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Oct 15 2021

October 15, 2021

**VIA Electronic Filing**

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

Re: *Docket No. E-22, Sub 603*

Dear Ms. Dunston:

Enclosed for filing in the above referenced proceeding is Virginia Electric and Power Company d/b/a Dominion Energy North Carolina's Corrected Company Exhibit GEH-1. The Company Exhibit GEH-1 originally filed on August 10, 2021, should be replaced with the enclosed.

Portions of the Corrected Company GEH-1 REPS Report contain confidential information under N.C.G.S. § 66-152(3). Pursuant to N.C.G.S. §132-1.2, the Company is filing all pages designated as confidential under separate cover, and will make the information available to other 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

ARK:sjg

Enclosures

cc: Nadia Luhr  
Dianna Downey

**STATE OF NORTH CAROLINA  
NORTH CAROLINA UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. E-22, SUB 603

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	2021 REPS COMPLIANCE
Dominion Energy North Carolina	)	REPORT OF DOMINION ENERGY
REPS Compliance Report Pursuant	)	NORTH CAROLINA FOR
to Rule R8-67(c)	)	CALENDAR YEAR 2020

Pursuant to North Carolina General Statute (“N.C.G.S.”) § 62-133.8 and Rule R8-67(c) of the Rules of the North Carolina Utilities Commission (“Commission”), Virginia Electric and Power Company d/b/a Dominion Energy North Carolina (“DENC” or the “Company”) hereby files its 2021 North Carolina Renewable Energy and Energy Efficiency Portfolio Standards (“NC REPS”) Compliance Report for calendar year 2020.

As required by Rule R8-67(c)(1), each year, each electric power supplier shall file with the Commission a report describing the electric power supplier’s compliance with the requirements of N.C.G.S. § 62-133.8(b), (c),<sup>1</sup> (d), (e) and (f) during the previous calendar year. The elements of the Company’s 2021 NC REPS Compliance Report for calendar year 2020 are stated below and correspond to the items listed in Rule R8-67(c)(1).

As demonstrated by this Report, the Company achieved its 2020 REPS compliance requirements by satisfying the solar carve-out requirement, the poultry waste carve-out, the swine waste carve-out, and the general REPS requirement. The Company also satisfied the solar requirement, poultry requirement and general REPS requirement for the Town of Windsor, a wholesale customer.<sup>2</sup>

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<sup>1</sup> The compliance obligation set forth in N.C.G.S. § 62-133.8(c) does not apply to electric public utilities, such as Dominion Energy North Carolina. However, the Company has committed to provide REPS compliance services for Town of Windsor, a full requirements customer of the Company, which is subject to the requirements of this subsection.

<sup>2</sup> On December 30, 2020, the Commission issued an Order delaying the initial Swine Waste Set-Aside requirement until 2021 for municipalities. *Order Modifying the Swine Waste Set-Aside Requirements and Providing Other Relief*, Docket No. E-100, Sub 113 (December 30, 2020) (“2020 Delay Order”).

*(i) Provide the sources, amounts, and costs of renewable energy certificates, by source, used to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e) and (f). Renewable energy certificates for energy efficiency may be based on estimates of reduced energy consumption through the implementation of energy efficiency measures, to the extent approved by the Commission;*

**Status:** As the Commission has previously confirmed, N.C.G.S. § 62-133.8(b)(2)(e) provides that Dominion Energy North Carolina may use unbundled out-of-state RECs to meet some or all of the Company’s NC REPS requirements.<sup>3</sup> With regard to the Town of Windsor’s compliance obligations, 75% of its general obligation and set-aside REPS requirements must be satisfied by renewable power or RECs generated from in-state facilities.

The Company purchased unbundled out-of-state wind and poultry waste RECs, and in-state and out-of-state solar and swine waste RECs to comply with its 2020 NC REPS requirements. In addition, the Company is using energy efficiency (“EE”) savings created by Commission-approved EE programs for 2020 compliance. The Company also purchased sufficient in-state solar RECs, and in-state and out-of-state poultry and biomass RECs, for the Town of Windsor.

