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August 9, 2022

VIA Electronic Filing

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

Re: Dominion Energy North Carolina's 2022 Fuel Charge Adjustment
Docket No. E-22, Sub 644

Dear Ms. Dunston:

Enclosed for filing is the *Application for a Change in Fuel Component of Electric Rates* ("Application") of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (the "Company"), in compliance with North Carolina General Statute § 62-133.2 and North Carolina Utilities Commission ("Commission") Rule R8-55. In support of its Application, the Company is filing the Direct Testimony and Exhibits of Jeffrey D. Matzen, Ronnie T. Campbell, Dale E. Hinson, Christopher D. Clemens, and Timothy P. Stuller, as well as Commission Rule R8-55 Information and Workpapers.

Thank you for your assistance with this matter. Please call me if additional information is required.

Very truly yours,

/s/Mary Lynne Grigg

MLG:sjg

Enclosures

cc: Zeke Creech, Public Staff – NC Utilities Commission
William S.F. Freeman, Public Staff – NC Utilities Commission
Lucy Edmondson, Public Staff – NC Utilities Commission

Application, Testimony, and Exhibits of Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina

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 Authority to Adjust its Electric Rates and Charges and Revise its Fuel Factor Pursuant to N.C.G.S. § 62-133.2 and NCUC Rule R8-55

Docket No. E-22, Sub 644

Filed: August 9, 2022

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. E-22, SUB 644

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Virginia Electric and	)	
Power Company, d/b/a Dominion Energy	)	APPLICATION FOR A CHANGE
North Carolina, for Authority to Adjust its	)	IN FUEL COMPONENT OF
Electric Rates and Charges and Revise its	)	ELECTRIC RATES
Fuel Factor Pursuant to N.C. Gen. Stat. §	)	
62-133.2 and NCUC Rule R8-55	)	

Pursuant to North Carolina General Statutes ("N.C. Gen. Stat.") § 62-133.2 and Rule R8-55 of the Rules and Regulations of the North Carolina Utilities Commission ("Commission"), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina ("DENC" or the "Company"), by counsel, hereby applies to the Commission to adjust the fuel component of its electric rates to become effective February 1, 2023, and remain in effect through January 31, 2024. In support thereof, the Company respectfully demonstrates as follows:

1. The Company is a public utility operating in the State of North Carolina as Dominion Energy North Carolina and is engaged in the business of generating, transmitting, distributing, and selling electric power and energy to the public for compensation. As such, the Company's operations in the State are subject to the jurisdiction of the Commission. The Company is also a public utility under the Federal Power Act, and certain of its operations are subject to the jurisdiction of the Federal Energy Regulatory Commission. The Company is a wholly-owned operating subsidiary of Dominion Energy, Inc. DENC serves approximately 120,000 customers in North Carolina, with a service territory of about 2,600 square miles in northeastern North

Carolina, including Roanoke Rapids, Albemarle, Ahoskie, Williamston, Elizabeth City, and the Outer Banks. The Company serves major industrial facilities like Nucor Steel, Kapstone, Enviva, and Hospira, as well as commercial and residential customers. The Company's headquarters are located at 120 Tredegar Street, Richmond, Virginia 23219. The post office address of DENC is P.O. Box 26666, Richmond, Virginia 23261.

2. The attorneys for the Company are:

Paul E. Pfeffer
Lauren W. Biskie
Dominion Energy Services, Inc.
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Copies of all pleadings, testimony, orders, and correspondence in this proceeding should be served upon the attorneys listed above.

3. Pursuant to Rule R8-55(f), the Company is to file its direct testimony, exhibits, and workpapers supporting its fuel adjustment 98 days prior to the hearing. Accordingly, DENC hereby files the direct testimony, exhibits, and workpapers of the following witnesses in support of its proposed fuel adjustment: Jeffrey D. Matzen, Ronnie T. Campbell, Dale E. Hinson, Christopher D. Clemens, and Timothy P. Stuller.

4. Pursuant to Rule R8-55(c), DENC's test period for this proceeding is the 12-month period ending June 30, 2022 ("Test Period").

5. Consistent with the Company's 2021 Fuel Case (Docket No. E-22, Sub 605), Updated Rider A and Rider B will be in effect for the twelve-month period from February 1, 2023, through January 31, 2024, the proposed "Rate Year."

6. The last general rate case order for the Company was issued by the Commission on February 24, 2020, in Docket No. E-22, Sub 562 ("2019 Base Rate Case Order"). In the 2019 Base Rate Case Order, the Commission reset the Company's system average base fuel factor applicable to the North Carolina jurisdiction to $0.02092/kWh, including regulatory fee ($0.02089/kWh without the fee). The Commission's last fuel adjustment proceeding order for the Company was issued on January 13, 2022, in Docket No. E-22, Sub 605 ("2022 Fuel Order"). The 2022 Fuel Order approved the current Rider A and an updated Experience Modification Factor ("EMF") Rider B.

7. As explained by the direct testimony of Company Witness Matzen, consistent with the methodology applied in the Company's fuel adjustment proceedings dating back to 2008, the Company's cost of fuel calculations are based on the 12-month historical average for fuel prices incurred during the Test Period. As Company Witness Matzen explains, this methodology is a fair representation of the expected expense rates during the February 1, 2023 through January 31, 2024 Rate Year.

8. For the Test Period, the normalized system fuel expense is $2,751,114,104, which is then divided by system sales of 89,568,685,945 kWh, which reflect the normalization adjustments for change in usage, weather, and customer growth.

The result is a normalized system average fuel factor of $0.030758/kWh, which is an increase of $0.009387/kWh, applicable to the North Carolina jurisdiction.

9. DENC has under-recovered its fuel costs for the Test Period by $45,700,946. The total under-recovered fuel expense as of June 30, 2022, based on the current 72% marketer percentage, is provided in the direct testimony and exhibits of Company Witness Ronnie T. Campbell. As Company Witness Dale E. Hinson testifies, this fuel under-recovery was driven by major commodity price increases attributable to some of the following events: COVID-19 pandemic recovery, supply-chain disruptions, energy consumption and production mismatches, geopolitical events, and changes in producer balance sheet discipline, as initiatives to address climate change continue, both nationally and globally.

10. The deferral balance of $45,700,946 is significant. If the entire Test Period recovery amount is to be recovered during the Rate Year, the average Test Period EMF will be $0.011096/kWh. When combined with the System Average Fuel factor of $0.030758/kWh (the sum of the base fuel component of $0.020920/kWh and Rider A of $0.009838/kWh), the total "Full Recovery" fuel factor would be $0.041854/kWh. This is an increase of $0.018597/kWh, when compared to the average total fuel factor presently in effect of $0.023257/kWh for the jurisdiction.

11. The Company recognizes the impact of such an increase in fuel rates on its customers. The Company is voluntarily offering an alternative, mitigation proposal to the Full Recovery rate, should the Commission find it to be in the public interest and so approve. Under the mitigation proposal, the Company would forego prompt recovery over the upcoming Rate Year of the full Rate Year fuel costs and the deferral balance in

favor of a "Stepped Mitigation." As described in Company Witness Timothy P. Stuller's testimony, the Stepped Mitigation approach would phase in the overall fuel increase over the course of the Rate Year. The Stepped Mitigation approach will leave an under-recovery of both Rate Year and Test Period expense over the course of the Rate Year and, therefore, in the 2023 fuel proceeding the Company will propose rates to recover the outstanding balances. However, should the Commission not adopt the Stepped Mitigation proposal, the Company requests that the Commission approve and implement Full Recovery rates over the Rate Year.

12. The Company calculated the EMF Rider B applicable to the North Carolina jurisdiction and to each customer class using the methodology approved in the 2022 Fuel Order. These calculations are addressed in the direct testimony and exhibits of Company Witness Timothy P. Stuller.

13. The Company proposes that, depending on whether the Commission approves the Stepped Mitigation approach or the traditional Full Recovery approach, the total fuel rate (base fuel factor, Rider A, and EMF Rider B) for each class be set as follows, effective February 1, 2023:

Customer Class	Mitigation Step 1 Feb. 1, 2023 - Jul.31, 2023	Mitigation Step 2 Aug. 1, 2023 – Jan 31, 2024	Full Recovery Feb. 1, 2023 – Jan 31, 2024
Residential	$0.032906	$0.042287	$0.042287
SGS & PA	$0.032864	$0.042231	$0.042231
LGS	$0.032614	$0.041921	$0.041921
Schedule NS	$0.031635	$0.040654	$0.040654
6VP	$0.032090	$0.041239	$0.041239
Outdoor Lighting	$0.032906	$0.042287	$0.042287
Traffic	$0.032906	$0.042287	$0.042287

14. For the North Carolina jurisdiction, the proposed jurisdictional fuel cost levels result in a total fuel recovery increase of $57,528,739 if the Stepped Mitigation approach is approved and $76,704,986 if the traditional Full Recovery approach is approved.

WHEREFORE, Dominion Energy North Carolina respectfully requests that the Commission: approve the proposed total fuel factor of (1) 4.1854 ¢/kWh if the traditional Full Recovery approach is approved, or (2) $3.2566 ¢/kWh during the first six months of the Rate Year and 4.1854 ¢/kWh for the second six months of the Rate Year if the Stepped Mitigation approach is approved, effective February 1, 2023, which shall be allocated based on voltage differentiated adjustments, including the base fuel factor, Rider A, and EMF Rider B, as follows:

<u>Full Recovery Option:</u>

(a) 4.2287 ¢/kWh for the Residential class of customers,
(b) 4.2231 ¢/kWh for the Small General Service and Public Authority classes of customers,
(c) 4.1921 ¢/kWh for the Large General Service class of customers,
(d) 4.0654 ¢/kWh for the Schedule NS class of customers,
(e) 4.1239 ¢/kWh for the Schedule 6VP class of customers, and
(f) 4.2287 ¢/kWh for the Outdoor Lighting and Traffic classes of customers;

<u>Stepped Mitigation Option:</u>

Mitigation Step 1 (Feb. 1, 2023 – Jul. 31, 2023):

(a) 3.2906 ¢/kWh for the Residential class of customers,
(b) 3.2864 ¢/kWh for the Small General Service and Public Authority classes of customers,
(c) 3.2614 ¢/kWh for the Large General Service class of customers,
(d) 3.1635 ¢/kWh for the Schedule NS class of customers,
(e) 3.2090 ¢/kWh for the Schedule 6VP class of customers, and
(f) 3.2906 ¢/kWh for the Outdoor Lighting and Traffic classes of customers;

Mitigation Step 2 (Aug. 1, 2023 – Jan. 31, 2024):

(a) 4.2287 ¢/kWh for the Residential class of customers,
(b) 4.2231 ¢/kWh for the Small General Service and Public Authority classes of customers,
(c) 4.1921 ¢/kWh for the Large General Service class of customers,
(d) 4.0654 ¢/kWh for the Schedule NS class of customers,
(e) 4.1239 ¢/kWh for the Schedule 6VP class of customers, and
(f) 4.2287 ¢/kWh for the Outdoor Lighting and Traffic classes of customers;

and grant any other relief the Commission deems appropriate.

Respectfully submitted, this the 9th day of August, 2022.

DOMINION ENERGY NORTH CAROLINA

By: */s/Mary Lynne Grigg*
Counsel

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

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OFFICIAL COPY

Aug 09 2022

VERIFICATION

NCUC Docket No. E-22, Sub 644

I, Corynne S. Arnett, Senior Vice President, Regulatory Affairs and Customer Experience, for Virginia Electric and Power Company, do solemnly swear that the facts stated in the foregoing *Application for a Change in Fuel Component of Electric Rates*, insofar as they relate to Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina, are true and correct to the best of my knowledge and belief.

Corynne S. Arnett
Name

COMMONWEALTH OF VIRGINIA)
) to wit:
City of Richmond)

The foregoing instrument was sworn to and acknowledged before me this 5th day of August, 2022.

Faith J. Hooper
Notary Public

My registration number is 7013217 and my commission expires:
11/30/2024

FAITH J HOOPER
NOTARY PUBLIC
REG. #7013217
MY COMMISSION EXPIRES
November 30, 2024
COMMONWEALTH OF VIRGINIA

DIRECT TESTIMONY OF
JEFFREY D. MATZEN
ON BEHALF OF
DOMINION ENERGY NORTH CAROLINA
BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-22, SUB 644

Q. Please state your name, business address, and position of employment.

A. My name is Jeffrey D. Matzen, and my business address is 600 E. Canal Street, Richmond, Virginia 23219. I am a Manager in the Strategic Planning Department for Virginia Electric and Power Company, which operates in North Carolina as Dominion Energy North Carolina (the "Company"). I am responsible for forecasting the Company's system energy supply mix, and total system fuel and purchased power expenses. A statement of my background and qualifications is attached as Appendix A.

Q. What is the purpose of your direct testimony in this proceeding?

A. The purpose of my testimony is to present the Company's nuclear and major coal-fired generating unit actual performance, the Company's level of power purchases, and the generation mix for the Company's 12-month test period ended June 30, 2022 ("Test Period"). My testimony describes drivers that affected system fuel expense and the normalization adjustments that impact the expected system fuel expense. I will present the system fuel expenses for the Test Period, and the normalized system fuel expense projected for the rate period February 2023 through January 2024.

Q. During the course of your testimony, will you introduce an exhibit?

A. Yes. Company Exhibit JDM-1, which consists of four schedules, has been prepared under my supervision and is accurate and complete to the best of my knowledge.

Q. Please review the performance of the Company's major generating units for the Test Period.

A. Schedules 1 and 2 of Company Exhibit JDM-1 show the actual monthly and 12-month period ending June 30, 2022 average Equivalent Availability ("EA") and Capacity Factors ("CF") for the Company's nuclear units and large coal-fired units during the Test Period.

During the Test Period, the Company's coal units generated 8,008 GWh of energy. Mt. Storm Units 1-3 performed at EA factors of 69.2%, 59.0%, and 60.0%, respectively. Chesterfield Units 5 – 6 had EA factors of 48.5% and 62.8%, respectively. Virginia City Hybrid Energy Center ("VCHEC") had an EA of 64.1 % during the Test Period.

In regards to what constitutes reasonable nuclear unit performance, Commission Rule R8-55(k) requires that the Company achieve either (a) an actual system-wide nuclear capacity factor in the test year, or (b) an average system-wide nuclear capacity factor, based upon a two-year simple average of the system-wide capacity factors actually experienced in the test year and the preceding year, that is at least equal to the national average capacity factor for nuclear production facilities based on the most recent 5-year period available as reflected in the most recent North American Electric Reliability Corporation's ("NERC") Generating Availability Report, appropriately weighted for size and type of plant, or a rebuttable presumption of imprudence is created.

The NERC 2016-2020 five-year industry average net capacity factor for Pressurized Water Reactors, which is the most recent available NERC average, is 93.15 % for 800-999 MW units. The average capacity factor for the Company's nuclear units for the Test Year and the preceding year was 93.8%, based on the weighted average of the four units at 100% of capacity. The Company's nuclear fleet performance was therefore higher than the industry five-year average for comparable units based on the two-year simple average metric.

The net capacity factors during the historic Test Period for the Company's nuclear units are shown below.

N. Anna 1	98.2 %
N. Anna 2	91.7 %
Surry 1	101.8 %
Surry 2	89.3 %

The average capacity factor was 95.2% for the Company's nuclear units for the Test Period. This is based on the weighted average of the four units at 100% of capacity. Based on these figures, the Company's nuclear fleet performance during the Test Period was better than the industry five-year average for comparable units.

In addition, for the same five-year period, the Company's net capacity factor was 94.6 % compared to the national average of 93.15 %. Nuclear net capacity factor is the best measure for reliable baseload performance and related operating efficiency and is the predominant standard recognized in the energy arena when evaluating nuclear power plant performance. A high net capacity factor reflects an excellent level of reliable baseload operations, which translates into many customer benefits in terms of reduced system fuel cost and consistency in availability. Maximizing generation from this low variable cost baseload resource reflects good operating efficiency and results in overall lower energy costs to customers.

Q. What is the expected performance of the Company's nuclear generating units for the 12-month rate period ending January 31, 2023?

A. The projected capacity factors for both North Anna and Surry are expected to be above the most recent NERC five-year average capacity factor of 93.15 %. The projected capacity factors are shown below.

N. Anna 1	99.8 %
N. Anna 2	91.9 %
Surry 1	100.2 %
Surry 2	87.6 %

The projected weighted average for the nuclear fleet at ownership is 95.0 %.

Q. What was the Company's generation mix during the Test Period?

A. The generation mix during the Test Period is shown on Schedule 3 of Company Exhibit JDM-1. Nuclear generation supplied 30.8%; coal-fired generation supplied 8.8%; combined cycle and combustion turbine generation supplied 37.0%; and power transactions (net) supplied 21.3%. These four energy sources accounted for 98% of the total energy supply. Oil, biomass, solar and hydro generation provided the remaining 2% (net) of the energy supplied.

Q. Please describe the major drivers that affected the $/MWh average fuel expense during the Test Period.

A. As stated by Company Witness Ronnie T. Campbell, the Company experienced a significant under-recovery of fuel expenses during the test year. This fuel under-recovery was driven by major commodity price increases.

Q. Does the Company propose to normalize nuclear capacity factor levels in determining an appropriate fuel factor in this proceeding?

A. Yes. Because the Company's projected nuclear generation during the upcoming rate year is expected to be slightly lower than the actual generation during the Test Period, we have normalized expected nuclear generation and fuel expenses using the expected nuclear capacity factors shown above for the 12-month period ending January 31, 2024, in developing the proposed fuel cost rider in this proceeding.

