



# **AOBA**

## **Utility and Energy Market Update**

### **District of Columbia, Maryland and Virginia**

#### **August 8, 2018**

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# **AOBA Utility & Energy Market Update**

## **Agenda**

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### **II. Potomac Electric Power Company (Pepco)**

#### **A. Pepco DC**

- A. Formal Case No. 1150 Application for rate increase filed Dec. 17, 2017
- B. Formal Case No. 1151 Tax Cuts and Jobs Act of 2017 (TCJA) Impact on Pepco DC

#### **B. Pepco MD**

- A. Case No. 9472 Application for rate increase filed January 2, 2018 & Updated Surcharge Rates
- B. Case No. 9473 Tax Cuts and Jobs Act of 2017 (TCJA) Impact on Pepco MD
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### **III. Washington Gas Light Company (WG)**

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- B. Tax Cuts and Jobs Act of 2017 (TCJA) Impact on WG in DC
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# **Pepco**

# **District of Columbia**

# Pepco Rates to Be Reduced by \$24.1 Million Settlement Reached in DC Rate and Tax Cases

- On December 19, 2017, Pepco filed an application requesting authority to increase electric distribution rates by **\$66,209,000**.
  - The Company also requested an increase in its authorized return on equity (ROE) from the current rate of 9.5% to 10.10%.
- This base rate case was filed just months after Pepco's last request for a base rate increase in DC. In that case, the DCPSC approved a \$36,888,000 rate increase and a 9.5% ROE for Pepco on July 24, 2017, with new rates effective August 15, 2017.
- The enactment of the Tax Cuts and Jobs Act of 2017 (TCJA), which reduced the Federal corporate income tax rate from 35% to 21% effective January 1, 2018, resulted in the DC PSC ordering Pepco to propose reductions to distribution rates and accrue as regulatory liabilities, the impacts of the reduced corporate income tax rate beginning January 1, 2018.
- Pepco, AOBA, and other parties agreed to consolidate Pepco's \$66.2 million requested increase to distribution rates with the TCJA proceeding to reflect reductions to distribution rates due to the lower corporate tax rate.
- **The effect of the TCJA on Pepco is in two parts.**
  - The first, is the calculation of reductions in rates going forward due to the lower Federal corporate income tax rate.
  - The second, is a **reduction** due to the accrued regulatory liability beginning January 1, 2018 until the effective date of its return to customers, i.e., June 30, 2018.

# Pepco Rates to Be Reduced by \$24.1 Million Settlement Reached in DC Rate and Tax Cases

- Extensive settlement discussions were held in the consolidated proceedings between AOBA, Pepco, and eight other parties to discuss Pepco's proposed increase to distribution rates in conjunction with the impacts of the TCJA.
- These discussions ultimately resulted in AOBA entering into a Non-Unanimous Settlement Agreement with Pepco and other parties on April 17, 2018.
- **The Settlement Agreement provides for Pepco to reduce its distribution rates for its DC customers by \$24,100,000 going forward as well as a one-time rate credit of at least \$19.25 million.**
  - **Rate credits will be provided before the end of the calendar year.**
- **A PSC decision was issued on August 9, 2018 approving the Settlement Agreement with new rates effective for usage on and after August 13, 2018.**
  - Additionally, the parties agreed to a rate of return on equity of 9.525% and an overall rate of return of 7.45%.
  - Pepco also agreed to establish a **separate MGT-LV Rate Class.**
- **There will be a moratorium on the filing of new base rate applications by Pepco until May 1, 2019.**

# Pepco Rates to Be Reduced by \$24.1 Million Settlement Reached in DC Rate and Tax Cases

## Reduction in Rates:

- **The Settlement Agreement provides for Pepco to reduce its distribution rates for its DC customers by \$24,100,000 going forward, with new rates effective for service on and after August 13, 2018**
  - The parties further agreed that **customer charges for all classes will remain unchanged** and the reduction in rates will be proportional decreases in the volumetric charges and demand charges, where applicable.

## One-Time Rate Credit:

- All Pepco customers will receive at least a \$19.25 million one-time rate credit which reflects the accrued decrease in the Federal corporate income tax rate from 35% to 21% from January 1, 2018 through June 30, 2018.
- The \$19.25 million is approximate since the regulatory liability for the month of July through August 13, 2018 will need to be incorporated.

# Pepco Rates to Be Reduced by \$24.1 Million Settlement Reached in DC Rate and Tax Cases

- The approved **decreases** to distribution rates by customer class and the one-time rate credit in DC are shown in the chart below.

Rate Schedule	Proposed Increases to Distribution Rates FC 1150	Settlement <b>Decreases</b> to Distribution Rates Including BSA	Settlement <b>Decreases</b> to Distribution Rates Excluding BSA	Settlement Regulatory Liability One-Time Rate Credit
Residential	23.61%	-2.77%	-3.02%	-4.83%
MMA	15.78%	-8.07%	-6.05%	-4.83%
GS ND	13.89%	-6.28%	-6.05%	-4.83%
GSD- LV	13.89%	-6.28%	-6.05%	-4.83%
GSD-3A	13.89%	-6.61%	-6.05%	-4.83%
GT LV	13.79%	-6.16%	-6.82%	-4.83%
GT 3B	0.00%	-33.47%	-33.66%	-4.83%
GT 3A	14.00%	-6.76%	-6.82%	-4.83%
SL/ SL LED	23.61%	-2.38%	-3.02%	-4.83%
Traffic Signal	23.61%	-13.06%	-13.11%	-4.83%
TN	0.00%	-43.08	-44.40%	-4.83%
Total	15.74%		-6.05% (-\$24.1 million)	-4.83% (-\$19.25 million)

- **The above decreases will be effected by Pepco's Bill Stabilization Adjustment (BSA).**
- The effect of the BSA on each class and the individual billing components must be calculated separately. However, the BSA calculations and the settlement decreases were calculated based on a July 1, 2018 implementation date. The rate credits will need to be adjusted to reflect this delayed implementation date.

# Pepco Rates to Be Reduced by \$24.1 Million Settlement Reached in DC Rate and Tax Cases

## Establishment of a Separate MGT-LV Rate Class:

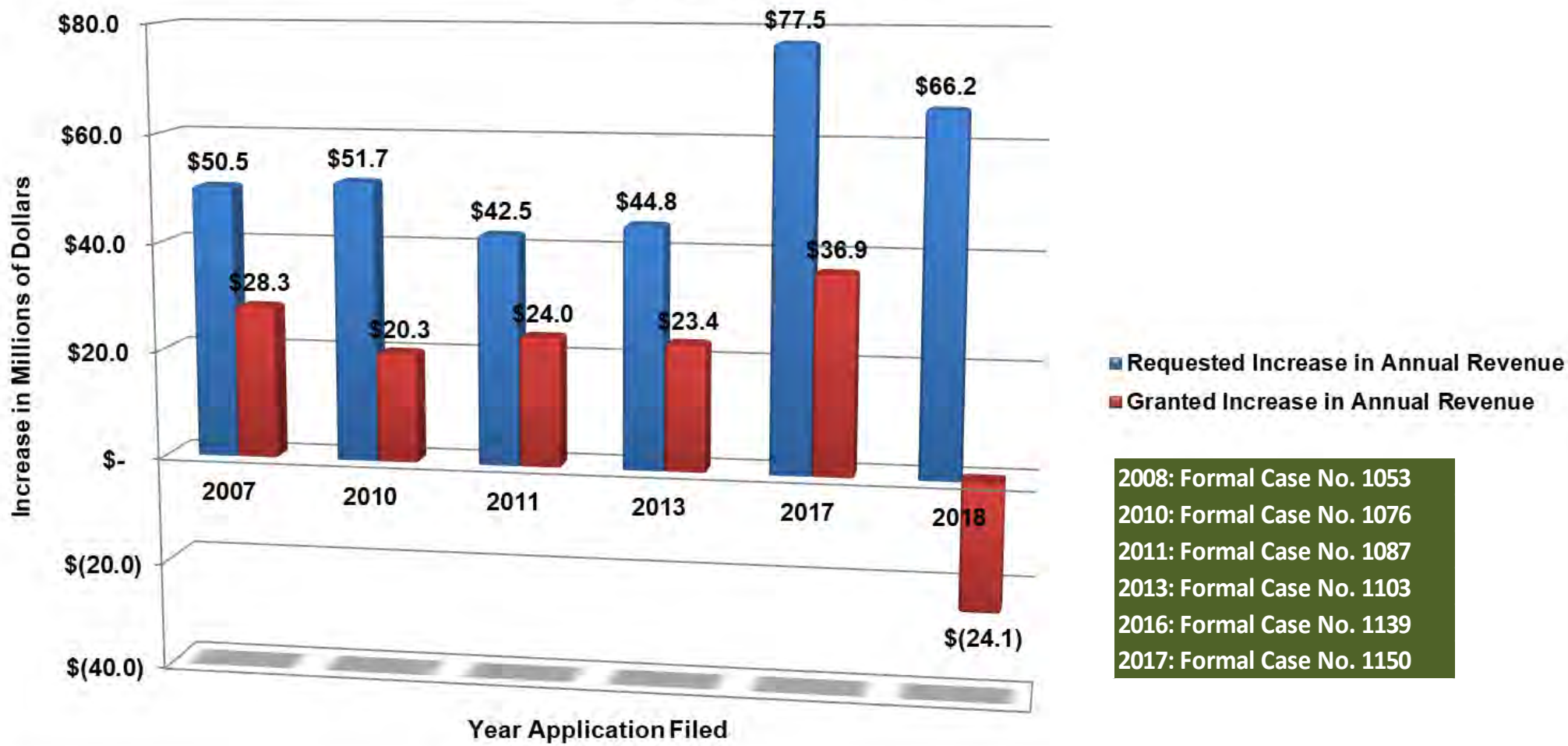
- Pepco agreed to establish a **separate MGT-LV Rate Class**. The MGT-LV rate class will apply to customers whose maximum 30 minute demand is equal to or in excess of 100 kW during 2 or more billing months within 12 consecutive billing months.
  - Correspondingly, the applicability of the GT-LV class will be redefined to apply only to customers whose maximum 30 minute demand equals or exceeds 1,000 kW in two or more months within 12 consecutive billing months.
- **The establishment of these redefined rate classifications will be accomplished on a revenue neutral basis under the settlement by applying the same customer, distribution and demand charges to both classes. Pepco will compute separate revenue per customer targets for the new MGT-LV rate class and the redefined GT-LV rate class.**
- These recomputed revenue per customer targets will be applied on a going forward basis in all BSA revenue reconciliations with revenues reconciled separately for the MGT-LV and GT-LV rate classes.
- Pepco agreed to work with AOBA, OPC, and other interested parties to further address in Pepco's next rate case the Bill Stabilization Adjustment (BSA) structural deficiencies identified by the Commission in previous decisions.
- The newly established MGT\_LV rate class will be charged the same undergrounding surcharge rates as the GT\_LV class which are as follows:

Underground Project Charge: \$0.00049 per kWh

Underground Rider: \$0.00365 per kWh



## Summary of Pepco Rate Increase Applications and Results District of Columbia





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# Pepco Maryland

# Pepco Rates to Be Reduced by \$15 Million Settlement Approved in Maryland Rate and Tax Cases

- On January 2, 2018, Pepco filed an application requesting authority to increase electric distribution rates by **\$41,439,000** and an authorized rate of return on equity of 10.10%, an increase from the current authorized rate of 9.5%.
  - Pepco also requested approval of “***a phase in of revenue associated with reliability plant not to exceed \$15,000,000.***”
- This case was filed on the heels of Pepco’s last request for a base rate increase in Maryland.
  - In that case, the MD PSC denied Pepco’s request for a \$68,619,000 million increase in rates and reduced Pepco’s request by approximately 50% to \$33,967,000 million, with rates effective for service on and after October 20, 2017.

