, and the Nonpublic Utility Operations. The complaint procedures shall provide for the following:

- (a) Verbal and written complaints shall be referred to a designated representative of DENC or PSNC.
- (b) The designated representative shall provide written notification to the complainant within 15 days that the complaint has been received.
- (c) DENC or PSNC shall investigate the complaint and communicate the results or status of the investigation to the complainant within 60 days of receiving the complaint.
- (d) DENC and PSNC shall each maintain a log of complaints and related records and permit inspection of documents (other than those protected by the attorney/client privilege), by the Commission, its staff, or the Public Staff.

2. Notwithstanding the provisions of Section III.G.1., any complaints received through the Dominion Energy Compliance Line (or its successor), which is a confidential mechanism available to the employees of the Dominion Energy holding company system, shall be handled in accordance with procedures established for the Dominion Energy Compliance Line.

3. Commission – These complaint procedures do not affect a complainant's right to file a formal complaint or otherwise address questions to the Commission or the Public Staff regarding a complaint.

H. Natural Gas/Electricity Competition

DENC and PSNC shall continue to compete against all energy providers to serve those retail customer energy needs that can be legally and profitably served by both electricity and natural gas. The competition between DENC and PSNC shall be at a level that is no less than that which existed prior to the Merger.

Without limitation as to the full range of potential competitive activity, DENC and PSNC shall maintain the following minimum standards:

1. PSNC will make all reasonable efforts to extend the availability of natural gas to as many new customers as possible.
2. In determining where and when to extend the availability of natural gas, PSNC will at a minimum apply the same standards and criteria that it applied prior to the Merger.
3. In determining where and when to extend the availability of natural gas, PSNC will make decisions in accordance with the best interests of PSNC, rather than the best interest of DENC.
4. To the extent that either the natural gas industry or the electricity industry is further restructured, DENC and PSNC will undertake to maintain the full level of competition intended by this Code of Conduct subject to the right of DENC, PSNC or the Public Staff to seek relief from or modifications to this requirement by the Commission.

CODE OF CONDUCT ATTACHMENT

DENC/PSNC CUSTOMER INFORMATION DISCLOSURE AUTHORIZATION

For Disclosure to Affiliates:

DENC's/PSNC's Affiliates offer products and services that are separate from the regulated services provided by DENC/PSNC. These services are not regulated by the North Carolina Utilities Commission. These products and services may be available from other competitive sources.

The Customer authorizes DENC/PSNC to provide any data associated with the Customer accounts(s) residing in any DENC/PSNC files, systems, or databases **[or specify specific types of data]** to the following Affiliate(s):
_____. DENC/PSNC will provide this data on a nondiscriminatory basis to any other person or entity upon the Customer's authorization.

For Disclosure to Non-Affiliates:

The Customer authorizes DENC/PSNC to provide any data associated with the Customer accounts(s) residing in any DENC/PSNC files, systems, or databases **[or specify specific types of data]** to the following non-Affiliate(s):
_____.

For Disclosure to Nonpublic Utility Operations:

DENC/PSNC offers optional, market-based products and services that are separate from the regulated services provided by DENC/PSNC. These services are not regulated by the North Carolina Utilities Commission. These products and services may be available from other competitive sources.

The Customer authorizes DENC/PSNC to provide any data associated with the Customer accounts(s) residing in any DENC/PSNC files, systems, or databases **[or specify specific types of data]** for the purpose of offering and providing energy-related products or services to the Customer. DENC/PSNC will provide this data on a nondiscriminatory basis to any other person or entity upon the Customer's authorization.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Revised Code of Conduct submitted in Docket Nos. G-5, Sub 585 and E-22 Sub 551 were served upon the parties of record via U.S. mail, postage paid, or electronically.

This, the 9th day of November, 2018.

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