



AOBA

Utility and Energy Market Update

District of Columbia, Maryland and Virginia

September 19, 2019

This publication is intended as an information source for members of the Apartment and Office Building Association of Metropolitan Washington ("AOBA") and participants in the AOBA Alliance, Inc. The content should not be construed as legal or other professional advice, and readers should not act upon information in this publication without professional advice. Copyright © 2019 AOBA. All rights reserved.

AOBA Utility & Energy Market Update

Agenda

- I. Competitive Energy and Market Update** -----Bill Sticka, Director, Technical Sales/Market Strategy, Constellation
- II. DC Water Update** ----Nicola Whiteman, Sr. Vice President of Government Affairs AOBA
- III. District of Columbia** -----Frann Francis, Sr. Vice President and General Counsel AOBA and Kevin Carey, Director of Operations AOBA Alliance
 - A. Pepco DC – Formal Case 1156 Multi-Year Rate Plan Proceeding
 - B. Pepco DC - CleanEnergy Omnibus Amendment Act of 2018 including Building Energy Performance Standards (BEPS)
 - C. Washington Gas DC – Formal Case 1154 Projectpipes 2 filing
- IV. Maryland**
 - A. Pepco MD - Case No. 9602 Application for rate increase in Maryland filed January 15, 2019, new rates effective August 13, 2019
 - B. Washington Gas MD - Case No. 9605 Application for rate increase in Maryland filed April 22, 2019, new rates effective Oct/Nov, 2019
 - C. Clean Energy Jobs Act of 2018
- V. Virginia**
 - A. Washington Gas VA - Case No. PUR-2018-00080 Application for rate increase in Virginia filed July 31, 2018, new rates effective January 1, 2019, subject to refund
 - B. Washington Gas VA - Case No. PUR-2019-00142 Application for approval for SAVE Rider in Virginia filed August 30, 2019, new rates effective January 1, 2020
 - C. Dominion Energy VA - Case No. PUR-2018-00195 Application for Rider E in Virginia filed August 5, 2019, new rates effective November 1, 2019
- VI. Appendix**



Pepco

District of Columbia

Pepco Requested a Multi-Year Rate Increase of \$162 Million in D.C.

- On May 30, 2019, Pepco requested a multi-year rate plan in the District of Columbia, which would increase rates in the District by \$162 million over the three-year period beginning in May 2020 (Formal Case No. 1156).
- As part of the request, Pepco seeks to change its ratemaking from the traditional rate case filings, where Pepco files a request with the DCPSC based on an historical test year when it wants to increase its rates, to a multi-year rate plan in which rates based on Pepco's *forecasts* would increase automatically each year over the three-year period, 2020 through 2022.
- Pepco proposes to raise rates in three steps, scheduled for May 1, 2020, January 1, 2021, and January 1, 2022. Pepco proposes to increase rates by \$84.9 million in 2020, \$40.4 million in 2021, and an additional \$36.4 million in 2022.
- With the multi-year rate plan, Pepco is also asking the Commission to approve several incentive mechanisms that would allow the Company to earn more money if it hits certain annual performance metrics which could raise rates even further in 2021 and 2022 than what is estimated.

Pepco DC Multi-Year Rate Case Rates

- AOBA has intervened in this case and will file testimony challenging Pepco's proposed multi-year rate plan, the Company's proposed rate increase and Return on Equity (ROE), as well as many other Pepco adjustments and proposals contained in the company's new application.
- **On August 9, 2019, the DC PSC issued an order adopting a procedural schedule in this proceeding which may, under certain circumstances allow for hearings beginning on June 29, 2020. Based on the schedule adopted by the Commission, AOBA anticipates that the first year of any Pepco rate change would not occur until December 2020/January 2021.**
- The table on the next page shows Pepco's proposed rates and the percentage increase in the various charges by Year 1. The percentage increase does not represent the total increase in Pepco charges.

Pepco DC Multi-Year Rate Case Rates Pepco Proposed Rates

Pepco DC Rate Increase							
Rate Schedule	\$84.9M						
Year One Increase							
Residential	Old	Year 1			GS LV	Old	Year 1
Customer Charge	\$ 15.09	\$ 18.56	23%		Customer Charge	\$ 35.17	\$ 38.75 10%
Distribution 1st 400 kwh	\$ 0.00800	\$0.01288	61%		Distribution Summer	\$ 0.02807	\$0.03460 23%
> 400 kwh (summer)	\$ 0.02283	\$0.03541	55%		Distribution Winter	\$ 0.02127	\$0.02595 22%
> 400 kwh (winter)	\$ 0.01594	\$0.02630	65%		Demand Charge	\$ 8.06	\$ 9.43 17%
MMA	Old	Year 1			GS 3A	Old	Year 1
Customer Charge	\$ 11.84	\$ 13.91	17%		Customer Charge	\$ 89.41	\$ 89.41 0%
Distribution 1st 400 kwh	\$ 0.00891	\$0.00912	2%		Distribution Summer	\$ 0.02054	\$0.01907 -7%
> 400 kwh (summer)	\$ 0.02542	\$0.03003	18%		Distribution Winter	\$ 0.01476	\$0.01240 -16%
> 400 kwh (winter)	\$ 0.01774	\$0.01654	-7%		Demand Charge	\$ 10.82	\$ 10.82 0%
GTLV	Old	Year 1			MGT LV	Old	Year 1
Customer Charge	\$ 456.76	\$ 940.60	106%		Customer Charge	\$ 456.76	\$ 237.00 -48%
Distribution Summer	\$ 0.00958	\$0.01449	51%		Distribution Summer	\$ 0.00958	\$0.01482 55%
Distribution Winter	\$ 0.00958	\$0.01550	62%		Distribution Winter	\$ 0.00958	\$0.01482 55%
Demand Charge	\$ 11.88	\$ 13.77	16%		Demand Charge	\$ 11.88	\$ 15.17 28%
GS ND	Old	Year 1			GT 3A	Old	Year 1
Customer Charge	\$ 27.42	\$ 32.10	17%		Customer Charge	\$ 187.64	\$ 197.49 5%
Distribution Summer	\$ 0.04173	\$0.04851	16%		Distribution Summer	\$ 0.00454	\$0.00526 16%
Distribution Winter	\$ 0.03266	\$0.04231	30%		Distribution Winter	\$ 0.00453	\$0.00486 7%
					Demand Charge	\$ 8.86	\$ 10.27 16%

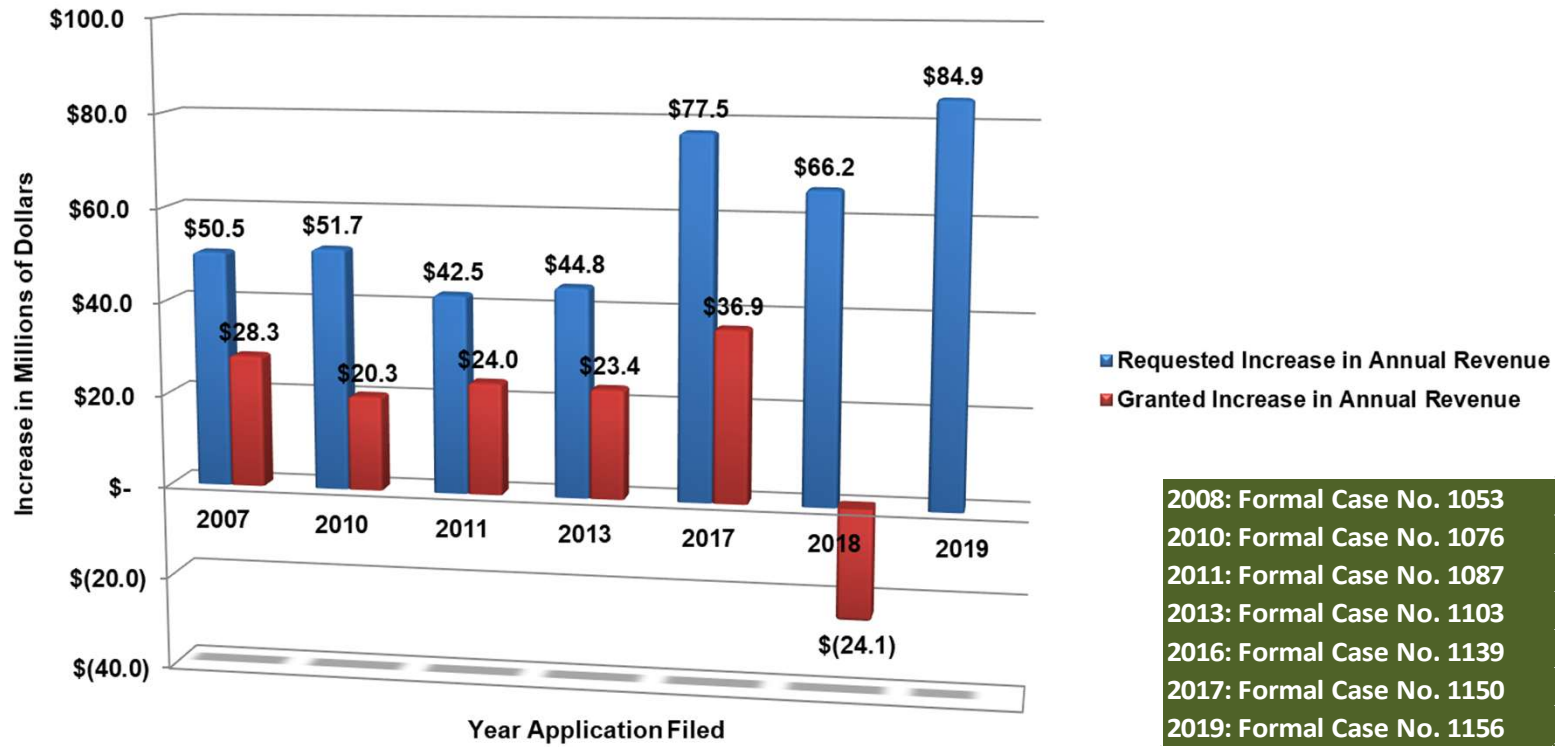
Pepco DC Multi-Year Rate Case Rates Total Estimated Bill Impact

Pepco Formal Case 1156	
Proposed Multi Year Rate Plan Impact in Year 1	
Rate Class	Year 1 Increase
Average Residential	10.33%
MMA	2-3%
GS-ND	5-15%
GS D-LV	4-9%
MGT LV (less than 200kW)	0-8%
MGT LV (>200kW)	15-18%
GT LV (less than 2000kW)	12-20%
GT LV (greater than 2000kW)	11-14%
GT 3A	9-13%
GT 3B	3-8%
*Source Pepco Supplemental Testimony 9-16-19 Exhibit Pepco (2F)-7	

[Pepco Rate Increase Estimates](#)

Pepco Supplemental Testimony 09-16-2019

Summary of Pepco Rate Increase Applications and Results District of Columbia



2008: Formal Case No. 1053
 2010: Formal Case No. 1076
 2011: Formal Case No. 1087
 2013: Formal Case No. 1103
 2016: Formal Case No. 1139
 2017: Formal Case No. 1150
 2019: Formal Case No. 1156

CleanEnergy D.C. Omnibus Amendment Act of 2018

- On January 18, 2019, Mayor Muriel Bowser signed the “CleanEnergy DC Omnibus Amendment Act of 2018” into law. The goal of this legislation is to:
 - **Reduce GHG emissions in the District by 50% by 2032 and 100% by 2050**
 - **Achieve 100% renewable electricity in the District by 2032**
 - **Develop Building Energy Performance Standard (BEPS) for buildings in the District**
 - **Adopt Net Zero Energy (NZE) for new construction, starting in 2026**
- The legislation established a Building Energy Performance Standard (BEPS) program to set benchmarks for energy performance for buildings in the District. The standards will be established by the DC Department of Energy and Environment (DOEE) and will initially apply to all private buildings with 50,000 square feet or greater and all District-owned buildings 10,000 square feet or greater. These initial standards will go into effect on January 1, 2021.
- In addition, private buildings 25,000 square feet or greater will have to comply with the BEPS standards by January 1, 2023. Private buildings greater than 10,000 square feet must comply by January 1, 2026.