# Pepco Rates to Be Reduced by \$15 Million Settlement Approved in Maryland Rate and Tax Cases

- As in DC, the enactment of the TCJA has resulted in the MD PSC ordering Pepco to propose reductions to distribution rates and accrue as a regulatory liability the impact of the reduced corporate income tax rate beginning January 1, 2018.
- Pepco, AOBA, and other parties agreed to consolidate Pepco's **requested \$41.4 million increase** to distribution rates with the MD Commission ordered proceeding to consider reductions to Pepco's distribution rates as a result of the TCJA.
- The effect of the TCJA on Pepco is in two parts.
  - The first is the calculation of a reduction in rates going forward due to the lower Federal corporate income tax rate.
  - The second is a reduction due to the accrued regulatory liability from January 1, 2018 until the effective date of its return to customers.

# Pepco Rates to Be Reduced by \$15 Million Settlement Approved in Maryland Rate and Tax Cases

- As in DC, extensive settlement discussions were held between AOBA, Pepco, and other parties.
- AOBA entered into a Settlement Agreement with Pepco and other parties on April 20, 2018 and a hearing was held on May 16, 2018.
- **The MD PSC approved the Settlement on May 31, 2018.**
- As part of the Settlement Agreement, **Pepco agreed to reduce distribution rates for its Maryland customers by \$15,000,000 with new rates effective for service on and after June 1, 2018.**
- However, AOBA and other parties did not agree to Pepco's proposed additional \$15,000,000 phase in of revenue associated with reliability plant.
- **The Settlement Agreement also provides that the TCJA regulatory liability accrued from January 1, 2018 to May 31, 2018 of \$9.7 million will be distributed to customers in the form of a one-time bill credit, approximately a 2% decrease,** to be issued 60 days from the Commission's approval of the Settlement Agreement, i.e., July 31, 2018.
- **Pepco will not file a new Maryland distribution base rate case earlier than December 15, 2018.**

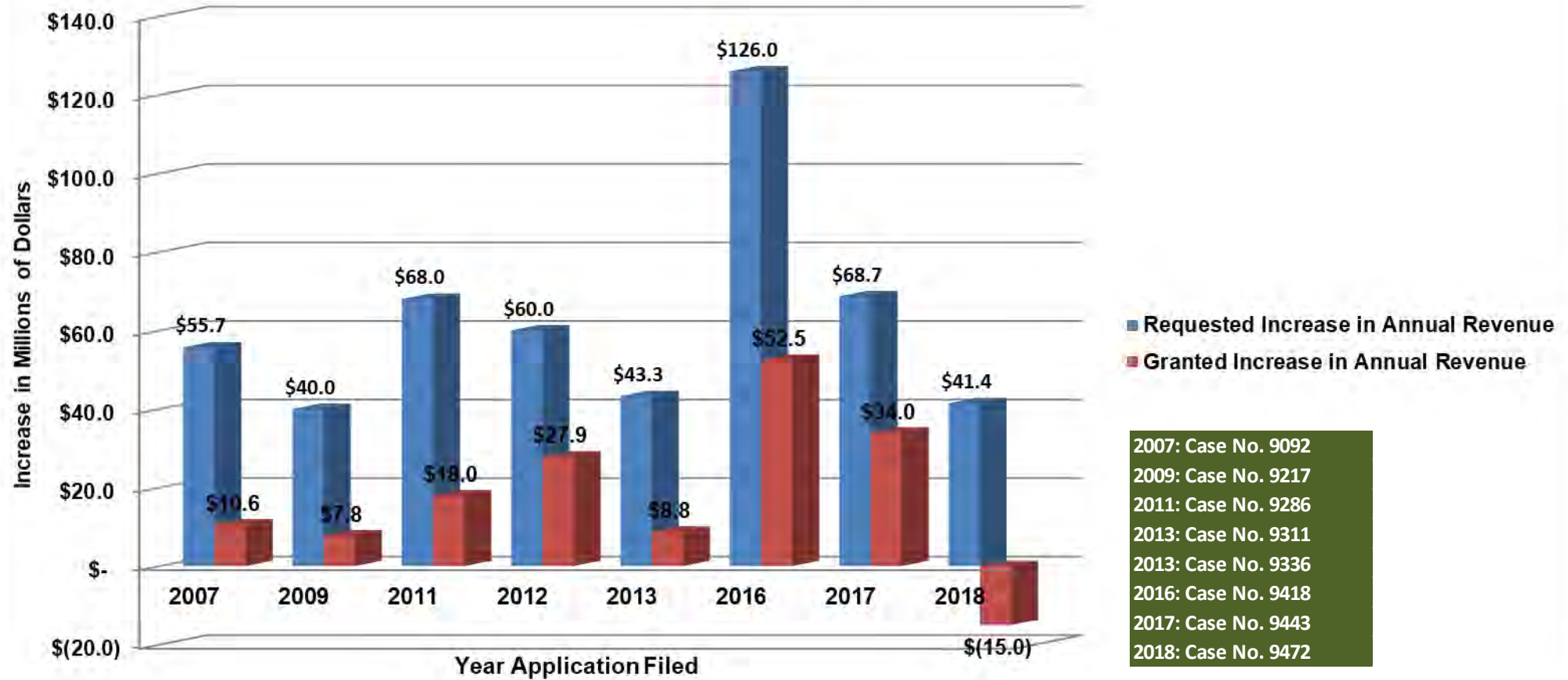
# Pepco Rates to Be Reduced by \$15 Million Settlement Approved in Maryland Rate and Tax Cases

- The approved **decreases** to distribution rates and one-time bill credit by customer class in Maryland are shown in the chart below.

Rate Schedule	Proposed Increases to Distribution Rates Case No. 9472	Settlement <b>Decreases</b> to Distribution Rates Including BSA	Settlement Regulatory Liability One-Time Rate Credit <small>* amounts are approximate</small>
Residential	8.71%	-2.12% *	-2.0%
RTM	8.71%	-2.12%	-2.0%
GS LV	6.38%	-3.64% *	-2.0%
MGT LV	6.38%	-3.75%	-2.0%
MGT 3A	8.71%	-2.12%	-2.0%
GT LV	6.38%	-4.64%	-2.0%
GT 3B	0.00%	-14.66%	-2.0%
GT 3A	7.78%	-2.12%	-2.0%
TM RT	7.78%	-4.94%	-2.0%
SL	7.78%	-2.82%	-2.0%
SSL	7.78%	-2.82%	-2.0%
TN	0.00%	-9.26%	-2.0%
<b>Total</b>	7.78%	-2.82% (-\$15 million)	2.0% (-\$9.7 million)

\*The BSA may result in small increases to some customer's bills for the Residential and GS\_LV class. **The above decreases will be effected by Pepco's Bill Stabilization Adjustment (BSA). The effect of the BSA on each class and the individual billing components must be calculated separately.**

## Summary of Pepco Rate Increase Applications and Results Maryland





# **Washington Gas Light Company District of Columbia**



# Washington Gas District of Columbia TCJA and Impact to Ratepayers

## Tax Cuts and Jobs Acts of 2017 (TCJA):

- As a result of the Tax Cuts and Jobs Act of 2017 (TCJA), the DC PSC ordered Washington Gas to propose reductions to distribution rates and accrue as regulatory liabilities the impacts of the reduced corporate income tax rate beginning January 1, 2018.
- Washington Gas (WG) filed its Application for Approval of Reduction of Distribution Rates to Reflect the Tax Cuts and Jobs Act of 2017 on January 12, 2018 and its proposal to reduce rates by \$6.2 million on February 12, 2018 for all classes except the interruptible class.
- AOBA, WG, and the Office of People's Counsel participated in several settlement discussions regarding WG's Application. These discussions ultimately resulted in AOBA entering into a Unanimous Settlement Agreement with WG and other parties on April 30, 2018.

# Washington Gas District of Columbia TCJA and Impact to Ratepayers

## Tax Cuts and Jobs Acts of 2017 (TCJA):

### Rate Reduction – DC:

- **As part of the Settlement Agreement approved by the DC PSC on August 8, 2018 (Order No. 19429), the settling parties agreed to a reduction in WG's rates of \$8,226,090 for all customer classes, including the interruptible class, served in the District of Columbia.**
  - **The rate reductions became effective for usage on and after August 1, 2018.**

### Rate Credit – DC:

- The accrued regulatory liability beginning January 1, 2018 through the implementation date of reduction in rates, i.e., July 31, 2018, will be a one-time rate credit to customers bills in December, 2018. **This one-time rate credit will total approximately \$5,000,000 for all customers and will be credited on a volumetric basis.**
- **These reductions are in addition to the rate credits as a result of the AtlaGas/WG merger which was approved June 28, 2018 by the DC PSC.**

# Washington Gas District of Columbia TCJA and Impact to Ratepayers

## TCJA Impacts:

- The chart shows the proposed **decreases** to distribution rates and approximate one time credits by customer class for all customer classes in the District of Columbia, including the interruptible class. (see *Settlement Agreement, Appendix B, revised 4/27/18*)

Customer Class	Settlement <b>Decreases</b> to Distribution Rates Distribution Only	Settlement <b>Decreases</b> to Distribution Rates Total Bill Impact	Approximate One-Time Rate Credits Total Bill
Residential Heating /Cooling	-5.4%	-3.1%	-1.25%
Residential Non-Heating/Non-Cooling Individually Metered Apts.	-3.3%	-2.7%	-1.0%
Residential Non-Heating/Non-Cooling Other than Apartments	-9.0%	-5.5%	-2.2%
C&I Heating/Cooling < 3,075	-5.2%	-2.9%	-1.1%
C&I Heating/Cooling > 3,075	-5.0%	-2.6%	-1.0%
C&I Non-Heating/Non-Cooling	-5.0%	-2.6%	-1.0%
GMA Heating/Cooling < 3,075	-5.3%	-2.8%	-1.0%
GMA Heating/Cooling > 3,075	-5.1%	-2.6%	-1.0%
GMA Non-Heating/Non-Cooling	-5.1%	-2.6%	-1.0%
Interruptible	-3.3%	n/a	-1.3%
Total	19 <b>(-\$8.2 million)</b>		<b>(-\$5.0 million)</b>