Figure 1.1 shows RECs to be retired for 2020 compliance with the solar set-aside REPS requirement for the Company, as well as for the Town of Windsor. Figure 1.2 shows poultry waste RECs to be retired for 2020 compliance with the poultry waste set-aside REPS requirement for the Company, as well as for the Town of Windsor. Figure 1.3 shows swine waste RECs to be retired for 2020 compliance with the swine waste set-aside REPS requirement for the Company. Figure 1.4 shows the wind RECs and energy efficiency credits to be retired for 2020 compliance with the general REPS requirement for the Company, as well as the SEPA and biomass RECs for the Town of Windsor.

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<sup>3</sup> *Order on Dominion’s Motion for Further Clarification*, Docket No. E-100, Sub 113 (Sept. 22, 2009) (holding that the meaning of N.C.G.S. § 62-133.8(b)(2)(e) is to allow Dominion Energy North Carolina to achieve up to 100% REPS general obligation and set-aside compliance using out-of-state RECs).

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Figure 1.1 RECs Used for 2020 Solar Set-Aside Compliance			
	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	8,562		
	1,886		
	752		
	824		
	101		
	859		
	382		
	302		
	91		
	837		
	74		
	2,356		
	98		
For Town of Windsor (Requirement)	96		
	96		
<b>Total Volume</b>	<b>8,658</b>	<b>Total REC Cost</b>	

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Figure 1.2 RECs Used for 2020 Poultry Waste Set-Aside Compliance			
	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	22,311		
	22,311		
For Town of Windsor (Requirement)	254		
	63		
	191		
<b>Total Volume</b>	<b>22,565</b>	<b>Total REC Cost</b>	

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Figure 1.3 RECs Used for 2020 Swine Waste Set-Aside Compliance			
	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	2,997		
[REDACTED]	4	[REDACTED]	[REDACTED]
	90		
	127		
	133		
	122		
	391		
	2,130		
For Town of Windsor (Requirement)	0		
<b>Total Volume</b>	<b>2,997</b>	<b>Total REC Cost</b>	[REDACTED]

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Figure 1.4 RECs Used for 2020 General REPS Compliance			
	Quantity	Price / MWh	REC Cost
For DENC (Requirement)	394,200		
[REDACTED]	169,960	[REDACTED]	[REDACTED]
	21,984		
	133,313		
	35,486		
DENC Energy Efficiency <sup>1</sup>	33,457	N/A <sup>2</sup>	N/A <sup>2</sup>
For Town of Windsor (Requirement)	4,433		
SEPA (Hydro)	252	\$0.00	\$0.00
[REDACTED]	3,048	[REDACTED]	[REDACTED]
	1,133		
<b>Total Volume</b>	<b>398,633</b>	<b>Total REC Cost</b>	[REDACTED]
1) Vintage 2020 energy efficiency credits ("EECs") are derived from Appendix C of the Company's 2021 Evaluation, Measurement, and Verification Report, as filed in Docket No. E-22, Sub 589, on May 14, 2021. 2) The cost of EECs is based upon the Company's EE program deployment cost approved annually by the Commission for recovery pursuant to N.C.G.S. § 62-133.9.			

ii) Provide the actual North Carolina retail sales and year-end number of customer accounts by customer class;

**Status:** The following figures are based on the actual Dominion Energy North Carolina retail sales and year-end number of customer accounts by customer class as of December 31, 2020.<sup>4</sup>

Actual North Carolina Retail Sales:	4,168,866 MWh
Residential Customer Accounts:	105,087
Commercial Customer Accounts:	18,438
Industrial Customer Accounts:	<u>50</u>
Total Accounts:	123,575

In addition, the Company has a full requirement contract with the Town of Windsor, and its actual retail sales were 45,799 MWh for calendar year 2020 (as reported to the Company by the Town of Windsor).