CleanEnergy D.C. Omnibus Amendment Act of 2018

- The legislation also required that buildings which fail to meet a median or higher Energy Star rating will need to adopt and implement measures that either: (i) increase their rating to meet or exceed the median rating or (ii) achieve a 20% improvement in the building's energy efficiency. DOEE is still developing the standards and AOBA is actively participating in this process, as are AOBA members.

What you need to do now

Attend AOBA Seminar September 25th

- Identify all buildings in your portfolio that are 50,000 square feet and above and ensure you are currently in compliance with DC Benchmarking Rules
- Check the Energy Star rating for your buildings. EPA recently released an updated ENERGY STAR scoring model for commercial buildings, which went into effect on July 15.
- Identify where the buildings in your portfolio rank in relation to the median score
- DOEE has provided guidance for the median Energy Star score for buildings in DC:
 - 64 for commercial buildings
 - 66 for multifamily buildings
- Develop a plan for your path to compliance with the new standards



APARTMENT AND OFFICE
BUILDING ASSOCIATION
OF METROPOLITAN
WASHINGTON

A PRESENTATION FOR AOBA MEMBERS
AND AOBA ALLIANCE PARTICIPANTS



STRATEGIES FOR COMPLIANCE WITH THE NEW DC CLEAN ENERGY PLAN

What you need to do immediately,
and in the coming months

<p>WHEN</p> <p>September 25, 2019 9:00 AM: Registration and Continental breakfast 9:30 AM-11:30 AM: Program</p>	<p>WHERE</p> <p>900 7th Street, NW Mezzanine Level (IBEW Building) Gallery Place Metro nearby</p>
--	--

The Building Energy Performance Standards were established as part of the Clean Energy DC Omnibus Act of 2018, which became effective March 2019. Starting in 2021, owners of buildings over 50,000 square feet that are below a specific energy performance threshold will be required to improve their energy efficiency over the next five years. However, the 2021 standard will be based on Calendar Year 2019 Benchmarking data. **The time to put your plan together is now!**

PANEL

- Billy Grayson, Executive Director, Center for Sustainability and Economic Performance, ULI
- Katie Bergfeld, Chief, Building Performance and Enforcement Branch, Data & Benchmarking, DOEE
- Ted Trabue, Executive Director, Sustainable Energy Utility, DOEE
- TJ Navarro, National Director, Constellation, Efficiency Made Easy Strategies

TO REGISTER

There is no cost for AOBA members or AOBA Alliance participants to attend, but you must register and bring ID to the program. There is limited capacity so please RSVP to reserve your space to Brewster Thackeray, BThackeray@aoba-metro.org or 202/296-3390 x241.

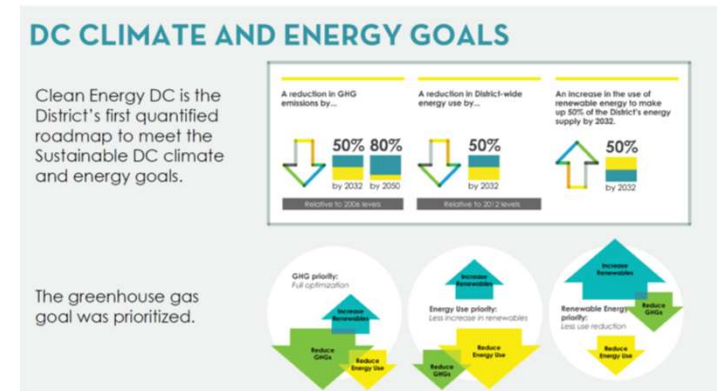
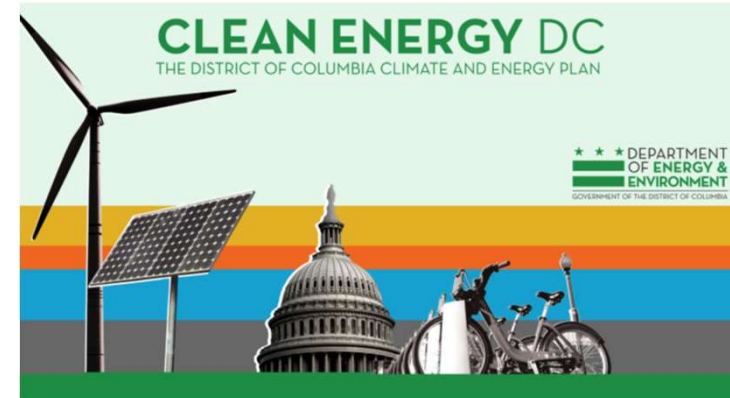


Apartment and Office Building Association of Metropolitan Washington | 1025 Connecticut Avenue, NW, Suite 1005 | Washington, DC 20036
P: 202.296.3390 | F: 202.296.3399 | www.aoba-metro.org



CleanEnergy D.C. Omnibus Amendment Act of 2018

- Mandates **100 percent of the electricity sold in the District come from renewable sources by 2032.**
 - Doubles the required amount of solar energy deployed in the District with **10 percent solar by 2041.**
- Makes significant improvements to the energy efficiency of existing buildings in the District by mandating **Building Energy Performance Standard (BEPS).**
 - **DOEE** will assess private buildings to ensure energy efficiency every five years beginning in 2021.
 - By **2021**, all private buildings of at least **50,000 square feet** will need to be compliant with the standard or face a penalty and a timeline of five years to become compliant before receiving another penalty.
 - The square footage threshold for privately-owned buildings decreases to **25,000 in 2023 and 10,000 in 2026.**
- **Increases the Sustainable Energy Trust Fund (SETF)** to pay for energy efficiency programs.
 - The fund will put aside **\$3 million each year** to fund energy efficiency improvements in low-income, rent controlled housing buildings.
 - By 2025, \$70 million will be added to the DC Green Bank to fund clean energy projects in the city and foster new development.
- Requires all public transportation and **privately owned fleet vehicles** to become emissions-free by the year **2045.**

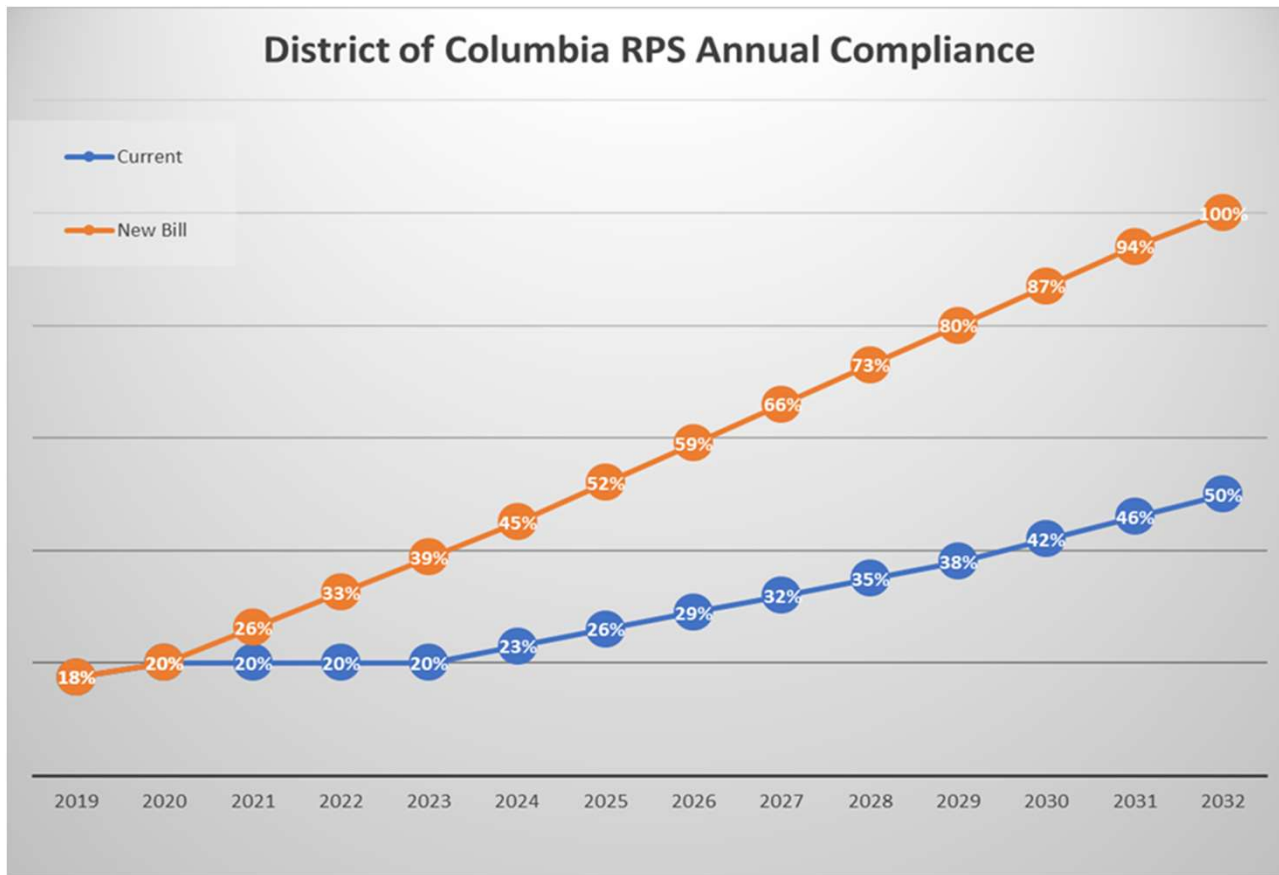


CleanEnergy D.C. Omnibus Amendment Act of 2018

District of Columbia:

- On January 18, 2019, Mayor Muriel Bowser signed the CleanEnergy D.C. Omnibus Amendment Act of 2018
- This law mandates that 100% clean energy supply for all customers in the District by 2032
- The bill increased funding for local sustainability initiatives. The Sustainable Energy Trust Fund (“SETF”), increases the natural gas assessment from \$0.0150/ therm to \$0.03762/ therm, increases the electricity assessment from \$0.00162/ kwh to \$0.0029016/ kwh, and applies a new 8.4 cents per gallon assessment on sales of heating and fuel oil.
- The bill also establishes a new building performance standard equal to or greater than DC’s median ENERGY STAR score for designated buildings. In addition, it provides pathways to achieve these new standards.
- The bill also impacts the Renewable Portfolio Standards (“RPS”) program with annual increases in clean energy supply including Solar which impact supply costs.
- **AOBA successfully lobbied to include a grandfathering provision for current electricity supply contracts that would extend the current RPS standards through December 31, 2021.**
 - *Please be advised that for 3 years after January 1, 2019, this subsection shall not apply to any contract entered into before the effective date of the Clean Energy DC Omnibus Amendment Act of 2018, as introduced on July 10, 2018 (Bill 22-904); provided, that subsection shall apply to an extension or renewal of such a contract.*
- Based on current market conditions, new contracts for electricity supply for 2019-2021 could see an estimated increase of \$2.00/ mwh (\$0.002/kwh) or more for customers in the near term, unless the building is under an existing contract prior to the effective date of the legislation.
- On February 7, 2019 the bill was transmitted to Congress for Congressional Review and the effective law date is March 22, 2019.

