

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-22, SUB 556
DOCKET NO. E-22, SUB 557
DOCKET NO. E-22, SUB 558

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. E-22, SUB 556)	
)	
In the Matter of)	
Application of Virginia Electric and Power)	
Company, d/b/a Dominion Energy North Carolina)	
for Approval of Demand-Side Management and)	
Energy Efficiency Cost Recovery Rider Pursuant)	
to N.C.G.S. § 62-133.9 and Commission)	
Rule R8-69)	
)	ORDER APPROVING
DOCKET NO. E-22, SUB 557)	NOTICE TO CUSTOMERS
)	OF CHANGE IN RATES
)	
In the Matter of)	
Application of Virginia Electric and Power)	
Company, d/b/a Dominion Energy North Carolina)	
for Approval of Renewable Energy)	
and Energy Efficiency Portfolio Standard)	
Cost Rider Pursuant to N.C.G.S. § 62-133.8 and)	
Commission Rule R8-67)	
)	
DOCKET NO. E-22, Sub 558)	
)	
In the Matter of)	
Application of Virginia Electric and Power)	
Company, d/b/a Dominion Energy North Carolina)	
Pursuant to N.C.G.S. § 62-133.2 and Commission)	
Rule R8-55 Regarding Fuel and Fuel-Related)	
Cost Adjustments for Electric Utilities)	

BY THE PRESIDING COMMISSIONERS: On January 4, 2019, the Commission issued an Order in Docket No. E-22, Sub 557 that approved a change in the Renewable Energy and Energy Efficiency Portfolio Standard (REPS) rate rider for Dominion Energy North Carolina (DENC). On January 10, 2019, the Commission issued an Order in Docket No. E-22, Sub 556 that approved a change in the demand-side management and energy efficiency rate rider for DENC. On January 23, 2019, the Commission issued an Order in Docket No. E-22, Sub 558 that approved a change in the fuel cost rate rider for DENC. All three orders required DENC to work with the Public Staff to prepare a joint notice to customers concerning the approved rate changes and to file the proposed joint customer

notice for Commission approval.

On January 25, 2019, DENC filed a proposed Notice to Customers of Change in Rates that was developed by DENC and the Public Staff.

The Presiding Commissioners have reviewed the proposed Notice to Customers of Change in Rates and find good cause to approve it in the form attached hereto as Appendix A.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of January, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk

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Rule R8-55 Regarding Fuel and Fuel-Related)	
Cost Adjustments for Electric Utilities)	

NOTICE IS HEREBY GIVEN that the North Carolina Utilities Commission (Commission) has authorized Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC or Company), to implement an overall increase in its rates and charges paid by customers for retail electric service in North Carolina, as detailed below. The Commission-authorized rates will recover decreases in DENC's cost of purchasing renewable energy, as well as increases in the Company's total fuel expenses

and the costs and utility incentives associated with Commission-authorized programs implemented to encourage more efficient use of electricity by its customers. These rate changes will become effective for usage on and after February 1, 2019. The Commission's orders authorizing these rate changes were issued on January 4, 2019, in Docket No. E-22, Sub 557, on January 10, 2019, in Docket No. E-22, Sub 556, and on January 23, 2019, in Docket No. E-22, Sub 558.

Renewable Energy and Energy Efficiency Portfolio Standard Rate Decrease

On January 4, 2019, the Commission approved the Company's updated Riders RP and RPE to become effective February 1, 2019, which are designed to recover annual North Carolina retail revenues of \$1,039,706 associated with the Company's annual obligation to purchase electricity produced by renewable energy resources under North Carolina's Renewable Energy Portfolio and Energy Efficiency Standard (REPS). The rate decrease was approved by the Commission after review of the Company's incremental REPS compliance costs incurred during the period July 1, 2017, through June 30, 2018, Rider RP revenues recovered during that period, and compliance costs projected to be incurred during the rate period February 1, 2019 – January 31, 2020. The combined Rider RP and Rider RPE charges, including the North Carolina regulatory fee, result in the following monthly per-account customer charges for usage during the February 1, 2019 through January 31, 2020 rate period:

