STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. E-22, SUB 674

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

NOTICE OF AFFIDAVIT
and Energy Efficiency Portfolio Standard
Cost Recovery Rider Under N.C. Gen. Stat.
§ 62-133.8 and Commission Rule R8-67

NOW COMES THE PUBLIC STAFF - North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, as constituted by N.C. Gen. Stat. § 62-15, and gives notice that the Affidavit of:

Jay B. Lucas, Manager, Electric Section – Rates and Energy Services, Energy Division
Public Staff - North Carolina Utilities Commission
430 North Salisbury Street - Dobbs Building
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

will be used in evidence at the hearing in this docket scheduled for November 28, 2023, pursuant to N.C.G.S. § 62-68. The affiant will not be called to testify orally and will not be subject to cross-examination unless an opposing party or the Commission demands the right of cross-examination by notice mailed or delivered to the proponent at least five days prior to the hearing, pursuant to N.C.G.S. § 62-68.

THEREFORE, the Public Staff moves that the Affidavit of Jay B. Lucas be admitted into evidence in the absence of notice pursuant to N.C.G.S. § 62-68.

Respectfully submitted this the 7th day of November 2023.

PUBLIC STAFF Christopher J. Ayers Executive Director

Lucy E. Edmondson Chief Counsel

Electronically submitted
/s/ Thomas J. Felling
Staff Attorney
thomas.felling@psncuc.nc.gov

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AFFIDAVIT OF
JAY B. LUCAS

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Jay B. Lucas, first being duly sworn, do depose and say:

I am the Manager of the Electric Section – Rates and Energy Services in the Public Staff's Energy Division. A summary of my duties, education, and experience is attached to this affidavit as Appendix A.

The purpose of my affidavit is to make recommendations to the Commission on the proposed Renewable Energy and Energy Efficiency Portfolio Standard (REPS) Cost Recovery Rider and the 2022 REPS Compliance Report filed by Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC), on August 15, 2023, and the revised application filed on September 25, 2023. The passage of Session Law 2023-138 on October 10, 2023, revised N.C. Gen. Stat. § 62-133.8, and REPS became the Clean Energy and Energy Efficiency Portfolio Standard (CEPS), which added nuclear energy as resource for

compliance. Because DENC's REPS Compliance Report was filed prior to the effective date of S.L. 2023-138 and uses both a historic test period and a prospective billing period, I will continue to use the term REPS in this docket, while noting that this will be titled the CEPS Rider in the upcoming 2024 calendar year filings. My recommendations are based on a review of DENC's application, the supporting testimony and exhibits of George E. Hitch, Justin A. Wooldridge, and Jessica N. Chargois, DENC's 2022 REPS Compliance Report, DENC's newly signed renewable energy contracts, DENC's responses to Public Staff data requests, reports generated from the North Carolina Renewable Energy Tracking System, and the affidavit of Public Staff affiant Darrus K. Cofield.

2022 REPS Compliance Report

DENC is legally obligated to acquire renewable energy certificates (RECs) in accordance with N.C.G.S. § 62-133.8, and contractually required to provide REPS compliance services, including reporting services, for the Town of Windsor. The filings by DENC in this docket include the REPS requirements of the Town of Windsor.

For 2022 compliance, DENC obtained a sufficient number of general RECs, ¹ energy efficiency certificates, solar set-aside RECs, swine waste set-aside RECs, and poultry waste set-aside RECs such that the total equaled 12.5% of DENC's 2021 North Carolina retail sales for itself and 10% of 2021 North Carolina retail sales for the Town of Windsor. As part of the total requirement, DENC needed

¹ General RECs include all RECs other than those used to meet the solar, swine waste, and poultry waste set-asides.

to pursue retirement of sufficient solar RECs to match 0.20% of retail sales in 2021 for both itself and the Town of Windsor, sufficient poultry waste RECs to match their pro-rata share of 700,000 MWh, and sufficient swine waste RECs to match 0.05% of retail sales in 2021 for itself. The swine waste REC requirements for the Town of Windsor have been delayed until the 2023 compliance year. The current swine and poultry waste set-aside requirements were determined by the Commission in Docket No. E-100, Sub 113 in its December 20, 2022 Order Ruling on Motion for Clarification and Request for Declaratory Ruling Regarding Cost Cap, Modifying Swine and Poultry Wast Set-Aside Requirements, and Providing Other Relief.

Based on its review, the Public Staff has determined that DENC's 2022 REPS Compliance Report meets the requirements of N.C.G.S. § 62-133.8 and Commission Rule R8-67(c). Accordingly, the Public Staff recommends that the Commission approve DENC's 2022 REPS Compliance Report.

Proposed REPS Rider Charges

DENC's proposed REPS rider, Rider RP, is based on the projected costs and projected number of accounts subject to a REPS charge in the billing period (February 1, 2024, through January 31, 2025). DENC's REPS Experience Modification Factor (EMF) rider, Rider RPE, is based on the incremental costs in the test period (July 1, 2022, through June 30, 2023) and the projected number of accounts subject to a REPS charge in the billing period. The REPS EMF rider is also discussed in the affidavit of Public Staff affiant Cofield. To collect the utility

regulatory fee established by N.C.G.S. § 62-302, the charges for Riders RP and RPE are multiplied by a regulatory fee factor.

In its revised application, DENC requested the following monthly charges to be recovered through Riders RP and RPE for the billing period, including the regulatory fee:

Customer Class	Rider RP	Rider RPE	Total REPS Rate
Residential	\$0.55	\$0.02	\$0.57
General	\$3.07	\$0.11	\$3.18
Industrial	\$20.46	\$0.74	\$21.20

Based on my review of the application, and the review of the affidavit of Public Staff affiant Cofield, I recommend approval of DENC's proposed rates.

This completes my affidavit.

Jay B. Lucas

Sworn to and subscribed before me this the 200

day of November, 2023.

(Signature of Notary Public)

Joanne M. Bérubé

Printed Name of Notary Public

My Commission Expires 12/17/2027



APPENDIX A

QUALIFICATIONS AND EXPERIENCE

JAY B. LUCAS

I graduated from the Virginia Military Institute in 1985, earning a Bachelor of Science Degree in Civil Engineering. Afterwards, I served for four years as an engineer in the Air Force performing many civil and environmental engineering tasks. I left the Air Force in 1989 and attended the Virginia Polytechnic Institute and State University (Virginia Tech), earning a Master of Science degree in Environmental Engineering. After completing my graduate degree, I worked for an engineering consulting firm and worked for the North Carolina Department of Environmental Quality in its water quality programs. Since joining the Public Staff in January 2000, I have worked on utility cost recovery, renewable energy program management, customer complaints, and other aspects of utility regulation. I am a licensed Professional Engineer in North Carolina.

CERTIFICATE OF SERVICE

I certify that I have served a copy of the foregoing on all parties of record or to the attorney of record of such party in accordance with Commission Rule R1-39, by United States mail, postage prepaid, first class; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 7th day of November, 2023.

Electronically submitted /s/Thomas J. Felling