

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 556

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 Demand Side Management and Energy Efficiency Cost Recovery Rider under N.C.G.S. § 62-133.9 and Commission Rule R8-69) ORDER SCHEDULING HEARING,
) REQUIRING FILING OF TESTIMONY,
) ESTABLISHING DISCOVERY
) GUIDELINES, AND REQUIRING
) PUBLIC NOTICE
)

BY THE COMMISSION: In August 2007, North Carolina enacted comprehensive energy legislation, Session Law 2007-397 (Senate Bill 3), that, among other things, establishes a Renewable Energy and Energy Efficiency Portfolio Standard for this State and a revised procedure for cost recovery of demand-side management (DSM) and energy efficiency (EE) expenditures. North Carolina General Statute § 62-133.9(d) provides for an annual DSM/EE rider for each electric public utility to recover all reasonable and prudent costs incurred for adoption and implementation of new DSM and new EE measures and appropriate incentives. Commission Rule R8-69(b) also provides for the establishment of a DSM/EE experience modification factor (EMF) rider to allow the electric public utility to collect the difference between reasonable and prudently incurred costs and the revenues that were actually realized during the test period under the DSM/EE rider then in effect. Rule R8-69(e) further provides that the annual DSM/EE cost recovery rider hearing for each electric public utility will be scheduled as soon as practicable after the annual fuel and fuel-related charge adjustment proceeding hearing held by the Commission for the electric public utility under Rule R8-55 and that each electric public utility shall file direct testimony and exhibits at the same time that it files the information required by Rule R8-55. Rule R8-69(f) provides that each electric public utility shall publish notice at least 30 days prior to the hearing.

On August 21, 2018, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or Applicant), filed its application for approval of DSM/EE cost recovery pursuant to N.C.G.S. § 62-133.9 and Commission Rule R8-69. By its application, DENC requests a DSM/EE cost recovery rider effective for service rendered on and after February 1, 2019. DENC's request, exclusive of the regulatory fee, would result in the following kilowatt-hour (kWh) charges: 0.121 cents per kWh for residential customers; 0.222 cents per kWh for small general service and public authority customers; 0.233 cents per kWh for large general service customers. No DSM/EE rate rider would be applicable to rate schedules 6VP, NS, outdoor lighting and traffic lighting customers. In addition, industrial and large commercial customers that have, under N.C.G.S. § 62-133.9, opted out of and never participated in DENC's DSM and EE programs are not subject to the rider.

The Commission is of the opinion that good cause exists to schedule a hearing on the application. The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for filing of Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least seven days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the evidentiary hearing shall be filed with the Commission before the deadline for filing of Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. See N.C.G.S. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the application and the Applicant's prefiled direct testimony shall be served on the Applicant not later than fourteen days prior to the deadline for filing of Public Staff and intervenor testimony. The party served shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten days prior to the deadline for filing of Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than three days after such testimony is filed. The party served shall have up to three calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than five days after that party's testimony was filed.

5. Formal discovery requests related to the Applicant's prefiled rebuttal testimony shall be served on the Applicant not later than two days after such testimony is filed. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three days after the rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery from the Applicant.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two days to file a motion to compel with the Commission, and the party objecting to discovery shall have one day thereafter to file a response. All objections,

motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public hearing shall be, and is hereby, scheduled to begin immediately following the hearing in Docket No. E-22, Sub 558, which is scheduled to begin on Monday, November 5, 2018, at 1:30 p.m., in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, for the purpose of considering the annual DSM/EE cost recovery proceeding for DENC;

2. That any person having an interest in this proceeding may file a petition to intervene stating such interest on or before Monday, October 22, 2018;

3. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before Monday, October 22, 2018;

4. That DENC may file rebuttal testimony and exhibits on or before Wednesday, October 31, 2018;

5. That DENC shall publish the Notice attached hereto as Appendix A in a newspaper or newspapers having general circulation in its service area once a week for two successive weeks beginning at least 35 days prior to the hearing;

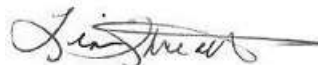
6. That DENC shall file affidavits of publication on or before the date of the hearing; and

7. That the parties shall comply with the discovery guidelines established herein.

ISSUED BY ORDER OF THE COMMISSION.

This the 7th day of September, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 556

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 Demand Side) PUBLIC NOTICE
Management and Energy Efficiency Cost)
Recovery Rider under N.C.G.S. § 62-133.9)
and Commission Rule R8-69)

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission has scheduled a public hearing in the annual demand-side management (DSM) and energy efficiency (EE) cost recovery proceeding for Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC). The public hearing has been scheduled to begin on Monday, November 5, 2018, immediately following the 1:30 p.m. hearing in Docket No. E-22, Sub 558, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. This proceeding is being held pursuant to the provisions of N.C. Gen. Stat. § 62-133.9 and Commission Rule R8-69 for the purpose of determining whether an increment or decrement rider is required to allow DENC to recover all reasonable and prudent costs incurred for adoption and implementation of new DSM and new EE measures and appropriate incentives. Public witness testimony will be received in accordance with Commission Rule R1-21(g).

On August 21, 2018, DENC filed its application for approval of DSM/EE cost recovery pursuant to N.C.G.S. § 62-133.9 and Commission Rule R8-69. By its application, DENC requests revisions to its DSM/EE cost recovery rider effective for service rendered on and after February 1, 2019. DENC's request, exclusive of the regulatory fee, would result in the following kilowatt-hour (kWh) charges: 0.121 cents per kWh for residential customers; 0.222 cents per kWh for small general service and public authority customers; 0.233 cents per kWh for large general service customers. No DSM/EE rate rider would be applicable to rate schedules 6VP, NS, outdoor lighting and traffic lighting customers. In addition, industrial and large commercial customers that have, under N.C.G.S. § 62-133.9, opted out of and never participated in DENC's DSM and EE programs are not subject to the rider.

Compared to the current DSM/EE rates, the result of DENC's request would be an increase of 0.001 cents per kWh for residential customers, which would increase the monthly bill of a residential customer using 1,000 kWh of electricity by one cent. Small general service and public authority customers would see a DSM/EE rider increase of

0.068 cents per kWh, and large general service customers would see a DSM/EE rider increase of 0.115 cents per kWh.

Specific information may be obtained from the Office of the Chief Clerk, North Carolina Utilities Commission, Raleigh, North Carolina, where a copy of DENC's application is available for review by the public, and on the Commission's website at www.ncuc.net.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information that the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Consumer Protection-Utilities, 9001 Mail Service Center, Raleigh, North Carolina, 27699-9001.

Written statements are not evidence unless persons appear at a public hearing and testify concerning the information contained in their written statements.

Any person desiring to intervene in the proceeding as a formal party of record should file a petition under North Carolina Utilities Commission Rules R1-5 and R1-19 on or before Monday, October 22, 2018. Such petitions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. The direct testimony and exhibits of expert witnesses to be presented by intervenors should also be filed with the Commission on or before Monday, October 22, 2018.

ISSUED BY ORDER OF THE COMMISSION.

This the 7th day of September, 2018.

NORTH CAROLINA UTILITIES COMMISSION



Linnetta Threatt, Deputy Clerk