# AltaGas Acquisition of Washington Gas Light Holdings

## District of Columbia:

- AOBA, WG, the Office of People's Counsel, and all parties entered into a Unanimous Settlement Agreement on May 8, 2018.
- **As part of the Agreement, AltaGas agreed to fund \$5,422,582 for one-time rate credits for WG non-residential customers in the District.**
  - The amount of each customer's credit will be determined on a volumetric basis.
  - The non-residential rate credits will be provided within 60 days after the merger closing and will be based on active customer accounts as of the billing cycle 30 days after the merger closing.
  - Importantly, no portion of the rate credits will be recovered in utility rates.
  - WG's last rate case was decided on March 3, 2017 and granted WG an \$8,510,251 increase in rates.
  - **Of the \$8.5 million approved, non-residential rates were increased by \$2,738,000.**
  - **Essentially, this rate credit offsets approximately two years of the rate increase granted in March, 2017.**
- **AltaGas has agreed that WG will not file a new application requesting an increase in base rates in the District of Columbia until after January 3, 2020.**
- Additionally, the Settlement Agreement provides for the AOBA Educational Foundation (AEF), to receive \$250,000 per year for 7 years post-merger close.
- On June 28, 2018, the DC PSC conditionally approved the Joint Merger of AltaGas Ltd and WGL Holdings set forth in the Settlement Agreement entered into by AltaGas, WGL Holdings, AOBA, the DC Government and the Office of People's Counsel



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# Washington Gas Light Company Maryland

# Washington Gas Maryland TCJA and Impact to Ratepayers

## Tax Cuts and Jobs Acts of 2017:

- The enactment of the TCJA resulted in WG in Maryland proposing reductions to its current distribution rates
- WG proposed, and the MD PSC approved, a reduction in its natural gas rates of \$14.8 million in order to flow through the lower corporate tax rate as a result of the TCJA.
- **The reduction is approximately 5% to 6.5% on distribution rates for all customer classes and approximately 2% to 2.5% for total bill.**
- These reduced rates were applicable for bills rendered on and after February 1, 2018 per the January 31, 2018 MD PSC Order.
- WG is also ordered to continue to track the impacts of the TCJA beginning January 1, 2018 for all impacts resulting from the TCJA.
- If additional tax savings are identified, WG is required to make additional filings with the Commission.

**Washington Gas Light Company  
Maryland**

**Annual and Average Month Bill Comparisons  
for Average Usage Levels at Present and Proposed Rates**

Line No.	Description	Average Therm Usage B	Delivery Service (Rate Schedule Nos. 1A, 2A & 3A)				Sales Service (Rate Schedule Nos. 1, 2 & 3)				Line No.
			Present Rates C	Proposed Rates D	Increase		Present Rates G	Proposed Rates H	Increase		
					Amount E=D-C	Percent F=E/C			Amount I=H-G	Percent J=I/G	
1	<b>Residential</b>										1
2	<u>Heating and/or Cooling</u>										2
3	Annual	798	\$ 420.76	\$ 394.76	\$ (26.00)	-6.2%	\$ 912.23	\$ 886.23	\$ (26.00)	-2.9%	3
4	Average Month	67	\$ 35.06	\$ 32.90	\$ (2.16)	-6.2%	\$ 76.02	\$ 73.85	\$ (2.17)	-2.9%	4
5	<u>Non-heating and Non-cooling</u>										5
6	Annual	297	\$ 244.69	\$ 229.37	\$ (15.32)	-6.3%	\$ 427.59	\$ 412.27	\$ (15.32)	-3.6%	6
7	Average Month	25	\$ 20.39	\$ 19.11	\$ (1.28)	-6.3%	\$ 35.63	\$ 34.36	\$ (1.27)	-3.6%	7
8	<b>Commercial &amp; Industrial</b>										8
9	<u>Htg and/or Clg</u>										9
10	<i>Less than 3,000 therms</i>										10
11	Annual	1,140	\$ 672.73	\$ 638.28	\$ (34.45)	-5.1%	\$ 1,374.80	\$ 1,340.35	\$ (34.45)	-2.5%	11
12	Average Month	95	\$ 56.06	\$ 53.19	\$ (2.87)	-5.1%	\$ 114.57	\$ 111.70	\$ (2.87)	-2.5%	12
13	<i>3,000 therms or more</i>										13
14	Annual	17,610	\$ 5,201.48	\$ 4,855.96	\$ (345.52)	-6.6%	\$ 16,046.89	\$ 15,701.37	\$ (345.52)	-2.2%	14
15	Average Month	1,468	\$ 433.46	\$ 404.66	\$ (28.80)	-6.6%	\$ 1,337.24	\$ 1,308.45	\$ (28.79)	-2.2%	15
16	<u>Non-heating and Non-cooling</u>										16
17	Annual	6,107	\$ 1,881.41	\$ 1,760.00	\$ (121.41)	-6.5%	\$ 5,642.52	\$ 5,521.11	\$ (121.41)	-2.2%	17
18	Average Month	509	\$ 156.78	\$ 146.67	\$ (10.11)	-6.4%	\$ 470.21	\$ 460.09	\$ (10.12)	-2.2%	18
19	<b>Group Metered Apartments</b>										19
20	<u>Heating and/or Cooling</u>										20
21	Annual	19,970	\$ 5,854.07	\$ 5,490.41	\$ (363.66)	-6.2%	\$ 18,152.90	\$ 17,789.24	\$ (363.66)	-2.0%	21
22	Average Month	1,664	\$ 487.84	\$ 457.53	\$ (30.31)	-6.2%	\$ 1,512.74	\$ 1,482.44	\$ (30.30)	-2.0%	22
23	<u>Non-heating and Non-cooling</u>										23
24	Annual	3,160	\$ 1,210.69	\$ 1,134.14	\$ (76.55)	-6.3%	\$ 3,156.84	\$ 3,080.29	\$ (76.55)	-2.4%	24
25	Average Month	263	\$ 100.89	\$ 94.51	\$ (6.38)	-6.3%	\$ 263.07	\$ 256.69	\$ (6.38)	-2.4%	25

# AltaGas Acquisition of Washington Gas Light Holdings

## Maryland:

- The MD PSC approved the Joint Merger Application of AtlaGas Ltd and WGL Holdings, Inc. on April 4, 2018.
- As part of the merger approval, the Commission revised the conditions outlined in the settlement entered into by WGL, AltaGas, and Montgomery and Prince George's Counties.
- **After AOBA presented testimony and argued during hearings that non-residential customers were entitled to a rate credit, the PSC agreed and approved an \$8.8 million rate credit for WG non-residential customers.**

## Virginia:

- The State Corporation Commission of Virginia approved the WG acquisition on October 23, 2017.
- The process and legal standard for acquisition review is different in Virginia, unlike in Maryland and DC, formal evidentiary hearings are not required and were not held.
- **There are no rate credits for any Washington Gas customers in Virginia.**



# Washington Gas Maryland Request for an Increase in Rates

## Case No. 9481:

- WG filed its Application **requesting a \$56.3 million increase**, or 10.9%, in the Company's Maryland annual base rate revenues on May 15, 2018.
- The proposed base rate increase includes **\$15 million** of cost currently being collected through surcharges associated with **WG's STRIDE** plan.
- The incremental amount of the increase to base rates is **\$41.3 million or 8.3%**.
- Hearings will be held beginning October 1, 2018 with a decision expected by December 11, 2018.
- **The new rates will go into effect on or about December 11, 2018.**
- This is the first base rate case that WG has filed in approximately 5 years, since Case No. 9322 where new rates became effective November 22, 2013.
- AOBA will file its Direct Testimony on August 21, 2018
- *For budget considerations, see Appendices for WG Maryland surcharges.*

# Washington Gas Maryland Request for an Increase in Rates

- The proposed increases to distribution rates by customer class are shown in the chart below. These percentages are based on the \$56.3 million request.
- The Company is proposing to increase the system charge for all classes by 15%. The balance is to be collected through the distribution charges.

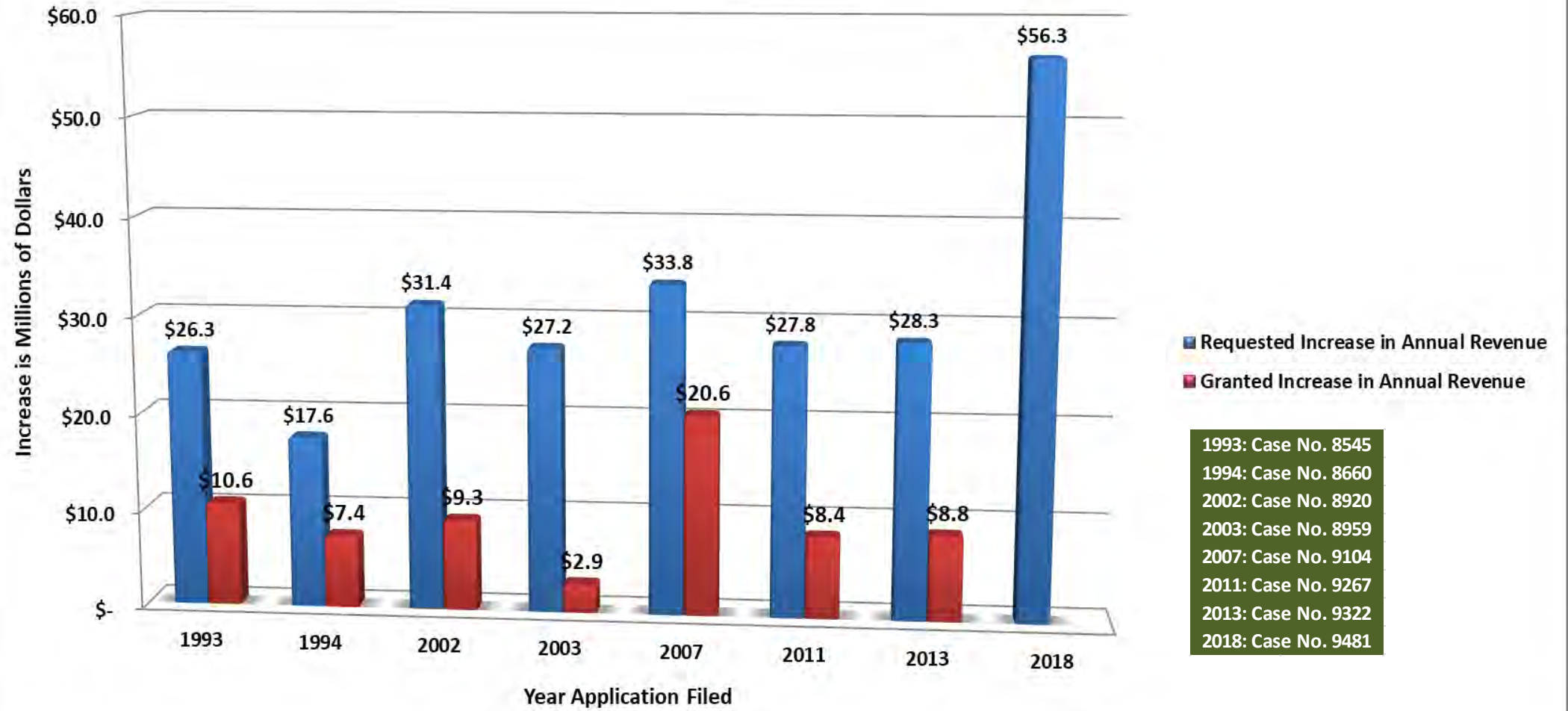
Customer Class	Proposed Increases to Distribution Rates	Proposed Increases to Distribution Rates
	Distribution Only	Total Bill Impact
Residential Heating /Cooling	19.77%	10.67%
Residential Non- Heating/Non-Cooling	15.17%	8.86%
C&I Heating/Cooling < 3,000	9.73%	5.95%
C&I Heating/Cooling > 3,000	19.95%	13.08%
C&I Non-Heating/Non- Cooling	9.53%	6.02%
GMA Heating/Cooling	15.36%	11.46%
GMA Non-Heating/Non- Cooling	9.50%	7.17%
Interruptible	16.96%	16.96%
Total	18.43%	10.96%

# Washington Gas Maryland Request for an Increase in Rates

## Interruptible Customers:

- The proposed distribution charges for the first 75,000 therms is proposed to increase by approximately 29%
- The proposed distribution charges for therms used over 75,000 is proposed to increase by approximately 40%.