Q. Please describe the Company's normalization of system fuel expenses.

A. Schedule 4 of Company Exhibit JDM-1 illustrates an expense normalization methodology that has been used by the Company and approved in previous North Carolina annual fuel factor proceedings. The first step in computing normalized system fuel expenses is to calculate nuclear generation based on the expected future operating parameters for each unit. The expected generation from the nuclear units was calculated for the 12-month period ending January 2024. Other sources of generation were then normalized for the Test Period. The total of coal, heavy oil, combustion turbine and combined cycle and purchased energy during the Test Period was then calculated. A percentage of this total was then calculated for each of the above resources. Normalized generation was computed by applying these percentages to a new total, which includes an adjustment for weather, customer growth, increased usage, and the net change in nuclear and "Company" solar generation. This methodology for normalizing the Test Period generation resulted in adjusted annual system energy requirements of 88,213,197 MWh, a decrease of 2,390,967 MWhs from the actual energy requirements for the 12 months ended June 30, 2022.

Q. Please describe any major changes to the generation fleet or regulatory changes that will impact the system fuel expense.

A. During the test period, the Sadler Solar Facility, an approximately 100 MW (AC) facility located in Greensville County, was placed in service in July 2021.

The Company anticipates adding additional solar facilities totaling approximately 156 MW (nominal alternating current ("AC")) during the next 12 months. The Company anticipates a benefit to system fuel expense from these changes and an adjustment of $23.0 million has been included on my Schedule 4 showing the calculation of the system projected fuel expense.

Q. Please describe the other fuel expense normalization items.

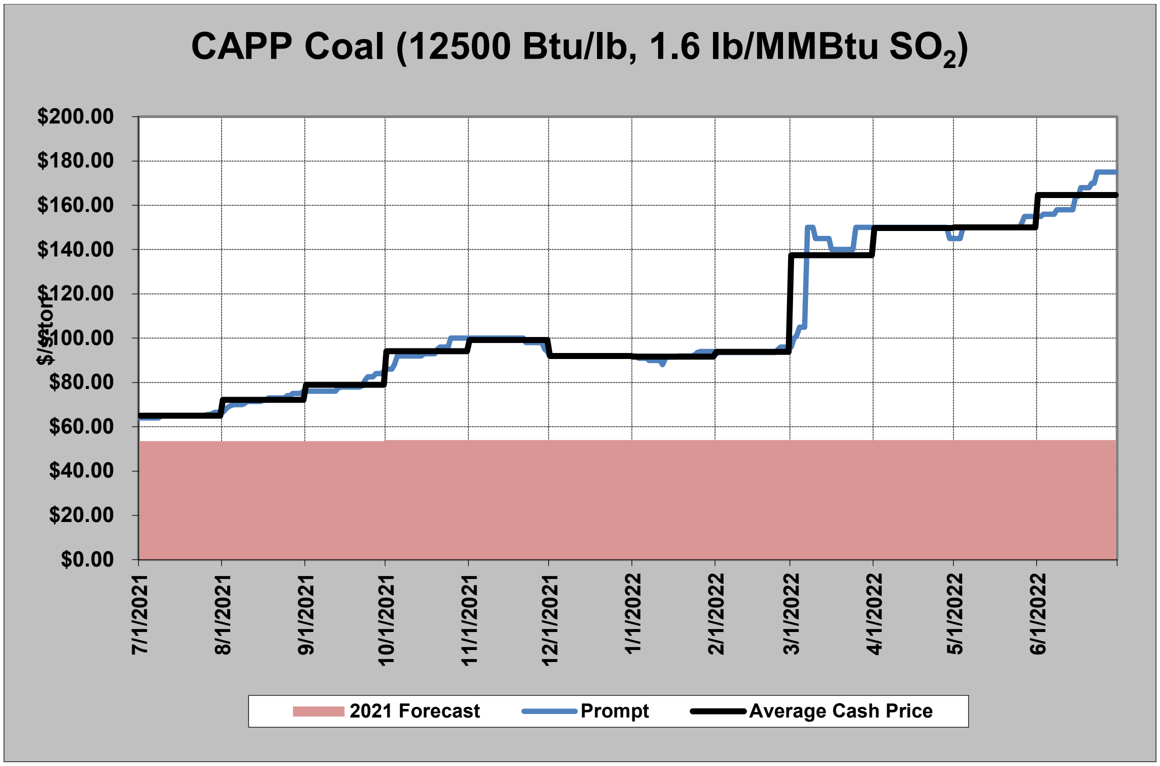
A. The $/MWh expense rates for all fuel types are based on the actual 12-month average expense rates incurred during the Test Period. Using the 12-month average rate for these commodities is consistent with the methodology used in the 2008 – 2021 fuel cases and is a fair representation of the expected expense rates during the February 2023 – January 2024 rate period.

Q. What is the resulting normalized system fuel expense?

A. As shown by Schedule 4, which also presents the detailed calculations in support, the resulting normalized system fuel expense is approximately $2.75 billion.

Q. Please summarize how commodity prices varied over the Test Period.

A. The graphs below show the actual spot commodity prices during the Test Period. All commodity prices trended upward during the Test Period. Company Witness Dale E. Hinson describes the Company's coal and natural gas buying practices, which determine the actual coal and natural gas expenses. Spot power prices have also increased and have shown some volatility during the Test Period. The charts indicate some weather-related natural gas and power price spikes.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$/ston
$200.00
$180.00
$160.00
$140.00
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$0.00
7/1/2021
8/1/2021
9/1/2021
10/1/2021
11/1/2021
12/1/2021
1/1/2022
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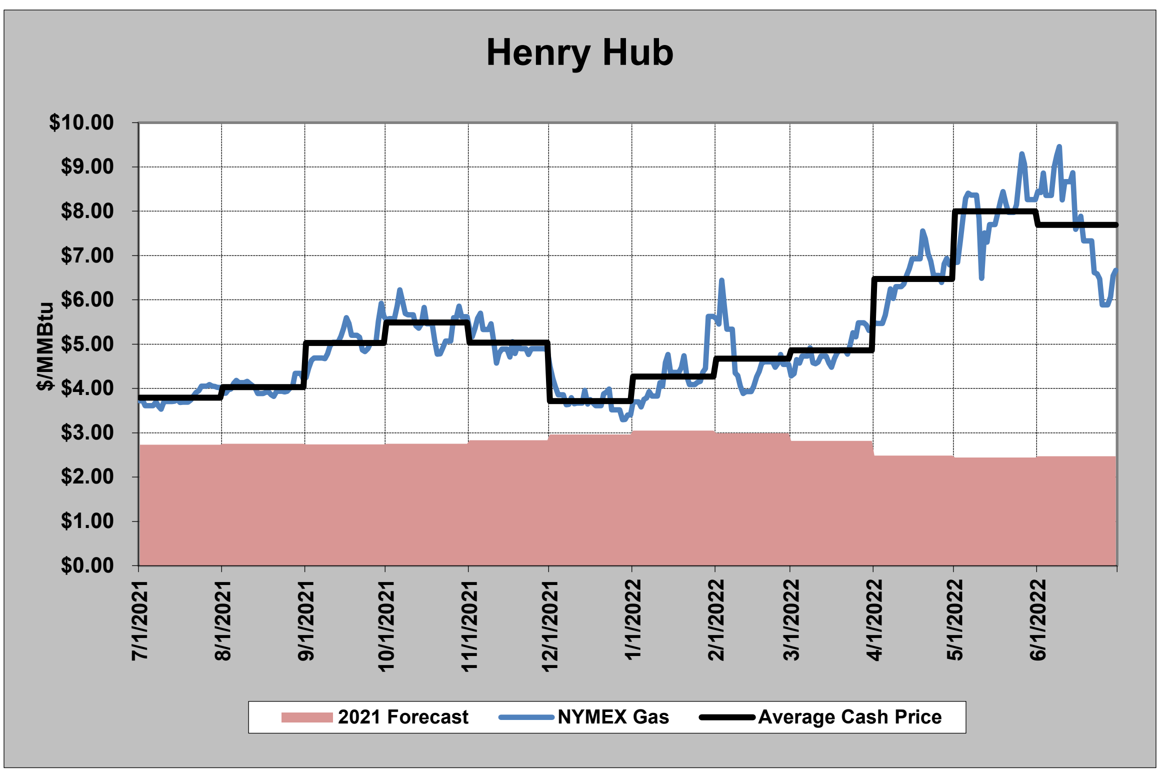
6/1/2022
2021 Forecast
Prompt
Average Cash Price

1


Henry Hub
$/MMBtu
$10.00
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$5.00
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$1.00
$0.00
7/1/2021
8/1/2021
9/1/2021
10/1/2021
11/1/2021
12/1/2021
1/1/2022
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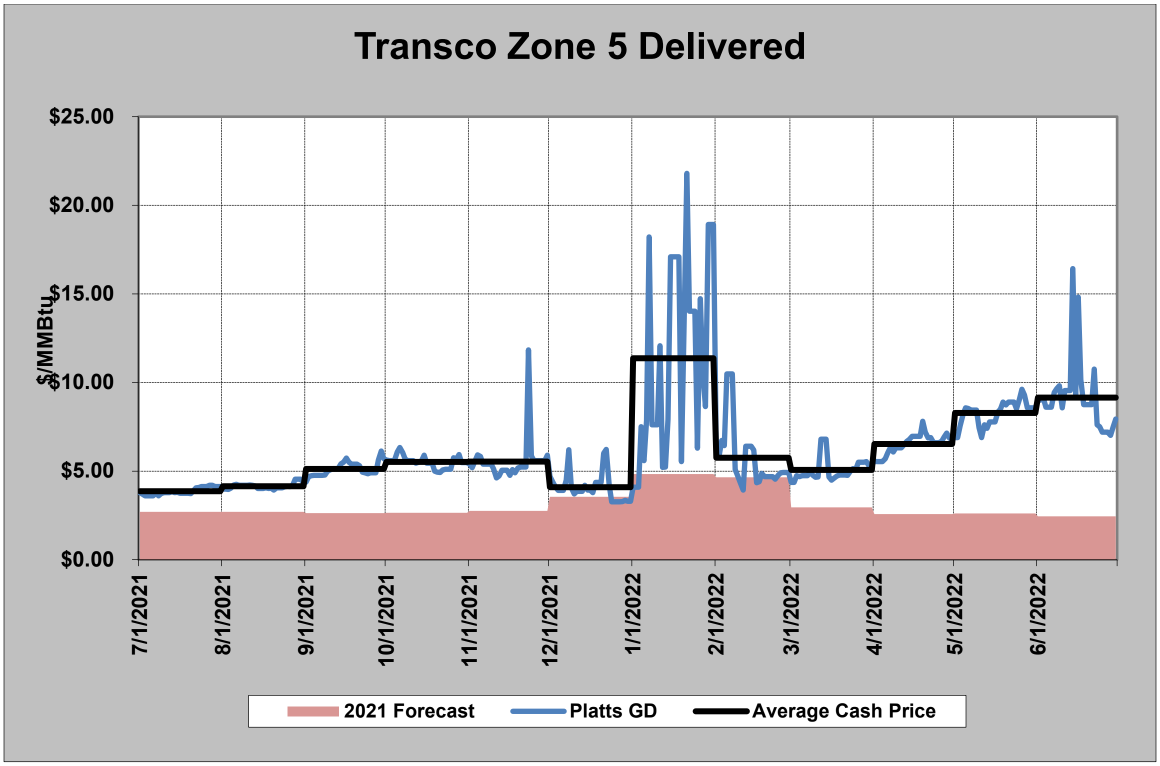
3/1/2022
4/1/2022
5/1/2022
6/1/2022
2021 Forecast
NYMEX Gas
Average Cash Price


Transco Zone 5 Delivered
$/MMBtu
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$20.00
$15.00
$10.00
$5.00
$0.00
7/1/2021
8/1/2021
9/1/2021
10/1/2021
11/1/2021
12/1/2021
1/1/2022
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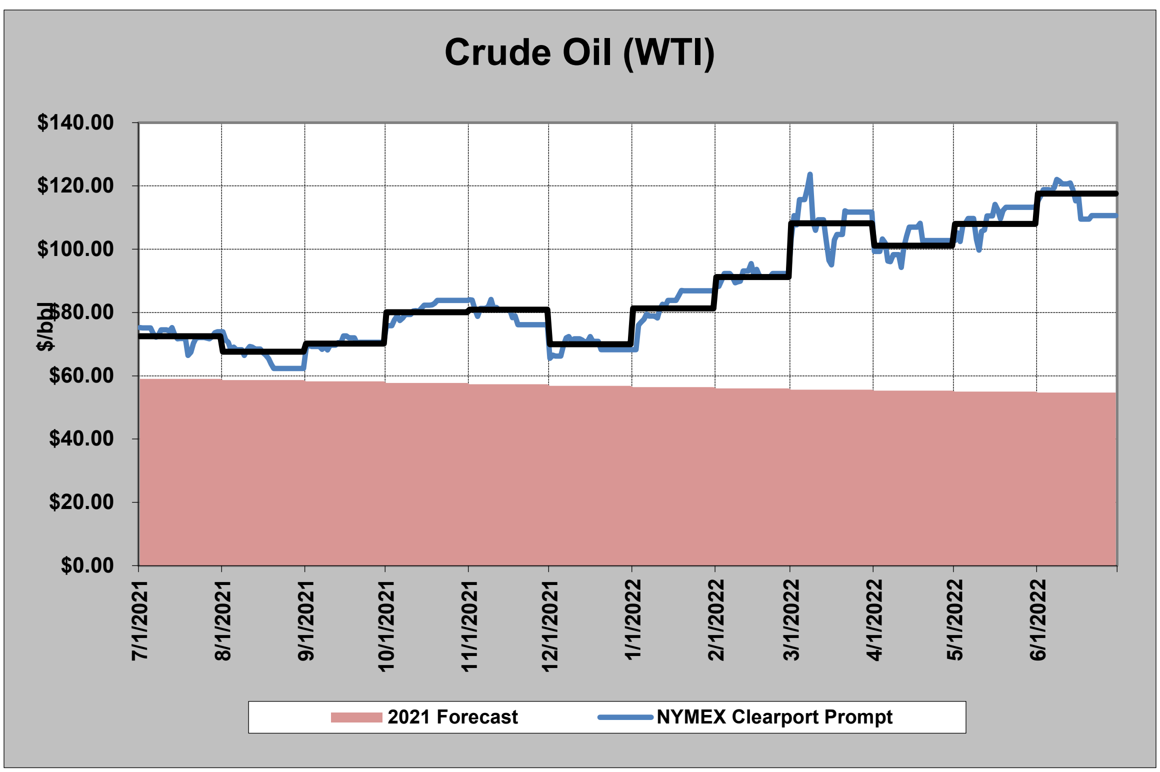
3/1/2022
4/1/2022
5/1/2022
6/1/2022
2021 Forecast
Platts GD
Average Cash Price


Crude Oil (WTI)
$/bbl
$140.00
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$0.00
7/1/2021
8/1/2021
9/1/2021
10/1/2021
11/1/2021
12/1/2021
1/1/2022
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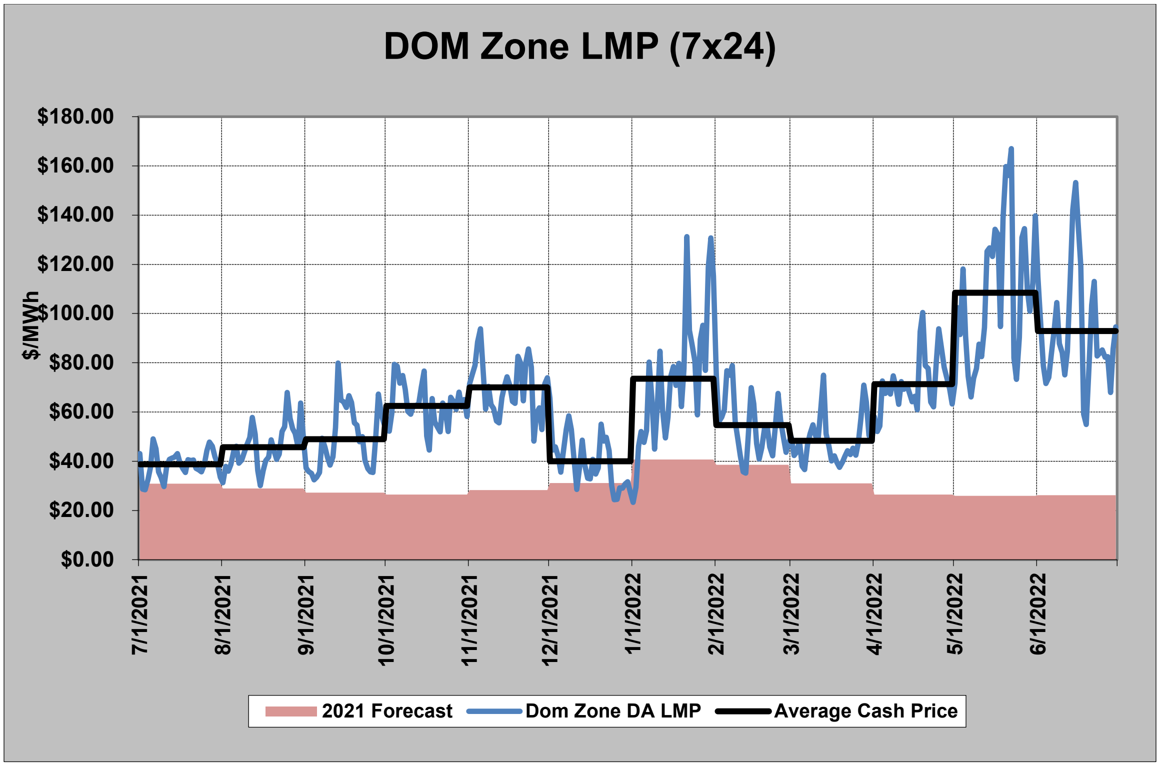
2021 Forecast
NYMEX Clearport Prompt



Q. Mr. Matzen, does this conclude your direct testimony?

A. Yes, it does.

BACKGROUND AND QUALIFICATIONS OF JEFFREY D. MATZEN

Jeffrey D. Matzen graduated from Virginia Tech in 1996 with a Bachelor of Arts degree in Economics. In 2001 he earned Master of Business Administration and Master of Public Policy degrees from the College of William and Mary. He joined the Company in 2007 as an Electric Pricing and Structuring Analyst. He has since held positions at the Company as an Energy Consulting Manager for Retail, a Business Modeling & Support Consultant for Alternative Energy Solutions, and a Market Operations Advisor for Energy Supply. In January 2020, Mr. Matzen was promoted to Manager of Generation System Planning where he is currently responsible for the Company's short-term operational forecast (PLEXOS model). Prior to joining Dominion, Mr. Matzen worked for Wells Fargo Advisors as an analyst and the Virginia Department of Taxation as an economist.