CleanEnergy D.C. Omnibus Amendment Act of 2018





Washington Gas Light Company District of Columbia

Washington Gas filed revised Pipe Replacement Plan in the District (Projectpipes2)

District of Columbia FC 1115 and 1154:

- On December 7, 2018, Washington Gas filed its revised plan for Accelerated Pipe Replacement in the District of Columbia, **(Formal Case 1154)**, its Projectpipes2 plan (PIPES 2 Plan)
- WG states that Projectpipes2 is to address the deteriorating condition of natural gas piping in the District of Columbia and Washington Gas' effort to repair gas leaks on its system. The cost recovery for Washington Gas on these projects is recovered through a Projectpipes2 surcharge on customers' Washington Gas invoices (see next slide).
- On March 22, 2019 AOBA filed comments with the D.C. Public Service Commission that called into question the effectiveness of the original pipe replacement plan and this new Projectpipes2 plan going forward.
- AOBA noted that there has been a 169% increase in reported Grade 1 leaks from 2013 to 2018 which coincides with the original accelerated pipe replacement plan (FC-1115).
- AOBA's comments also note that Washington Gas is focusing on the wrong type of pipe replacements. Their focus should be on the riskiest mains which are the Cast Iron pipes, instead Washington Gas is focusing its PIPES2 plan more on Bare Steel and Vintage Mechanically Coupled mains. The cast iron mains represent the vast majority of risky mains in the District and should be the primary focus and priority replacement in the District.
- **In filing its comments, AOBA has asked the tough question of regulators and Washington Gas of how best to address the deteriorating situation in the District before \$300 million on infrastructure is spent in the District for pipe replacement.**
- **The DC PSC approved the recommendation of AOBA and OPC to extend the initial Projectpipes plan through March 31, 2020 while Projectpipes2 was under consideration.**

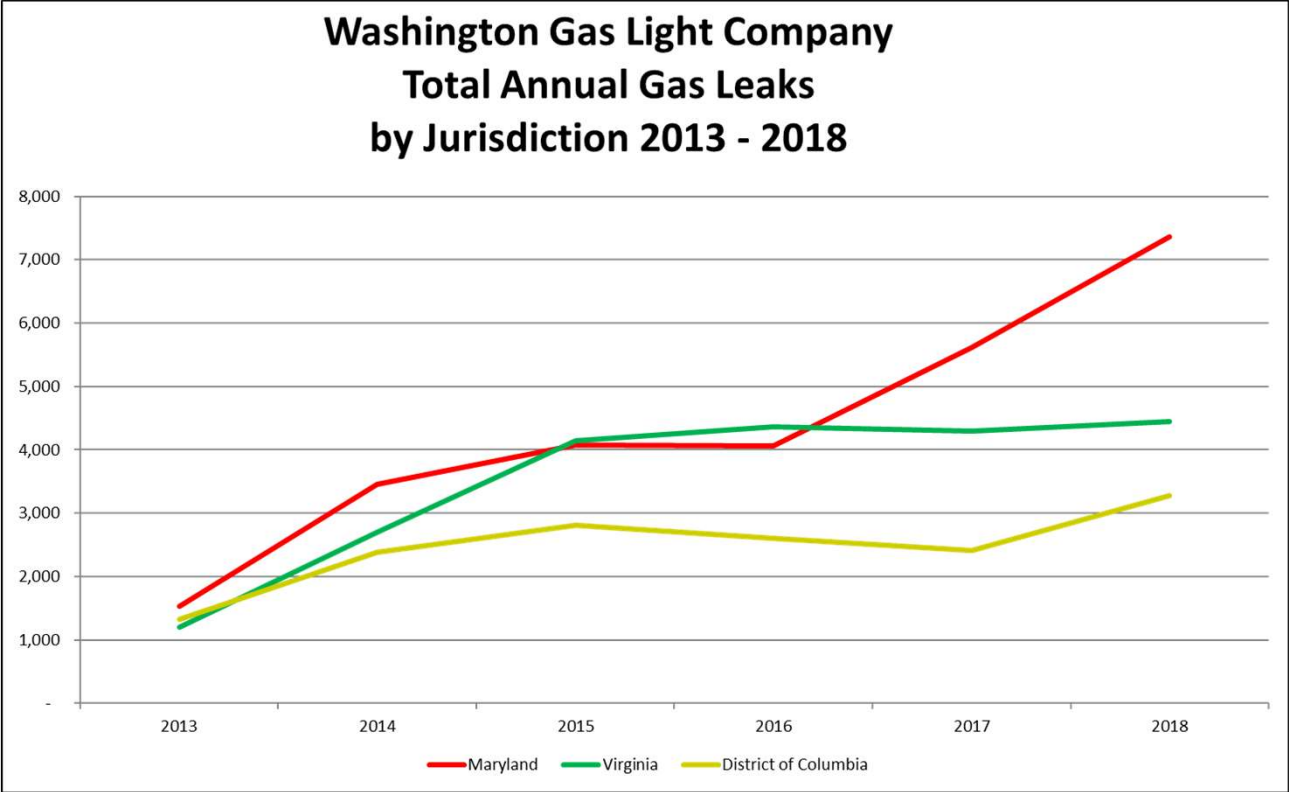
Washington Gas filed revised Pipe Replacement Plan in the District (Projectpipes2)

District of Columbia FC 1115 and 1154:

Project Pipes 1 Surcharge				
	<u>Residential</u>	<u>Commercial</u>	<u>Group Metered Apartments</u>	<u>Interruptible</u>
FY 2019	\$0.0385 per therm	\$0.0165 per therm	\$0.0163 per therm	\$0.0084 per therm
Project Pipes 2 Surcharge				
	<u>Residential</u>	<u>Commercial</u>	<u>Group Metered Apartments</u>	<u>Interruptible</u>
FY 2020 (proposed)	\$0.0666 per therm	\$0.0260 per therm	\$0.0280 per therm	\$0.0147 per therm

Washington Gas filed revised Pipe Replacement Plan in the District (Projectpipes2)

District of Columbia FC 1115 and 1154:





Pepco Maryland

Pepco Receives \$10.3 million Increase in Distribution Rates in Maryland

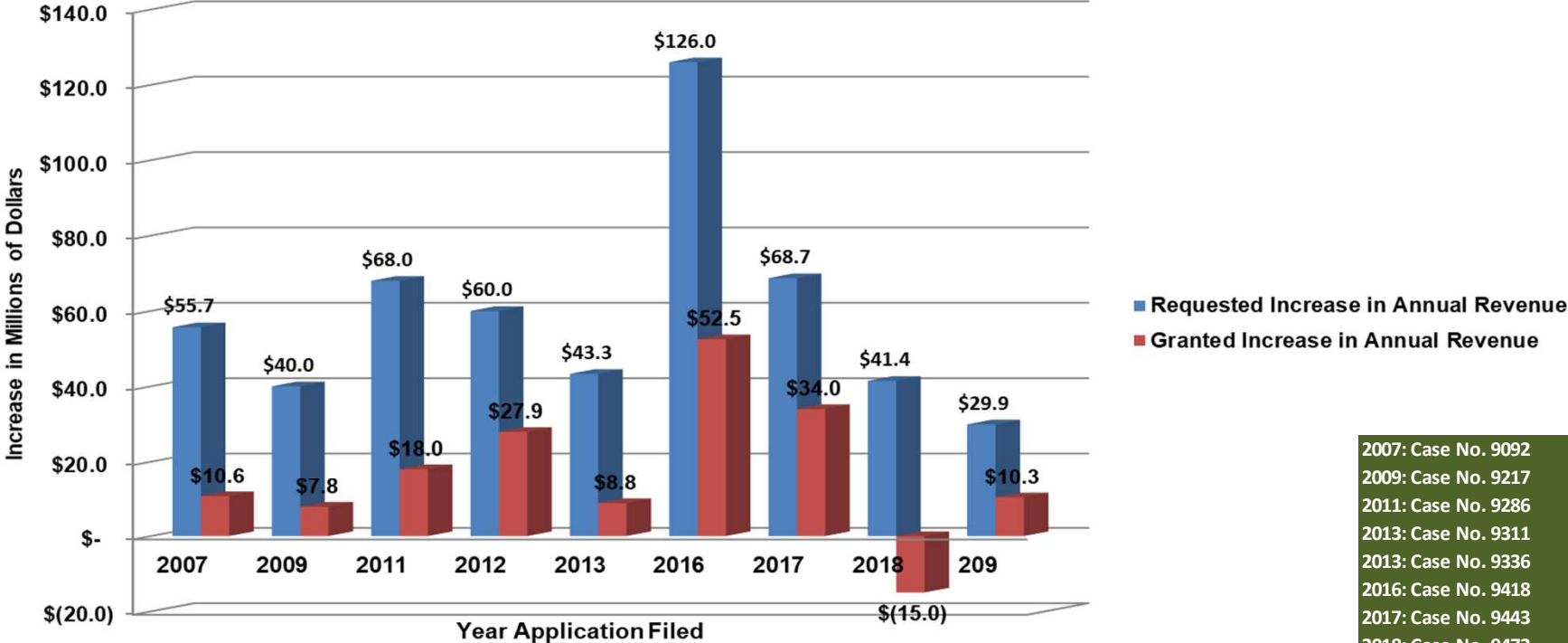
Maryland Case No. 9602:

- On January 15, 2019, Pepco filed its third request in three years for an increase in base distribution revenues of \$29,990,000, approximately a 7% increase in distribution revenues which was reduced to approximately \$27 million in the course of the proceeding (**Case No. 9602**).
- AOBA intervened in these proceedings and sponsored the testimony of two expert witnesses from Revilo Hill Associates, Inc.
- **On July 9, 2019, a Proposed Order of the Public Utility Law Judge (PULJ) authorized an increase in rates of \$10.3 million for Pepco based on a return on equity (“ROE”) of 9.6%.**
- **On August 12, 2019, the Maryland Public Service Commission affirmed the PULJ’s Proposed Order and new rates became effective August 13, 2019.**