## Summary of WGL Rate Increase Applications and Results Maryland



# Washington Gas Files New STRIDE Plan in Maryland

## Case No. 9486:

- On June 15, 2018, WG filed its Application for approval of a new gas system Strategic Infrastructure Development and Enhancement Plan (“STRIDE 2”) and an accompanying cost recovery mechanism to become effective January 1, 2019.
- The estimated cost of the five year period of Washington Gas’s gas system infrastructure replacement plan (2019 to 2023) is approximately \$393.6 million.
- WG proposes to fund the costs of the accelerated infrastructure replacement through a surcharge cost recovery mechanism, the STRIDE surcharge.
- A PSC decision is expected by mid-December, 2018.
- The proposed monthly STRIDE surcharges by customer class are shown in the chart below.

Billing Class	Estimated Monthly Surcharge
Residential Heating/Cooling	\$0.37
Residential Non-Heating/Non-cooling	\$0.19
C&I Heating/Cooling <3,000 therms	\$0.59
C&I Heating/Cooling >3,000 therms	\$3.99
C&I Non-Heating/Non-Cooling	\$1.50
GMA Heating/Cooling	\$4.87
GMA Non-Heating/Non-Cooling	\$1.06
Interruptible	\$48.15



# Washington Gas Light Company Virginia

# Washington Gas Virginia Request for \$37.6 Million Increase

## 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 has proposed to increase the annual operating revenues of Washington Gas by \$37.6 million**
  - Approximately \$14.7 million of the request relates to costs associated with the SAVE Plan
  - An incremental increase of \$22.9 million
- The revenue requirement reflects a \$16.3 million reduction for lower tax expense due to the implementation of the TCJA and does not include any costs related to the acquisition of Washington Gas by AltaGas.
  - The SCC will consider the effects of the accrued liability resulting from the TCJA beginning January 1, 2018, as well as the effect on future gas rates going forward in the new proceeding.
- WG filed its last Application to request a general rate increase on June 30, 2016 with rates effective November 28, 2016, subject to refund.
- *For budget considerations, see Appendices for WG Virginia surcharges.*

Washington Gas Light Company  
Virginia

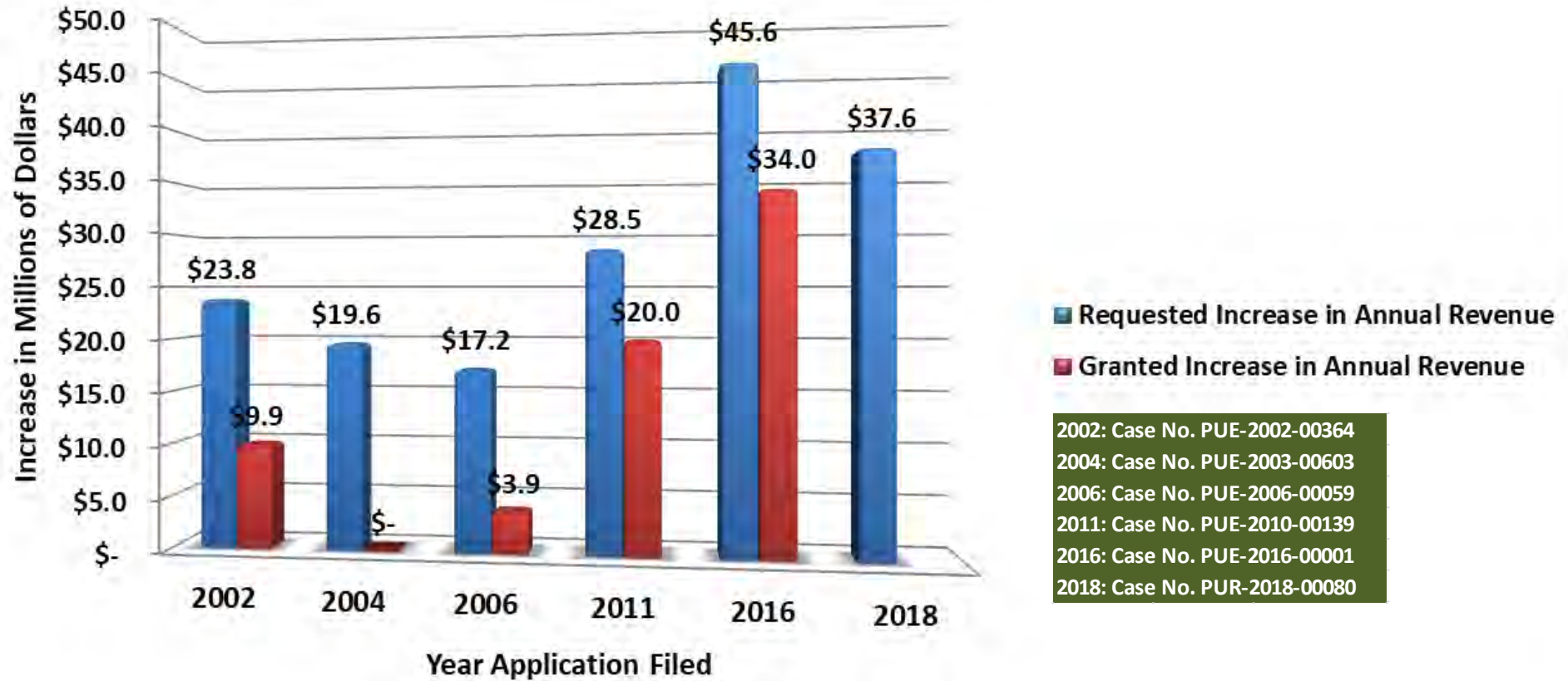
**Determination of Present and Proposed Revenue by Customer Class  
Amount and Percent Change Resulting From Proposed Rate Design**

Based on 12 Months Ended December 31, 2017 - Ratemaking

Line No.	Description	Ratemaking Number of Bills	Average Number of Customers	Ratemaking Annual Therms	Operating Revenues (000's) Excluding Gas Cost				Operating Revenues (000's) Including Gas Cost				Line No.
					Present Rates	Proposed Rates	Increase Amount	Increase Percent	Present Rates	Proposed Rates	Increase Amount	Increase Percent	
	A	B	C=B/12	D a/	E	F	G=F-E	H=G/E	I	J	K=J-I	L=K/I	
1	<b>SALE / DELIVERY OF GAS REVENUE</b>												1
2	Residential	6,034,051	502,838	374,586,284	\$ 224,768	\$ 248,711	\$ 23,943	10.65%	\$ 392,862	\$ 416,805	\$ 23,943	6.09%	2
3	<b>Commercial and Industrial</b>												
4	Heating and/or Cooling	295,934	24,661	138,683,620	44,739	52,944	8,205	18.34%	82,103	90,308	8,205	9.99%	4
5	Non-heating and Non-cooling	23,422	1,952	10,896,814	3,164	3,469	305	9.64%	5,935	6,240	305	5.14%	5
6	Large Customers	1,178	98	39,152,539	5,722	6,680	958	16.74%	6,654	7,612	958	14.40%	6
7	<b>Group Metered Apartments</b>												7
8	Heating and/or Cooling	25,549	2,129	34,119,330	10,259	12,422	2,163	21.08%	16,717	18,880	2,163	12.94%	8
9	Non-heating and Non-cooling	18,541	1,545	5,657,075	1,859	2,036	177	9.52%	2,800	2,977	177	6.32%	9
10	Large Customers	214	18	2,852,923	662	811	149	22.51%	1,048	1,197	149	14.22%	10
11	Total Firm Classes	6,398,889	533,241	605,948,586	291,173	327,073	35,900	12.33%	508,119	544,019	35,900	7.07%	11
12	<b>Interruptible (Total)</b>	2,115	176	61,097,849	\$ 6,653	8,179	1,526	22.94%	6,653	8,179	1,526	22.94%	12
13	Total Sales of Gas Revenue	6,401,004	533,417	667,046,434	\$ 297,826	\$ 335,252	\$ 37,426	12.57%	\$ 514,772	\$ 552,198	\$ 37,426	7.27%	13
14	<b>OTHER OPERATING REVENUE</b>												14
15	Late Payment Charges								\$ 1,914	\$ 2,052	\$ 138		15
16	Miscellaneous Tariff Charges								1,977	1,977	-		16
17	Other								300	300	-		17
18	Total Other Operating Revenue								\$ 4,191	\$ 4,329	\$ 138	3.30%	18
19	Total Revenue								\$ 518,963	\$ 556,527	\$ 37,564	7.20%	19



## Summary of Washington Gas Rate Increase Applications and Results Virginia





# **Dominion Energy Virginia**

*As of May 10, 2017, Dominion Virginia Power changed its name to  
Dominion Energy Virginia*

# Dominion Energy Virginia

## Refunds to be issued

- During the 2018 session of the Virginia Assembly, lawmakers passed a bill to end the freeze to base rates and subjects Dominion Energy Virginia to triennial review of its rates, terms, and conditions for generation, distribution, and transmission services.
- The bill became effective July 1, 2018 and Dominion's first review of rates will be in 2021.
- The law also contains provisions that require Dominion to issue its current customers generation and distribution services bill credits.
- The credits will be issued in two parts, *Case No. PUR-2018-00053*:
  - Dominion will issue the first one-time generation and distribution service bill credit to customers in an aggregate amount of \$133 million no later than 30 days following July 1, 2018.
    - **The one-time distribution credit will be received under Rider BC1D at a rate of 0.0695 cents per kWh** for usage consumed on and after January 1, 2017 through and including December 31, 2017.
    - **The one-time generation credit will be received under Rider BC1G at a rate of 0.1360 cents per kWh** for usage consumed on and after January 1, 2017 through and including December 31, 2017.
  - The second one-time generation and distribution service bill credit will be issued to customers no later than 30 days after January 1, 2019 in an aggregate amount of \$67 million.