Mr. Matzen has previously submitted testimony before the Virginia and North Carolina Utilities Commissions.

DOMINION ENERGY NORTH CAROLINA
EQUIVALENT AVAILABILITY FACTORS (%)
NUCLEAR AND LARGE COAL UNITS

Company Exhibit JDM-1
Schedule 1

July 2021-June 2022

	Nuclear Units				Large Coal Units					
	North Anna		Surry		Mt. Storm			Chesterfield		VaCity
	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 3	Unit 5	Unit 6	Unit 1
Jul-21	99.7%	100.0%	100.0%	99.9%	31.3%	82.4%	88.5%	69.9%	77.3%	96.6%
Aug-21	99.7%	100.0%	99.3%	99.7%	63.9%	74.5%	78.3%	71.3%	57.8%	94.0%
Sep-21	66.1%	100.0%	100.0%	98.1%	77.3%	73.2%	75.5%	77.1%	84.4%	20.7%
Oct-21	99.7%	97.7%	100.0%	66.0%	37.6%	0.0%	0.0%	3.3%	1.3%	0.0%
Nov-21	99.7%	99.5%	100.0%	0.0%	77.4%	0.0%	0.0%	28.3%	3.4%	24.3%
Dec-21	100.0%	100.0%	100.0%	89.6%	90.3%	33.8%	91.0%	98.9%	96.6%	93.5%
Jan-22	100.0%	100.0%	100.0%	100.0%	79.2%	100.0%	69.6%	80.7%	76.3%	99.9%
Feb-22	100.0%	99.7%	100.0%	100.0%	100.0%	81.8%	64.2%	28.0%	75.5%	99.1%
Mar-22	100.0%	15.5%	100.0%	100.0%	93.8%	93.1%	12.9%	18.7%	97.9%	100.0%
Apr-22	90.6%	63.6%	99.1%	100.0%	36.6%	79.1%	49.6%	39.4%	82.4%	23.3%
May-22	99.0%	100.0%	99.9%	99.9%	70.3%	43.0%	93.2%	12.8%	36.5%	54.3%
Jun-22	100.0%	100.0%	99.1%	99.4%	72.9%	47.5%	97.1%	53.7%	64.8%	63.5%
12-Month Average	96.3%	89.6%	99.8%	87.7%	69.2%	59.0%	60.0%	48.5%	62.8%	64.1%

Company Exhibit JDM-1
Schedule 2

DOMINION ENERGY NORTH CAROLINA
NET CAPACITY FACTORS (%)
NUCLEAR AND LARGE COAL UNITS

July 2021-June 2022

	Nuclear Units				Large Coal Units					
	North Anna		Surry		Mt. Storm			Chesterfield		VaCity
	Unit 1	Unit 2	Unit 1	Unit 2	Unit 1	Unit 2	Unit 3	Unit 5	Unit 6	Unit 1
Jul-21	99.9%	100.5%	99.5%	100.0%	1.1%	40.3%	64.3%	32.2%	23.9%	58.5%
Aug-21	99.8%	100.4%	99.4%	100.0%	24.8%	49.9%	58.6%	47.4%	14.4%	42.8%
Sep-21	69.2%	101.3%	100.4%	99.3%	58.7%	29.6%	39.3%	30.5%	19.5%	1.1%
Oct-21	101.8%	99.5%	102.4%	60.9%	22.7%	0.0%	0.0%	2.6%	0.0%	0.0%
Nov-21	103.0%	102.8%	103.7%	0.0%	61.2%	0.0%	0.0%	0.6%	0.0%	26.5%
Dec-21	103.0%	103.7%	103.9%	94.9%	2.9%	2.9%	19.8%	15.4%	11.8%	2.9%
Jan-22	103.3%	103.9%	103.9%	104.6%	49.8%	68.7%	56.6%	40.7%	33.4%	72.3%
Feb-22	103.4%	103.7%	103.6%	104.5%	56.8%	61.4%	54.9%	17.7%	9.5%	40.3%
Mar-22	103.3%	15.8%	102.9%	103.3%	12.5%	50.1%	2.0%	10.0%	0.0%	0.0%
Apr-22	91.5%	66.1%	101.3%	102.9%	30.7%	58.4%	42.8%	0.0%	1.5%	0.0%
May-22	100.0%	103.0%	101.5%	101.5%	50.9%	27.9%	76.8%	3.5%	10.8%	27.6%
Jun-22	99.2%	100.9%	99.1%	99.6%	49.2%	23.6%	37.2%	27.1%	30.3%	32.8%
12-Month Average	98.2%	91.7%	101.8%	89.3%	35.1%	34.4%	37.7%	19.0%	12.9%	25.4%

DOMINION ENERGY NORTH CAROLINA **Company Exhibit JDM-1**
SYSTEM ENERGY SUPPLY **Schedule 3**

Actual 12-Month Ended June 2022

	Generation (MWhs)	% of Energy Supply
Nuclear	27,938,486	30.8%
Coal	8,008,268	8.8%
Heavy Oil	64,195	0.1%
Wood	1,130,102	1.2%
Combined Cycle and Combustion Turbine	33,561,880	37.0%
Solar, Wind and Hydro - Conv and Pumped Storage	3,501,664	3.9%
Net Power Transactions	19,274,978	21.3%
Less Energy for Pumping	(2,875,409)	-3.2%
Total System	90,604,164	100.0%
Nuclear, NG, Coal and Net Power Transactions		98.0%

Dominion Energy North Carolina
Docket No. E-22, Sub 644

DOMINION ENERGY NORTH CAROLINA
ENERGY AND FUEL EXPENSES

Company Exhibit JDM-1
Schedule 4

Normalized and Adjusted Energy and Fuel Expense based on Actual 12-Months Ended June 2022
(Company Ownership Only)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	12-Months Ended June 2022							June 2022			
	Expense ($)	Generation (MWh)	Rate ($/MWh)	Supply (%)	Ratio of Coal Oil, CT & CC & Other MWH To Total Sum	Coal, Oil, CT & CC, Other, Nuclear Adj. and Growth MWh	Adjusted Generation (MWh)	Expense ($)	Generation (MWh)	Rate ($/MWh)	Normalized & Adjusted Fuel Expense at Applicable Rate (8) x (11)
Coal (1)	287,968,901	9,138,370	31.51	10.1	0.1542	56,436,239	8,701,396	30,767,969	901,747	31.51 (4)	274,180,988
Nuclear											
Surry	81,117,731	14,028,806	5.78	15.5			13,791,140	7,677,454	1,198,849		
North Anna	84,513,413	13,909,680	6.08	15.4			14,044,350	7,014,280	1,204,687		
Total Nuclear	165,631,144 (3)	27,938,486	5.93	30.8			27,835,490	14,691,734	2,403,536	5.93 (4)	165,064,456
Heavy Oil	2,793,827	64,195	43.52	0.1	0.0011	56,436,239	61,120	0	0	43.52 (4)	2,659,942
CC & CT (2)	1,369,274,500	33,561,880	40.80	37.0	0.5663	56,436,239	31,957,077	196,548,247	3,433,938	40.80 (4)	1,303,848,742
Hydro	0	2,675,157		3.0			2,675,157	0	376,566		0
Solar	0	826,507		0.9			1,372,659		94,791		
Power Transactions											
NUG Fuel	208,892,585	2,769,061	75.44	3.1			2,769,061	19,841,443	285,288	75.44 (4)	208,892,585
PJM Purchases	836,465,023	16,505,917	50.68	18.2	0.2785	56,436,239	15,716,646	86,970,076	960,008	50.68 (5)	796,467,392
Net	1,045,357,608	19,274,978	54.23	21.3			18,485,707	106,811,519	1,245,296		1,005,359,976
Pumping	0	(2,875,409)		-3.2			(2,875,409)	0	(412,730)		0
Energy Supply	2,871,025,980	90,604,164	31.69	100.0			88,213,197	348,819,469	8,043,145	31.19	2,751,114,104

NOTE: ALL VALUES REFLECT COMPANY'S OWNERSHIP OF NORTH ANNA, CLOVER AND BATH COUNTY

(1) Coal includes wood generation
(2) CC & CT includes jet oil, light oil and natural gas generation
(3) Nuclear expense excludes interim storage
(4) Fuel expense rate based on weather normalized fuel expense
(5) Purchases include 71% of the fuel expense and the impact of the FTRs

**DIRECT TESTIMONY OF
RONNIE T. CAMPBELL
ON BEHALF OF
DOMINION ENERGY NORTH CAROLINA
BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-22, SUB 644**

Q. Please state your name, business address, and position of employment.

A. My name is Ronnie T. Campbell, and my business address is 707 East Main Street, Richmond, Virginia 23219. I am a Supervisor of Accounting for the Dominion Energy Virginia and Contracted Assets operating segments of Dominion Energy, Inc., which includes responsibility for Virginia Electric & Power Company, which operates in North Carolina as Dominion Energy North Carolina ("Company"). My responsibilities include overseeing personnel responsible for recording the Company's actual fuel and purchased power expenses, as well as any under-/over-recovery of such expenses through the fuel deferral mechanism, operation and maintenance accounting activities, reserve analysis and joint owner billings. A statement of my background and qualifications is attached as Appendix A.

Q. Mr. Campbell, what is the purpose of your testimony in this proceeding?

A. My testimony presents: 1) the Company's actual system fuel expenses for the twelve months ended June 30, 2022 ("test period"); 2) the Company's North Carolina recovery experience as of June 30, 2022; and 3) the accounting treatment for non-utility generators ("NUGs").

Q. In the course of your testimony will you introduce any exhibits?

A. Yes. Company Exhibit RC-1 has been prepared under my direction and supervision and is accurate and complete to the best of my knowledge and belief. Exhibit RC-1 consists of the following five schedules, as prescribed by North Carolina Utilities Commission ("Commission") Rule R8-55:

Schedule 1: Actual System Fuel and Purchased Power Expenses

Schedule 2: North Carolina Recovery Experience

Schedule 3: Actual Kilowatt-hour Sales

Schedule 4: Actual Fuel-Related Revenues

Schedule 5: Inventories of Fuel Burned

Q. Please provide the Company's actual fuel expenses incurred for the test period and the Company's North Carolina recovery position as of June 30, 2022.

A. Based on the North Carolina jurisdictional fuel factor methodology approved by the Commission, the actual system fuel expenses incurred by the Company during the test period totaled $2,871,025,980. The Company was in a fuel cost under-recovery position of $45,700,946 on a North Carolina jurisdictional basis as of June 30, 2022. Details regarding fuel expenses and the calculation of this under-recovery position, also referred to as the Experience Modification Factor ("EMF"), are provided in Exhibit RC-1 and are discussed later in my testimony.

Q. How did the Company account for NUG energy costs?

A. The Company does not currently have any dispatchable NUGs. If there were contracts with dispatchable NUGs in the future, the Company would include in the EMF calculation the actual fuel costs provided by those dispatchable NUGs. For dispatchable NUGs that do not provide actual fuel costs, the Company would include 72% of the energy costs in the EMF calculation. Additionally, if a dispatchable NUG provides market-based energy rather than dispatching its facility, the Company would include 72% of the reasonable and prudent energy costs for such market-based energy in the EMF calculation as approved by the Commission in the Company's 2021 fuel factor proceeding, Docket No. E-22, Sub 605.

Q. Please provide an explanation of the five schedules presented in Exhibit RC-1.

A. Schedule 1, Column 1 presents the system fuel and purchased power expenses incurred by the Company during the test period totaling $3,205,938,302. Of that amount, $2,871,025,980 was included in the EMF calculation based on the North Carolina jurisdictional fuel factor methodology approved by the Commission, as shown by month in Column 2.

Q. Please explain the adjustments that cause the amounts in Schedule 1, Column 1 to differ from those in Schedule 1, Column 2.

A. The following adjustments are necessary to comply with Commission Rule R8-55 and its orders pertaining to fuel expenses.

1. <u>Nuclear (page 1 of Schedule 1)</u>

   Column 2 excludes costs related to the interim storage of spent nuclear fuel.

2. <u>Purchased Power (page 2 of Schedule 1)</u>

   Column 2 excludes PJM capacity costs, the non-fuel portion of purchases from PJM and any non-fuel NUG expenses not approved for recovery through the fuel factor.

Q. Schedule 2 shows that the EMF calculation resulted in an under-recovery of $45,700,946. Please provide further explanation of this schedule.

A. Schedule 2 presents the North Carolina jurisdictional recovery experience by month for the test period. Schedule 2 is presented in three parts. Part 1 shows the total North Carolina system fuel and purchased power costs excluding the system allowance for funds used during construction ("AFUDC"). Part II shows the North Carolina jurisdictional fuel and purchased power costs including credit adjustments for the fuel cost from non-requirements sales and PJM off-system sales and other fuel-related adjustments. Part III presents, by month, the North Carolina jurisdictional fuel revenues and the North Carolina jurisdictional monthly and cumulative recovery experience.

Q. What were the total fuel costs and fuel revenues for North Carolina jurisdictional customers?

A. The fuel costs allocated to North Carolina jurisdictional customers totaled $126,627,630. The Company received fuel revenues totaling $80,926,684.

The difference between the fuel costs and the fuel revenues resulted in an under-recovery of $45,700,946 for the test period.

Q. Please describe the information contained in Schedules 3 - 5 presented in Exhibit RC-1.

A. Schedule 3 provides the actual kilowatt-hour sales at a system level and at the North Carolina jurisdictional customer level for the test period. Schedule 4 provides actual fuel revenues recorded for the test period. Column 1 of Schedule 4 provides the system fuel revenue, Column 2 provides the revenue received from North Carolina jurisdictional customers for the current fuel test period, and Column 3 provides the revenue received from North Carolina jurisdictional customers for Rider B. Schedule 5 provides inventory values of fuels burned in the production of electricity. Inventory values are recorded on the books of Virginia Electric and Power Company and its subsidiary, Virginia Power Services Energy Corp, Inc.

Q. Mr. Campbell, does this conclude your direct testimony?

A. Yes, it does.

BACKGROUND AND QUALIFICATIONS
OF
RONNIE T. CAMPBELL, CPA

Ronnie T. Campbell graduated from Virginia Tech with Bachelor of Science degree in Accounting. Mr. Campbell received his Certified Public Accountant license in 1998. He was controller at World Access Service Corporation (Allianz Global Assistance) prior to joining Dominion Energy Services, Inc. in 2007. His accounting experience includes retail, non-utility generation, petroleum and insurance industries. He has held several supervisor positions within the Dominion Energy Services, Inc. accounting organization, including contracted assets and non-fuel accounting. He transitioned into his current role in 2009. His current responsibilities include overseeing personnel responsible for the Company's regulated fuel and operation and maintenance accounting activities, purchased power expenses, deferred fuel mechanism, reserve analysis and joint owner billings.

Mr. Campbell has previously presented testimony before the North Carolina Utilities Commission.

