

McGuireWoods LLP
501 Fayetteville St.
Suite 500
Raleigh, NC 27601
Phone: 919.755.6600
Fax: 919.755.6699
www.mcguirewoods.com

Andrea R. Kells
Direct: 919.755.6614

McGUIREWOODS

akells@mcguirewoods.com

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Jan 28 2021

January 28, 2021

VIA Electronic Filing

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

**Re: Docket No. E-22, Sub 588
Docket No. E-22, Sub 589
Docket No. E-22, Sub 590**

Dear Ms. Campbell:

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 21, 2021, in Docket No. E-22, Sub 588; on January 19, 2021, in Docket No. E-22, Sub 589; and on January 22, 2021, in Docket No. E-22, Sub 590.

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.

Very truly yours,

/s/Andrea R. Kells

ARK:kjg

Enclosure

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 588
DOCKET NO. E-22, SUB 589
DOCKET NO. E-22, SUB 590

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 Rider Pursuant to G.S. 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 Approval of Demand Side)
Management and Energy Efficiency Cost)
Recovery Rider Pursuant to G.S. 62-133.9)
and Commission Rule R8-69)

**NOTICE TO CUSTOMERS OF
CHANGE IN RATES**

In the Matter of
Application of Virginia Electric and Power)
Company, d/b/a Dominion Energy North)
Carolina, Pursuant to G.S. 62-133.2 and)
Commission Rule R8-55 Regarding Fuel)
and Fuel-Related Costs Adjustments for)
Electric Utilities)

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 decreases in Dominion Energy North Carolina’s cost of purchasing renewable energy and total fuel expenses, as well as an increase in the costs and utility incentives associated with Commission-authorized

programs implemented to encourage more efficient use of electricity by its customers. These rate changes will become effective for usage on and after February 1, 2021. The Commission’s orders authorizing these rate changes were issued on January 21, 2021, in Docket No. E-22, Sub 588, on January 19, 2021, in Docket No. E-22, Sub 589, and on January 22, 2021, in Docket No. E-22, Sub 590.

Renewable Energy and Energy Efficiency Portfolio Standard Rate Decrease

On January 21, 2021, the Commission approved the Company’s updated Riders RP and RPE to become effective February 1, 2021, which are designed to recover annual North Carolina retail revenues of \$318,463 associated with the Company’s annual obligation to purchase electricity produced by renewable energy resources under North Carolina’s Renewable Energy Portfolio and Energy Efficiency Standard (“REPS”). The rate decrease was approved by the Commission after review of the Company’s incremental REPS compliance costs incurred during the period July 1, 2019, through June 30, 2020, Rider RP revenues recovered during that period, and compliance costs projected to be incurred during the rate period February 1, 2021 – January 31, 2022. 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, 2019 – January 31, 2020 rate period:

Residential	Commercial	Industrial
\$0.13	\$0.71	\$4.72

The change in the REPS charges will result in a monthly decrease of \$0.42 for a residential customer during the rate period February 1, 2021 – January 31, 2022.

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. Please 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.

Demand-Side Management and Energy Efficiency Related Rate Increase

On January 19, 2021, the Commission approved rates to become effective February 1, 2021, that are designed to collect \$3,034,822 in annual North Carolina retail costs and utility incentives (including interest) associated with offering the Company's portfolio of demand-side management ("DSM") and energy efficiency ("EE") programs. The rate increase was 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, 2021 – January 31, 2022, and a true-up of calendar year 2019 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, 2021 – January 31, 2022:

Residential	SGS & Public Authority	LGS	6VP	NS	Outdoor Lighting	Traffic
0.0926 ¢/kWh	0.0960 ¢/kWh	0.0739 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh

The change in the DSM and EE rates will result in a monthly increase of approximately \$0.01 for a residential customer using 1,000 kWh per month during the February 1, 2021 – January 31, 2022 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/large-business/energy-conservation-programs/nc-dsm-program-opt-out> for additional details on DSM/EE opt out eligibility.

Fuel Related Rate Decrease

On January 22, 2021, the Commission approved annual non-base fuel rate changes to become effective February 1, 2021, including projected fuel factor (Rider A) and EMF rider (Rider B). This total decrease includes recovery of the Company’s North Carolina fuel expense over-collection of \$4,690,241 (including interest and North

Carolina regulatory fee). The rate decrease was approved by the Commission after review of the Company’s fuel expenses and related revenues during the 12-month period ending June 30, 2020, and represents changes experienced by the Company with respect to its reasonable costs of fuel and the fuel component of purchased power. The EMF increment fuel factors (Rider B) approved by the Commission are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
(0.115) ¢/kWh	(0.114) ¢/kWh	(0.114) ¢/kWh	(0.110) ¢/kWh	(0.112) ¢/kWh	(0.115) ¢/kWh	(0.115) ¢/kWh

The net change of the EMF rider and Fuel Rider A will result in a monthly decrease of approximately \$3.89 for a residential customer using 1,000 kWh per month during the rate period February 1, 2021 – January 31, 2022. Dominion Energy North Carolina’s total net fuel factors (for each customer class) are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
1.743 ¢/kWh	1.742 ¢/kWh	1.728 ¢/kWh	1.677 ¢/kWh	1.700 ¢/kWh	1.743 ¢/kWh	1.743 ¢/kWh

Summary of Rate Changes

The foregoing changes to Dominion Energy North Carolina’s approved rates and charges relating to renewable energy costs, demand-side management and energy efficiency programs, and fuel expenses are effective on a final basis for usage on and after February 1, 2021. 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 an increase of \$5.82, or 5.20%. The total monthly impact for commercial and industrial customers will vary based upon consumption and customers’

participation in Dominion Energy North Carolina's demand-side management and energy-efficiency programs.

ISSUED BY ORDER OF THE COMMISSION.

This _____ day of January, 2021.

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 Nos. E-22, Sub 588; E-22, Sub 589; and E-22, Sub 590, were served electronically or via U.S. mail, first-class, postage prepaid, upon all parties of record.

This, the 28th day of January, 2021.

/s/Andrea R. Kells

Andrea R. Kells

McGuireWoods LLP

501 Fayetteville Street, Suite 500

PO Box 27507 (27611)

Raleigh, North Carolina 27601

Telephone: (919) 755-6614

akells@mcguirewoods.com

*Attorney for Virginia Electric and Power
Company, d/b/a Dominion Energy North
Carolina*