RIDER BC1D – DISTRIBUTION SERVICERIDER BC1G – GENERATION SERVICE2018 BILL CREDIT RIDERS

Pursuant to Enactment Clause Nos. 4 and 5 of Senate Bill 966, signed into law by the Governor of Virginia on March 9, 2018, as Chapter 296 of the 2018 Acts of Assembly, Rider BC1D – Distribution Service (“Rider BC1D”) and Rider BC1G – Generation Service (“Rider BC1G”) will be used to calculate bill credits to be based on (i) the Customer’s January 1, 2017 through and including December 31, 2017 kilowatt-hour consumption during the first phase and on (ii) the Customer’s July 1, 2017 through and including June 30, 2018 kilowatt-hour consumption during the second phase. Once such calculations and bill credits have been completed, Rider BC1D and Rider BC1G will no longer be effective and will be withdrawn.

During the first phase, the following bill credits will be applied to the bills of eligible customers:

1. A Customer who receives Electric Service from the Company on July 1, 2018 and who had usage during all or part of the period of January 1, 2017 through and including December 31, 2017 in the same Customer’s name will receive a one-time Rider BC1D bill credit applied to the Customer’s Distribution kilowatt-hour consumption that occurred for usage on and after January 1, 2017 through and including December 31, 2017.
2. A Customer who receives Electricity Supply Service from the Company on July 1, 2018 and who had Electricity Supply usage during all or part of the period of January 1, 2017 through and including December 31, 2017 in the same Customer’s name, will receive a one-time Rider BC1G bill credit applied to the generation component of the Customer’s Electricity Supply kilowatt-hour consumption that occurred for usage on and after January 1, 2017 through and including December 31, 2017.

The aggregate amount of the Rider BC1D and BC1G bill credits shall be \$133 million during the first phase. If the actual amount of the Rider BC1D and Rider BC1G bill credits provided to eligible customers is less than \$133 million, the difference shall be deferred and added to the aggregate amount of \$67 million to be credited to eligible customer bills during the second phase.

In accordance with the Commission’s Order Directing Compliance Filings in Case No. PUR-2018-00053, the Company will apply (i) one-time credits to eligible customers’ monthly bills within the 30 days beginning July 1, 2018 during the first phase and (ii) one-time credits to eligible customers’ monthly bills within the 30 days beginning January 1, 2019 during the second phase. The Company will file revised Rider BC1D and Rider BC1G rates, which will become effective during the second phase, on or before November 15, 2018.

RIDER BC1D

The charge for service under Virginia Electric and Power Company’s Filed Rate Schedules 1, 1P, 1S, 1T, 1W, DP-R, 1EV, EV, 5, 5C, 5P, 6, GS-1, DP-1, GS-2, DP-2, GS-2T, GS-3, MBR – GS-3, SCR - GS-3, GS-4, MBR – GS-4, SCR – GS-4, 6TS, 7, 8, 10, 25, 27, 28 and 29, as well as applicable energy charges specified in any special rates, contracts or incentives approved by Commission pursuant to Virginia Code § 56-235.2 shall be decreased by 0.0695 cents per kilowatt-hour applied to the Customer’s Distribution kilowatt-hours consumed for usage on and after January 1, 2017 through and including December 31, 2017.

RIDER BC1G

The charge for service under Virginia Electric and Power Company’s Filed Rate Schedules 1, 1P, 1S, 1T, 1W, DP-R, 1EV, EV, 5, 5C, 5P, 6, GS-1, DP-1, GS-2, DP-2, GS-2T, GS-3, MBR – GS-3, SCR - GS-3, GS-4, MBR – GS-4, SCR – GS-4, 6TS, 7, 8, 10, 25, 27, 28 and 29, as well as applicable energy charges specified in any special rates, contracts or incentives approved by the Commission pursuant to Virginia Code § 56-235.2 shall be decreased by 0.1360 cents per kilowatt-hour applied to the generation component of the Customer’s Electricity Supply kilowatt-hours consumed for usage on and after January 1, 2017 through and including December 31, 2017.



# Dominion Energy Virginia Rate Riders

- **Effective for usage on and after July 1, 2018, the fuel rate for DVP customers was increased from the fuel factor of 2.383 cents/kWh to 2.719 cents/kWh. (approximately a 13% increase)**
- The Rider Schedule for DVP is as follows. *For budget considerations, please see Appendices for updated rates.*

Rider	Description	Effective For Usage On and After	Applicable Service Type
A	Fuel Charge Rider A	07-01-18 On an Interim Basis	Electricity Supply
B	Biomass Conversions	04-01-18	Electricity Supply
BC1D	Distribution Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Distribution
BC1G	Generation Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Generation
BW	Brunswick County Power Station	09-01-17	Electricity Supply
C1A	Peak-Shaving Increment Rider	07-01-18	Distribution
C2A	Energy Efficiency Increment Rider	07-01-18	Distribution
GV	Greensville Power Station	04-01-18	Electricity Supply
R	Bear Garden Generating Station	04-01-18	Electricity Supply
S	Virginia City Hybrid Energy Center	04-01-18	Electricity Supply
T1	Transmission	09-01-17	Electricity Supply
U	Strategic Underground Program	10-01-17	Distribution
US-2	2016 Solar Projects	09-01-17	Electricity Supply
W	Warren County Power Station	04-01-18	Electricity Supply

Rider	Description	Effective For Usage On and After	Applicable Service Type
BC1D	Distribution Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Distribution
BC1G	Generation Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Generation
C1A	Peak-Shaving Increment Rider	07-01-18	Distribution
C2A	Energy Efficiency Increment Rider	07-01-18	Distribution
T1	Transmission	09-01-17	Electricity Supply
U	Strategic Underground Program	10-01-17	Distribution

# Dominion Energy Virginia

## Files Proposal for Updated Underground Rider Rider U

### Case No. PUR-2018-00042:

- On March 19, 2018, Dominion Energy Virginia (“DEV”) filed its Application for revision to the Company’s Rider U for the recovery of costs associated with Dominion’s Strategic Underground Program for the rate year February 1, 2019 through January 31, 2020 pursuant to Senate Bill 966.
- In its Application, Dominion proposes to recover Rider U costs from GS-1 customers and GS-2 customers through a combination of **cents-per-kWh charges** for bills with load factors equal to or less than 50% and **dollars-per-kW (demand) charges** for bills with usage that reflect load factors greater than 50%.
- In AOBA’s testimony filed on June 12, 2018, AOBA witness Bruce Oliver presented an alternative rate design that ensures all GS-2 (and GS-2T) customers are assessed rates that are premised on a more uniform distribution of Rider U revenue requirements in terms of the effective dollars per kW billed.
- AOBA counsel and witness participated in the public hearing on July 24, 2018.
- A SCC decision is pending.

# Dominion Energy Virginia

## Files Proposal for Updated Underground Rider Rider U

### Case No. PUR-2018-00042:

The proposed Strategic Underground Program rates, Rider U, are shown in the chart below.

Rate Schedule	DEV Proposed Cents per Electricity Supply kWh Charge	DEV Proposed Dollars per kW Demand Charge	AOBA Proposed Cents per Electricity Supply kWh Charge	AOBA Proposed Dollars per kW Demand Charge
Schedule 1	0.1981¢/kWh			
GS-1	0.1512¢/kWh		Accept DEV	
GS-2	0.1071¢/kWh	\$0.383/kW	0.001318¢/kWh	\$0.325/kW
GS-2T	0.1071¢/kWh	\$0.383/kW		\$0.325/kW
GS-3		\$0.000/kW		
GS-4 (Primary)		\$0.000/kW		
GS-4 (Transmission)		\$0.000/kW		



# Appendices



# **Washington Gas Light Company District of Columbia Surcharges**

# Washington Gas – District of Columbia Surcharges

## Residential Essential Service Surcharge Tariff (RES), Formal Case No. 1127:

- 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

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
<b>Revised:</b> Dec. 2017 to Nov. 2018 Billing Period	<b>\$ (0.0002) per therm</b>

# Washington Gas – District of Columbia Surcharges

## PROJECTpipes, Formal Case No. 1115

### (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.
- WG filed a revised current factor after the PSC Final Order in FC 1137 was issued and a portion of the amounts have been transferred to base rates.

# Washington Gas – District of Columbia Surcharges

## PROJECTpipes, Formal Case No. 1115 (cont.)

- 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.
  - WG filed revised PROJECTpipes rates to be effective with the May 2017 billing cycle, see chart below.
  - There is a separate rate class for Group Metered Apartment (GMA) customers.
- The new PROJECTpipes surcharge rates will be billed from May through September 2017. A reconciliation factor will be calculated after September for the 12 months ended September 30, 2017.
- On July 31, 2017, WG filed its proposed PROJECTpipes surcharges for FY 2018. Implementation is pending Commission approval. May 2017 rates are still in effect.

	<u>Residential</u>	<u>Commercial</u>	<u>Group Metered Apartments</u>	<u>Interruptible</u>
<b>Mar. 2015 Billing Cycle</b>	\$0.0094 per therm	\$0.0035 per therm	Billed at Commercial rate	\$0.0016 per therm
<b>Oct. 2015 Billing Cycle</b>	\$0.0157 per therm	\$0.0062 per therm	Billed at Commercial rate	\$0.0032 per therm
<b>Mar. 2016 Billing Cycle</b>	\$0.0188 per therm	\$0.0073 per therm	Billed at Commercial rate	\$0.0039 per therm
<b>Oct. 2016 Billing Cycle</b>	\$0.0324 per therm	\$0.0131 per therm	Billed at Commercial rate	\$0.0073 per therm
<b>May 2017 Billing Cycle</b>	\$0.0351 per therm	\$0.0101 per therm	\$0.0106 per therm	\$0.0045 per therm
<b>Proposed FY 2018</b>	\$0.0282 per therm	\$0.0122 per therm	\$0.0124 per therm	\$0.0065 per therm

# Washington Gas – District of Columbia Surcharges

## ➤ WGL Right of Way Surcharge (ROW), GT00-2<sup>1</sup>

Rate Effective with the April 2012 Billing Cycle	\$0.0313 per therm
Rate Effective with the April 2013 Billing Cycle	\$0.0364 per therm
Rate Effective with the June 2013 Billing Cycle	\$0.0278 per therm
Rate Effective with the April 2014 Billing Cycle	\$0.0266 per therm
Rate Effective with the April 2015 Billing Cycle	\$0.0399 per therm
Rate Effective with the June 2016 Billing Cycle	\$0.0382 per therm
Rate Effective with the June 2017 Billing Cycle	\$0.0367 per therm
<b>Rate Effective with the June 2018 Billing Cycle</b>	<b>\$0.0328 per therm</b>

## ➤ Sustainable Energy Trust Fund<sup>2</sup>

FY 2009	\$0.011 per therm
FY 2010	\$0.012 per therm
FY 2012	\$0.014 per therm through fiscal year 2016;
<b>FY 2017</b>	<b>\$0.01505 and each year thereafter</b>

<sup>1</sup> 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. Source Washington Gas website under Tariff Information. Case No. GT00-2.

<sup>2</sup> 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 Fund<sup>1</sup>

- 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**.
- The new rate became effective October 1, 2017.