Dominion Energy North Carolina
Actual System Fuel and Purchased Power Expenses
July 2021 - June 2022

		System Expenses As Booked (1)		North Carolina System Expenses As Booked (2)
Steam Generation Fuel Cost				
July 2021	$	34,196,399	$	34,196,399
August		35,267,685		35,267,685
September		24,968,733		24,968,733
October		3,148,546		3,148,546
November		14,307,909		14,307,909
December		12,051,753		12,051,753
January 2022		45,101,765		45,101,765
February		30,063,124		30,063,124
March		13,028,788		13,028,788
April		19,159,794		19,159,794
May		28,700,261		28,700,261
June		30,767,969		30,767,969
FERC Account 501 - Steam Fuel Cost	$	290,762,728	$	290,762,728
Nuclear Generation Fuel Cost				
July 2021	$	14,679,143	$	14,613,179
August		15,546,542		14,606,495
September		13,375,148		13,074,821
October		13,534,363		13,244,882
November		11,156,304		11,123,319
December		15,146,256		15,077,985
January 2022		15,499,410		15,456,937
February		13,746,789		13,692,896
March		11,536,946		11,430,508
April		12,855,368		12,774,011
May		16,588,651		16,511,853
June		14,691,734		14,024,256
FERC Account 518 - Nuclear Fuel Cost	$	168,356,654	$	165,631,144

Dominion North Carolina Power
Actual System Fuel and Purchased Power Expenses
July 2021 - June 2022

	System Expenses As Booked (1)	North Carolina System Expenses As Booked (2)
Other Generation Fuel Cost		
July 2021	$ 105,323,577	$ 105,323,577
August	119,506,349	119,506,349
September	85,776,004	85,776,004
October	97,133,463	97,133,463
November	93,376,341	93,376,341
December	119,034,506	119,034,506
January 2022	145,622,125	145,622,125
February	135,614,147	135,614,147
March	99,799,372	99,799,372
April	62,836,074	62,836,074
May	108,704,295	108,704,295
June	196,548,247	196,548,247
FERC Account 547 - Other Fuel Cost	$ 1,369,274,500	$ 1,369,274,500
Total Cost of Fuel Used in Current Generation	$ 1,828,393,883	$ 1,825,668,372
Purchased Power		
July 2021	54,716,982	$ 46,303,363
August	63,363,001	51,814,176
September	81,658,244	64,995,491
October	108,944,642	82,625,937
November	186,972,250	137,916,834
December	46,743,543	38,190,078
January 2022	150,776,680	108,794,728
February	64,066,346	50,004,999
March	91,771,649	72,009,472
April	175,933,654	132,282,114
May	245,785,910	177,173,576
June	106,811,519	83,246,839
FERC Account 555 - Purchased Power Cost	$ 1,377,544,420	$ 1,045,357,608

Dominion North Carolina Power
Actual System Fuel and Purchased Power Expenses
July 2021 - June 2022

	System Expenses As Booked (1)	North Carolina System Expenses As Booked (2)
Total Fuel and Purchased Power Cost		
July 2021	$ 208,916,100	$ 200,436,518
August	233,683,578	221,194,706
September	205,778,129	188,815,049
October	222,761,014	196,152,828
November	305,812,805	256,724,404
December	192,976,057	184,354,322
January 2022	356,999,980	314,975,556
February	243,490,406	229,375,167
March	216,136,756	196,268,141
April	270,784,890	227,051,993
May	399,779,117	331,089,986
June	348,819,469	324,587,311
Total Fuel and Purchased Power Cost	$ 3,205,938,302	$ 2,871,025,980

Company Exhibit RC-1
Schedule 2
Page 1 of 1

Dominion Energy North Carolina
North Carolina Recovery Experience
Twelve Months Ended June 2022

	July-21	August-21	September-21	October-21	November-21	December-21	January-22	February-22	March-22	April-22	May-22	June-22	Total
PART I													
FERC Account 501 - Steam Fuel Cost	$ 34,196,399	$ 35,267,685	$ 24,968,733	$ 3,148,546	$ 14,307,909	$ 12,051,753	$ 45,101,765	$ 30,063,124	$ 13,028,788	$ 19,159,794	$ 28,700,261	$ 30,767,969	$ 290,762,728
FERC Account 518 - Nuclear Fuel Cost	$ 14,613,179	$ 14,606,495	$ 13,074,821	$ 13,244,882	$ 11,123,319	$ 15,077,985	$ 15,456,937	$ 13,692,896	$ 11,430,508	$ 12,774,011	$ 16,511,853	$ 14,024,256	$ 165,631,144
FERC Account 547 - Other Fuel Cost	$ 105,323,577	$ 119,506,349	$ 85,776,004	$ 97,133,463	$ 93,376,341	$ 119,034,506	$ 145,622,125	$ 135,614,147	$ 99,799,372	$ 62,836,074	$ 108,704,295	$ 196,548,247	$ 1,369,274,500
FERC Account 555 - Purchased Power Cost	$ 46,303,363	$ 51,814,176	$ 64,995,491	$ 82,625,937	$ 137,916,834	$ 38,190,078	$ 108,794,728	$ 50,004,999	$ 72,009,472	$ 132,282,114	$ 177,173,576	$ 83,246,839	$ 1,045,357,608
Total NC System Fuel and Purchased Power Cost	$ 200,436,518	$ 221,194,706	$ 188,815,049	$ 196,152,828	$ 256,724,404	$ 184,354,322	$ 314,975,556	$ 229,375,167	$ 196,268,141	$ 227,051,993	$ 331,089,986	$ 324,587,311	$ 2,871,025,980
Exclude System AFUDC	(23,425)	(23,414)	(20,195)	(22,195)	(20,059)	(27,692)	(28,428)	(25,181)	(20,960)	(25,804)	(33,352)	(29,601)	(300,304)
Total NC System Fuel and Purchased Power Cost w/o AFUDC	$ 200,413,093	$ 221,171,293	$ 188,794,855	$ 196,130,633	$ 256,704,345	$ 184,326,630	$ 314,947,128	$ 229,349,986	$ 196,247,181	$ 227,026,189	$ 331,056,634	$ 324,557,710	$ 2,870,725,676
PART II													
NC Jurisdictional Fuel and Purchased Power Cost w/o AFUDC	$ 10,142,739	$ 10,277,858	$ 8,955,790	$ 10,263,456	$ 13,959,218	$ 7,084,287	$ 14,073,908	$ 10,905,169	$ 8,247,027	$ 8,680,043	$ 13,786,529	$ 17,369,203	$ 133,745,227
Credit for the fuel cost from Non-Requirement Sales	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Credit for the fuel cost from PJM Off-system Sales	$ (75,049)	$ (46,954)	$ (9,111)	$ (4,505)	$ -	$ (2,811)	$ -	$ (29,390)	$ (32,188)	$ -	$ (41)	$ (358,401)	(558,449)
RGGI Related Emissions	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Fuel Related Adjustments (1)	23,017	23,006	19,843	21,809	19,710	27,210	(6,826,295)	24,743	20,596	25,355	32,772	29,086	(6,559,147)
Adjusted NC Jurisdiction Fuel and Purchased Power Cost	$ 10,090,707	$ 10,253,910	$ 8,966,523	$ 10,280,761	$ 13,978,929	$ 7,108,686	$ 7,247,614	$ 10,900,521	$ 8,235,435	$ 8,705,398	$ 13,819,259	$ 17,039,888	$ 126,627,630
PART III													
Adjusted NC Jurisdiction Fuel and Purchased Power Cost	$ 10,090,707	$ 10,253,910	$ 8,966,523	$ 10,280,761	$ 13,978,929	$ 7,108,686	$ 7,247,614	$ 10,900,521	$ 8,235,435	$ 8,705,398	$ 13,819,259	$ 17,039,888	$ 126,627,630
NC Jurisdictional Revenue	(8,203,662)	(7,292,315)	(6,319,824)	(6,316,292)	(7,050,564)	(4,826,153)	(6,827,387)	(8,072,073)	(5,916,711)	(5,487,170)	(6,189,156)	(8,425,379)	(80,926,684)
(Over)/Under Recovery	$ 1,887,045	$ 2,961,595	$ 2,646,699	$ 3,964,469	$ 6,928,364	$ 2,282,533	$ 420,227	$ 2,828,449	$ 2,318,724	$ 3,218,228	$ 7,630,103	$ 8,614,509	$ 45,700,946
Cumulative (Over)/Under Recovery	$ 1,887,045	$ 4,848,641	$ 7,495,340	$ 11,459,809	$ 18,388,173	$ 20,670,707	$ 21,090,933	$ 23,919,382	$ 26,238,106	$ 29,456,334	$ 37,086,438	$ 45,700,946	

(1) Includes jurisdictional AFUDC and AFUDC tax credits. January 2022 include an adjustmen to the deferral balance for the months of July to September 2022 per to E-22, Sub 605 order.

Dominion Energy North Carolina
Actual Kilowatt-hour (kWh) Sales
Twelve Months Ended June 2022

(In Thousands)

	System kWh Sales* (1)	North Carolina Retail kWh Sales* (2)
July 2021	8,626,808	446,832
August	8,323,208	395,807
September	7,023,081	343,554
October	6,512,704	344,701
November	7,005,468	385,314
December	6,654,124	260,378
January 2022	8,274,480	372,473
February	7,633,407	367,499
March	6,360,418	276,077
April	6,583,725	255,473
May	6,869,890	289,487
June	7,310,405	395,352
Total kWh Sales	87,177,719	4,132,947

*Including unbilled kWh sales.

Company Exhibit RC-1
Schedule 4

Dominion Energy North Carolina
Actual Fuel Related Revenues
Twelve Months Ended June 2022

	System Fuel Related Revenues As Booked*	North Carolina Retail Fuel Factor Related Revenues*	
		Current Period	EMF Rider B
	(1)	(2)	(3)
July 2021	$170,730,083	$ 8,203,662	(506,412)
August	166,094,693	7,292,315	(450,251)
September	139,787,200	6,319,824	(390,147)
October	129,778,235	6,316,292	(389,746)
November	141,821,642	7,050,564	(435,114)
December	134,328,006	4,826,153	(298,236)
January 2022	167,099,796	6,827,387	(421,353)
February	156,712,571	8,072,073	886,952
March	129,325,536	5,916,711	522,236
April	138,869,234	5,487,170	484,343
May	146,524,136	6,189,156	546,287
June	155,850,762	8,425,379	743,657
Total Fuel Related Revenues	$ 1,776,921,894	$ 80,926,684	$ 292,218

*Including unbilled kWh revenues.

Dominion Energy North Carolina
Inventories of Fuel Burned
As of June 30, 2022

Fuel	Inventory Measure		Inventory Volume	Inventory Value
(1)	(2)		(3)	(4)
Coal [b]	Tons	Coal Rec	830,361	$ 50,950,222
Wood [b]	Tons	Wood & Jet Fuel Rec	74,671	2,839,379
Light Oil [a]	Gallons	Oil Rec	61,702,525	131,325,265
Heavy Oil [a]	Barrels	Oil Rec	405,521	6,143,302
Jet Fuel [a]	Gallons	Wood & Jet Fuel Rec	91,352	261,473
Natural Gas [a]	Dth	Power Gen. Summary	1,827,069	10,117,992
Nuclear Fuel Stock [b]	N/A			439,719,303
Total				$ 641,356,935

(a) Inventories are held by Virginia Power Services Energy Corp, Inc.
(b) Inventories are held by Virginia Electric & Power Company.

DIRECT TESTIMONY OF
DALE E. HINSON
ON BEHALF OF
DOMINION ENERGY NORTH CAROLINA
BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-22, SUB 644

Q. Please state your name, business address, and position of employment.

A. My name is Dale E. Hinson, and my business address is 600 East Canal Street, Richmond, Virginia 23219. I am the Manager-Gas Supply and a member of the management team responsible for fossil fuel procurement for Virginia Electric and Power Company, which operates in North Carolina as Dominion Energy North Carolina (the "Company"). The Dominion Energy Fuels group handles the procurement, scheduling, transportation, and inventory management for natural gas, coal, biomass, and oil consumed at the Company's power stations. A statement of my background and qualifications is attached as Appendix A.

Q. What is the purpose of your testimony in this proceeding?

A. I will discuss the Company's fossil fuel procurement practices, including any recent changes to those practices, for the delivery of fuels to the Company's fossil generation fleet during the test period of July 1, 2021 to June 30, 2022 ("Test Period"), in compliance with Rule 8-55(e)(5).

Q. Are you sponsoring any exhibits?

A. Yes. Company Exhibit DEH-1, consisting of one schedule, was prepared under my direction and is accurate and complete to the best of my knowledge.

Exhibit DEH-1 is the Dominion Energy North Carolina Summary Report of Fuel Transactions with Affiliates during the Test Period.

SECTION I
FUEL COMMODITY MARKETS AND PROCUREMENT STRATEGIES

Q. Please discuss the trends that affected fuel commodity markets.

A. To provide a comprehensive picture of fuel commodity price trends for the July 2021 through June 2022 period, it is important to first consider events that occurred prior to this narrow time window. Fuel commodity markets experienced unprecedented uncertainty during the past two years, and we continue to see impacts, today. Uncertainty underlies price increases in fuel commodity markets and can be attributed to some of the following events: COVID-19 pandemic ("Pandemic") recovery, supply-chain disruptions, energy consumption and production mismatches, geopolitical events, and changes in producer balance sheet discipline, as initiatives to address climate change continue, both nationally and globally.

Q. Please continue.

A. The Pandemic continues to have significant impacts on domestic fuel commodity availability and prices. During the height of the Pandemic (2020), initial declines in fuel commodity consumption were followed by declines in commodity production, as the Pandemic affected every aspect of our daily lives. However, as we emerged from Pandemic restrictions, starting in 2021, domestic demand for products and services exceeded the ability to satisfy that demand due to ongoing supply-chain (*e.g.*, labor, equipment, transportation) limitations. Lastly, global events, including the recent Ukraine invasion and subsequent embargo on Russian fuel commodity exports, exposed Europe's reliance on Russian energy and has had fuel commodity impacts, in the United States. All of this set the stage for inflationary price pressure on goods and services, as well as the fuel commodities supporting them.

Q. Please discuss the trends that natural gas commodity markets experienced during the period of July 2021 through June 2022.

A. On average, natural gas prices rose 124% for this period compared to the same period last year. Likewise, for this prior period, total natural gas consumption increased, in the United States. This increase occurred absent the support from a colder than normal or even a normal winter period. As an example, for the Winter 2021-22, North Carolina experienced temperatures approximately 11% warmer than normal, and approximately 9% warmer than the last winter period.

Domestic natural gas production increased approximately 4% during the July 2021 through June 2022 period compared to the similar period last year. However, domestic production gains were not uniform across eastern production regions. While more appreciable (approximately 19%) production increases were experienced in southeastern shale basins (Permian and Haynesville), Appalachia shale basin (Marcellus and Utica) increases were only 1.1%, illustrating ongoing impacts of pipeline bottlenecks due to the lack of sufficient pipeline infrastructure emanating from the Marcellus/Utica region.

Q. Mr. Hinson, in addition to limitations from pipeline bottlenecks, are there other factors offsetting recent increases in domestic natural gas production?

A. Yes. Increases in domestic, liquefied natural gas ("LNG") exports have helped offset incremental natural gas production, and therefore, played a part in the supply and demand interplay experienced in the domestic natural gas market. Domestic LNG exports have been at near maximum capacity levels due to heightened, foreign natural gas demand and associated international, LNG prices. For comparison, test period (ending June 2022) domestic, LNG export activity averaged 12.1 Bcf/day, representing a 24% increase over the same period in 2021 and a 55% increase from the same period in 2020. Likewise, foreign natural gas prices are significantly higher than domestic prices. Since the beginning of 2022, Europe and Asia LNG futures (January 2023 contract) have averaged more than a 490% premium to the Henry Hub futures (January 2023 contract). Lastly, given recent geopolitical events exposing Europe and Asia reliance on Russian exported energy (including natural gas), forward market prices suggest that international natural gas markets will continue to play a significant role in global LNG and natural gas prices in the United States.

Q. Mr. Hinson, is there another factor offsetting recent increases in natural gas production and contributing to the current domestic natural gas supply and demand imbalance?

A. Yes, domestic natural gas storage inventory. In general, lower natural gas storage inventories, in advance of winter periods, place upward pressure on natural gas prices, as the market perceives this as a shortage in advance of a planned, normal winter (withdrawal) season. The combination of a warmer than normal winter and Pandemic-influenced, lower natural gas consumption resulted in a 3.9 Tcf inventory level (approaching 5-year <u>maximum</u> storage capacity) heading into the 2020/21 winter withdrawal season. However, given increased natural gas demand, both domestic and foreign, offsetting natural gas production gains that continue to be tempered by supply-chain issues, industry analysts believe domestic storage inventories will struggle to reach levels (approaching the 5-year <u>average</u> storage capacity), in advance of winter 2022/23.

Q. Did coal and oil prices experience similar inflationary pressures for the July 2021 – June 2022 period?

A. Yes. Domestic coal prices increased 114% compared to the prior period starting July 2020, with average prices reaching $130/ton. Considering the 2020 and 2021 annual periods, both Pandemic and industry trend-related coal production impacts were in play. Namely, comparing 2020 and 2021, domestic coal production increases (8%) fell appreciably short of consumption increases (14%). More recently (2022), in the face of continued strong coal consumption, domestic coal production increases have not been enough to offset the 2020/21 production lag. Like natural gas production, coal production has and continues to be negatively affected by ongoing supply-chain (rail, labor, equipment) issues encumbering its ability to satisfy demand increases, both domestic and foreign. On the consumption side, contributing factors included post-pandemic economic recovery, the relatively high price of competing fuels, and the increase in international demand for coal. Sharp increases in foreign coal prices resulting from this international coal demand also served as a support for higher domestic coal prices. For comparison purposes, for the July 2021-June 2022 period average monthly European coal prices exceeding those in Central Appalachia by 92%.

Domestic oil markets have and continue to be affected by increases in international demand and associated prices. While domestic oil prices had begun to increase before the Ukraine invasion, as the nation refocuses away from fossil fuels, the invasion and subsequent embargo on Russian energy supplies have further exacerbated price volatility. For 2022, the year-to-date price for average West Texas Intermediate ("WTI") is $101/barrel, representing an 69% increase over the same period last year.

Q. Has the Company changed its hedging program?

A. No, the Company continues to follow its fuel hedging program discussed in greater detail in the Fuel Procurement Strategy Report (the "Report"). Please see Company Exhibit (DEH-2) for the Report. The Company believes its comprehensive approach to hedging (*e.g.*, price hedging, diverse fuel supply access, and diverse generation portfolio) has and continues to have a material mitigating effect on fuel cost volatility. For example, comparing the Test Period with the similar period last year, "in-system" generation output experienced a 50% increase in $/MWh costs, while natural gas and coal fuel commodities experienced price increases of approximately 124% and 114%, respectively.

Q. Mr. Hinson, in addition to its hedging program, how else does the Company mitigate fuel cost expenses?

A. The Company performs various fuel cost mitigation activities while providing safe and reliable electricity for its customers. For natural gas, these activities include, but are not limited to: seasonal firm transportation contract changes ensuring least cost supplies reach the most efficient generation units; daily/monthly/seasonal monetization efforts (*e.g.*, asset management arrangements, short term capacity releases and natural gas delivered sales) for select pipeline contract segments with 100% of the resulting revenues returned to the customers through fuel cost offsets; and acquiring incremental capacity (from the pipeline capacity release market) to provide greater access to competitively priced fuel supply and greater generation flexibility for PJM.

Q. Mr. Hinson, what role does the Company's interstate, natural gas pipeline contract portfolio play in its overall hedged position?

A. The Company contracts for firm and interruptible transportation and storage services on multiple interstate pipelines to serve its natural gas fired generation fleet. This diverse pipeline portfolio serves to provide access to multiple natural gas supply locations such that the Company's generation fleet is not solely dependent on a single supply location (and associated market price). For example, Warren County power station can be fueled from as many as three natural gas supply locations (Leidy, TCO Appalachia, and Transco Z6- Station 210) during summer months and as many as two natural gas supply locations (Leidy and Transco Station Z6-210) during winter months.

SECTION II
NATURAL GAS PROCUREMENT

Q. Please discuss the Company's gas procurement practices.

A. The Company employs a disciplined natural gas procurement plan to ensure a reliable supply of natural gas at competitive prices. Through periodic solicitations and the open market, the Company serves its natural gas-fired fleet using a combination of day-ahead, monthly, seasonal, and multiyear physical gas supply purchases.