Pepco Receives \$10.3 million Increase in Distribution Rates in Maryland

Pepco Maryland (Maryland Case No. 9602)		
Pepco Rate Schedule	Pepco Proposed Increases to Distribution Rates	Approved Increases to Distribution Rates*
Residential	6.46%	2.50%
RTM	5.76%	2.50%
GS LV	5.76%	0.99%
MGT LV	4.54%	0.99%
MGT 3A	6.46%	2.50%
GT LV	4.54%	0.99%
GT 3B	0.00%	0.00%
GT 3A	6.46%	2.50%
TM RT	6.46%	2.50%
SL	7.15%	2.50%
SSL	6.46%	2.50%
TN	0.00%	0.00%
Total	\$29.99 million	\$10.3 million

Summary of Pepco Rate Increase Applications and Results Maryland



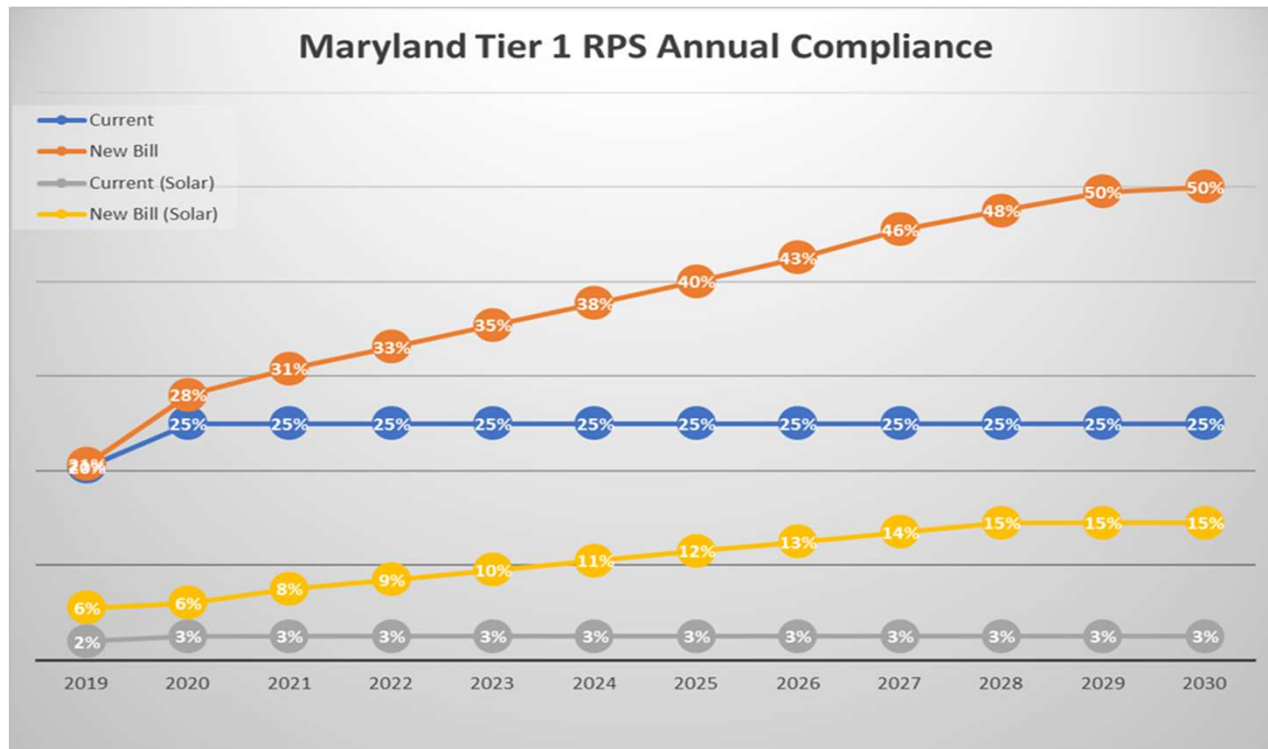
2007: Case No. 9092
 2009: Case No. 9217
 2011: Case No. 9286
 2013: Case No. 9311
 2013: Case No. 9336
 2016: Case No. 9418
 2017: Case No. 9443
 2018: Case No. 9472
 2019: Case No. 9602



MD 2019 General Assembly Clean Energy Jobs

- On February 11, 2019, bills entitled Electric Industry – Clean Energy Jobs (House Bill 1158 (“HB1158”) and cross-filed Senate Bill 516 (“SB516”) were filed in both the House and the Senate.
- HB1158/SB516 would **increase Maryland’s Renewable Energy Portfolio Standard (RPS) from 25% by 2020 to 50% by 2030. These increases could mean higher energy supplier costs for end-users going forward.** The current and proposed annual RPS requirements are shown in the Exhibit below.
- **All electric supply contracts are considered “grandfathered” and not subject to the higher RPS requirements as of September 30, 2019. Supply contracts entered after September 30, 2019 will be subject to the higher RPS requirements.**
- The potential impact of the new higher percentage of SRECs needed to meet compliance in the near term (2020 and 2022) is estimated to be between \$1.00-\$3.00 per mwh (\$0.00100/ kwh- \$0.00300 /kwh) at this time, assuming the SRECs remain priced at \$50/SREC.
- Additionally, this legislation includes an additional Off Shore Wind Renewable Energy Credit (OREC) obligation going forward that will also push electric supply prices higher.

MD General Assembly Clean Energy Jobs



Tier 1 renewables include solar, wind, biomass, anaerobic decomposition, geothermal, ocean, fuel cells powered through renewables, small hydro, poultry-litter incineration facilities, waste-to-energy facilities.

Tier 2 renewables include hydroelectric power other than pump-storage generation.



Washington Gas Light Company Maryland

Washington Gas Request for \$27 Million Rate Increase in Maryland

Maryland Case No. 9605:

- On August 30, 2019, Washington Gas, AOBA, the Maryland Office of People’s Counsel and the Maryland Public Service Commission Staff filed a Stipulation and Settlement of all issues in Washington Gas’ pending rate case in **Maryland Case No. 9605**.
- **The Settlement agreement provides for an increase in the Company’s annual base rate revenue of \$27.0 million for an increase in the Company’s annual base rate revenue of \$27.0 million or approximately 8.0%**, which includes approximately \$3.0 million of costs that are currently collected under the STRIDE plan that will now be included in base rates. New rates will be effective after the PSC issues a final order in this proceeding, i.e. October/November 2019.
- In its initial filing on April 22, 2019, Washington Gas had requested a \$35.9 million increase in rates, or 6.64%, in the Company’s Maryland annual base rate revenues.
- Further, Washington Gas had proposed a new rate adjustment mechanism for its recovery of Safety Response costs, (i.e., “Rider SRT”) which would have provided for annual adjustments to base rates. With the Company’s rapidly increasing number of leaks, these annual adjustments were expected to be significant. **AOBA, OPC and the PSC Staff all submitted testimony urging the rejection of the proposed SRT. These efforts were successful, and the Settlement agreement did not include the requested safety response surcharge.**
- The chart below shows the estimated rate increase impact on each customer class for 1) distribution charges only, 2) a distribution increase including surcharges and 3) an estimated total bill impact including all surcharges.
- Washington Gas distribution charges represent roughly 50% of the total customer bill and therefore the third column shows an **estimated** increase in the total bill.

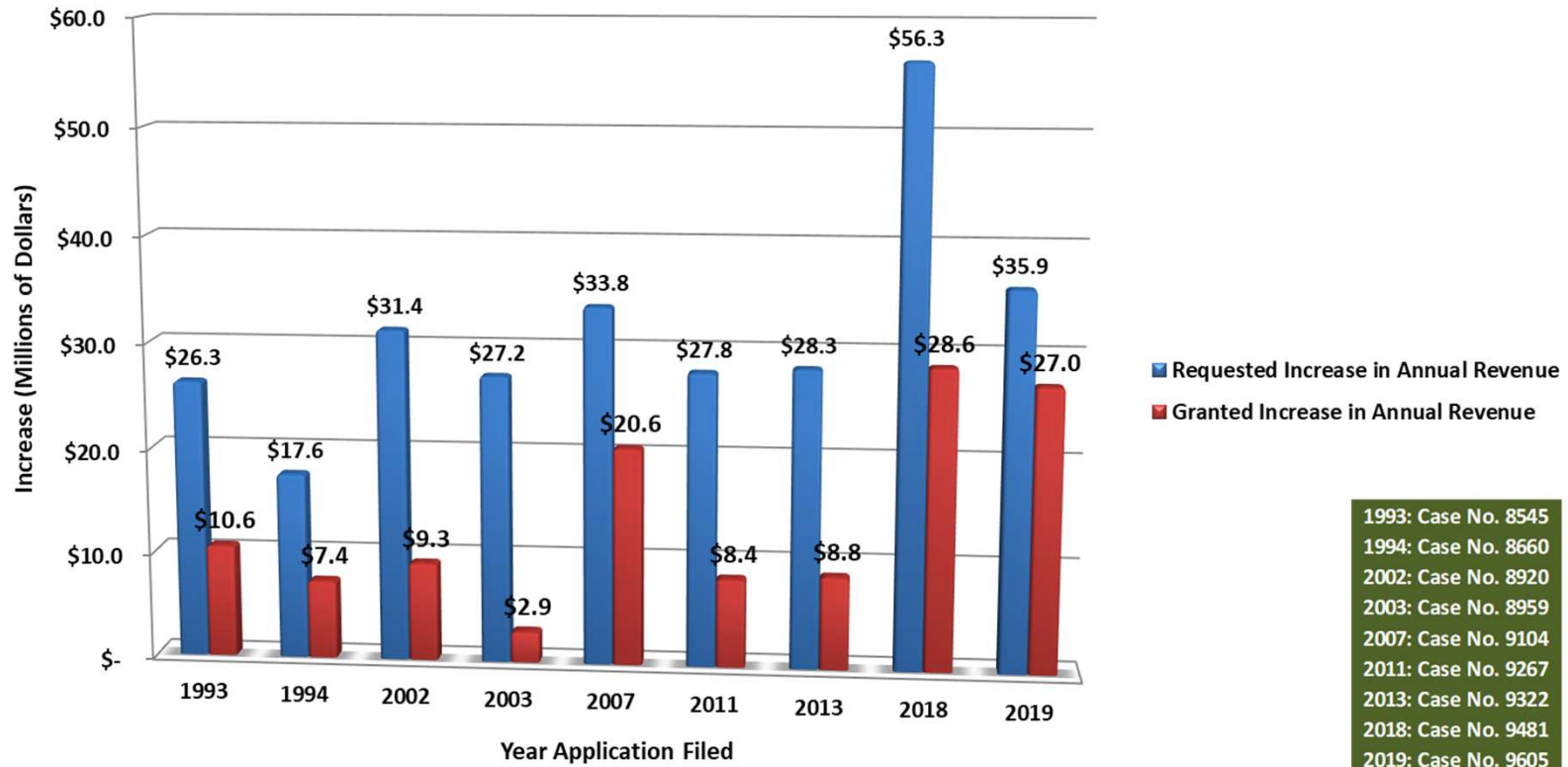
Washington Gas Maryland Rate Increase Impact effective Oct/Nov 2019 Maryland Case No. 9605

Washington Gas Maryland Case No. 9605			
Rate Class	Rate Increase Distribution Only	Rate Increase Including Surcharges*	Estimated Total Bill Increase
Residential			
Residential Heating & Cooling	8.3%	7.5%	3.8%
Residential Non-Heating & Cooling	8.5%	7.5%	3.7%
Commercial & Industrial			
C&I < 3,000 therms	8.4%	7.4%	3.7%
C&I > 3,000 therms	16.7%	12.2%	6.1%
Non-heating & Non-cooling	8.3%	6.0%	3.0%
Group Metered Apartments			
GMA Heating & Cooling	8.2%	7.2%	3.6%
GMA Non-Heating & Cooling	8.3%	7.3%	3.7%
Interruptible	16.0%	6.97%	

* Items included are Non-Tariff Delivery Customers, RES amount, GRT Surcharge, Firm Credit Adjustment, Franchise Tax and Montgomery Fuel Energy Tax

* These additions serve to dampen the impacts of the requested increase in distribution for all classes.