## ➤ Hexane Cost Adjustment

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

<sup>1</sup>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 § 8-1774.11 Energy Assistance Trust Fund, <http://dcode.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 Purchased Gas Costs\* District of Columbia

Month, Year	Dollars Per Therm
Aug-17	\$0.6210
Sep-17	\$0.4722
Oct-17	\$0.4722
Nov-17	\$0.4722
Dec-17	\$0.4190
Jan-18	\$0.4190
Feb-18	\$0.4949
Mar-18	\$0.4180
Apr-18	\$0.4180
May-18	\$0.4180
Jun-18	\$0.4018
Jul-18	\$0.4018

## Washington Gas Balancing Charges District of Columbia

Month, Year	Dollars Per Therm
Mar 2017 - Nov 2017	\$0.0087
Dec 2017 - Feb 2018	\$0.0144
Mar 2018 - Nov 2018	\$0.0187

Washington Gas DC Purchased Gas Costs and Balancing Charges  
<http://www.washgas.com/pages/DCCOMWashingtonGasPurchasedGasCosts>

*\*Reflects purchased gas costs less balancing charges listed. Effective April 2001, the Balancing Charge is billed to third party suppliers by Washington Gas to recover a portion of Washington Gas' capacity and peaking operation's costs. The Balancing Charge does not include a portion of Washington Gas' storage costs, which are billed separately to third party suppliers.*

# Washington Gas Light Company Maryland Surcharges



# 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
<b>Tax Rate Effective 7/1/17 - 6/30/18</b>	<b>\$0.1740681 per therm</b>
<b>Tax Rate Effective 7/1/18 - 6/30/19</b>	<b>Will continue at FY2018 rates</b>

# 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
<b>Tax Rate Effective 7/1/18 – 6/30/19</b>	<b>\$0.084949 per therm</b>

*\* rates increased 47% from 2017 to 2018*

# Washington Gas – Maryland Surcharges

## EmPower Maryland Surcharge (Case 9362)

- WG filed for approval of the Company's 2018-2020 EmPower Maryland Regulatory Plan on January 23, 2018. The Commission approved the Plan on February 28, 2018.
- Previous Rates were in effect November 2015 – February 2018:
  - Residential Service: \$0.0005 per therm
  - Commercial Service: \$0.0003 per therm
- **The EmPower Maryland surcharges effective with the March 2018 bill cycle are as follows:**
  - Residential Service: \$0.0145 per therm**
  - Commercial Service: \$0.0049 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 Purchased Gas Costs\* Maryland

Month, Year	Dollars Per Therm
Aug-17	\$0.0064
Sep-17	\$0.0064
Oct-17	\$0.0064
Nov-17	\$0.0064
Dec-17	\$0.0126
Jan-18	\$0.0126
Feb-18	\$0.0126
Mar-18	\$0.0172
Apr-18	\$0.0172
May-18	\$0.0172
Jun-18	\$0.0172
Jul-18	\$0.0172

## Washington Gas Balancing Charges Maryland

Month, Year	Dollars Per Therm
Mar 2017 - Nov 2017	\$0.0064
Dec 2017 - Feb 2018	\$0.0126
Mar 2018 - Nov 2018	\$0.0172

### Washington Gas MD – Purchased Gas Costs and Balancing Charges

<http://www.washgas.com/pages/MDRESPurchasedGasCosts>

*\*Reflects purchased gas costs minus balancing charges listed. Effective April 2001, the Balancing Charge is billed to third party suppliers by Washington Gas to recover a portion of Washington Gas' capacity and peaking operation's costs. The Balancing Charge does not include a portion of Washington Gas' storage costs, which are billed separately to third party suppliers.*

# **Washington Gas Light Company Virginia Surcharges**

# 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	\$0.0042/therm	Effective Jan. 1, 2012 – Sept. 30, 2012
Schedule 3 & 3A	\$0.0050/therm	Effective Jan. 1, 2012 – Sept. 30, 2012
Schedule 2 & 2A	\$0.0000/therm	Effective Oct. 1, 2012 – Sept. 30, 2012
Schedule 3 & 3A	\$0.0000/therm	Effective Oct. 1, 2012 – Sept. 30, 2012
Schedule 2 & 2A	\$0.0024/therm	Effective Jan. 1, 2013 – Dec. 31, 2013
Schedule 3 & 3A	\$0.0028/therm	Effective Jan. 1, 2013 – Dec. 31, 2013
Schedule 2 & 2A	\$0.00890/therm	Effective Jan. 1, 2014 – Dec. 31, 2014
Schedule 3 & 3A	\$0.00100/therm	Effective Jan. 1, 2014 – Dec. 31, 2014
Interruptible	\$0.00310/therm	Effective Jan. 1, 2014 – Dec. 31, 2014
Schedule 2 & 2A	\$0.0116/therm	Effective Jan. 1, 2015 – July 31, 2015
Schedule 3 & 3A	\$0.0147/therm	Effective Jan. 1, 2015 – July 31, 2015
Interruptible	\$0.0038/therm	Effective Jan. 1, 2015 – July 31, 2015
Schedule 2 & 2A	\$0.0126 therm	Effective August 2015 billing cycle
Schedule 3 & 3A	\$0.0166/therm	Effective August 2015 billing cycle
Interruptible	\$0.0048/therm	Effective August 2015 billing cycle
Schedule 2 & 2A	\$0.0166/ therm	Effective Jan. 1, 2016 – Dec. 31, 2016
Schedule 3 & 3A	\$0.0192/therm	Effective Jan. 1, 2016 – Dec. 31, 2016
Interruptible	\$0.0062/therm	Effective Jan. 1, 2016 – Dec. 31, 2016
Schedule 2 & 2A	\$0.0009/ therm	Effective Jan. 1, 2017 – Aug. 31, 2017
Schedule 3 & 3A	\$0.0010/therm	Effective Jan. 1, 2017 – Aug. 31, 2017
Interruptible	\$0.0035/therm	Effective Jan. 1, 2017 – Aug. 31, 2017

# Washington Gas – Virginia SAVE Rider

- The SAVE Rider for 2018 is effective for the period January 1, 2018 through December 31, 2018.
- WG will make a filing in September for the 2019 rider.
- Rates effective January 1, 2018 - December 31, 2018 are as follows:

Schedule 2 & 2A	\$0.0183/ therm
Schedule 3 & 3A	\$0.0190/therm
Interruptible	\$0.0183/therm

# Washington Gas – Virginia

## Purchased Gas Costs & Balancing Charges

### Washington Gas Purchased Gas Costs\* Virginia

Month, Year	Commercial Customers Dollars per Therm*	Group Metered Apartments Customers Dollars per Therm*
Aug-17	\$0.5209	\$0.6934
Sep-17	\$0.3777	\$0.5504
Oct-17	\$0.3777	\$0.5504
Nov-17	\$0.3777	\$0.5540
Dec-17	\$0.3794	\$0.6085
Jan-18	\$0.3794	\$0.6085
Feb-18	\$0.4561	\$0.6852
Mar-18	\$0.3738	\$0.6062
Apr-18	\$0.3738	\$0.6062
May-18	\$0.3738	\$0.6062
Jun-18	\$0.3439	\$0.5761
Jul-18	\$0.3439	\$0.5761

*\*Reflects purchased gas costs minus the balancing charges listed. Effective April 2001, the Balancing Charge is billed to third party suppliers by Washington Gas to recover a portion of Washington Gas' capacity and peaking operation's costs. The Balancing Charge does not include a portion of Washington Gas' storage costs, which are billed separately to third party suppliers.*

### Washington Gas Balancing Charges - Virginia Commercial Customers

Month, Year	Dollars Per Therm
Mar 2017 - Nov 2017	\$0.0018
Dec 2017 - Feb 2018	\$0.0056
Mar 2018 - Nov 2018	\$0.0162

### Washington Gas Balancing Charges - Virginia Group Metered Apartment Customers

Month, Year	Dollars Per Therm
Mar 2017 - Nov 2017	\$0.0060
Dec 2017 - Feb 2018	\$0.0121
Mar 2018 - Nov 2018	\$0.0162

Washington Gas VA Purchased Gas Cost and Balancing Charges  
<http://www.washgas.com/pages/VACOMWashingtonGasPurchasedGasCosts>





# **Pepco District of Columbia Surcharges**

# Pepco DC - Surcharges

## Energy Assistance Trust Fund & Sustainable Energy Trust Fund

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.

### Energy Assistance Trust Fund Surcharge

Effective for Billing Months of October 2010 & After	\$0.0000607 per kWh
<b>Effective for Fiscal Year 2018</b>	<b>\$0.0002322 per kWh</b>

### Sustainable Energy Trust Fund Surcharge

Rate Effective October 1, 2010	\$0.00150 per kWh
<b>Rate Effective Fiscal Year 2018 (10-1-17) and after</b>	<b>\$0.001612 per kWh</b>

## Public Space Occupancy

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 1<sup>st</sup>.

### Public Space Occupancy Surcharge

Rate Effective March 1, 2011	\$0.00194 per kWh
Rate Effective March 1, 2013	\$0.00199 per kWh
Rate Effective March 1, 2014	\$0.00205 per kWh
Rate Effective March 1, 2015	\$0.00204 per kWh
Rate Effective March 1, 2016	\$0.00204 per kWh
Rate Effective March 1, 2017	\$0.00209 per kWh
<b>Rate Effective March 1, 2018</b>	<b>\$0.00207 per kWh</b>



# Pepco DC - Surcharges

## Residential Aid Surcharge (RAD)

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.

## Residential AID Surcharge (RADS)

Effective for Service On and After June 1, 2011	\$0.000691 per kWh
Effective for Service On and After October 1, 2012	\$0.000515 per kWh
Effective for Service On and After March 14, 2014	\$0.000294 per kWh
Effective for Service On and After Jan. 19, 2016	\$0.00159 per kWh
Effective for Service On and After Feb. 17, 2017	\$0.000442 per kWh
<b>Effective for Service On and After July 1, 2018</b>	<b>\$0.000765 per kWh</b>

## Delivery Tax

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.

## Delivery Tax Surcharge

<b>Rate Effective February 20, 2008</b>	<b>\$0.0077 per kWh</b>
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# Pepco Undergrounding Update

## Formal Case Nos. 1116 & 1121

### Background:

- Pursuant to the undergrounding legislation, Pepco and the District of Columbia Department of Transportation (“DDOT”) filed a Joint Application on June 17, 2014, requesting:
  - ✓ Authority to implement a project to underground certain distribution feeders in DC to commence with the first three years of the undergrounding project
  - ✓ Approval of an Underground Project Charge (“UPC”) to be charged by Pepco for Underground Project costs incurred by the Company
  - ✓ The first three years of the project (2015-2017) include plans to underground 21 electric distribution feeders
- The undergrounding project as conceived was expected to take between 7-10 years to complete at a cost of approximately \$1 billion
- AOBA’s review of Pepco’s budgeted capital expenditures, including the undergrounding program costs, and planned reliability expenditures and operation and maintenance costs from 2017 through 2020 shows that DC ratepayers’ costs would increase by more than 120%.
  - Example: For most office buildings in DC, the distribution bill is approximately one third of the total electricity bill. Therefore, an office building’s electric rates will increase 40% between 2017 and 2020. This estimate assumes GSA pays their portion of the DDOT surcharge.