Residential	Commercial	Industrial
\$0.43	\$2.35	\$15.89

The change in the REPS charges will result in a monthly decrease of \$0.06 for a residential customer during the rate period. DENC's REPS charges are not applicable to agreements under the Company's outdoor lighting rate schedules, nor for sub-metered service agreements. Additionally, the REPS charges are not applicable to small auxiliary separately-metered services provided to a customer on the same property as a residential or other service account. An auxiliary service is defined as a non-demand metered, nonresidential service provided on schedule SGS or SG, at the same premises, with the same service address, and with the same account names as an agreement for which a monthly REPS charge has been applied. To qualify for an auxiliary service not subject to the REPS Charge, the customer must notify the Company and the Company must verify that such agreement is considered an auxiliary service, after which the REPS charge will not be applied to qualifying auxiliary service agreements. The customer is also responsible for notifying the Company of any change in service that results in the service no longer qualifying as auxiliary service. Please contact the Company at 1-866-DOM-HELP or 1-866-366-4357 or go to <https://www.dominionenergy.com/REPS-opt-out> for additional details on qualifying as an eligible auxiliary service account.

Demand-Side Management and Energy Efficiency Related Rate Increase

On January 10, 2019, the Commission approved rates to become effective February 1, 2019, that are designed to collect \$4,350,223 in annual North Carolina retail costs and utility incentives (including interest) associated with offering the Company's portfolio of demand-side management (DSM) and energy efficiency (EE) programs. The rate increase was approved by the Commission after review of the Company's projected DSM and EE program expenses and utility incentives for the rate period February 1, 2019 through January 31, 2020, and a true-up of calendar year 2017 DSM/EE expenses and utility incentives through an Experience Modification Factor (EMF) Rider. The combined projected (Rider C) and EMF (Rider CE) rates result in the following per kilowatt-hour (kWh) charges for usage during the rate period:

Residential	SGS & Public Authority	LGS	6VP	NS	Outdoor Lighting	Traffic
0.121 ¢/kWh	0.222 ¢/kWh	0.233 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh	0.000 ¢/kWh

The change in the DSM and EE rates will result in a monthly increase of approximately \$0.01 for a residential customer using 1,000 kWh per month during the rate period. Commercial customers with annual consumption of 1,000,000 kWh or greater in the prior calendar year, and all industrial customers, may elect not to participate in the Company's DSM/EE programs and thereby avoid paying these charges by notifying the Company that they have implemented or will implement their own DSM or EE measures. Commercial and industrial customers choosing this option will receive an offsetting credit to the DSM/EE rates on their monthly bills. Please go to <https://www.dominionenergy.com/large-business/energy-conservation-programs/nc-dsm-program-opt-out> for additional details on DSM/EE opt out eligibility.

Fuel Related Rate Increase

On January 23, 2019, the Commission approved annual non-base fuel rate changes to become effective February 1, 2019, including projected fuel factor (Rider A) and EMF rider (Rider B). The total increase includes recovery of the Company's North Carolina fuel expense under-collection of \$16,162,154 (including North Carolina regulatory fee). The rate increase was approved by the Commission after review of the Company's fuel expenses and related revenues during the 12-month period ending June 30, 2018, and represents changes experienced by the Company with respect to its reasonable costs of fuel and the fuel component of purchased power. The EMF increment fuel factors (Rider B) approved by the Commission are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
0.392 ¢/kWh	0.392 ¢/kWh	0.389 ¢/kWh	0.377 ¢/kWh	0.383 ¢/kWh	0.392 ¢/kWh	0.392 ¢/kWh

The net change of the EMF rider and Fuel Rider A will result in a monthly increase of approximately \$5.87 for a residential customer using 1,000 kWh per month during the rate period February 1, 2019 – January 31, 2020. DENC's total net fuel factors for each customer class are:

Residential	SGS & Public Authority	LGS	NS	6VP	Outdoor Lighting	Traffic
2.558 ¢/kWh	2.556 ¢/kWh	2.536 ¢/kWh	2.459 ¢/kWh	2.495 ¢/kWh	2.558 ¢/kWh	2.558 ¢/kWh

Summary of Rate Changes

The foregoing changes to DENC North Carolina's approved rates and charges relating to renewable energy costs, demand-side management and energy efficiency programs, and fuel expenses are effective on a final basis for usage on and after February 1, 2019. Compared to the rates previously approved by the Commission, the total aggregate monthly impact of these rate changes for a residential customer using 1,000 kWh per month is an increase of \$5.82, or 5.20%. The total monthly impact for commercial and industrial customers will vary based upon consumption and customers' participation in DENC's demand-side management and energy-efficiency programs.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of January, 2019.

NORTH CAROLINA UTILITIES COMMISSION



Janice H. Fulmore, Deputy Clerk