*(iii) Current avoided cost rates and the avoided cost rates applicable to energy received pursuant to long-term power purchase agreements are discussed below;*

**Status:** The Company’s most recently approved Schedule 19 avoided cost rates that would be generally applicable to energy received pursuant to renewable power purchase agreements were approved by the Commission in Docket No E-100, Sub 158.<sup>5</sup> However, no long-term power purchase agreements have been entered into to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e) or (f), so Dominion Energy North Carolina’s avoided costs are not required to determine its incremental costs of 2020 REPS compliance.

*(iv) Provide the Company’s actual total and incremental costs during the calendar year incurred to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f);*

**Status:** Figure 2.1 shows that the Company’s actual total and incremental REPS compliance costs incurred during calendar year 2020 comprised purchases of various types of RECs, as well as other reasonable and prudent incremental direct costs.

<b>Figure 2.1 DENC Total Costs</b>			
	<b>REC Purchases</b>	<b>Direct</b>	<b>Total Costs</b>
<b>Actual Total Compliance Costs</b>	\$434,403.97	\$18,160.62	\$452,564.59

<sup>4</sup> Pursuant to the Commission’s *Order Clarifying Electric Power Suppliers’ Annual REPS Requirements* in Docket No. E-100, Sub 113 (November 26, 2008), each year’s solar, swine waste and poultry waste set aside requirements are based on the previous year’s actual sales. The Company’s actual 2019 sales were 4,280,697 MWh. The Town of Windsor’s actual 2019 sales were 47,821 MWh.

<sup>5</sup> *Order Establishing Standard Rates and Contract Terms for Qualifying Facilities*, Docket No. E-100, Sub 158 (Nov. 1, 2018).

<b>Actual Total Avoided Costs</b>	-	-	-
<b>Actual Incremental Costs</b>	\$434,403.97	\$18,160.62	\$452,564.59

For the Town of Windsor, the Company incurred costs of approximately \$23,000 during calendar year 2020. Since the Company is purchasing unbundled RECs, actual and incremental compliance costs are the same.

*(v) Provide a comparison of the actual incremental costs incurred during the calendar year to the per-account annual charges (in N.C.G.S. § 62-133.8(h)(4)) applied to its total number of customer accounts as of December 31 of the previous calendar year;*

**Status:** Dominion Energy North Carolina determined the number of year-end 2019 customer accounts by customer class. The year-end number of customer accounts was then multiplied by the per-account charges set forth in N.C.G.S. § 62-133.8(h)(4) to calculate the cost cap by customer class and in the aggregate. The Company then allocated its share of the incremental costs based upon the customer class’ pro rata share of the aggregate cost cap.

*(vi) Discuss the status of compliance with the requirements of N.C.G.S. § 62-133.8(b), (c), (d), (e), and (f);*

**Status:**

**Solar REPS requirements of N.C.G.S. § 62-133.8(d).** The Company has complied with the N.C.G.S. § 62-133.8(d) solar set-aside requirement for 2020 through the purchases of 8,562 solar RECs, representing 0.20% of its 2019 retail megawatt hour sales of 4,280,697. The Company also purchased 96 qualifying solar RECs on behalf of the Town of Windsor, representing 0.20% of Windsor’s 2019 retail megawatt hour sales of 47,821.

**Swine Waste Set-Aside requirements of N.C.G.S. § 62-133.8(e).** Through the 2020 Delay Order, the Commission delayed the Town of Windsor’s 2020 swine waste set-aside compliance obligation by one (1) year. As directed by Ordering Paragraph 7 of both the 2012 and 2013 Delay Orders, Dominion Energy North Carolina has continued to take all reasonable actions to purchase any available swine RECs. In addition, the Company filed Semiannual Progress Reports as required by Ordering Paragraph 3 of the 2015 Delay Order.<sup>6</sup> The Company has also attended all the animal waste-to-energy stakeholder meetings arranged by the Public Staff. Dominion Energy North Carolina has complied

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<sup>6</sup> *Order Modifying the Swine and Poultry Waste Set-Aside Requirements and Providing Other Relief*, Docket No. E-100, Sub 113 (Dec. 1, 2015) (“2015 Delay Order”).

with the N.C.G.S. § 62-133.8(e) swine waste set-aside requirement for 2020 through the purchases of 2,997 swine waste RECs, representing 0.07% of the Company's 2018 retail megawatt hour sales of 4,280,697.