# Pepco Undergrounding Update

## Formal Case Nos. 1116 & 1121

- In June 2015, GSA challenged the DDOT surcharge stating it is a “tax” from which the Federal Government is immune
- This issue was not been resolved and the District’s bond issuance was delayed and the law rewritten.
- Both Formal Case Nos. 1116 & 1121 did not proceed as scheduled.
- **Pepco, DDOT, OPC, and the DC PSC negotiated changes in the initial DC undergrounding law which became effective May 17, 2017.**
- **Thereafter, the DC PSC instituted Formal Case No. 1145.**

# Pepco Biennial Undergrounding Plan for the District Formal Case No. 1145

- As a result of an emergency amendment (Electric Company Infrastructure Improvement Financing Amendment Act of 2017) signed by the Mayor on May 17, 2017, the DC Public Service Commission opened a new proceeding to consider applications for Biennial Underground Infrastructure Improvement Projects.
- On July 3, 2017, Pepco and DDOT filed a Joint Application for Approval of the First Biennial Underground Infrastructure Improvement Projects Plan. The Biennial Plan identified six feeders that DDOT and Pepco plan to place underground.
- The Application also requests approval of an Underground Project Charge (UPC) to recover the costs Pepco incurs during the undergrounding of the feeders. In addition to the Joint Application, Pepco included an application for a Commission issued financing order that would allow Pepco to recover the costs DDOT will incur as a result of the undergrounding of the designated feeders specified in the Biennial Plan.
- AOBA intervened in this proceeding and filed a Protest and testimony opposing the Joint Application and Pepco's financing order request on September 13, 2017.
- **The Commission approved the Undergrounding Plan on November 7, 2017 and AOBA requested reconsideration of the decision, a prerequisite for filing an appeal with the DC Court of Appeals. The Commission denied AOBA's appeal.**
- **AOBA has filed an appeal of the DC PSC's decision with the DC Court of Appeals. Oral argument at the DC Court of Appeals will be in September.**

# Pepco Biennial Undergrounding Plan for the District Formal Case No. 1145

## Five Year Review -

The new legislation requires that by December 31, 2022, the Mayor, PSC, OPC and Pepco jointly file a report assessing the effectiveness of the DC PLUG program i.e. whether it improved reliability and reduced the frequency of electric outages, its impact on the tree canopy, its impact on customers' bills, and recommend whether the Council should continue the DC PLUG and authorize more investment.

*Table 1. Comparison of the Original DC PLUG plan and the DC PLUG plan authorized through this Amendment*

	<b>Original – 2014 Legislation</b>	<b>Committee Print</b>
<b><i>Electric Company</i></b>	\$500 million funded through debt and equity; funding recovered via the Underground Project Charge (surcharge on customers)	\$250 million funded through debt and equity; funding recovered via the Underground Project Charge (surcharge on customers) <sup>19</sup>
<b><i>District Government</i></b>	\$375 million funded through securitized District bonds, with the cost recovered via the DDOT Underground Electric Company Infrastructure Improvement Charge (surcharge on customers)	Electric company funds \$187.5 million through a pay-as-you-go structure with no District bond issuance. \$30 million a year charge imposed on the electric company and recovered via the Underground Rider (on all distribution service customers) <sup>20</sup>
<b><i>DDOT Capital Budget</i></b>	\$62 - \$125 million funding via DDOT's capital improvement program	\$62.5 million
<b><i>Amount of Feeders to be Undergrounded</i></b>	50 - 60	25-30
<b><i>Length of time to complete Phase 1 of the project</i></b>	7-10 years	6-7 years
<b><i>Total Cost to the Average Customer</i></b>	\$1.50 per month in the first year rising to a peak of \$3.25 <sup>21</sup>	\$1.23 per month in the first year rising to a peak of \$3.04 per month

# Pepco Biennial Undergrounding Plan for the District

## Formal Case No. 1145

**There are two electric distribution rate surcharges:**

**1. Pepco Underground Project Charge (“UPC”) – Effective February 7, 2018**

- A cents/kWh surcharge billed by Pepco for costs associated with the undergrounding project vary according to customer rate class
- The Underground Project Charge (UPC) is designed to recover the costs Pepco incurs during the undergrounding of the feeders.
- **Billed as separate line item on the Pepco bills**
- **The Application states the UPC will remain in effect for two years and will collect \$5,602,940 in total revenues.**

**2. The Underground Rider - Effective February 7, 2018**

- An adjusting cents/kWh surcharge that will change as necessary
- The financing order permits Pepco to recover the DDOT costs through an additional charge, i.e., an 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.**



# Pepco Biennial Undergrounding Plan for the District Formal Case No. 1145

- The surcharges for the initial year of the Plan are shown in the chart below.
- The effect of the rates on any particular customer is dependent upon the actual usage of the customer. Increases shown are for customers with average monthly usage. (FC 1145 DC PSC Public Notice, July 6, 2017)

Rate Schedule	Underground Rider (per kWh)	UPC Charge (per kWh)	Combined Rate Underground Rider Plus UPC Charge
R	\$0.00136	\$0.00018	\$0.00154
MMA	\$0.00109	\$0.00015	\$0.00124
GS ND	\$0.00279	\$0.00037	\$0.00316
T	\$0.00279	\$0.00037	\$0.00316
GS LV	\$0.00522	\$0.00069	\$0.00591
GS 3A	\$0.00444	\$0.00059	\$0.00503
GT LV	\$0.00365	\$0.00049	\$0.00414
GT 3A	\$0.00214	\$0.00028	\$0.00242
GT 3B	\$0.00025	\$0.00003	\$0.00028
RT	\$0.00209	\$0.00028	\$0.00237
SL/TS	\$0.00146	\$0.00019	\$0.00165
TN	\$0.00137	\$0.00018	\$0.00155

# DC Residential Member Input Submitted on Energy Efficiency Measures for Low Income Residents and Affordable Housing , Formal Case No. 1148

- As part of the Exelon/Pepco merger commitments in the District (Formal Case No. 1119), an \$11.25 million fund was established to assist low and limited income residents with energy efficiency and conservation measures that will reduce electricity costs.
- Specifically, an escrow fund was established *“to support innovative energy conservation or energy efficiency programs targeted primarily towards both affordable multifamily units and master metered multifamily buildings which included low and limited income residents that are sponsored or operated by the District or by qualified non-profit entities that support and enable targeted energy-efficiency programs.”*
- After discussions with AOBA members, AOBA filed recommendations on January 19, 2018 recommending allocating *“a significant portion of the \$11.25 million held in an escrow account for the selection and implementation of targeted energy conservation programs to the District of Columbia Sustainable Energy Utility (the “DCSEU”).”*
- AOBA further recommended that the Commission adopt and fund programs designed to increase the awareness of current residential discount programs available through Pepco for low, and limited income residents as well as encourage and incentivize energy audits for multifamily and master-metered residential buildings.
- AOBA along with several members, attended a roundtable discussion at the DC PSC on March 15, 2018.

# Pepco DC Application for Experimental Rate Class for Senior Citizens and Disabled Residents, FC 1149

- The DC PSC stated its intent to open a new proceeding to discuss the “parameters around creating a new experimental rate calls for both senior citizens and disabled residents within the District.”
  - On October 19, 2017, the DC PSC opened Formal Case No. 1149 and has held two technical conferences and scheduled a third conference to discuss the matter
- In its Order, the Commission established three key questions to be addressed during the technical conferences:
  1. The potential size of the new customer class
  2. Exactly how the new customer calls will be defined; and
  3. What will be the cost of providing a discount on electricity rates to the new customer class
- AOBA is participating in ongoing Technical Conferences with Commission Staff and other parties.

# Miscellaneous Cases in the District

## Pepco DC

- FC No. 1119 AMP Arrearage Management System
- FC No. 1130 Modernizing the Energy Delivery System for Increased Sustainability (MEDSIS)
- FC No. 1144 – Capital Grid Project

## Washington Gas

- FC No. 1133 WGL and Architect of the Capital (AOC)



# **Pepco Maryland Surcharges**

# Pepco Maryland Surcharges

## Montgomery County Energy Tax

### Commercial Rates:

Tax Rate as of 6-30-10	\$0.01384 per kWh
Tax Rate Effective 7-1-10 through 6-30-11	\$0.02210 per kWh
Tax Rate Effective 7-1-11 through 6-30-12	\$0.02259 per kWh
Tax Rate Effective 7-1-12 through 6-30-13	\$0.0217063 per kWh
Tax Rate Effective 7-1-13 through 6-30-14	\$0.020370 per kWh
Tax Rate Effective 7-1-14 through 6-30-15	\$0.0202278 per kWh
Tax Rate Effective 7-1-15 through 6-30-16	\$0.02022408 per kWh
Tax Rate Effective 7-1-16 through 6-30-17	\$0.0202224 per kWh
Tax Rate Effective 7-1-17 through 6-30-18	\$0.0202224 per kWh
<b>Tax Rate Effective 7-1-18 through 6-30-19</b>	<b>\$0.0202236 per kWh</b>

## Montgomery County Energy Tax

### Residential Rates:

Rate Effective 7/1/14	\$0.01131040 per kWh
Rate Effective 7/1/15	\$0.01130831 per kWh
Rate Effective 7/1/16	\$0.0113090 per kWh
Rate Effective 7/1/17	\$0.0113074 per kWh
<b>Rate Effective 7/1/18</b>	<b>\$0.0113081 per kWh</b>

# Pepco Maryland Surcharges

## Prince Georges County Energy Tax

Rate Effective 7/1/12	\$0.0064890 per kWh
Rate Effective 7/1/13	\$0.0059080 per kWh
Rate Effective 7/1/14	\$0.007790 per kWh
Rate Effective 7/1/15	\$0.008377 per kWh
Rate Effective 7/1/16	\$0.009366 per kWh
Rate Effective 7/1/17	\$0.009908 per kWh
<b>Rate Effective 7/1/18</b>	<b>\$0.009900 per kWh</b>

# Pepco Maryland Surcharges

## EmPower Maryland

Effective Billing Month of February, 2014	
Commercial Rate	\$0.001967 per kWh
Effective Billing Month of February, 2015	
Commercial Rate	\$0.005385 per kWh
Effective Billing Month of February, 2016	
Commercial Rate	\$0.007875 per kWh
Effective Billing Month of January, 2017	
Commercial Rate	\$0.006905 per kWh

### **Effective Billing Month of January, 2018**

**Commercial Rate \$0.006588 per kWh**

## Maryland Environmental Surcharge (Rider "MES")

Effective 7/1/12 through 6/30/15	\$0.000150 per kWh
Effective 7/1/15	\$0.000147 per kWh
Effective 7/1/16	\$0.000146 per kWh
Effective 7/1/17	\$0.000149 per kWh

**Effective 7/1/18 \$0.000142 per kWh**

## Delivery Tax

\$0.000620 per kWh



# Pepco Maryland Surcharges

## Grid Resiliency Charge Rider – Rider “GRC” –

- Per the Pepco Tariff, the Grid Resiliency charge is currently expected to remain in effect for approximately 3 years beginning January 2014 and thereafter will continue in effect until the completion of the first rate case filed after all of the approved grid resiliency-related project are placed into service.