In addition to managing its natural gas supply portfolio, the Company evaluates its diverse portfolio of pipeline and storage contracts to determine the most reliable and economical delivered fuel options for each power station. This portfolio of natural gas transportation contracts provides access to multiple natural gas supply and trading points from the Marcellus shale region to the southeast region. Further, the Company actively participates in short term, interstate pipeline capacity markets, buying capacity (when available) during times of need or selling capacity during low generation periods or power station outages.

Q. Were there any changes to the Company's natural gas-fired generation fleet during the Test Period?

A. No, there were no additions or retirements. Company-owned natural gas-fired generation accounted for as much as 54% and, on average, 47% of the Company's electricity generation, during the Test Period.

SECTION III
COAL PROCUREMENT

Q. Please discuss the Company's coal procurement practices.

A. The Company employs a multiyear physical procurement plan to ensure a reliable supply of coal, delivered to its generating stations by truck or rail, at competitive prices. This is accomplished by procuring the Company's long-term coal requirements primarily through periodic solicitations and secondarily on the open market for short-term or spot needs. The effect of procuring both long- and short-term coal supplies provides a layering-in of contracts with staggered terms and blended prices. This ensures a reliable supply of fuel with limited exposure to potential dramatic market price swings. This blend of contract terms creates a diverse coal fuel portfolio and allows the Company to proactively manage its fuel procurement strategy, contingency plans, and any risk of supplier non-performance.

SECTION IV
BIOMASS PROCUREMENT

Q. Please discuss the Company's biomass procurement practices.

A. The Company has a varied procurement strategy for its biomass stations depending on the geographical region of the power station, while utilizing on- and off-site inventories to ensure adequate physical supply. Hopewell and Southampton Power Stations are served by multiple suppliers under both short and long-term agreements, enabling the Company to increase the reliability of its biomass supply by diversifying its supplier base. The Company purchases long-term fuel supply through one supplier at its Altavista Power Station. Procurement for the Company's biomass needs at its co-fired Virginia City Hybrid Energy Center facility is also conducted via short and long-term contracts with various suppliers. All four biomass-consuming plants receive wood deliveries via truck.

SECTION V
OIL PROCUREMENT

Q. Please discuss the Company's oil procurement practices.

A. The Company purchases its No. 2 fuel oil and No. 6 fuel oil requirements on the spot market and optimizes its inventory, storage, and transportation to ensure reliable supply to its power generating facilities. Trucks, vessels, barges, and pipelines are employed to transport oil to the Company's stations and third-party storage locations, ensuring a reliable supply of oil and mitigating the price risk associated with potentially volatile prices for these products.

Q. Does this conclude your pre-filed direct testimony?

A. Yes, it does.

**BACKGROUND AND QUALIFICATIONS
OF
DALE E. HINSON**

Dale E. Hinson graduated from University of Missouri-Columbia in 1989 with a Bachelor of Science degree in Accounting and received a Master of Business Administration degree from Washington University in St. Louis-Olin Business School in 1997. He joined Dominion in 2006 as a Senior Energy Asset Trader and in 2011 became Manager of Power Asset Management. In 2013, Mr. Hinson assumed his current role as Manager – Gas Supply.

Prior to joining Dominion, Mr. Hinson worked most recently as a Senior Trader for LG&E and KU Energy LLC from 1997 to 2006. He has also held positions with Arch Coal as Director of Market Research and with Arthur Andersen & Co. as an Auditor.

Mr. Hinson has previously presented testimony before the North Carolina Utility Commission and the State Corporation Commission of Virginia.

DOMINION ENERGY NORTH CAROLINA
SUMMARY REPORT OF FUEL TRANSACTIONS WITH AFFILIATES
FOR THE PERIOD JULY 2021 - JUNE 2022
(IN THOUSANDS $)

Dominion Energy North Carolina Receiving from Affiliate:

Docket No. E-22, Sub 644

VP Services Energy Corp., Inc.
Sale Of Natural Gas And Oil Inventory

Month	Amount	
July-21	$107,529	
August-21	$123,754	
September-21	$86,430	ACT
October-21	$97,079	ACT
November-21	$94,158	ACT
December-21	$119,987	ACT
January-22	$148,081	ACT
February-22	$136,610	ACT
March-22	$100,488	ACT
April-22	$63,302	ACT
May-22	$111,186	ACT
June-22	$198,143	ACT
		ACT
Total Charged to FERC Account 151	$1,279,218	ACT

Dominion Energy North Carolina
Docket No. E-22, Sub 644

Company Exhibit DEH-1
Schedule 1

DOMINION ENERGY NORTH CAROLINA
SUMMARY REPORT OF FUEL TRANSACTIONS WITH AFFILIATES
FOR THE PERIOD JULY 2021 - JUNE 2022

Dominion Energy Fuel Services, Inc. and Virginia Power Services Energy Corp., Inc.
Natural Gas Transaction Summary

Docket No. E-22, Sub 644

	Volume			Dollars			WACOG		
	Purchase	Sale	Difference	Purchase	Sale	Difference	Purchase	Sale	Difference
07/01/2021	26,193,979	26,194,080	(101)	$ 78,995,586.71	$ 78,993,873.45	$ 1,713.26	$ 3.016	$ 3.016	0.000
08/01/2021	27,501,465	27,496,382	5,083	$ 93,796,953.94	$ 93,778,993.62	$ 17,960.32	$ 3.411	$ 3.411	0.000
09/01/2021	25,215,800	25,220,800	(5,000)	$ 97,258,989.00	$ 97,292,979.00	$ (33,990.00)	$ 3.857	$ 3.858	(0.001)
10/01/2021	19,743,000	19,737,972	5,028	$ 87,163,315.26	$ 87,140,486.79	$ 22,828.46	$ 4.415	$ 4.415	0.000
11/01/2021	14,441,417	14,451,819	(10,402)	$ 70,107,219.70	$ 70,152,702.99	$ (45,483.30)	$ 4.855	$ 4.854	0.000
12/01/2021	24,130,590	24,121,127	9,463	$ 101,415,655.91	$ 101,386,453.58	$ 29,202.33	$ 4.203	$ 4.203	(0.000)
01/01/2022	24,774,668	24,759,668	15,000	$ 195,340,547.85	$ 195,288,797.85	$ 51,750.00	$ 7.885	$ 7.887	(0.003)
02/01/2022	19,512,691	19,512,691	-	$ 118,525,000.92	$ 118,527,126.15	$ (2,125.23)	$ 6.074	$ 6.074	(0.000)
03/01/2022	17,898,859	17,900,336	(1,477)	$ 78,813,713.21	$ 78,822,478.04	$ (8,764.83)	$ 4.403	$ 4.403	(0.000)
04/01/2022	12,140,864	12,140,864	-	$ 66,910,682.49	$ 66,911,699.84	$ (1,017.35)	$ 5.511	$ 5.511	(0.000)
05/01/2022	20,066,118	20,065,869	249	$ 139,481,770.53	$ 139,479,897.55	$ 1,872.97	$ 6.951	$ 6.951	0.000
06/01/2022	24,008,341	24,009,918	(1,577)	$ 161,541,871.41	$ 161,554,417.46	$ (12,546.06)	$ 6.729	$ 6.729	(0.000)
Total	255,627,792	255,611,526	16,266	$ 1,289,351,306.91	$1,289,329,906.32	$ 21,400.59			

DOMINION ENERGY NORTH CAROLINA
SUMMARY REPORT OF FUEL TRANSACTIONS WITH AFFILIATES
FOR THE PERIOD JULY 2021 - JUNE 2022

Dominion Energy North Carolina Power Receiving and Providing to Dominion Energy Fuel Services, Inc.:

Docket No. E-22, Sub 644

July 2021 - June 2022 Contracted Affiliated Fuel Transactions

There were no affiliate transactions of Fuel from July 2021 through June 2022.

DIRECT TESTIMONY OF
CHRISTOPHER D. CLEMENS
ON BEHALF OF
DOMINION ENERGY NORTH CAROLINA
BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-22, SUB 644

Q. Please state your name, position, business address, and responsibilities.

A. My name is Christopher D. Clemens, and I am the Supervisor of Fuel Procurement Engineering in the Nuclear Fuel Procurement Group. My business address is Innsbrook Technical Center, 5000 Dominion Boulevard, Glen Allen, Virginia 23060. I am responsible for nuclear fuel fabrication procurement, fuel-related project management, and nuclear fuel fabrication price forecasting and budgeting used by Virginia Electric and Power Company, which operates in North Carolina as Dominion Energy North Carolina (the "Company"). A statement of my background and qualifications is attached hereto as Appendix A.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to discuss the nuclear fuel market and any significant impact of the market on nuclear fuel costs during the test period of July 1, 2021 through June 30, 2022 ("test period"), in compliance with Rule 8-55(e)(5). Section I of my testimony will discuss the market and components of the Company's nuclear fuel costs. Section II will discuss how the Company's nuclear fuel expense rates are calculated.

Q. Please briefly describe the Company's nuclear fuel procurement policy.

A. The Company continues to follow the same procurement practices as it has in the past in accordance with its procedures, a copy of which has been previously provided to this Commission in Docket No. E-100, Sub 47A. These procedures not only cover nuclear fuel procurement, but also the procurement of natural gas, coal, biomass, and oil.

SECTION I
NUCLEAR FUEL MARKET AND COMPONENTS

Q. What are the major components of nuclear fuel expenses?

A. Nuclear fuel expenses include the amortized value of the cost for uranium, along with required conversion, enrichment, and fabrication services (collectively the "front-end components"). In addition, there is the amortization of the Allowance for Funds Used During Construction ("AFUDC") and the federal government's fee for the disposal of spent nuclear fuel. I will discuss the current status of the disposal fee in Section II of my testimony.

Q. Please describe any changes in the market conditions for the front-end components since the last fuel proceeding.

A. During calendar year 2021 through late February 2022, the uranium, conversion and enrichment ("UCE") markets saw some moderate increases in spot and term uranium pricing and modest increases in enrichment pricing, and some softening in spot conversion pricing during this period for reasons described below.

The spot and terms markets for uranium were relatively flat at price levels similar to 2020, through the end of August 2021. Starting in September 2021, both spot and term prices for uranium increased as did price volatility, with spot pricing increasing about 35% and term pricing about 25% from that point through late February 2022. This was primarily driven by Sprott, Inc. purchasing U3O8 for the Sprott Physical Uranium Trust (“SPUT”) fund. The structure of the SPUT fund has enabled significant capital to be used to accumulate physical uranium holdings with little prospect for the holdings to reenter the market. The fund purchased nearly 30 million pounds of U3O8 from the end of August 2021 through late February 2022. Other investment interest also contributed to the anticipated need for more primary uranium production requiring higher market prices to replace the gradual decline in production from existing mines combined with the expected increase in global nuclear fuel demand largely driven by the growing Chinese nuclear reactor fleet.

The market for term conversion was flat during 2021 and through the late part of February 2022 at similar price levels as 2020. The spot conversion market was relatively flat through August 2021, then dropped about 25% due to lower demand, perceived adequate UF6 supply and increased confidence in the restart of Honeywell’s Metropolis, Illinois conversion facility in 2023.

The markets for both spot and term enrichment steadily increased from early 2021 through late February 2022. Both spot and term prices increased about 15% during this period. These increases were expected based on market supply and demand fundamentals, which reflected gradual reductions in Russian supply into the U.S. as a result of the renegotiated and extended Russian Suspension Agreement, the gradual attrition of existing Western centrifuge capacity and the anticipated need for new investment at higher market prices to replace Western centrifuges to maintain capacity in the mid to late 2020s.

The price trend in the U.S. domestic nuclear fuel fabrication market continues to be difficult to measure because there is no active spot market, but the consensus is that costs will continue to increase due to regulatory requirements, lack of competition, new reactor demand abroad, and inflationary pressures on commodities used by the fabricators.

Q. How has the Russian invasion of Ukraine impacted market conditions for the front-end components markets?

A. The Russian/Ukrainian conflict has had a dramatic impact on the uranium, conversion, and enrichment markets. Spot and term prices are up significantly and price stabilization will likely take considerable time to resolve. The increase in pricing is largely due to the prospect of Russian supply not being available to or limited for Western markets. Russia is a major global nuclear fuel supplier, particularly uranium enrichment, and while supply to the U.S. is limited by the Russian Suspension Agreement, impacts to global supply will affect global market pricing. The potential for an immediate and indefinite cutoff of Russian supply to the U.S. and potentially other Western utilities through sanctions, bans, or other government actions would have certain and near immediate impacts on conversion and enrichment supply to the U.S. and other Western markets.

Since late February 2022 the market price for spot uranium increased approximately $20/lb. (or 45%) as of mid April, 2022 and term prices increased approximately 20%. As of the end of May 2022, term and spot pricing has returned to later February 2022 levels largely on negative global financial market news. However, uranium pricing remains very volatile in historical terms. While the Russian invasion of Ukraine has certainly contributed to uranium price volatility, price is also still significantly influenced by financial fund purchasing. A cutoff of Russian supply would not be as significant for the uranium market, compared to conversion and enrichment, as there are already numerous opportunities to restart idled uranium production, as well as develop new production, in various countries worldwide. These production sources could come to bear in the near to intermediate timeframe.

The conversion market has been impacted by the Russian invasion, with spot prices increasing nearly 90% since late February 2022 and term pricing up approximately 35%. Conversion has been impacted significantly, as a cutoff of Russian supply would greatly stress available conversion capacity. This would be compounded by additional conversion demand from the change in enrichment operations that would be needed to free up available centrifuge capacity to address the loss of Russian enrichment. Additionally, more Western conversion capacity will be needed as soon as it can be brought online, and any delay in the restart of Honeywell's conversion plant in Metropolis, Illinois or ramp up of Orano's new conversion facility in France will add to a constrained supply situation and increase supply risk.

The enrichment market has also been significantly impacted since late February 2022, with spot enrichment up about 40% and term enrichment up about 100%. Again, the prospective loss for Russian supply is impacting prices due to markets perceiving the need for more Western enrichment capacity to address the potential loss of Russian supply. There is potential for significant additional increases in enrichment pricing in order to support investment in new enrichment capacity.

In the U.S., there are no significant impacts expected to the fabrication market due to the Ukraine conflict as Russian fabrication is not relied upon by Western utilities.

Q. Have these changes in market costs impacted the Company's projected near-term costs?

A. Yes, but not significantly. The Company's current mix of longer-term front-end component contracts has reduced its exposure to market volatility that has occurred over the past several years. In addition, because the Company's nuclear plants replace about one-third of their fuel on an 18-month schedule, there is a delay before the full effect of any significant changes in a component price is seen in the plant operating costs.

Q. Will the conflict in Ukraine impact the Company's nuclear fuel expense?

A. As a result of the current Russian conflict in Ukraine, there is a possibility of U.S. government sanctions, bans, or other trade restrictions on Russian nuclear fuel supply exports. Russia could also decide to limit nuclear supply deliveries to the U.S. However, to date, none of the Company's existing nuclear fuel contracts have been affected by such actions, and the Company has enough nuclear fuel inventory to support all of its refueling needs for multiple years, regardless of any such actions. The Company has a high level of contract coverage for an extended period involving a diverse set of nuclear fuel supply contracts. The Company also maintains nuclear fuel inventory as a supply disruption hedge.

Looking forward, the Company will take affirmative steps as necessary to ensure we can secure the nuclear fuel needed to continue to operate our fleet long-term. The Company is also working with federal policymakers and other stakeholders to facilitate the expansion of domestic conversion and enrichment capacity, if necessary, to cover any potential supply gaps.

If Russian supply does become unavailable to the West, and specifically U.S. utility markets, the result will be increased market prices for uranium conversion and enrichment components for an extended period. In general, term market pricing for conversion and enrichment would likely be at levels supportive of expanding Western capacity, and, in the long run, some of this impact would potentially affect future new market purchases for a period and flow through to expense rates in the future. Given that the Company has significant levels of existing contract coverage for several years, and inventory, the impact of increases in market pricing is expected to be gradual over time. Also, as new reactor batch reloads replace approximately 1/3 of the assemblies in a reactor every 18 months and batches are amortized over their in-service life of typically four and a half years, any nuclear fuel expense impact would tend to happen over time and would not be a sudden or material change for near term projected expense rates for the Company.

SECTION II
NUCLEAR FUEL EXPENSE RATES

Q. Would you please describe how the Company's nuclear fuel expense rates are developed?

A. The calculation of nuclear fuel expense rates, expressed in mills per kilowatt-hour ("mills/kWh"), is based on expected plant operating cycles and the overall cost of nuclear fuel. As I stated above, front-end component costs include uranium, conversion, enrichment, and fabrication services. These costs, along with AFUDC, are amortized over the energy production life of the nuclear fuel. The federal government's fee, applied to net nuclear generation sold, would also typically be included in the expense rate. This cost, applied to all U.S. nuclear generation companies, is intended to cover the eventual disposal cost of spent nuclear fuel in a federal repository. However, the fee, which historically has been one mill/kWh of net nuclear generation, is currently set to zero mills/kWh and is not collected.

Q. Please provide an update regarding the status of this fee.

A. In 2014, following a federal court decision, the U.S. Department of Energy (“DOE”) submitted a proposal to Congress to change this one mill/kWh fee to zero. This relief is industry-wide and applies to all operating reactors, including the Company’s operating reactors at the Surry and North Anna Power Stations. As of May 16, 2014, the Company is no longer required to pay the waste fee.

Q. Can the waste fee collected by the federal government be reinstated?

A. Yes, it can. As explained in previous testimony from Tom A. Brookmire, the Nuclear Waste Policy Act allows the Secretary of Energy to review fee adequacy on an annual basis. It is likely that at some point in the future when a viable waste disposal program is established by DOE, the Secretary will develop an adjustment to the waste fee that ensures full cost recovery for the life cycle of such a program. Any proposed adjustment to the fee will again need to be submitted to Congress for review. If and when a fee adjustment becomes effective, the Company will again become obligated to make the fee payment, and will again seek to recover payments for the assessed fee in its fuel factor.