The Company has sufficient RECs in NC-RETs to satisfy both Dominion Energy North Carolina and the Town of Windsor's 2021 and 2022 swine waste set-aside requirements. The Company continues to search for additional swine waste RECs and work with the Swine Waste REC Buyers Group to monitor developments in the swine waste to energy sector.

**Poultry Waste Set-Aside requirements of N.C.G.S. § 62-133.8(f).** Dominion Energy North Carolina has complied with the N.C.G.S. § 62-133.8(f) poultry waste set-aside requirement for 2020 through the purchases of 22,311 poultry waste RECs, representing 0.52% of the Company's 2019 retail megawatt hour sales of 4,280,697. The Company also purchased 254 qualifying poultry waste RECs on behalf of the Town of Windsor, representing 0.53% of Windsor's 2019 retail megawatt hour sales of 47,821.

The Company has sufficient RECs in NC-RETs to satisfy both Dominion Energy North Carolina and the Town of Windsor's 2021 and 2022 poultry waste set-aside requirements.

**General REPS requirements of N.C.G.S. § 62-133.8(b).** Dominion Energy North Carolina has complied with the N.C.G.S. § 62-133.8(b) general REPS requirement for 2020, by retiring 394,200 RECs and EECs, representing 9.21% of the Company's 2019 retail megawatt hour sales and consisting of eligible wind RECs and EECs. The Company also purchased 4,181 qualifying general obligation biomass RECs and retired 252 SEPA hydro RECs, on behalf of the Town of Windsor, representing 9.06% of Windsor's 2019 retail megawatt hour sales.

*(vii) Identify any renewable energy certificates or energy savings to be carried forward pursuant to N.C.G.S. § 62-133.8(b)(2)f or (c)(2)f;*

**Appendix A** contains the renewable energy certificates to be carried forward by the Company on behalf of Dominion Energy North Carolina and the Town of Windsor.

*(viii) The dates and amounts of all payments made for renewable energy certificates; and*

**Appendix B** contains the dates and amounts of all payments made for renewable energy certificates for the period July 1, 2020, through June 30, 2021.

*(ix) For electric membership corporations and municipal electric suppliers, reduced energy consumption achieved after January 1, 2008, through the implementation of a demand-side management program.*



**Status:** As an investor owned utility, this question is not applicable to the Company.

*Pursuant to Rule R8-67(c)(4), in each electric power supplier's initial REPS compliance report, the electric power supplier shall propose a methodology for determining its cap on incremental costs incurred to comply with N.C.G.S. § 62-133.8(b), (c), (d), (e) and (f) and fund research as provided in N.C.G.S. § 62-133.8(h)(1), including a determination of year-end number of customer accounts. The proposed methodology may be specific to each electric power supplier, shall be based upon a fair and reasonable allocation of costs, and shall be consistent with N.C.G.S. § 62-133.8(h). The electric power supplier may propose a different methodology that meets the above requirements in a subsequent REPS compliance report filing. For electric public utilities, this methodology shall also be used for assessing the per-account charges pursuant to N.C.G.S. § 62-133.8(h)(5)*

**Status:**

The Company has defined a “Customer” for the purposes of REPS billing as a “service point” or “application of a tariff” to determine the per-account REPS charge. The following rate schedules are not considered “accounts” for purposes of the per-account charge because these rate schedules are generally secondary accounts and customers on these rate schedules will pay a per-account charge under another primary tariff connected with these rate schedules.