Summary of WGL Rate Increase Applications and Results Maryland





Washington Gas Light Company Virginia

Washington Gas Virginia

Request for \$37.6 Million Increase

Virginia Case No. PUR-2018-00080:

- **WG filed its Application on July 31, 2018 requesting authority to increase its rates and charges and to revise the terms and conditions applicable to gas service effective for usage beginning with the January 2019 billing cycle, subject to refund.**
- WG proposed to increase the annual operating revenues of Washington Gas by \$37.6 million based on a 10.6% ROE
 - In rebuttal testimony, WG reduced its ROE to 10.3% and requested increase to \$33.3 million
 - Approximately \$14.7 million of the request relates to costs associated with the SAVE Plan
- WG states that the revenue requirement reflects a \$16.3 million reduction for lower tax expense due to the implementation of the Tax Cuts Job Act (“TCJA”) and does not include any costs related to the acquisition of Washington Gas by AltaGas.
- **On February 15, 2019 AOBA filed testimony on behalf on AOBA’s members finding that Washington Gas should receive no more than \$23 million in revenue increases.**
- Additionally, AOBA requested a refund in the form of a bill credit for over collected income tax charges from the Tax Cuts and Jobs Act of 2017.

Washington Gas Virginia Request for \$37.6 Million Increase

Virginia Case No. PUR-2018-00080:

- Hearings concluded May 1st and the Hearing Examiner issued its report on September 16, 2019, which still must be approved by the SCC. WG has until October 21, 2019 to file for reconsideration of the Hearing Examiner's decision.
- The Hearing Examiner's report found that no increase or decrease to WG's current level of revenue is warranted, i.e., there will be a refund of a portion of the rates that went into effect in January 1, 2019.
- The Hearing Examiner agreed with AOBA that WG's TCJA regulatory liability of \$35.4 million should be refunded to customers in a one-time bill credit.
- Washington Gas must return to customers approximately 60% of its distribution rate increase that went into effect January 1, 2019
- New rates going forward will be approximately 40% of the increase that went into effect on January 1, 2019
- Customers may receive refunds in Q1 2020 timeframe.

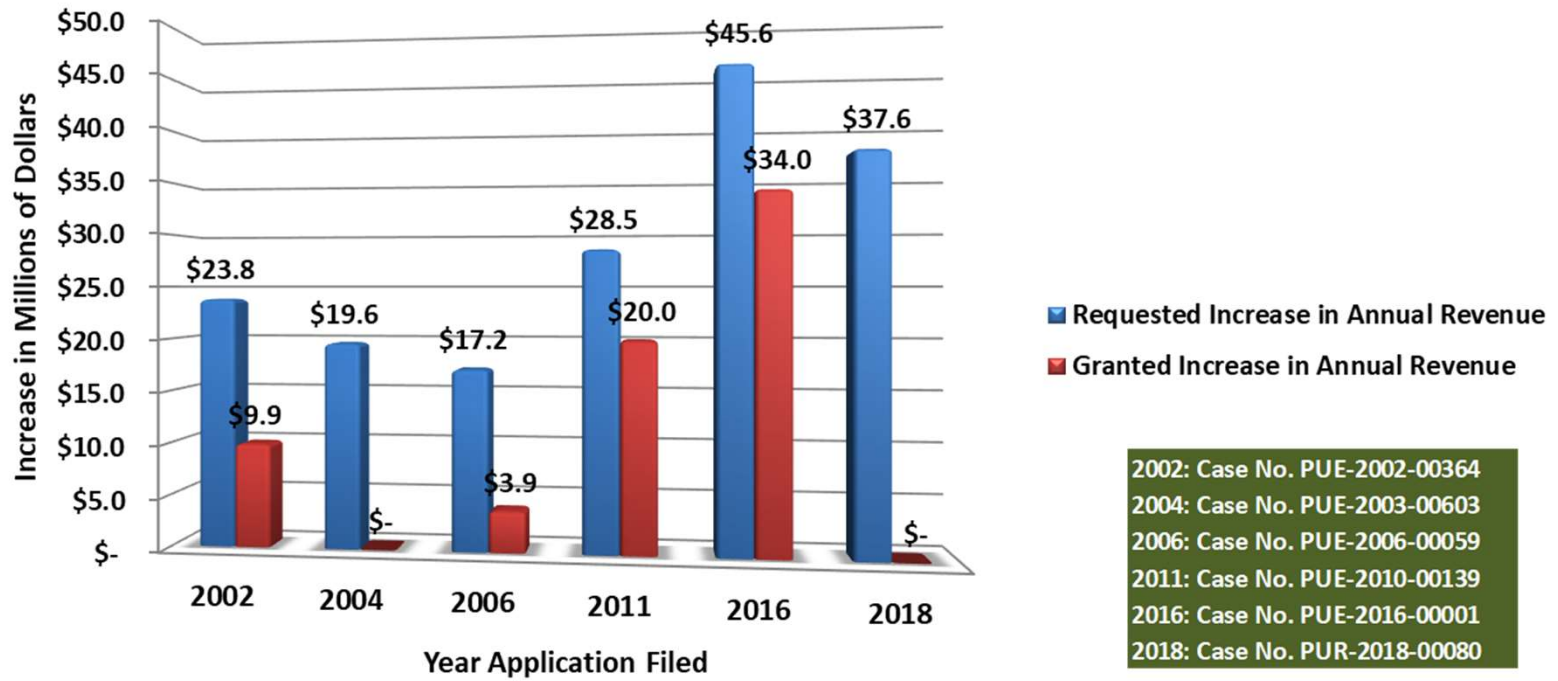
Washington Gas Virginia Proposed Rate Increases

Impact to Bill

- Tax refund of \$35.4 million in form of bill credit
- Rate case refund for rates from January 1 until SCC approval
 - Roughly 60% of the rate increase approved will be returned to customers
- New rates going forward will be approximately 40% of the initial January 1 approved rates

Washington Gas Virginia (Case PUR-2018-00080)		
Rate Schedule	WG Proposed Increase to Distribution Rates	40% Estimate of Increase to Distribution Rates
Residential Heating/Cooling	10.7%	4.3%
C&I Heating/Cooling	18.3%	7.3%
C&I Non-Heating/Cooling	9.6%	3.9%
C&L Large Customers	16.7%	6.7%
GMA Heating/Cooling	21.1%	8.4%
GMA Non-Heating/Cooling	9.5%	3.8%
GMA Large Customers	22.5%	9.0%
Interruptible	22.9%	9.2%
Total	12.6%	5.0%

Summary of Washington Gas Rate Increase Applications and Results Virginia



Washington Gas Virginia Files for \$14.2 million SAVE Rider Approval

Virginia Case No. PUR-2019-00142:

- On August 30, 2019 Washington Gas Virginia filed its annual approval for SAVE Rider for Calendar Year 2020.
- The SAVE rider provides natural gas utilities in Virginia to recover the costs of specific infrastructure replacement programs that have the potential to reduce greenhouse gas emissions and to enhance safety and reliability
- The Company is seeking approval for \$14.2 million in revenue requirements for 2020
- If approved by the Virginia SCC, the updated SAVE rider charge would be effective January 1, 2020

WG SAVE RIDER (\$/therm)					
	2020		2019		2018
Commerical & Industrial	\$ 0.0105	\$	0.0003	\$	0.0183
Group Metered Apartments	\$ 0.0120	\$	0.0011	\$	0.0190
Interruptible	\$ 0.0045	\$	0.0022	\$	0.0183



Dominion Energy Virginia

Dominion Energy Virginia

Files NEW Rider E for Recovery of Environmental Costs

Dominion Energy VA - Case No. PUR-2018-00195 :

- Dominion Energy Virginia filed for approval for a new rate rider to recover a portion of costs spent to meet state and federal environmental requirements.
- Rider E – Environmental Projects will be effective for usage on and after November 1, 2019

Rider E	Environmental Projects	
	<u>Current Rate</u>	<u>Old Rate</u>
GS-1	0.1574 ¢/kWh	
GS-2 ²	0.1711 ¢/kWh	0.612 \$/kW
GS-3 ³		0.574 \$/kW
GS-4 Primary ³		0.556 \$/kW

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.



Appendices



Washington Gas Light Company District of Columbia Surcharges

Washington Gas DC Riders & Surcharges

- **Residential Essential Services (RES)**

Commission approved to fund low-income program to provide assistance in paying gas bills through credits to customers accounts. (FC 1127)

- **PROJECTpipes**

Washington Gas has begun the first five years of its 40-year plan to replace gas main and service lines in various neighborhoods in Washington, D.C. PROJECT*pipes*, formerly known as the District of Columbia Accelerated Pipe Replacement Plan (APRP), is part of our ongoing pipe replacement work. The plan was approved by the Public Service Commission of the District of Columbia in Order No. 17602. (FC 1115)

- **Right of Way (ROW)**

Surcharge for the recovery of the District of Columbia Rights of Way Fee.

- **Sustainable Energy Trust Fund (SETF)**

- **Energy Assistance Trust Fund (EATF)**

The Sustainable Energy Trust Fund and the Energy Assistance Trust Fund shall be used solely to fund the low-income assistance program. Amounts billed to customers shall include a surcharge to recover costs of programs implemented pursuant to the DC Clean and Affordable Energy Act of 2008 and amended by the Residential Aid Subsidy Amendment Act of 2010.