Q. What was the fuel expense rate for the Test Period?

A. The fuel expense rate is provided in Company Exhibit JDM-1 to the Direct Testimony of Company witness Jeffrey D. Matzen

Q. Does this conclude your direct testimony?

A. Yes, it does.

BACKGROUND AND QUALIFICATIONS OF CHRISTOPHER D. CLEMENS

Christopher D. Clemens is a graduate of Pennsylvania State University with a Bachelor of Science degree in Nuclear Engineering (1998), and a Master's degree in Business Administration from Virginia Commonwealth University (2007).

Mr. Clemens joined Virginia Electric and Power Company in 1998, and has worked since then in staff and management positions involving nuclear fuel. His current responsibilities include procurement of nuclear fuel fabrication and related services, nuclear fuel-related project management, and the projection of nuclear fabrication prices and related capital costs and expense rates.

DIRECT TESTIMONY
OF
TIMOTHY P. STULLER
ON BEHALF OF
DOMINION ENERGY NORTH CAROLINA
BEFORE THE
NORTH CAROLINA UTILITIES COMMISSION
DOCKET NO. E-22, SUB 644

Q. Please state your name, business address, and position of employment.

A. My name is Timothy P. Stuller. My business address is 120 Tredegar Street, Richmond, Virginia 23219. My title is Regulatory Consultant for Virginia Electric and Power Company, which operates in North Carolina as Dominion Energy North Carolina (the "Company"). A statement of my background and qualifications is attached as Appendix A.

Q. Mr. Stuller, what is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to present the Company's derivation of the proposed Fuel Cost Rider A and the proposed Experience Modification Factor ("EMF") Rider B for the North Carolina jurisdiction and for each customer class based on the twelve months ended June 30, 2022 (the "Test Period"), to become effective on February 1, 2023. I will first present the total fuel factor for the Rate Year beginning February 1, 2023 ("Full Recovery"). I will then describe a proposal by the Company and present calculations to mitigate the impact of the increase in the total fuel factor over two rate years, rather than one, with a true-up ("Stepped Mitigation" proposal). I am also sponsoring the calculation of the adjustment to total system sales (kWh) for the twelve months ended June 30, 2022, due to change in usage, weather normalization, and customer growth.

Q. Do you sponsor any exhibits?

A. Yes. Company Exhibit TPS-1, consisting of ten schedules, was prepared under my direction and is accurate and complete to the best of my knowledge and belief.

Q. What is the total fuel factor that the Company is proposing in this case?

A. I have calculated the average fuel factor equal to the combined base fuel and Fuel Cost Rider A, excluding Rider B (the Experience Modification Factor) ("EMF") for the Test Period ending June 30, 2022 to be $0.030758 /kWh.

The deferral balance for the Test Period is $45,700,946, presented by Company witness Campbell. This is substantial, and largely due to the increases in natural gas and other commodities that have been impacting the cost of goods across our economy, discussed in more detail by Company witness Hinson. If the entire Test Period recovery amount is to be recovered in the 2023 Rate Year, the average Test Period EMF will be $0.011096/kWh, which then results in a total Full Recovery fuel factor of $0.041854/kWh. This is an increase of $0.018597/kWh, when compared to the average total fuel factor presently in effect of $0.023257/kWh for the jurisdiction.

The Company recognizes the impact of such an increase in fuel rates on our customers. Therefore, the Company is voluntarily offering an alternative proposal to the Full Recovery rate, should the Commission find it to be in the public interest and so approve. Under the proposal the Company would forego prompt recovery over the Rate Year of the full Rate Year fuel costs and the deferral balance in favor of a Stepped Mitigation.

Q. Please explain the Stepped Mitigation proposal and its impact on subsequent rate years.

A. The Company proposes to establish rates in this proceeding that recover only a portion of the total Rate Year and Test Period expense. The proposed rates will phase in the overall fuel increase over the course of the 2023 Rate Year. The Company is proposing rates in the first six months of the 2023 Rate Year, February 1, 2023 through July 31, 2023, that reduce the impact of the total calculated rate by one-half ("Step 1 Rate") and rates in the second six months of the 2023 Rate Year, August 1, 2023 through January 31, 2024, that are reflective of the total fuel rate increase ("Step 2 Rate"). This will leave an under-recovery of both the Rate Year and Test Period expense over the course of the 2023 Rate Year. Therefore, in the 2023 fuel proceeding the Company will propose rates to recover the outstanding balances of the Rate Year fuel expense and the Test Period fuel expense as deferred fuel expense, through Rider B, in the 2024 rate year. Lastly, in the 2024 fuel proceeding, the Company will establish rates to recover or refund during the 2025 rate year any final over or under-recovery of this original balance.

Q. Is the Stepped Mitigation proposal the only scenario presented in your testimony?

A. No. I have also included the calculation of rates and supporting workpapers that support a normal, "Full Recovery" scenario. Should the Commission not adopt the Stepped Mitigation proposal, the Company requests the Commission approve rates allowing Full Recovery of the jurisdictional Rate Year fuel expense of $126.9 million and the June 30, 2022 fuel deferral account balance of $45.7 million over the 2023 Rate Year.

Q. Please describe the jurisdictional average rates proposed in the Stepped Mitigation proposal.

A. Implementing the Stepped Mitigation proposal would result in an average total fuel factor of $0.032556/kWh for the jurisdiction during the first six months of the 2023 Rate Year. This is an increase of $0.009299/kWh, when compared to the average total fuel factor presently in effect of $0.023257/kWh for the jurisdiction, this Step 1 rate is $0.009298/kWh less than the Full Recovery rate. During the second six months of the 2023 Rate Year, the average total fuel factor will be $0.041854/kWh. This will be an increase of $0.009298/kWh, when compared to the average total fuel factor in effect for the first 6 months of the Rate Year, $0.032556/kWh for the jurisdiction, this Step 2 rate will be equal to the rates under the Full Recovery scenario. The fuel factor calculations and typical bill impacts for both the Full Recovery and the Stepped Mitigation plan are presented later in my testimony.

Q. Please compare the effects of the two recovery options you have discussed for a typical residential customer using 1,000 kWh per month.

A. Table 1 below summarizes the effects of the Stepped Mitigation on residential customer bills and the resulting forecasted fuel rate bill impacts for the two options.

Table 1

Residential 1,000 kWh bill impact across 2023-2025 fuel years For Stepped Mitigation					
Stepped Mitigation	**Feb 21-Jul 22**	**Feb 23-Jul 23**	**Aug 23-Jan 24**	**Feb 24-Jan 25**	**Feb 25-Jan 26**
Current Period Rate (Base Fuel+Rider A)	$21.62	$26.35	$31.08	36.50	30.32
Prior Period Rate (Rider B)	$1.91	$6.56	$11.21	18.70	1.58
Total Fuel Rate	**$23.52**	**$32.91**	**$42.29**	**$55.19**	**$31.90**
Total Bill	112.98	122.36	131.74	144.65	121.36
Increase in total bill from previous	na	8%	8%	10%	-16%

Residential 1,000 kWh bill impact across 2023-2025 fuel years For Full Recovery					
Full Recovery	**Feb 21-Jul 22**	**Feb 23-Jul 23**	**Aug 23-Jan 24**	**Feb 24-Jan 25**	**Feb 25-Jan 26**
Current Period Rate (Base Fuel+Rider A)	$21.62	$31.08	$31.08	36.50	30.32
Prior Period Rate (Rider B)	$1.91	$11.21	$11.21	14.09	1.37
Total Fuel Rate	**$23.52**	**$42.29**	**$42.29**	**$50.59**	**$31.69**
Total Bill	112.98	131.74	131.74	140.04	121.15
Increase in total bill from previous	na	17%	0%	6%	-13%

As shown in Table 1, under the Full Recovery option, the entire increase is in effect during the February 2023 – January 2024 Rate Year, resulting in a total fuel rate bill impact of $42.29 for the typical residential customer. Compared to the present total fuel rate bill impact of $23.52, the typical bill for a residential customer will increase by approximately 17%. Under the Stepped Mitigation proposal, the fuel factor increase is spread out over multiple years, resulting in a reduced rate impact in the short term.

The "Total Fuel Rate" lines show the projected bill impact for a typical residential customer of the total fuel rate over the next three rate years under each of the proposals. It should be noted, however, that the forward-looking fuel rates are based on commodity prices as of the time of preparing this filing. Actual fuel prices may be higher or lower than current projections.

Q. Mr. Stuller, please explain Schedule 1.

A. Schedule 1 of Company Exhibit TPS-1 provides a summary of jurisdictional and total system kWh sales for the twelve months ended June 30, 2022, adjusted for change in usage, weather normalization, and customer growth. Line 1 of Schedule 1 shows the adjustment to sales for the North Carolina Jurisdiction of (8,357,771) kWh. The adjustment to total system kWh at sales level is 2,390,966,945 kWh. This adjustment is consistent with the methodology used in the Company's last general rate case (Docket No. E-22, Sub 562) and the last fuel charge adjustment case (Docket No. E-22, Sub 605).

Q. Have you calculated the Full Recovery Fuel Cost Rider A for the North Carolina jurisdiction and each customer class?

A. Yes. Schedule 2 of Company Exhibit TPS-1 presents the calculation of the Full Recovery System Average Fuel Factor for the North Carolina jurisdiction and for each customer class. On Schedule 2, Page 1, a system fuel expense level of $2,751,114,104 (as provided in Schedule 4 of Company Exhibit JDM-1) is divided by system sales of 89,568,685,945 kWh that reflect the normalization adjustments for change in usage, weather and customer growth, and adjusted for the North Carolina regulatory fee. The result is a normalized system average fuel factor of $0.030758/kWh, applicable to the North Carolina jurisdiction. The calculations used to differentiate the jurisdictional Base Fuel Component by voltage to determine the class fuel factors are shown on Schedule 2, Page 2. They are consistent with the methodology used in the Company's most recent fuel case (Docket No. E-22, Sub 605). The Base Fuel Component for each class determined in Docket No. E-22, Sub 562 is shown in Column 8 of Schedule 2, Page 2. The Full Recovery Fuel Cost Rider A is calculated in Column 9 of Schedule 2, Page 2.

Q. Please describe the Experience Modification Factor, Rider B.

A. Schedule 3 presents the calculation of the Full Recovery uniform EMF and the resulting factors for each customer class. Schedule 3, Page 1 shows the calculation of the Full Recovery EMF of $0.011096 /kWh, after being adjusted for the North Carolina regulatory fee, to be applicable to the North Carolina jurisdiction by dividing the $45.7 million under-recovered Test Period fuel expense by the North Carolina test year kWh sales, adjusted for changes in usage, weather normalization, and customer growth ("test year sales"). The calculations used to differentiate the uniform factor by voltage to determine the class factors are shown on Schedule 3, Page 2. The resulting Full Recovery EMF for each class is shown in Column 7 of Schedule 3, Page 2.

Q. Please provide a summary of the total fuel factors that the Company is requesting in this case for each class to become effective February 1, 2023.

A. As explained earlier in my testimony, the Company supports the Commission approving the Stepped Mitigation proposal and implementing it as an alternative to the Full Recovery rates. However, should the Commission not adopt the Stepped Mitigation proposal, the Company requests the Commission approve and implement the Full Recovery rates scheduling 100% of the Rate Year and Test Period factors over the 2023 Rate Year. The proposed total fuel rates for each class under the Stepped Mitigation proposal and the full recovery proposal are as follows:

Customer Class	Mitigation Step 1 Feb. 1, 2023 - Jul.31, 2023	Mitigation Step 2 Aug. 1, 2023 – Jan 31, 2024	Full Recovery Feb. 1, 2023 – Jan 31, 2024
Residential	$0.032906	$0.042287	$0.042287
SGS & PA	$0.032864	$0.042231	$0.042231
LGS	$0.032614	$0.041921	$0.041921
Schedule NS	$0.031635	$0.040654	$0.040654
6VP	$0.032090	$0.041239	$0.041239
Outdoor Lighting	$0.032906	$0.042287	$0.042287
Traffic	$0.032906	$0.042287	$0.042287

A comparison of the present total rates for each class to the Stepped Mitigation proposal and the Full Recovery proposal are shown on my Schedule 5 and Schedule 6, respectively.

Q. Do you have a schedule that shows the total fuel revenue recovery by class and for the North Carolina jurisdiction for the 2023 Rate Yyear if the Stepped Mitigation proposal is approved?

A. Yes, Schedule 7 shows the total fuel revenue recovery by class and for the North Carolina jurisdiction for the 2023 Rate Year if the Stepped Mitigation proposal is approved. For the North Carolina jurisdiction, the proposed jurisdictional fuel cost levels result in a total fuel recovery increase of $57,528,739 in the 2023 Rate Year.

Q. Do you have a schedule that shows the total fuel revenue recovery by class and for the North Carolina jurisdiction for the 2023 Rate Year if the Full Recovery rates are approved?

A. Yes, Schedule 8 shows the total fuel revenue recovery by class and for the North Carolina jurisdiction for the 2023 Rate Year if the Full Recovery rates are approved. For the North Carolina jurisdiction, the proposed jurisdictional fuel cost levels result in a total fuel recovery increase of $76,704,986.

Q. Have you included in your exhibit revisions to the Fuel Cost Rider A and EMF Rider B reflecting the Company's proposed total fuel factors under the Full Recovery and Stepped Mitigation proposals, to be effective February 1, 2023?

A. Yes. Schedule 9, pages 1 and 2 of Company Exhibit TPS-1 provides the revised Fuel Charge Rider A and EMF Rider B that would take effect February 1, 2023 for the Full Recovery proposal. Schedule 10, pages 1 through 4 of Company Exhibit TPS-1 provides the revised Fuel Charge Rider A and EMF Rider B that would take effect February 1, 2023 for step 1 and August 1, 2023 for step 2 for the Stepped Mitigation proposal.

Q. Mr. Stuller, would you explain how these proposed changes in the fuel factor under the proposed Stepped Mitigation plan will affect customers' bills?

A. For Rate Schedule 1 (residential), for a customer using 1,000 kWh per month, Step 1 would increase the weighted monthly residential bill (4 summer months and 8 base months) by $9.38 from $112.98 to $122.36, or by 8.3%

(using August 1, 2022 as the reference point). Step 2 would further increase that bill by $9.38 from $122.36 to $131.74, or by 7.7% (using July 1, 2023 as the reference point). For Rate Schedule 5 (small general service), for a customer using 12,500 kWh per month and 50 kW of demand, Step 1 would increase the weighted monthly bill (4 summer months and 8 base months) would increase by $117.09 from $1,099.55 to $1,216.64, or by 10.6% (using August 1, 2022 as the reference point). Step 2 would further increase that Schedule 5 bill by $117.09 from $1,216.64 to $1,333.73, or by 9.6% (using July 1, 2023 as the reference point). For Rate Schedule 6P (large general service), for a primary voltage customer using 576,000 kWh (259,200 kWh on-peak and 316,800 kWh off-peak) per month and 1,000 kW of demand, Step 1 would increase the monthly bill by $5,361.12 from $39,174.55 to $44,535.67, or by 13.7% (using August 1, 2022 as the reference point). Step 2 would further increase the monthly bill by $5,361.12 from $44,535.67 to $49,896.79, or by 12.0% (using July 1, 2023 as the reference point). For Rate Schedule 6L (large general service), for a primary voltage customer using 6,000,000 kWh (2,400,000 kWh on-peak and 3,600,000 kWh off-peak) per month and 10,000 kW of demand, Step 1 would increase the monthly bill by $55.845.00 from $374,249.70 to $430,094.70, or by 14.9% (using August 1, 2022 as the reference point). Step 2 would further increase the monthly bill by $55.845.00 from $430,094.70 to $485,939.70, or by 13.0% (using July 1, 2023 as the reference point).

Q. Mr. Stuller, would you explain how these proposed changes in the fuel factor assuming Full Recovery rates for the entire 2023 Rate Year will affect customers' bills? Use bill amounts as of August 1, 2022 as a point of reference.

A. For Rate Schedule 1 (residential), for a customer using 1,000 kWh per month, the weighted monthly residential bill (four summer months and eight base months) would increase by $18.76 from $112.98 to $131.74, or by 16.6%. For Rate Schedule 5 (small general service), for a customer using 12,500 kWh per month and 50 kW of demand, the weighted monthly bill (4 summer months and 8 base months) would increase by $234.18 from $1,099.55 to $1,333.73, or by 21.3%. For Rate Schedule 6P (large general service), for a primary voltage customer using 576,000 kWh (259,200 kWh on-peak and 316,800 kWh off-peak) per month and 1,000 kW of demand, the monthly bill would increase by $10,722.24 from $39,174.55 to $49,896.79, or by 27.4%. For Rate Schedule 6L (large general service), for a primary voltage customer using 6,000,000 kWh (2,400,000 kWh on-peak and 3,600,000 kWh off-peak) per month and 10,000 kW of demand, the monthly bill would increase by $111,690.00 from $374,249.70 to $485,939.70, or by 29.8%.

Q. Does this conclude your testimony?

A. Yes, it does.

BACKGROUND AND QUALIFICATIONS
OF
TIMOTHY P. STULLER

Timothy P. Stuller, Jr. holds a Bachelor of Science degree in Economics and Business from Randolph – Macon College and a Master of Business Administration from Virginia Commonwealth University. In 2007, Mr. Stuller joined Dominion Energy as a Regulatory Accounting Analyst I. In 2009, Mr. Stuller moved to the Customer Rates department as Regulatory Analyst II. Since 2009, Mr. Stuller has held various roles in the Customer Rates department including cost of service study development, analysis of rates and tariffs, supporting non-jurisdictional contracts, and generally supporting regulatory filings. Mr. Stuller's primary responsibility is analysis and design of rates for customers across the Dominion Energy Virginia and Dominion Energy North Carolina systems.