- Residential Time Controlled Storage Water Heating (Schedule 1W)
- Residential Dual Fuel (Schedule 1DF)
- Outdoor Lighting (Schedule 26)
- County, Municipal or State – Traffic Control (Schedule 30T)
- Commercial Electric Heating (Schedule 7)
- Commercial Schedule SG (Schedule SG)

Further, if a customer has a non-demand metered service point on contiguous property, with the same service address, premise and name, that account may be deemed to be auxiliary and not subject to the REPS riders if the Company is notified by the Customer. Upon written notification from the Customer, accounts meeting these criteria will be coded in the billing system to allow the customer to receive only one monthly REPS charge at the primary service point. A governmental customer for purposes of the application of the REPS charge is considered a commercial account.

**Qualifying Research Projects of N.C.G.S. 62-133.8(h)(1).** The Company is not seeking recovery for any qualifying research projects pursuant to N.C.G.S. 62-133.8(h)(1).

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<b>Appendix A Renewable Energy Certificates to be Carried Forward by the Company On Behalf of Dominion Energy North Carolina and the Town of Windsor</b>				
<b>Location</b>	<b>REC Type</b>	<b>Windsor</b>	<b>Company</b>	<b>Total</b>
In-State		1,824	8,500	10,324
Out-of-State		498	72,542	73,040
In-State		99	0	99
Out-of-State		443	12,994	13,437
In-state		303	10,914	11,217
Out-of-State		0	6,397	6,397
In-State		12,702	71,605	84,307
Out-of-State		5,044	1,682,521	1,687,565
		<b>20,913</b>	<b>1,865,473</b>	<b>1,886,386</b>

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<b>Appendix B Payments Made Between July 1, 2020 and June 30, 2021 by the Company for Renewable Energy Certificates</b>		
<b>Dominion Energy North Carolina</b>		
<b>Seller</b>	<b>Transfer Date</b>	<b>Payment</b>
	7/13/2020	\$27,680.66
	7/27/2020	\$4,000.00
	10/5/2020	\$28,699.58
	10/12/2020	\$455,000.00
	11/6/2020	\$33,630.00
	12/2/2020	\$40,000.00
	12/3/2020	\$4,370.00
	1/4/2021	\$20,000.00
	1/5/2021	\$26,661.74
	1/19/2021	\$350,000.00
	2/2/2021	\$20,000.00
	3/2/2021	\$40,000.00
	4/5/2021	\$40,000.00
	4/5/2021	\$22,500.00
	4/5/2021	\$27,146.70

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[REDACTED]	5/3/2021	\$60,000.00
	5/11/2021	\$53,851.85
	6/2/2021	\$60,000.00

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<b>Appendix B Payments Made Between July 1, 2020 and June 30, 2021 On Behalf of the Town of Windsor for Renewable Energy Certificates</b>		
<b>Town of Windsor</b>		
[REDACTED]	7/6/2020	\$1,690.00
	7/7/2020	\$6,101.67
	8/4/2020	\$6,543.82
	8/5/2020	\$1,690.00
	9/2/2020	\$1,149.59
	9/4/2020	\$1,690.00
	10/5/2020	\$1,430.00
	11/4/2020	\$1,820.00
	12/2/2020	\$1,820.00
	1/4/2021	\$1,820.00
	2/2/2021	\$1,820.00
	2/5/2021	\$1,680.00
	2/12/2021	\$7,216.00
	3/2/2021	\$1,820.00
	3/9/2021	\$6,494.40
	4/5/2021	\$1,820.00
	4/6/2021	\$6,404.20
	4/15/2021	\$600.00
	5/3/2021	\$1,820.00
	5/12/2021	\$7,125.80
6/2/2021	\$1,820.00	
6/8/2021	\$6,855.20	
6/10/2021	\$240.00	

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Oct 15 2021

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Corrected Company Exhibit GEH-1, Public Version, submitted in Docket No. E-22, Sub 603 has been delivered via U.S. mail or electronically upon all parties of record.

This, the 15<sup>th</sup> day of October, 2021.

/s/Andrea R. Kells

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