Washington Gas – District of Columbia Surcharges

Residential Essential Service Surcharge Tariff (RES), Formal Case No. 1127, now Docket RESR:

- On July 13, 2016, the District of Columbia Public Service Commission (DC PSC) approved the Washington Gas Residential Essential Service Surcharge Tariff (RES) , Order No. 18263.
- Per Washington Gas General Service Provisions, No. 29:
 - The monthly charges billed under the Company’s Rate Schedule Nos. 1, 1A, 2, 2A, 3, and 3A shall include an adjustment which is called a Residential Essential Service (RES) Surcharge
 - The RES Surcharge shall be applied to bills monthly and comprise of a current factor and a reconciliation factor
 - The current factor will be effective with the November billing period each year; billing of the reconciliation factor will also commence with the December billing period each year
 - The RES Surcharge shall be billed as a separate line item on customer's monthly bills
 - The RES Surcharge will be applied to all customer bills other than Residential Essential Service customers

FC 1127	
Effective Period	RES Surcharge
Nov. 2016 to Oct. 2017 Billing Period	\$0.0029 per therm
Nov. 2017 to Oct. 2018 Billing Period	\$0.0018 per therm
Dec. 2017 to Nov. 2018 Billing Period	\$(0.0002) per therm
Dec. 2018 to Nov. 2019 Billing Period	\$0.0036 per therm
Dec. 2019 to Nov. 2020 Billing Period	exp. Nov-19

Washington Gas – District of Columbia Surcharges

Projectpipes, Formal Case No. 1115

Projectpipes2, Formal Case No. 1154

(Previously named the Accelerated Pipe Replacement Plan (APRP))

- On January 29, 2015, the District of Columbia Public Service Commission approved the Joint Settlement Agreement between Washington Gas, Office of People’s Counsel, and AOBA for approval of a revised Accelerated Pipe Replacement Program (the “APRP”) for the first five years of the program, Order No. 17789.
- Distribution charges billed under Washington Gas Rate Schedule Nos. 1, 1A, 2, 2A, 3, 3A and 6 are subject to an adjustment called a **Projectpipes** adjustment and will be applied monthly as a separate line item on customer’s natural gas distribution bills.
- The PROJECTpipes charge changes annually and is implemented with each October billing cycle. A financial reconciliation factor is applied to the current APRP charge annually and implemented with each March billing cycle.
- As a result of the Commission’s Final Order in Formal Case No. 1137:
 - The PROJECTPipes surcharge will continue, however a portion of the PROJECTpipes plant has been transferred into base rates.

Washington Gas – District of Columbia Surcharges

PROJECTpipes, Formal Case No. 1115 & 1154 (cont.)

Project Pipes 1 Surcharge				
	<u>Residential</u>	<u>Commercial</u>	<u>Group Metered Apartments</u>	<u>Interruptible</u>
FY 2019	\$0.0385 per therm	\$0.0165 per therm	\$0.0163 per therm	\$0.0084 per therm
Project Pipes 2 Surcharge				
	<u>Residential</u>	<u>Commercial</u>	<u>Group Metered Apartments</u>	<u>Interruptible</u>
FY 2020 (proposed)	\$0.0666 per therm	\$0.0260 per therm	\$0.0280 per therm	\$0.0147 per therm

Washington Gas – District of Columbia Surcharges

➤ WGL Right of Way Surcharge (ROW), GT00-2¹

Rate Effective with the June 2016 Billing Cycle	\$0.0382 per therm
Rate Effective with the June 2017 Billing Cycle	\$0.0367 per therm
Rate Effective with the June 2018 Billing Cycle	\$0.0328 per therm
Rate Effective with the June 2019 Billing Cycle	\$0.0313 per therm

➤ Sustainable Energy Trust Fund²

- FY 2011 \$0.014 per therm through fiscal year 2016;
FY 2017 \$0.01505 per therm through fiscal year 2019
FY 2020 \$0.03762 per therm through fiscal year 2031 (October 2019 Billing Cycle)

¹ A per therm surcharge for all therms used shall be billed in addition to any other billings under this rate schedule. This surcharge will provide for the recovery of the District of Columbia Rights of Way Tax and be computed as set forth in General Service Provision No. 22, Surcharge for District of Columbia Rights of Way Fee. Docket GT00-2 DC PSC. <https://edocket.dcpsc.org/public/search>

² Energy Assistance Trust Fund Surcharge & Sustainable Energy Trust Fund Surcharge effective billing month of October 2008. Amounts billed to customers shall include a surcharge to recover costs of programs implemented pursuant to the DC Clean and Affordable Energy Act of 2008 and amended by the Residential Aid Subsidy Amendment Act of 2010. Charges are mandated by the DC Government. See DC Code § 8-1774.10 Sustainable Energy Trust Fund, <http://dccode.org/simple/sections/8-1774.10.html>. Charges are listed on WG's website under *Publications by Jurisdiction*.

Washington Gas – District of Columbia Surcharges

➤ Energy Assistance Trust Fund¹

- In its FY 2018 Budget, the DC Council raised the Energy Assistance Trust Fund Rate from \$0.0051 per therm to **\$0.0083359 per therm**.
- This rate has been in effect since October 2017.

➤ Hexane Cost Adjustment

- Implemented through Purchase Gas Charge (PGC) for Sales Service Customers
- Implemented through Balancing Charges for Delivery Service Customers

¹Energy Assistance Trust Fund Surcharge & Sustainable Energy Trust Fund Surcharge effective billing month of October 2008. Amounts billed to customers shall include a surcharge to recover costs of programs implemented pursuant to the DC Clean and Affordable Energy Act of 2008 and amended by the Residential Aid Subsidy Amendment Act of 2010. Charges are mandated by the DC Government. See DC Code § 8-1774.11 Energy Assistance Trust Fund, <http://dccode.org/simple/sections/8-1774.11.html>. Charges are listed on WG's website under *Publications by Jurisdiction*.

Washington Gas – District of Columbia Purchased Gas Costs & Balancing Charges

Washington Gas DC	\$/therm	
	Purchased Gas Costs	Balancing Charges
October-18	\$ 0.4316	\$ 0.0187
November-18	\$ 0.4652	\$ 0.0187
December-18	\$ 0.4932	\$ 0.0159
January-19	\$ 0.5450	\$ 0.0159
February-19	\$ 0.5180	\$ 0.0159
March-19	\$ 0.5127	\$ 0.0021
April-19	\$ 0.5702	\$ 0.0021
May-19	\$ 0.5702	\$ 0.0021
June-19	\$ 0.5586	\$ 0.0021
July-19	\$ 0.5586	\$ 0.0021
August-19	\$ 0.5586	\$ 0.0021
September-19	\$ 0.4105	\$ 0.0021

**Reflects Purchased gas costs minus balancing charges. The Balancing Charge is billed to 3rd party suppliers to recover a portion of WG capacity and peaking operation's costs.*

<https://www.washingtongas.com/my-account/customer-choice#purchased-gas-costs>



Washington Gas Light Company Maryland Surcharges

Washington Gas Maryland Riders & Surcharges

➤ **EmPower Maryland**

Through this plan, the Company is authorized to implement a surcharge in support of the Company's approved energy efficiency and conservation programs and cost recovery mechanism. Customers receiving service under Rate Schedule Nos. 1, 1A, 2, 2A, 3, 3A, 4 and 6 are subject to the EmPOWER surcharge.

➤ **Montgomery County Fuel/Energy Tax (MCFET) and Prince George's County Energy Tax**

A fuel-energy tax is levied and imposed on every person transmitting, distributing, manufacturing, producing, or supplying electricity, gas, steam, coal, fuel oil, or liquefied petroleum gas in the County.

➤ **Accelerated Pipe Replacement (STRIDE 2)**

On May 6, 2014, the Maryland Public Service Commission approved Washington Gas' Strategic Infrastructure Development and Enhancement Plan (STRIDE) and Associated Cost Recovery Mechanism. Through its STRIDE plan, Washington Gas is authorized to accelerate replacement of targeted pipes for safety and environmental reasons throughout its Maryland service territory.

Washington Gas – Maryland Surcharges

Montgomery County Fuel Energy Tax for Natural Gas Customers

Tax Rate as of 6/30/10	\$0.1192100 per therm
Tax Rate Effective 7/1/10 - 6/30/12	\$0.1944390 per therm
Tax Rate Effective 7/1/12 - 6/30/13	\$0.1868761 per therm
Tax Rate Effective 7/1/13 - 6/30/14	\$0.1753900 per therm
Tax Rate Effective 7/1/14 - 6/30/15	\$0.1741142 per therm
Tax Rate Effective 7/1/15 - 6/30/16	\$ 0.1740825 per therm
Tax Rate Effective 7/1/16 - 6/30/17	\$0.1702600 per therm
Tax Rate Effective 7/1/17 - 6/30/18	\$0.1740681 per therm
Tax Rate Effective 7/1/18 - 6/30/19	\$0.1740788 per therm
Tax Rate Effective 7/1/19 - 6/30/20	\$0.1741121 per therm

Washington Gas – Maryland Surcharges

Prince Georges County Energy Tax for Natural Gas Customers

Tax Rate Effective 7/1/10 - 6/30/12	\$0.064931 per therm
Tax Rate Effective 7/1/12 - 6/30/13	\$0.059719 per therm
Tax Rate Effective 7/1/13 - 6/30/14	\$0.061328 per therm
Tax Rate Effective 7/1/14 - 6/30/15	\$0.059118 per therm
Tax Rate Effective 7/1/15 - 6/30/16	\$0.065576 per therm
Tax Rate Effective 7/1/16 - 6/30/17	\$0.059196 per therm
Tax Rate Effective 7/1/17 – 6/30/18	\$0.057534 per therm
Tax Rate Effective 7/1/18 – 6/30/19	\$0.084949 per therm
Tax Rate Effective 7/1/19 – 6/30/20	\$0.055648 per therm

Washington Gas – Maryland Surcharges

EmPower Maryland Surcharge (Case 9494 formerly Case 9362)

- WG filed for approval of the Company's 2018-2020 EmPower Maryland Regulatory Plan on January 18, 2019.
- Previous Rates were in effect March 2018 – February 2019 :
 - Residential Service: \$0.0145 per therm
 - Commercial Service: \$0.0049 per therm
- **On February 1, 2019, Washington Gas filed a revised surcharge which showed a lower amount of costs to be recovered in 2019 and the surcharge for the remainder of 2019 was lowered.**
- **The EmPower Maryland surcharges effective with the March 2019 bill cycle are as follows:**
 - Residential Service: (\$0.0004) per therm**
 - Commercial Service: \$0.0004 per therm**
- The EmPower Maryland surcharge is billed as a separate line item on customer's monthly natural gas bills

Washington Gas – Maryland Purchased Gas Costs & Balancing Charges

Washington Gas Maryland	\$/therm	
	Purchased Gas Costs	Balancing Charges
October-18	\$ 0.4252	\$ 0.0126
November-18	\$ 0.4692	\$ 0.0126
December-18	\$ 0.4749	\$ 0.0172
January-19	\$ 0.5260	\$ 0.0172
February-19	\$ 0.4988	\$ 0.0172
March-19	\$ 0.4813	\$ 0.0172
April-19	\$ 0.5394	\$ 0.0172
May-19	\$ 0.5394	\$ 0.0172
June-19	\$ 0.5275	\$ 0.0172
July-19	\$ 0.5275	\$ 0.0172
August-19	\$ 0.5275	\$ 0.0172
September-19	\$ 0.3788	\$ 0.0138

**Reflects Purchased gas costs minus balancing charges. The Balancing Charge is billed to 3rd party suppliers to recover a portion of WG capacity and peaking operation's costs.*

<https://www.washingtongas.com/my-account/customer-choice#purchased-gas-costs>

Washington Gas – Maryland

Strategic Investment Development & Enhancement (STRIDE) Plan (Case Nos. 9335, 9486)

- On April 25, 2019, WG filed its Annual Reconciliation Report to adjust STRIDE rates that are effective with June 1, 2019 billing.
- The updated STRIDE surcharges are outlined in the chart below and are billed per month, per customer.