Dominion Energy North Carolina
Docket No. E-22, Sub 644

SUMMARY OF KWH ATTRIBUTABLE TO
CHANGE IN USAGE, WEATHER NORMALIZATION, AND CUSTOMER GROWTH
TWELVE MONTHS ENDED JUNE 30, 2022

SYSTEM

LINE	JURISDICTION	CHANGE IN USAGE KWH	WEATHER NORM. KWH	CUSTOMER GROWTH KWH	TOTAL KWH
1)	NORTH CAROLINA (A)	(39,337,620)	22,867,545	8,112,304	(8,357,771)
2)	VIRGINIA	1,910,033,312	290,870,402	84,230,204	2,285,133,918
3)	COUNTY & MUNICIPAL	137,902,913	(12,865,485)	(39,262,502)	85,774,926
4)	STATE	29,591,717	(10,736,207)	(5,734,221)	13,121,289
5)	MS / FEDERAL GOVERNMENT	0	0	0	0
7)	FERC	0	15,294,583	0	15,294,583
8)	SYSTEM KWH AT SALES LEVEL	2,038,190,322	305,430,838	47,345,785	2,390,966,945
9)	SUBTOTAL - SYSTEM KWH AT GENERATION LEVEL (LINE 8 x 2020 EXPANSION FACTOR) (B)				2,492,834,091

NOTES

( ) DENOTES NEGATIVE VALUE

(A) NORTH CAROLINA BY CLASS	CHANGE IN USAGE KWH	WEATHER NORM. KWH	CUSTOMER GROWTH KWH	TOTAL KWH
RESIDENTIAL	(5,269,236)	23,397,262	3,985,007	22,113,033
SGS / PA	3,148,205	(529,717)	2,182,280	4,800,768
LGS	8,515,315	0	1,785,474	10,300,789
NS	(57,732,467)	0	0	(57,732,467)
6VP	12,680,502	0	0	12,680,502
ODL & ST LTS	(672,158)	0	158,138	(514,020)
TRAFFIC	(7,781)	0	1,405	(6,376)
TOTAL	(39,337,620)	22,867,545	8,112,304	(8,357,771)

(B) 2021 SYSTEM EXPANSION FACTOR IS 1.042605

DOMINION ENERGY NORTH CAROLINA
CALCULATION OF SYSTEM AVERAGE FUEL FACTOR
TWELVE MONTHS ENDED JUNE 30, 2022
TO BE EFFECTIVE FEBRUARY 1, 2023

EXPENSE:	12 MONTH NORMALIZED SYSTEM FUEL EXPENSE (A)	$	2,751,114,104
SALES:	12 MONTHS SYSTEM KWH SALES ADJUSTED FOR CHANGE IN USAGE, WEATHER AND CUSTOMER GROWTH (B)		89,568,685,945
FEE:	NORTH CAROLINA REGULATORY FEE ADJUSTMENT FACTOR		1.0014

FACTOR = $\frac{\$2,751,114,104}{89,568,685,945} \times 1.0014$

FACTOR = $0.030758 / KWH (C) (D)

NOTES

(A) FROM COMPANY EXHIBIT NO. JDM-1 SCHEDULE 4

(B)	SYSTEM KWH AT SALES LEVEL [COMPANY EXHIBIT RC-1, SCHEDULE 3]	87,177,719,000
	PLUS: SYSTEM KWH USAGE, WEATHER, GROWTH ADJUSTMENT [COMPANY EXHIBIT NO. TPS-1, SCHEDULE 1, LINE 8]	2,390,966,945
	TOTAL SYSTEM SALES	89,568,685,945

(C) THE NORTH CAROLINA JURISDICTIONAL BASE FUEL FACTOR IS $0.02092/KWH

(D) WITHOUT NC REGULATORY FEE $0.030715 /KWH

DOMINION ENERGY NORTH CAROLINA
CALCULATION OF FUEL COST RIDER A
TWELVE MONTHS ENDED JUNE 30, 2022
TO BE EFFECTIVE FEBRUARY 1, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
CUSTOMER CLASS	KWH SALES (A)	SYSTEM FUEL FACTOR (B)	FUEL REVENUE UNIFORM RATE (1) x (2)	CLASS EXPANSION FACTOR	CLASS KWH @ GENERATION LEVEL (1) x (4)	JURISDICTIONAL UNIFORM RATE @ GENERATION LEVEL (3a) / (5a)	JURISDICTIONAL VOLTAGE DIFFERENTIATED RATE @ SALES LEVEL (4) x (6)	VOLTAGE DIFFERENTIATED BASE FUEL RATE	FUEL COST RIDER A RATE (7) - (8)
RESIDENTIAL	1,649,056,331	$0.030758	$50,721,675	1.051402	1,733,821,125	$0.029557	$0.031076	$0.021180	$0.009896
SGS & PA	772,733,741	$0.030758	$23,767,744	1.050004	811,373,519	$0.029557	$0.031035	$0.021150	$0.009885
LGS	659,493,302	$0.030758	$20,284,695	1.042291	687,383,933	$0.029557	$0.030807	$0.020980	$0.009827
SCHEDULE NS	732,732,593	$0.030758	$22,537,389	1.010795	740,642,441	$0.029557	$0.029876	$0.020360	$0.009516
6VP	287,772,567	$0.030758	$8,851,309	1.025324	295,060,119	$0.029557	$0.030306	$0.020650	$0.009656
OUTDOOR LIGHTING	22,402,069	$0.030758	$689,043	1.051402	23,553,580	$0.029557	$0.031076	$0.021180	$0.009896
TRAFFIC	398,626	$0.030758	$12,261	1.051402	419,116	$0.029557	$0.031076	$0.021180	$0.009896
TOTAL	4,124,589,229		$126,864,116 (3a)		4,292,253,834 (5a)				

NOTES

(A)

	TEST YR KWH	CHG IN USAGE, WEATHER CUST GROWTH ADJ	TOTAL*
RESIDENTIAL	1,626,943,298	22,113,033	1,649,056,331
SGS & PA	767,932,973	4,800,768	772,733,741
LGS	649,192,513	10,300,789	659,493,302
SCHEDULE NS	790,465,060	(57,732,467)	732,732,593
6VP	275,092,065	12,680,502	287,772,567
OUTDOOR LIGHTING	22,916,089	(514,020)	22,402,069
TRAFFIC	405,002	(6,376)	398,626
TOTAL	4,132,947,000	(8,357,771)	4,124,589,229

* CLASS KWH AT SALES LEVEL PLUS CHANGE IN USAGE, WEATHER NORMALIZATION, AND CUSTOMER GROWTH [COMPANY EXHIBIT NO. TPS-1 SCHEDULE 1]

(B) IN $/KWH

DOMINION ENERGY NORTH CAROLINA
CALCULATION OF EXPERIENCE MODIFICATION FACTOR - RIDER B
TWELVE MONTHS ENDED JUNE 30, 2022
TO BE EFFECTIVE FEBRUARY 1, 2023

EXPENSE:	JULY 1, 2021 - JUNE 30, 2022 NC JURISDICTIONAL FUEL EXPENSE UNDER RECOVERY (A)	$45,700,946
INTEREST:		$0
NET:		$45,700,946
SALES:	12 MONTHS JURISDICTIONAL KWH SALES ADJUSTED FOR CHANGE IN USAGE, WEATHER, AND CUSTOMER GROWTH (B)	4,124,589,229
FEE:	NORTH CAROLINA REGULATORY FEE ADJUSTMENT FACTOR	1.0014

FACTOR = $\frac{\$45{,}700{,}946}{4{,}124{,}589{,}229} \times 1.0014$

FACTOR = $0.011096 / KWH (C)

NOTES

(A) FROM COMPANY EXHIBIT NO. RTC-1 SCHEDULE 2

(B) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 2, PAGE 2

(C) WITHOUT NC REGULATORY FEE $0.011080 /KWH

DOMINION ENERGY NORTH CAROLINA
CALCULATION OF EXPERIENCE MODIFICATION FACTOR - RIDER B
TWELVE MONTHS ENDED JUNE 30, 2022
TO BE EFFECTIVE FEBRUARY 1, 2023

	(1)	(2)	(3)		(4)	(5)		(6)	(7)
CUSTOMER CLASS	KWH SALES (A)	NC JURISDICTIONAL EMF (B)	FUEL REVENUE UNIFORM EMF (1) x (2)		CLASS EXPANSION FACTOR	CLASS KWH @ GENERATION LEVEL (1) x (4)		UNIFORM EMF @ GENERATION LEVEL (3a) / (5a)	VOLTAGE DIFFERENTIATED EMF @ SALES LEVEL (4) x (6)
RESIDENTIAL	1,649,056,331	$0.011096	$18,297,929		1.051402	1,733,821,125		$0.010663	$0.011211
SGS & PA	772,733,741	$0.011096	$8,574,254		1.050004	811,373,519		$0.010663	$0.011196
LGS	659,493,302	$0.011096	$7,317,738		1.042291	687,383,933		$0.010663	$0.011114
SCHEDULE NS	732,732,593	$0.011096	$8,130,401		1.010795	740,642,441		$0.010663	$0.010778
6VP	287,772,567	$0.011096	$3,193,124		1.025324	295,060,119		$0.010663	$0.010933
OUTDOOR LIGHTING	22,402,069	$0.011096	$248,573		1.051402	23,553,580		$0.010663	$0.011211
TRAFFIC	398,626	$0.011096	$4,423		1.051402	419,116		$0.010663	$0.011211
TOTAL	4,124,589,229		$45,766,442	(3a)		4,292,253,834	(5a)		

NOTES

(A) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 2, PAGE 2

(B) IN $/KWH

DOMINION ENERGY NORTH CAROLINA
TWELVE MONTHS ENDED JUNE 30, 2022
CALCULATION OF "STEPPED" FUEL RATES

SUMMARY OF PROPOSED "FULL RECOVERY" RATES

CUSTOMER CLASS	BASE FUEL COMPONENT $/KWH (1)	RIDER A FUEL CHARGE $/KWH (2)	RIDER B EMF $/KWH (3)	TOTAL FUEL RATE $/KWH
JURISDICTIONAL	$0.020920	$0.009838	$0.011096	$0.041854
RESIDENTIAL	$0.021180	$0.009896	$0.011211	$0.042287
SGS & PA	$0.021150	$0.009885	$0.011196	$0.042231
LGS	$0.020980	$0.009827	$0.011114	$0.041921
SCHEDULE NS	$0.020360	$0.009516	$0.010778	$0.040654
6VP	$0.020650	$0.009656	$0.010933	$0.041239
OUTDOOR LIGHTING	$0.021180	$0.009896	$0.011211	$0.042287
TRAFFIC	$0.021180	$0.009896	$0.011211	$0.042287

DERIVATION OF "STEPPED" RATES
STEP 1 TO BE EFFECTIVE FEBRUARY 1, 2023 - JULY 31, 2023

CUSTOMER CLASS	BASE FUEL COMPONENT $/KWH (1)	RIDER A FUEL CHARGE $/KWH (6)	RIDER B EMF $/KWH (7)	TOTAL FUEL RATE $/KWH
JURISDICTIONAL	$0.020920	$0.005145	$0.006491	$0.032556
RESIDENTIAL	$0.021180	$0.005166	$0.006560	$0.032906
SGS & PA	$0.021150	$0.005163	$0.006551	$0.032864
LGS	$0.020980	$0.005132	$0.006502	$0.032614
SCHEDULE NS	$0.020360	$0.004969	$0.006306	$0.031635
6VP	$0.020650	$0.005043	$0.006397	$0.032090
OUTDOOR LIGHTING	$0.021180	$0.005166	$0.006560	$0.032906
TRAFFIC	$0.021180	$0.005166	$0.006560	$0.032906

CURRENT RATES EFFECTIVE FEBRUARY 1, 2022 - JANUARY 31, 2023

CUSTOMER CLASS	BASE FUEL COMPONENT $/KWH (1)	RIDER A FUEL CHARGE $/KWH (4)	RIDER B EMF $/KWH (5)	TOTAL FUEL RATE $/KWH
JURISDICTIONAL	$0.020920	$0.000451	$0.001886	$0.023257
RESIDENTIAL	$0.021180	$0.000436	$0.001908	$0.023524
SGS & PA	$0.021150	$0.000441	$0.001906	$0.023497
LGS	$0.020980	$0.000436	$0.001890	$0.023306
SCHEDULE NS	$0.020360	$0.000421	$0.001834	$0.022615
6VP	$0.020650	$0.000430	$0.001861	$0.022941
OUTDOOR LIGHTING	$0.021180	$0.000436	$0.001908	$0.023524
TRAFFIC	$0.021180	$0.000436	$0.001908	$0.023524

STEP 2 TO BE EFFECTIVE AUGUST 1, 2023 - JANUARY 31, 2023

CUSTOMER CLASS	BASE FUEL COMPONENT $/KWH (1)	RIDER A FUEL CHARGE $/KWH (8)	RIDER B EMF $/KWH (9)	TOTAL FUEL RATE $/KWH
JURISDICTIONAL	$0.020920	$0.009838	$0.011096	$0.041854
RESIDENTIAL	$0.021180	$0.009896	$0.011211	$0.042287
SGS & PA	$0.021150	$0.009885	$0.011196	$0.042231
LGS	$0.020980	$0.009827	$0.011114	$0.041921
SCHEDULE NS	$0.020360	$0.009516	$0.010778	$0.040654
6VP	$0.020650	$0.009656	$0.010933	$0.041239
OUTDOOR LIGHTING	$0.021180	$0.009896	$0.011211	$0.042287
TRAFFIC	$0.021180	$0.009896	$0.011211	$0.042287

NOTES:
(1) From TPS Schedule 2 Pg 2 Column 8
(2) From TPS Schedule 2 Pg 2 Column 9
(3) From TPS Schedule 3 Pg 2 Column 7
(4) From TPS Schedule 6 Pg 1&2
(5) From TPS Schedule 6 Pg 1&2
(6) Step 1 Rate equals Current Rider A plus Full Recovery Rider A less Current Rider A divided by 2
(7) Step 1 Rate equals Current Rider B plus Full Recovery Rider B less Current Rider A divided by 2
(8) Step 2 Rate equals Full Recovery Rider A
(9) Step 2 Rate equals Full Recovery Rider B

"STEPPED RATES PROPOSAL"
DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL COST LEVEL - PRESENT AND PROPOSED

STEP 1 RATES TO BE EFFECTIVE FEBRUARY 1, 2023 - JULY 31, 2023

	(1)	(2)	(3)	(4)
NC JURISDICTION	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020920	$0.000451	$0.001886	$0.023257
PROPOSED	$0.020920	$0.005145	$0.006491	$0.032556
CHANGE	$0.000000	$0.004694	$0.004605	$0.009299
RESIDENTIAL	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.005166	$0.006560	$0.032906
CHANGE	$0.000000	$0.004730	$0.004652	$0.009382
SGS & PA	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021150	$0.000441	$0.001906	$0.023497
PROPOSED	$0.021150	$0.005163	$0.006551	$0.032864
CHANGE	$0.000000	$0.004722	$0.004645	$0.009367
LGS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020980	$0.000436	$0.001890	$0.023306
PROPOSED	$0.020980	$0.005132	$0.006502	$0.032614
CHANGE	$0.000000	$0.004696	$0.004612	$0.009308

NOTES

( ) DENOTES NEGATIVE VALUE

"STEPPED RATES PROPOSAL"
DOMINION ENERGY NORTH CAROLINA POWER
TOTAL FUEL COST LEVEL - PRESENT AND PROPOSED

STEP 1 RATES TO BE EFFECTIVE FEBRUARY 1, 2023 - JULY 31, 2023

	(1)	(2)	(3)	(5)
SCHEDULE NS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020360	$0.000421	$0.001834	$0.022615
PROPOSED	$0.020360	$0.004969	$0.006306	$0.031635
CHANGE	$0.000000	$0.004548	$0.004472	$0.009020
6VP	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020650	$0.000430	$0.001861	$0.022941
PROPOSED	$0.020650	$0.005043	$0.006397	$0.032090
CHANGE	$0.000000	$0.004613	$0.004536	$0.009149
OUTDOOR LIGHTING	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.005166	$0.006560	$0.032906
CHANGE	$0.000000	$0.004730	$0.004652	$0.009382
TRAFFIC	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.005166	$0.006560	$0.032906
CHANGE	$0.000000	$0.004730	$0.004652	$0.009382

NOTES

( ) DENOTES NEGATIVE VALUE

"STEPPED RATES PROPOSAL"
DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL COST LEVEL
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023 AND PROPOSED TO BE EFFECTIVE AUGUST 1, 2023

STEP 2 RATES TO BE EFFECTIVE AUGUST 1, 2023 - JANUARY 31, 2024

	(1)	(2)	(3)	(4)
NC JURISDICTION	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.020920	$0.005145	$0.006491	$0.032556
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.020920	$0.009838	$0.011096	$0.041854
CHANGE	$0.000000	$0.004694	$0.004605	$0.009299
RESIDENTIAL	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.021180	$0.005166	$0.006560	$0.032906
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.004730	$0.004652	$0.009381
SGS & PA	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.021150	$0.005163	$0.006551	$0.032864
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.021150	$0.009885	$0.011196	$0.042231
CHANGE	$0.000000	$0.004722	$0.004645	$0.009367
LGS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.020980	$0.005132	$0.006502	$0.032614
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.020980	$0.009827	$0.011114	$0.041921
CHANGE	$0.000000	$0.004696	$0.004612	$0.009308

NOTES

( ) DENOTES NEGATIVE VALUE

"STEPPED RATES PROPOSAL"
DOMINION ENERGY NORTH CAROLINA POWER
TOTAL FUEL COST LEVEL - PRESENT AND PROPOSED

STEP 2 RATES TO BE EFFECTIVE AUGUST 1, 2023 - JANUARY 31, 2024

	(1)	(2)	(3)	(5)
SCHEDULE NS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.020360	$0.004969	$0.006306	$0.031635
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.020360	$0.009516	$0.010778	$0.040654
CHANGE	$0.000000	$0.004548	$0.004472	$0.009020
6VP	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.020650	$0.005043	$0.006397	$0.032090
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.020650	$0.009656	$0.010933	$0.041239
CHANGE	$0.000000	$0.004613	$0.004536	$0.009149
OUTDOOR LIGHTING	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.021180	$0.005166	$0.006560	$0.032906
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.004730	$0.004652	$0.009381
TRAFFIC	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PROPOSED TO BE EFFECTIVE FEBRUARY 1, 2023	$0.021180	$0.005166	$0.006560	$0.032906
PROPOSED TO BE EFFECTIVE AUGUST 1, 2023	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.004730	$0.004652	$0.009381

