



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

June 26, 2023

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. E-22, Sub 562, In the Matter of Application of Virginia Electric and Power Company d/b/a Dominion Energy North Carolina for Adjustment of Rates and Charges Applicable to Electric Service in North Carolina

Dear Ms. Dunston:

On June 21, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or the Company), filed a request to revise existing Schedule LGS-RTP Customer Baseline Load Day-Ahead Hourly Pricing (Schedule LGS-RTP). The request follows two recent extensions approved by orders dated December 21, 2022 and March 31, 2023 that approved Schedule LGS-RTP through June 30, 2023.

The Public Staff has been involved in the discussions with both DENC and the Carolina Industrial Group for Fair Utility Rates regarding the proposed revisions to Schedule LGS-RTP and has reviewed DENC's June 21, 2023 request. After its review of the filing, the Public Staff recommends approval of the request. Should the Commission approve the revisions to Schedule LGS-RTP as requested by the Company, the Public Staff will review customer service under this schedule in the next general rate case to determine the efficacy of this schedule to provide an appropriate real-time pricing tariff for high load factor customers.

A proposed order is attached to this letter for the Commission's consideration.

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Please do not hesitate to contact the Public Staff should you have any questions or concerns.

Sincerely,

Electronically submitted
/s/ Robert B. Josey
Staff Attorney
robert.josey@psncuc.nc.gov

cc: Parties of Record

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JUN 26 2023

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 562

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Virginia Electric and Power)	
Company d/b/a Dominion Energy North)	ORDER REVISING
Carolina for Adjustment of Rates and Charges)	RATE SCHEDULE
Applicable to Electric Service in North Carolina)	

BY THE COMMISSION: On June 21, 2023, Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or Company), filed a request to revise existing Schedule LGS-RTP Customer Baseline Load Day-Ahead Hourly Pricing (Schedule LGS-RTP). The request follows two recent extensions approved by orders dated December 21, 2022, and March 31, 2023, that approved Schedule LGS-RTP through June 30, 2023.

In its June 21, 2023 request, DENC stated that the Company and the Carolina Industrial Group for Fair Utility Rates (CIGFUR I) continued to work toward reaching a consensus of proposed revisions to Schedule LGS-RTP and that Attachment I to the Company's request reflected the agreement between the Company and CIGFUR regarding the proposed changes to Schedule LGS-RTP. DENC also stated that customers had expressed significant interest in Schedule LGS-RTP if these proposed modifications were to be approved.

DENC states that Schedule LGS-RTP continues to require that customers receiving service under Schedule LGS-RTP, must also be taking service under

Schedule 6L and maintain a load factor of 80% or greater consistent with the Commission's December 22, 2016 *Order Approving Rate Increase and Cost Deferrals and Revising PJM Regulatory Conditions* in this docket.

The proposed changes include:

1. The contract term remains one year; however, customers would be allowed a one-time termination of service before the end of the contract term. This would allow some flexibility for participants to exit the schedule if they determine service under Schedule LGS-RTP creates a financial risk for them, while preventing customers from taking advantage of market conditions and rotating on and off the schedule;
2. Removing the "experimental" designation and making Schedule LGS-RTP a more permanent rate offering extending the effective date until December 31, 2028;
3. Allowing participation of new customers who have not yet established 11 months of service;
4. Clarifying that calculation of the customer baseline load (CBL) based on the customer's summer peak demand; and
5. Providing greater flexibility to make adjustment if the customer's load fluctuates. If the customer's load increases after the initial CBL is established, load served under Schedule LGS-RTP can increase to a point no less than 50% of the maximum on-peak monthly demand. If the CBL falls below 50% of the customer's summer peak demand, the CBL will increase to 50% of the summer peak effective with the customer's

next anniversary date. Also, if the customer's monthly peak demand increases after the initial CBL is established such that the demand served under this schedule has increased to a point where the CBL drops below 50% of that demand, the customer may request an adjustment to the CBL pursuant to paragraphs VI.D or VI.E of Schedule LGS-RTP. However, the new CBL cannot be less than the previous CBL.

The Public Staff filed a letter stating that it had reviewed the request and had been involved in discussions with both DENC and CIGFUR I regarding the proposed revisions to Schedule LGS-RTP. The Public Staff stated that it recommended approval of the request. The Public Staff further stated that it would review customer service under this schedule in the next general rate case to determine the efficacy of this schedule to provide an appropriate real-time pricing tariff for high load factor customers.

Based upon the foregoing, the Commission approves the request as filed.

IT IS, THEREFORE, ORDERED as follows:

1. That "Schedule LGS-RTP with Customer Baseline Load Day-Ahead Hourly Pricing, Large General Service" is hereby revised as filed; and
2. That DENC shall file, within 10 days of this order, revised tariffs reflecting the approved revisions effective this date through December 31, 2028.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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Jun 26 2023