Cost Distribution	Approved 2015 STRIDE Factor Per Month	Approved 2016 STRIDE Factor Per Month	Approved 2017 STRIDE Factor Per Month	Approved 2018 STRIDE Factor Per Month	Approved 2019 STRIDE Factor * Per Month
Residential Heating /Cooling	\$0.45	\$1.22	\$2.03	\$2.00	\$2.03
Residential Non-Heating/Non-Cooling	\$0.25	\$0.63	\$1.02	\$1.01	\$1.21
C&I Heating/Cooling < 3,000	\$0.70	\$1.92	\$3.10	\$3.10	\$3.03
C&I Heating/Cooling > 3,000	\$4.59	\$12.29	\$22.13	\$21.48	\$22.45
C&I Non-Heating/Non-Cooling	\$1.77	\$4.83	\$9.25	\$7.96	\$6.79
GMA Heating/Cooling	\$6.18	\$16.78	\$28.60	\$24.56	\$29.71
GMA Non-Heating/Non-Cooling	\$1.22	\$3.37	\$5.70	\$5.57	\$4.65
Interruptible	\$50.20	\$151.33	\$263.02	\$253.51	\$236.98



Washington Gas Light Company Virginia Surcharges

Washington Gas Virginia Riders & Surcharges

- **Steps to Advance Virginia's Energy Plan (SAVE)**

Commission approved infrastructure replacement plan approved in 2010 (Case No. PUE-2010-00087)

- **Weather Normalization Adjustment (WNA)**

The WNA is designed to reduce the volatility of customers' natural gas bills due to changes in weather conditions. Washington Gas will adjust customers' annual bills - through the use of a credit or surcharge - to reflect normal, rather than actual, weather conditions from the previous winter heating season (November to May).

- **Conservation & Ratemaking Efficiency (CARE)**

- **Care Cost Adjustment (CCA)**

Commission approved CARE and CCA plan for Washington Gas in 2012 (Case No. PUE-2012-00138) allowing the Company to implement important conservation initiatives while also continuing to recover the fixed costs of providing natural gas service to customers as well as CARE program costs.

- **Performance Based Rate Recovery (PBR)**

The Company may file an application with the Commission for approval to recover the actual Virginia-jurisdictional amount of the non-Btu component of hexane expensed during that PBR period, in excess of \$400,000, and such recovery must be granted by the Commission before this portion of the Company's tariff will apply. (Case No. PUE-2006-00059)

Washington Gas Virginia SAVE Rider

- The SAVE Rider was mandated by the legislation passed by the General Assembly and signed by the Governor. Historical Save Rider Rates are shown below.

Schedule 2 & 2A	\$0.0183/therm	Effective Jan. 1, 2018 – Dec. 31, 2018
Schedule 3 & 3A	\$0.019/therm	Effective Jan. 1, 2018 – Dec. 31, 2018
Interruptible	\$0.0059/therm	Effective Jan. 1, 2018 – Dec. 31, 2018
Schedule 2 & 2A	\$0.0030/therm	Effective Jan. 1, 2019 – Dec. 31, 2019
Schedule 3 & 3A	\$0.0010/therm	Effective Jan. 1, 2019 – Dec. 31, 2019
Interruptible	\$0.0022/therm	Effective Jan. 1, 2019 – Dec. 31, 2019
Schedule 2 & 2A	\$0.0105/therm	Effective Jan. 1, 2020 – Dec. 31, 2020
Schedule 3 & 3A	\$0.0120/therm	Effective Jan. 1, 2020 – Dec. 31, 2020
Interruptible	\$0.0045/therm	Effective Jan. 1, 2020 – Dec. 31, 2020

Washington Gas – Virginia Purchased Gas Costs & Balancing Charges

Washington Gas Virginia Commercial	\$/therm				Washington Gas Virginia GMA	\$/therm	
	Purchased Gas Costs	Balancing Charges				Purchased Gas Costs	Balancing Charges
October-18	\$ 0.3836	\$ 0.0123			October-18	\$ 0.6169	\$ 0.0162
November-18	\$ 0.4187	\$ 0.0123			November-18	\$ 0.6520	\$ 0.0162
December-18	\$ 0.4747	\$ 0.0102			December-18	\$ 0.6572	\$ 0.0127
January-19	\$ 0.5261	\$ 0.0102			January-19	\$ 0.7086	\$ 0.0127
February-19	\$ 0.4963	\$ 0.0102			February-19	\$ 0.6788	\$ 0.0127
March-19	\$ 0.4675	\$ 0.0102			March-19	\$ 0.6586	\$ 0.0044
April-19	\$ 0.5528	\$ 0.0102			April-19	\$ 0.7139	\$ 0.0044
May-19	\$ 0.5528	\$ 0.0102			May-19	\$ 0.7139	\$ 0.0044
June-19	\$ 0.5016	\$ 0.0102			June-19	\$ 0.6934	\$ 0.0044
July-19	\$ 0.5016	\$ 0.0102			July-19	\$ 0.6934	\$ 0.0044
August-19	\$ 0.5016	\$ 0.0102			August-19	\$ 0.6934	\$ 0.0044
September-19	\$ 0.3621	\$ 0.0102			September-19	\$ 0.5552	\$ 0.0044

**Reflects Purchased gas costs minus balancing charges. The Balancing Charge is billed to 3rd party suppliers to recover a portion of WG capacity and peaking operation's costs.*

<https://www.washingtongas.com/my-account/customer-choice#purchased-gas-costs>



Pepco District of Columbia Surcharges

Pepco DC – Riders & Surcharges

➤ **Administrative Credit**

The purpose of this rider is to return to all customers receiving distribution service a portion of the SOS Administrative Charge revenues received from customers on Standard Offer Service.

➤ **Delivery Tax (DT)**

Became effective January 1, 2005. The Delivery tax is charged to customers to recover the delivery tax imposed on Pepco by the District of Columbia City Council.

➤ **Public Space Occupancy (PSOS)**

Effective March 1, 2011 and is used to recover all payments made by Pepco to the District of Columbia for the rental of public structures in public spaces. Pepco proposes the surcharge rate and the DC PSC must approve. This surcharge changes each year on March 1st.

➤ **Residential Aid Surcharge (RADS)**

Effective for service on and after June 1, 2011. This surcharge is billed to customers to recover costs of funding the discount provided to customers participating in the Residential Aid Discount program.

Pepco DC – Riders & Surcharges

➤ **Energy Assistance Trust Fund & Sustainable Energy Trust Fund (EATF & SETF)**

The Energy Assistance Trust Fund and the Sustainable Energy Trust Fund charges became effective with the October 2010 billing month. The amounts billed to customers are used to recover the costs of programs pursuant to the District of Columbia Clean and Affordable Energy Act of 2008. Rates are set by the DC Public Service Commission.

➤ **Pepco Underground Project Charge (“UPC”)**

Effective for service on or after February 7, 2018. The Underground Project Charge (UPC) is designed to recover the costs Pepco incurs during the undergrounding of the feeders and is billed as a separate line item. The UPC will remain in effect for two years and will collect \$5.6 million in total revenues.

➤ **The Underground Rider**

Effective for service on or after February 7, 2018. The financing order permits Pepco to recover the DDOT costs through the Underground Rider charge. This charge is included in the distribution energy charges along with the BSA charge on the Pepco bills. The Underground Rider will also remain in effect for two years and is designed to collect \$30 million per year.

➤ **Bill Stabilization Adjustment (BSA)**

The BSA is a monthly adjustment that is separate from the initial rate decrease referred to above and will lower rates if Pepco is receiving more revenue than the PSC has approved, and will increase rates if Pepco is receiving less revenue than the PSC has approved.

Pepco DC – Riders & Surcharges

Energy Assistance Trust Fund Surcharge (EATF)

FY 2019	\$0.0002322 per kwh
FY 2020 (Oct-19)	\$0.0002322 per kwh

Sustainable Energy Trust Fund Surcharge (SETF)

FY 2019	\$0.0016120 per kwh
FY 2020 (Oct-19)	\$0.0029016 per kwh

Public Space Occupancy Surcharge (PSOS)

March 1, 2018 effective	\$0.00207 per kwh
March 1, 2019 effective	\$0.00211 per kwh

Residential Aid Surcharge (RADS)

July 1, 2018 effective	\$0.000765 per kwh
July 1, 2019 effective	\$0.000642 per kwh

Delivery Tax

Unchanged	\$0.0077 per kwh
------------------	-------------------------

Pepco DC – Riders & Surcharges

Underground Project (FC 1145) & Underground Rider (UPC)

April 1, 2019 effective

Rate Schedule	Underground Rider (per kWh)	UPC Charge (per kWh)	Combined Rate Underground Rider + UPC Charge
Residential	\$ 0.00002	\$ 0.00145	\$ 0.00147
RTM	\$ 0.00001	\$ 0.00111	\$ 0.00112
GS LV	\$ 0.00007	\$ 0.00360	\$ 0.00367
MGT LV	\$ 0.00007	\$ 0.00489	\$ 0.00496
MGT 3A	\$ 0.00006	\$ 0.00486	\$ 0.00492
GT LV	\$ 0.00008	\$ 0.00399	\$ 0.00407
GT 3B	\$ 0.00006	\$ 0.00399	\$ 0.00405
GT 3A	\$ 0.00006	\$ 0.00218	\$ 0.00224
TM RT	\$ 0.00003	\$ 0.00024	\$ 0.00027
SL	\$ -	\$ 0.00210	\$ 0.00210
SSL	\$ 0.00003	\$ 0.00162	\$ 0.00165
TN	\$ -	\$ 0.00074	\$ 0.00074



Pepco Maryland Surcharges

Pepco MD – Riders & Surcharges

➤ **Administrative Credit**

The purpose of this rider is to return to all customers receiving distribution service a portion of the SOS Administrative Charge revenues received from customers on Standard Offer Service.

➤ **Delivery Tax (DT)**

The Delivery tax is charged to customers to recover the Franchise Tax in Maryland

➤ **Montgomery County Surcharge (MCS)**

For customers located in Montgomery County, this surcharge collects the revenue required to compensate Pepco for the Montgomery County Fuel and Energy Tax imposed by Montgomery County.

➤ **Prince George's County Tax (PGCT)**

For customers located in Prince George's County, this tax collects the revenue required to compensate Pepco for taxes imposed by Prince George's County.

Pepco MD – Riders & Surcharges

➤ **Maryland Environmental Surcharge (MES)**

This surcharge is billed to customers compensate Pepco for the environmental surcharge imposed by the State of Maryland on all kilowatt-hours generated in Maryland. This is updated on June 30th each year.

➤ **Empower Maryland (E-MD)**

Amounts billed to customers shall include a surcharge to reflect demand-side management program costs. Rider “E-MD” will be determined annually by class based on projections of demand-side management program costs and PJM market earnings (including an adjustment for variances between budgeted and actual prior year expenditures) and forecasts of kilowatt hour sales.

➤ **Bill Stabilization Adjustment (BSA)**

The BSA is a monthly adjustment that is separate from the initial rate decrease referred to above and will lower rates if Pepco is receiving more revenue than the PSC has approved, and will increase rates if Pepco is receiving less revenue than the PSC has approved.

➤ **Universal Services Charge (USC)**

Amounts billed to customers shall include a surcharge to recover costs of Universal Service Programs required by the Maryland Electric Customer

Choice and Competition Act, including bill assistance, low-income weatherization and the retirement of arrearages that were incurred prior to

July 1, 2000.