NOTES

( ) DENOTES NEGATIVE VALUE

"FULL RECOVERY RATE"
DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL COST LEVEL - PRESENT AND PROPOSED
TO BE EFFECTIVE FEBRUARY 1, 2023

	(1)	(2)	(3)	(4)
NC JURISDICTION	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020920	$0.000451	$0.001886	$0.023257
PROPOSED	$0.020920	$0.009838	$0.011096	$0.041854
CHANGE	$0.000000	$0.009387	$0.009210	$0.018597

RESIDENTIAL	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.009460	$0.009303	$0.018763

SGS & PA	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021150	$0.000441	$0.001906	$0.023497
PROPOSED	$0.021150	$0.009885	$0.011196	$0.042231
CHANGE	$0.000000	$0.009444	$0.009290	$0.018734

LGS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020980	$0.000436	$0.001890	$0.023306
PROPOSED	$0.020980	$0.009827	$0.011114	$0.041921
CHANGE	$0.000000	$0.009391	$0.009224	$0.018615

NOTES

( ) DENOTES NEGATIVE VALUE

DOMINION ENERGY NORTH CAROLINA POWER
TOTAL FUEL COST LEVEL - PRESENT AND PROPOSED
TO BE EFFECTIVE FEBRUARY 1, 2023

	(1)	(2)	(3)	(5)
SCHEDULE NS	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020360	$0.000421	$0.001834	$0.022615
PROPOSED	$0.020360	$0.009516	$0.010778	$0.040654
CHANGE	$0.000000	$0.009095	$0.008944	$0.018039

6VP	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.020650	$0.000430	$0.001861	$0.022941
PROPOSED	$0.020650	$0.009656	$0.010933	$0.041239
CHANGE	$0.000000	$0.009226	$0.009072	$0.018298

OUTDOOR LIGHTING	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.009460	$0.009303	$0.018763

TRAFFIC	BASE FUEL COMPONENT $/KWH	RIDER A FUEL CHARGE $/KWH	RIDER B EMF $/KWH	TOTAL FUEL RATE $/KWH
PRESENT	$0.021180	$0.000436	$0.001908	$0.023524
PROPOSED	$0.021180	$0.009896	$0.011211	$0.042287
CHANGE	$0.000000	$0.009460	$0.009303	$0.018763

NOTES

( ) DENOTES NEGATIVE VALUE

DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL RECOVERY
TWELVE MONTHS ENDED JUNE 30, 2022
STEP 1 TO BE EFFECTIVE FEBRUARY 1, 2023 - JULY 31, 2023

	(1)	(2)	(3)	(4)	(5)	(6)
CUSTOMER CLASS	SALES(KWH) (A)	BASE FUEL COMPONENT (B)	FUEL COST RIDER A (C)	EMF RIDER B (D)	TOTAL (2) + (3) + (4)	TOTAL REVENUE (1) x (5)
RESIDENTIAL	824,528,166	$0.021180	$0.005166	$0.006560	$0.032906	$27,131,512
SGS & PA	386,366,870	$0.021150	$0.005163	$0.006551	$0.032864	$12,697,561
LGS	329,746,651	$0.020980	$0.005132	$0.006502	$0.032614	$10,754,192
SCHEDULE NS	366,366,297	$0.020360	$0.004969	$0.006306	$0.031635	$11,589,815
6VP	143,886,283	$0.020650	$0.005043	$0.006397	$0.032090	$4,617,311
OUTDOOR LIGHTING	11,201,034	$0.021180	$0.005166	$0.006560	$0.032906	$368,576
TRAFFIC	199,313	$0.021180	$0.005166	$0.006560	$0.032906	$6,558
TOTAL	2,062,294,615					$67,165,524

	SALES(KWH)	BASE FUEL COMPONENT	FUEL COST RIDER A	EMF RIDER B	TOTAL (2) + (3) + (4)	TOTAL REVENUE (1) x (5)
NORTH CAROLINA JURISDICTION	2,062,294,615	$0.020920	$0.005145	$0.006491	$0.032556	$67,139,032

	SALES(KWH)	PRESENT TOTAL RATE	PROPOSED TOTAL RATE	TOTAL CHANGE (3) - (2)	TOTAL REVENUE CHANGE (4) x (1)
NORTH CAROLINA JURISDICTION REVENUE CHANGE	2,062,294,615	$0.023257	$0.032556	$0.009299	$19,176,246

NOTES

(A) (1/2) JURISDICTIONAL SALES FROM TPS-1 SCHEDULE 2 PAGE 2

(B) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (1)

(C) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (6)

(D) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (7)

DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL RECOVERY
TWELVE MONTHS ENDED JUNE 30, 2022
STEP 2 TO BE EFFECTIVE AUGUST 1, 2023 - JANUARY 31, 2024

	(1)	(2)	(3)	(4)	(5)	(6)
CUSTOMER CLASS	SALES(KWH)	BASE FUEL COMPONENT	FUEL COST RIDER A	EMF RIDER B	TOTAL	TOTAL REVENUE
	(A)	(B)	(C)	(D)	(2) + (3) + (4)	(1) x (5)
RESIDENTIAL	824,528,166	$0.021180	$0.009896	$0.011211	$0.042287	$34,866,823
SGS & PA	386,366,870	$0.021150	$0.009885	$0.011196	$0.042231	$16,316,659
LGS	329,746,651	$0.020980	$0.009827	$0.011114	$0.041921	$13,823,309
SCHEDULE NS	366,366,297	$0.020360	$0.009516	$0.010778	$0.040654	$14,894,255
6VP	143,886,283	$0.020650	$0.009656	$0.010933	$0.041239	$5,933,726
OUTDOOR LIGHTING	11,201,034	$0.021180	$0.009896	$0.011211	$0.042287	$473,658
TRAFFIC	199,313	$0.021180	$0.009896	$0.011211	$0.042287	$8,428
TOTAL	2,062,294,615					$86,316,860

	SALES(KWH)	BASE FUEL COMPONENT	FUEL COST RIDER A	EMF RIDER B	TOTAL	TOTAL REVENUE
					(2) + (3) + (4)	(1) x (5)
NORTH CAROLINA JURISDICTION	2,062,294,615	$0.020920	$0.009838	$0.011096	$0.041854	$86,315,279

	SALES(KWH)	PRESENT TOTAL RATE	PROPOSED TOTAL RATE	TOTAL CHANGE	TOTAL REVENUE CHANGE
				(3) - (2)	(4) x (1)
NORTH CAROLINA JURISDICTION REVENUE CHANGE	2,062,294,615	$0.023257	$0.041854	$0.018597	$38,352,493

NOTES

(A) (1/2) JURISDICTIONAL SALES FROM TPS-1 SCHEDULE 2 PAGE 2

(B) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (1)

(C) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (8)

(D) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 4 (9)

DOMINION ENERGY NORTH CAROLINA
TOTAL FUEL RECOVERY
TWELVE MONTHS ENDED JUNE 30, 2022
TO BE EFFECTIVE FEBRUARY 1, 2023

	(1)	(2)	(3)	(4)	(5)	(6)
CUSTOMER CLASS	SALES(KWH)	BASE FUEL COMPONENT (A)	FUEL COST RIDER A (B)	EMF RIDER B (C)	TOTAL (2) + (3) + (4)	TOTAL REVENUE (1) x (5)
RESIDENTIAL	1,649,056,331	$0.021180	$0.009896	$0.011211	$0.042287	$69,733,645
SGS & PA	772,733,741	$0.021150	$0.009885	$0.011196	$0.042231	$32,633,319
LGS	659,493,302	$0.020980	$0.009827	$0.011114	$0.041921	$27,646,619
SCHEDULE NS	732,732,593	$0.020360	$0.009516	$0.010778	$0.040654	$29,788,511
6VP	287,772,567	$0.020650	$0.009656	$0.010933	$0.041239	$11,867,453
OUTDOOR LIGHTING	22,402,069	$0.021180	$0.009896	$0.011211	$0.042287	$947,316
TRAFFIC	398,626	$0.021180	$0.009896	$0.011211	$0.042287	$16,857
TOTAL	4,124,589,229					$172,633,719

	SALES(KWH)	BASE FUEL COMPONENT	FUEL COST RIDER A	EMF RIDER B	TOTAL (2) + (3) + (4)	TOTAL REVENUE (1) x (5)
NORTH CAROLINA JURISDICTION	4,124,589,229	$0.020920	$0.009838	$0.011096	$0.041854	$172,630,558

	SALES(KWH)	PRESENT TOTAL RATE	PROPOSED TOTAL RATE	TOTAL CHANGE (3) - (2)	TOTAL REVENUE CHANGE (4) x (1)
NORTH CAROLINA JURISDICTION REVENUE CHANGE	4,124,589,229	$0.023257	$0.041854	$0.018597	$76,704,986

NOTES

(A) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 2, PAGE 2

(B) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 2, PAGE 2

(C) FROM COMPANY EXHIBIT NO. TPS-1 SCHEDULE 3, PAGE 2

RIDER A

FUEL COST RIDER

The applicable cents per kilowatt-hour charge[1] shall be added to the base fuel cost contained in the energy charges within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	0.9896¢/kWh
Schedule 1DF	Residential	0.9896¢/kWh
Schedule 1P	Residential	0.9896¢/kWh
Schedule 1T	Residential	0.9896¢/kWh
Schedule 1W	Residential	0.9896¢/kWh
Schedule 5	SGS & Public Authority	0.9885¢/kWh
Schedule 5C	SGS & Public Authority	0.9885¢/kWh
Schedule 5P	SGS & Public Authority	0.9885¢/kWh
Schedule 7	SGS & Public Authority	0.9885¢/kWh
Schedule 30	SGS & Public Authority	0.9885¢/kWh
Schedule 42	SGS & Public Authority	0.9885¢/kWh
Schedule 6C	Large General Service	0.9827¢/kWh
Schedule 6L	Large General Service	0.9827¢/kWh
Schedule 6P	Large General Service	0.9827¢/kWh
Schedule 10	Large General Service	0.9827¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	0.9827¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	0.9827¢/kWh
Schedule 26	Outdoor Lighting	0.9896¢/kWh
Schedule 30T	Traffic Control	0.9896¢/kWh
Schedule 6VP	6VP	0.9656¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	0.9516¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider A is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.

RIDER B

EXPERIENCE MODIFICATION FACTOR (EMF)

The applicable cents per kilowatt-hour charge[1] shall be added to the energy charges contained within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	1.1211¢/kWh
Schedule 1DF	Residential	1.1211¢/kWh
Schedule 1P	Residential	1.1211¢/kWh
Schedule 1T	Residential	1.1211¢/kWh
Schedule 1W	Residential	1.1211¢/kWh
Schedule 5	SGS & Public Authority	1.1196¢/kWh
Schedule 5C	SGS & Public Authority	1.1196¢/kWh
Schedule 5P	SGS & Public Authority	1.1196¢/kWh
Schedule 7	SGS & Public Authority	1.1196¢/kWh
Schedule 30	SGS & Public Authority	1.1196¢/kWh
Schedule 42	SGS & Public Authority	1.1196¢/kWh
Schedule 6C	Large General Service	1.1114¢/kWh
Schedule 6L	Large General Service	1.1114¢/kWh
Schedule 6P	Large General Service	1.1114¢/kWh
Schedule 10	Large General Service	1.1114¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	1.1114¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	1.1114¢/kWh
Schedule 26	Outdoor Lighting	1.1211¢/kWh
Schedule 30T	Traffic Control	1.1211¢/kWh
Schedule 6VP	6VP	1.0933¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	1.0778¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider B is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.

RIDER A

FUEL COST RIDER

The applicable cents per kilowatt-hour charge[1] shall be added to the base fuel cost contained in the energy charges within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	0.5166¢/kWh
Schedule 1DF	Residential	0.5166¢/kWh
Schedule 1P	Residential	0.5166¢/kWh
Schedule 1T	Residential	0.5166¢/kWh
Schedule 1W	Residential	0.5166¢/kWh
Schedule 5	SGS & Public Authority	0.5163¢/kWh
Schedule 5C	SGS & Public Authority	0.5163¢/kWh
Schedule 5P	SGS & Public Authority	0.5163¢/kWh
Schedule 7	SGS & Public Authority	0.5163¢/kWh
Schedule 30	SGS & Public Authority	0.5163¢/kWh
Schedule 42	SGS & Public Authority	0.5163¢/kWh
Schedule 6C	Large General Service	0.5132¢/kWh
Schedule 6L	Large General Service	0.5132¢/kWh
Schedule 6P	Large General Service	0.5132¢/kWh
Schedule 10	Large General Service	0.5132¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	0.5132¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	0.5132¢/kWh
Schedule 26	Outdoor Lighting	0.5166¢/kWh
Schedule 30T	Traffic Control	0.5166¢/kWh
Schedule 6VP	6VP	0.5043¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	0.4969¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider A is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.

RIDER A

FUEL COST RIDER

The applicable cents per kilowatt-hour charge[1] shall be added to the base fuel cost contained in the energy charges within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	0.9896¢/kWh
Schedule 1DF	Residential	0.9896¢/kWh
Schedule 1P	Residential	0.9896¢/kWh
Schedule 1T	Residential	0.9896¢/kWh
Schedule 1W	Residential	0.9896¢/kWh
Schedule 5	SGS & Public Authority	0.9885¢/kWh
Schedule 5C	SGS & Public Authority	0.9885¢/kWh
Schedule 5P	SGS & Public Authority	0.9885¢/kWh
Schedule 7	SGS & Public Authority	0.9885¢/kWh
Schedule 30	SGS & Public Authority	0.9885¢/kWh
Schedule 42	SGS & Public Authority	0.9885¢/kWh
Schedule 6C	Large General Service	0.9827¢/kWh
Schedule 6L	Large General Service	0.9827¢/kWh
Schedule 6P	Large General Service	0.9827¢/kWh
Schedule 10	Large General Service	0.9827¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	0.9827¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	0.9827¢/kWh
Schedule 26	Outdoor Lighting	0.9896¢/kWh
Schedule 30T	Traffic Control	0.9896¢/kWh
Schedule 6VP	6VP	0.9656¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	0.9516¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider A is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.

RIDER B

EXPERIENCE MODIFICATION FACTOR (EMF)

The applicable cents per kilowatt-hour charge[1] shall be added to the energy charges contained within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	0.6560¢/kWh
Schedule 1DF	Residential	0.6560¢/kWh
Schedule 1P	Residential	0.6560¢/kWh
Schedule 1T	Residential	0.6560¢/kWh
Schedule 1W	Residential	0.6560¢/kWh
Schedule 5	SGS & Public Authority	0.6551 ¢/kWh
Schedule 5C	SGS & Public Authority	0.6551 ¢/kWh
Schedule 5P	SGS & Public Authority	0.6551 ¢/kWh
Schedule 7	SGS & Public Authority	0.6551 ¢/kWh
Schedule 30	SGS & Public Authority	0.6551 ¢/kWh
Schedule 42	SGS & Public Authority	0.6551 ¢/kWh
Schedule 6C	Large General Service	0.6502¢/kWh
Schedule 6L	Large General Service	0.6502¢/kWh
Schedule 6P	Large General Service	0.6502¢/kWh
Schedule 10	Large General Service	0.6502¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	0.6502¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	0.6502¢/kWh
Schedule 26	Outdoor Lighting	0.6560¢/kWh
Schedule 30T	Traffic Control	0.6560¢/kWh
Schedule 6VP	6VP	0.6397¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	0.6306¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider B is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.

RIDER B

EXPERIENCE MODIFICATION FACTOR (EMF)

The applicable cents per kilowatt-hour charge[1] shall be added to the energy charges contained within each of the following Dominion Energy North Carolina filed Rate Schedules.

Rate Schedule	Customer Class	Cents per kWh Charge
Schedule 1	Residential	1.1211¢/kWh
Schedule 1DF	Residential	1.1211¢/kWh
Schedule 1P	Residential	1.1211¢/kWh
Schedule 1T	Residential	1.1211¢/kWh
Schedule 1W	Residential	1.1211¢/kWh
Schedule 5	SGS & Public Authority	1.1196¢/kWh
Schedule 5C	SGS & Public Authority	1.1196¢/kWh
Schedule 5P	SGS & Public Authority	1.1196¢/kWh
Schedule 7	SGS & Public Authority	1.1196¢/kWh
Schedule 30	SGS & Public Authority	1.1196¢/kWh
Schedule 42	SGS & Public Authority	1.1196¢/kWh
Schedule 6C	Large General Service	1.1114¢/kWh
Schedule 6L	Large General Service	1.1114¢/kWh
Schedule 6P	Large General Service	1.1114¢/kWh
Schedule 10	Large General Service	1.1114¢/kWh
Schedule LGS – RTP With Customer Baseline Load	Large General Service	1.1114¢/kWh
Schedule LGS – RTP Economic Development	Large General Service	1.1114¢/kWh
Schedule 26	Outdoor Lighting	1.1211¢/kWh
Schedule 30T	Traffic Control	1.1211¢/kWh
Schedule 6VP	6VP	1.0933¢/kWh
Schedule NS Tier 2-Type A and Tier 3 Energy Charges	Schedule NS	1.0778¢/kWh
Schedule NS Tier 1 Type A & B, and Tier 2-Type B Energy Charges	Schedule NS	Rider B is Included in the Energy Charges

[1]This charge is not a part of the base fuel cost included in the energy prices stated in the Rate Schedules and should, therefore, be applied in addition to the prices stated in the Rate Schedules.