Pepco Maryland – Riders & Surcharges

EmPower Maryland

FY 2019	\$0.006588 per kwh
January 2019	\$0.004907 per kwh

Maryland Environmental Surcharge (MES)

July 1, 2018- June 30, 2019	\$0.000142 per kwh
July 1, 2019- June 30, 2020	\$0.000143 per kwh

Montgomery County Energy & Fuel Tax (MCEFT)

July 1, 2018- June 30, 2019	\$0.01978 per kwh
July 1, 2019- June 30, 2020	\$0.01978 per kwh

Prince George's County Energy Tax (PGCT)

July 1, 2018- June 30, 2019	\$0.009900 per kwh
July 1, 2019- June 30, 2020	\$0.009690 per kwh

Delivery Tax (DT)

Unchanged	\$0.00062 per kwh
------------------	--------------------------

Pepco Maryland Surcharges & Taxes

➤ Universal Service Charge (USC)

Amounts billed to customers shall include a surcharge to recover costs of Universal Service Programs required by the Maryland Electric Customer Choice and Competition Act, including bill assistance, low-income weatherization and the retirement of arrearages that were incurred prior to July 1, 2000.

Rates effective June 1, 2019

Customer's Annual Electric Distribution Bills For Previous Year	Customer Charge (Per Month)
Under \$175	\$0.36
\$175 - \$1,299	\$2.66
\$1,300 - \$2,599	\$8.85
\$2,600 - \$6,499	\$17.71
\$6,500 - \$12,999	\$35.41
\$13,000 - \$25,999	\$53.12
\$26,000 - \$51,999	\$70.83
\$52,000 - \$77,999	\$132.80
\$78,000 - \$103,999	\$177.07
\$104,000 - \$129,999	\$265.59
\$130,000 - \$181,999	\$398.40
\$182,000 - \$233,999	\$531.20
\$234,000 - \$259,999	\$796.79
\$260,000 - \$519,999	\$1,062.38
\$520,000 - \$779,999	\$1,416.51
\$780,000 - \$1,039,999	\$1,770.65
\$1,040,000 - \$1,299,999	\$2,124.78
\$1,300,000 - \$1,559,999	\$2,478.91
\$1,560,000 - \$1,819,999	\$2,833.03
\$1,820,000 - \$2,079,999	\$3,098.63
\$2,080,000 - \$2,339,999	\$3,364.23
\$2,340,000 - \$2,599,999	\$3,541.29
\$2,600,000 - \$3,249,999	\$3,718.36
Over \$3,250,000	\$3,983.95

September 19, 2019





Dominion Energy Virginia Rate Rider Updates

Dominion Energy Virginia Rate Riders

Rider A Fuel Charge Rider

➤ Effective for usage on and after July 1, 2019 the fuel rate for DVP customers is 2.3254 cents/kWh

Rider	Description	Effective For Usage On and After	Applicable Service Type
A	Fuel Charge Rider A	07-01-19	Electricity Supply
B	Biomass Conversions	04-01-19	Electricity Supply
BC2D	Distribution Service – 2018 Bill Credits	07-01-17 Through and Including 06-30-18	Distribution
BC2G	Generation Service – 2018 Bill Credits	07-01-17 Through and Including 06-30-18	Generation
BW	Brunswick County Power Station	09-01-19	Electricity Supply
C1A	Peak-Shaving Increment Rider	07-01-19	Distribution
C2A	Energy Efficiency Increment Rider	07-01-19	Distribution
C3A	Energy Efficiency Increment Rider	07-01-19	Distribution
GV	Greensville Power Station	04-01-19	Electricity Supply
R	Bear Garden Generating Station	04-01-19	Electricity Supply
S	Virginia City Hybrid Energy Center	04-01-19	Electricity Supply
T1	Transmission	09-01-19	Electricity Supply
U	Strategic Underground Program	04-01-19	Distribution
US-2	2016 Solar Projects	09-01-19	Electricity Supply
US-3	US-3 Solar Projects	06-01-19	Electricity Supply
W	Warren County Power Station	04-01-19	Electricity Supply

[Dominion Energy VA Tariff](#)

Dominion Energy Virginia Rate Riders

Effective July 1, 2019

Rider C1A

Peak Shaving Increment Rider¹

	<u>Current Rate</u>	<u>Old Rate</u>
GS-1	0.0042 ¢/kWh	0.0007 ¢/kWh
GS-2	0.0039 ¢/kWh	0.0006 ¢/kWh
GS-3	0.0032 ¢/kWh	0.0005 ¢/kWh
GS-4 Primary	0.0025 ¢/kWh	0.0004 ¢/kWh

Rider C2A

Energy Efficiency Increment Rider¹

	<u>Current Rate</u>	<u>Old Rate</u>
GS-1	0.0263 ¢/kWh	0.0483 ¢/kWh
GS-2	0.0239 ¢/kWh	0.0432 ¢/kWh
GS-3	0.0207 ¢/kWh	0.0399 ¢/kWh
GS-4 Primary	0.0147 ¢/kWh	0.0286 ¢/kWh

Rider C3A

Energy Efficiency Increment Rider¹

	<u>Current Rate</u>	<u>Old Rate</u>
GS-1	0.0584 ¢/kWh	
GS-2	0.0529 ¢/kWh	
GS-3	N/A	
GS-4 Primary	N/A	

¹ This increment is not part of the Distribution kWh Charge included in the Distribution Service Charges section of the Rate Schedules, nor is this increment part of the Distribution kWh Charge included in the Other Monthly Charges section of the Special Contracts, Therefore, such increment shall be applied in addition to the Distribution rates stated in the Rate Schedules and the Special Contracts.

Dominion Energy Virginia Rate Riders

Effective April 1, 2019

Rider W	Warren County Power Station		
	<u>Current Rate</u>	<u>Old Rate</u>	
GS-1	0.1583 ¢/kWh	0.1561 ¢/kWh	
GS-2 ²	0.1713 ¢/kWh	0.1652 ¢/kWh	0.595 \$/kW
GS-3 ³	0.613 \$/kW		0.597 \$/kW
GS-4 Primary ³	0.578 \$/kW		0.579 \$/kW
	0.567 \$/kW		
Rider B	Biomass Conversion		
	<u>Current Rate</u>	<u>Old Rate</u>	
GS-1	0.0576 ¢/kWh	0.0603 ¢/kWh	
GS-2 ²	0.0623 ¢/kWh	0.0638 ¢/kWh	0.229 \$/kW
GS-3 ³	0.222 \$/kW		0.231 \$/kW
GS-4 Primary ³	0.210 \$/kW		0.224 \$/kW
	0.206 \$/kW		

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.



Dominion Energy Virginia Rate Riders

Effective April 1, 2019

Rider S

Virginia City Hybrid Energy Center

	<u>Current Rate</u>		<u>Old Rate</u>	
GS-1	0.3243 ¢/kWh		0.312 ¢/kWh	
GS-2 ²	0.3509 ¢/kWh	1.255 \$/kW	0.3303 ¢/kWh	1.19 \$/kW
GS-3 ³		1.185 \$/kW		1.193 \$/kW
GS-4 Primary ³		1.162 \$/kW		1.158 \$/kW

Rider R

Bear Garden Generating Station

	<u>Current Rate</u>		<u>Old Rate</u>	
GS-1	0.0868 ¢/kWh		0.0944 ¢/kWh	
GS-2 ²	0.0939 ¢/kWh	0.335 \$/kW	0.0999 ¢/kWh	0.359 \$/kW
GS-3 ³		0.317 \$/kW		0.610 \$/kW
GS-4 Primary ³		0.311 \$/kW		0.350 \$/kW

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.

Dominion Energy Virginia Rate Riders

Effective September 1, 2019

Rider T1

Transmission

Current Rate

Old Rate

GS-1	0.6945 ¢/kWh		0.3157 ¢/kWh	
GS-2 ²		1.828 \$/kW		0.798 \$/kW
GS-3 ³		1.914 \$/kW		0.999 \$/kW
GS-4 Primary ³		1.405 \$/kW		0.658 \$/kW

Rider BW

Brunswick County Power Station

Current Rate

Old Rate

GS-1	0.1789 ¢/kWh		0.1648 ¢/kWh	
GS-2 ²	0.1943 ¢/kWh	0.695 \$/kW	0.1750 ¢/kWh	0.630 \$/kW
GS-3 ³		0.653 \$/kW		0.631 \$/kW
GS-4 Primary ³		0.636 \$/kW		0.612 \$/kW

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.

Dominion Energy Virginia Rate Riders

Effective April 1, 2019

Rider GV	Greenville Power Station		
	<u>Current Rate</u>		<u>Old Rate</u>
GS-1	0.1818 ¢/kWh		0.1443 ¢/kWh
GS-2 ²	0.1967 ¢/kWh	0.703 \$/kW	0.1518 ¢/kWh 0.546 \$/kW
GS-3 ³		0.664 \$/kW	0.548 \$/kW
GS-4 Primary ³		0.651 \$/kW	0.532 \$/kW

Rider U	Strategic Underground Program		
	<u>Current Rate</u>		<u>Old Rate</u>
GS-1	0.1458 ¢/kWh		0.1443 ¢/kWh
GS-2 ²	0.1058 ¢/kWh	0.378 \$/kW	0.1518 ¢/kWh 0.546 \$/kW
GS-3 ³		0.000 \$/kW	0.548 \$/kW
GS-4 Primary ³		0.000 \$/kW	0.532 \$/kW

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.

Dominion Energy Virginia Rate Riders

Effective September 1, 2019

Rider US-2	2016 Solar Projects				
	<u>Current Rate</u>			<u>Old Rate</u>	
GS-1	0.0221 ¢/kWh			0.0183 ¢/kWh	
GS-2 ²	0.0240 ¢/kWh	0.085 \$/kW			0.0700 \$/kW
GS-3 ³		0.081 \$/kW			0.070 \$/kW
GS-4 Primary ³		0.078 \$/kW			0.068 \$/kW

Effective June 1, 2019

Rider US-3	Solar Projects				
	<u>Current Rate</u>			<u>Old Rate</u>	
GS-1	0.0157 ¢/kWh				
GS-2 ²	0.0170 ¢/kWh	0.060 \$/kW			
GS-3 ³		0.057 \$/kW			
GS-4 Primary ³		0.056 \$/kW			

¹If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the kW of Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

² If the monthly Load Factor is less than or equal to 50%, the Energy Rate (kWh) applies; otherwise the Demand Charge (kW) applies to the On-Peak Electricity Supply Demand. Load Factor is calculated as Monthly Total kWh ÷ the number of Days in the Billing Month ÷ 24 ÷ the Maximum Measured kW of Demand.

³Applied to On-Peak Electricity Supply Demand.

Dominion Energy Virginia Rate Riders

PROPOSED February 1, 2020

<i>Rider U Updated Feb 2020</i>	<i>Strategic Underground Program</i>	
	<u>Current Rate</u>	<u>Old Rate</u>
GS-1	0.1118¢/kWh	
GS-2 Demand ²	0.0697 ¢/kWh 0.298 \$/kW	
GS-3 ³	N/A	
GS-4 Primary ³	N/A	