### MONTHLY CHARGES AND RATES:

#### Rate Schedule

“R”	\$0.00000 per kwhr
“R-TM”	\$0.00000 per kwhr
“GS”, “T”, “EV”	\$0.00000 per kwhr
“MGT LV II”, “MGT LV III”	\$ 0.0000 per kw of maximum demand
“MGT 3A II”, “MGT 3A III”	\$ 0.0000 per kw of maximum demand
“GT LV”	\$ 0.0000 per kw of maximum demand
“GT 3A”	\$ 0.0000 per kw of maximum demand
“GT 3B”	\$ 0.0000 per kw of maximum demand
“TM-RT”	\$ 00.00 per month per delivery point
“SL”	\$0.00000 per kwhr
“TN”	\$0.00000 per kwhr
“OL”	

#### Mercury Vapor

175 Watt	\$0.00	per lamp per month
250 Watt	\$0.00	per lamp per month
400 Watt	\$0.00	per lamp per month

#### High Pressure Sodium

100 Watt	\$0.00	per lamp per month
150 Watt	\$0.00	per lamp per month
250 Watt	\$0.00	per lamp per month

# **Dominion Energy Virginia Rate Rider Updates**

*As of May 10, 2017, Dominion Virginia Power changed its name to  
Dominion Energy Virginia*

# Dominion Energy Virginia Rate Riders

- **Effective for usage on and after July 1, 2018, the fuel rate for DVP customers was increased from the fuel factor of 2.383 cents/kWh to 2.719 cents/kWh. (approximately a 13% increase)**
- The Rider Schedule for DVP is as follows.

Rider	Description	Effective For Usage On and After	Applicable Service Type
A	Fuel Charge Rider A	07-01-18 On an Interim Basis	Electricity Supply
B	Biomass Conversions	04-01-18	Electricity Supply
BC1D	Distribution Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Distribution
BC1G	Generation Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Generation
BW	Brunswick County Power Station	09-01-17	Electricity Supply
C1A	Peak-Shaving Increment Rider	07-01-18	Distribution
C2A	Energy Efficiency Increment Rider	07-01-18	Distribution
GV	Greensville Power Station	04-01-18	Electricity Supply
R	Bear Garden Generating Station	04-01-18	Electricity Supply
S	Virginia City Hybrid Energy Center	04-01-18	Electricity Supply
T1	Transmission	09-01-17	Electricity Supply
U	Strategic Underground Program	10-01-17	Distribution
US-2	2016 Solar Projects	09-01-17	Electricity Supply
W	Warren County Power Station	04-01-18	Electricity Supply

Rider	Description	Effective For Usage On and After	Applicable Service Type
BC1D	Distribution Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Distribution
BC1G	Generation Service – 2018 Bill Credits	01-01-17 Through and Including 12-31-17	Generation
C1A	Peak-Shaving Increment Rider	07-01-18	Distribution
C2A	Energy Efficiency Increment Rider	07-01-18	Distribution
T1	Transmission	09-01-17	Electricity Supply
U	Strategic Underground Program	10-01-17	Distribution

# Dominion Energy Virginia Rate Riders

<u>Rider</u>	<u>Current Rate</u>
<b>C1A Peak Shaving Increment Rider</b> <sup>1</sup>	Current rates in effect 7/1/2018
GS-1	0.0007 ¢/kWh <sup>1</sup>
GS-2 Non-Dem	0.0006 ¢/kWh <sup>1</sup>
GS-2 Demand	0.0006 ¢/kWh <sup>1</sup>
GS-3	0.0005 ¢/kWh <sup>1</sup>
GS-4 Primary	0.0004 ¢/kWh <sup>1</sup>
<b>C2A Energy Efficiency Increment Rider</b> <sup>1</sup>	Current rates in effect 7/1/2018
GS-1	0.0483 ¢/kWh <sup>1</sup>
GS-2 Non-Dem	0.0432 ¢/kWh <sup>1</sup>
GS-2 Demand	0.0432 ¢/kWh <sup>1</sup>
GS-3	0.0399 ¢/kWh <sup>1</sup>
GS-4 Primary	0.0286 ¢/kWh <sup>1</sup>

<sup>1</sup> 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

<u>Rider</u>	<u>Description/Rate</u>	<u>Previous Rate</u>	<u>Current Rate</u>	<u>Effective Date</u>
<b>W</b>	<b>Warren Co. Power Station</b> <i>Previous rates in effect 3/31/17 – 3/31/18</i>			
	GS-1	0.1650 ¢/kWh	0.1561 ¢/kWh	4/1/2018
	GS-2 Non-Dem	0.1689 ¢/kWh <sup>1</sup> , 0.612 \$/kW <sup>1</sup>	0.1652 ¢/kWh <sup>1</sup> , 0.595 \$/kW <sup>1</sup>	4/1/2018
	GS-2 Demand	0.1689 ¢/kWh <sup>2</sup> , 0.612 \$/kW <sup>2</sup>	0.1652 ¢/kWh <sup>2</sup> , 0.595 \$/kW <sup>2</sup>	4/1/2018
	GS-3	0.627 \$/kW <sup>3</sup>	0.597 \$/kW <sup>3</sup>	4/1/2018
	GS-4 Primary	0.636 \$/kW <sup>3</sup>	0.579 \$/kW <sup>3</sup>	4/1/2018
<b>B</b>	<b>Biomass Conversions</b> <i>Previous rates in effect 4/1/16 – 3/31/18</i>			
	GS-1	0.0372 ¢/kWh	0.0603 ¢/kWh	4/1/2018
	GS-2	0.0382 ¢/kWh <sup>1</sup> , 0.138 \$/kW <sup>1</sup>	0.0638 ¢/kWh <sup>1</sup> , 0.229 \$/kW <sup>1</sup>	4/1/2018
	GS-2T	0.0382 ¢/kWh <sup>2</sup> , 0.138 \$/kW <sup>2</sup>	0.0638 ¢/kWh <sup>2</sup> , 0.229 \$/kW <sup>2</sup>	4/1/2018
	GS-3	0.142 \$/kW <sup>3</sup>	0.231 \$/kW <sup>3</sup>	4/1/2018
	GS-4 Primary	0.143 \$/kW <sup>3</sup>	0.224 \$/kW <sup>3</sup>	4/1/2018

<sup>1</sup>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 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.

<sup>2</sup> 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.

<sup>3</sup>Applied to On-Peak Electricity Supply Demand.

# Dominion Energy Virginia Rate Riders

<u>Rider</u>	<u>Description/Rate</u>	<u>Previous Rate</u>	<u>New Rate</u>	<u>Effective Date of New Rate</u>
<b>S</b>	<b>New Coal Plant (VCHEC)<sup>1</sup> Previous rates in effect 4/1/2017-3/31/2018</b>			
	GS-1	0.3321 ¢/kWh	0.3120 ¢/kWh	4/1/2018
	GS-2	0.3399 ¢/kWh, \$1.233/kW <sup>1</sup>	0.3303 ¢/kWh, \$1.190/kW <sup>1</sup>	4/1/2018
	GS-2T	0.3399 ¢/kWh, \$1.233/kW <sup>1</sup>	0.3303 ¢/kWh, \$1.190/kW <sup>2</sup>	4/1/2018
	GS-3	1.262 \$/kW <sup>3</sup>	1.193 \$/kW <sup>3</sup>	4/1/2018
	GS-4 Primary	1.279 \$/kW <sup>3</sup>	1.158 \$/kW <sup>3</sup>	4/1/2018
<b>R</b>	<b>Gas-Fired Generating Plant (Bear Garden) <sup>1</sup> Previous rates in effect 4/1/2017 – 3/31/2018</b>			
	GS-1	0.0985 ¢/kWh	0.0944 ¢/kWh	4/1/2018
	GS-2	0.1008 ¢/kWh, \$0.366 \$/kW	0.0999 ¢/kWh, \$0.359/ kW <sup>1</sup>	4/1/2018
	GS-2T	0.1008 ¢/kWh, \$0.366 \$/kW	0.0999 ¢/kWh, \$0.359/ kW <sup>2</sup>	4/1/2018
	GS-3	0.374 \$/kW <sup>3</sup>	0.361 \$/kW <sup>3</sup>	4/1/2018
	GS-4 Primary	0.380 \$/kW <sup>3</sup>	0.350 \$/kW <sup>3</sup>	4/1/2018

<sup>1</sup>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 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.

<sup>2</sup> 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.

<sup>3</sup>Applied to On-Peak Electricity Supply Demand.

# Dominion Energy Virginia Rate Riders

<u>Rider</u>	<u>Description/Rate</u>	<u>Previous Rate</u>	<u>New Rate</u>	<u>Effective Date</u>
T1	Transmission <i>Previous rates in effect 9/1/2016 – 8/31/17</i>			
	GS-1	0.2596 ¢/kWh	0.3112 ¢/kWh	9/1/17
	GS-2 Non-Demand	0.5313 ¢/kWh	0.6857 ¢/kWh	9/1/17
	GS-2 Demand	0.644 \$/kW <sup>2</sup>	0.805 \$/kW <sup>2</sup>	9/1/17
	GS-3	1.009 \$/kW <sup>3</sup>	1.252 \$/kW <sup>3</sup>	9/1/17
	GS-4 Primary	0.771 \$/kW <sup>3</sup>	1.102 \$/kW <sup>3</sup>	9/1/17

<u>Rider</u>	<u>Description/Rate</u>	<u>Previous Rate</u>	<u>New Rate</u>	<u>Effective Date</u>
BW	Brunswick County Power Station <i>Previous rates in effect 9/1/16-8/31/17</i>			
	GS-1	0.1627 ¢/kWh	0.1711 ¢/kWh	9/1/2017
	GS-2	0.1725 ¢/kWh <sup>1</sup> , \$0.621/ \$/kW <sup>1</sup>	0.1747 ¢/kWh, \$0.634/kW <sup>1</sup>	9/1/2017
	GS-2T	0.1725 ¢/kWh, \$0.621/ \$/kW <sup>2</sup>	0.1747 ¢/kWh, \$0.634/kW <sup>2</sup>	9/1/2017
	GS-3	0.638 \$/kW <sup>3</sup>	0.651 \$/kW <sup>3</sup>	9/1/2017
	GS-4 Primary	0.681 \$/kW <sup>3</sup>	0.667 \$/kW <sup>3</sup>	9/1/2017

<sup>1</sup>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 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.

<sup>2</sup> 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.

<sup>3</sup>Applied to On-Peak Electricity Supply Demand.



# Dominion Energy Virginia Rate Riders

## Greensville Power Station, Rider GV

- On March 29, 2016, the SCC granted approval for the Greensville Power Station.
- The \$1.3 billion power plant is being built in Southern Virginia on 55 acres near the Greensville/Brunswick County line.

<u>Rider</u>	<u>Description/Rate</u>	<u>Previous Rate</u>	<u>New Rate</u>	<u>Effective Date</u>
<b>GV</b>	<b>Greensville Power Station (previous rates in effect 4-1-17 to 3-31-18)</b>			
	<b>GS-1</b>	<b>0.1118 ¢/kWh</b>	<b>0.1097 ¢/kWh</b>	<b>4/1/2018</b>
	<b>GS-2</b>	<b>0.1144 ¢/kWh<sup>1</sup>, \$0.415/ \$/kW<sup>1</sup></b>	<b>0.1162 ¢/kWh<sup>1</sup>, \$0.418/ \$/kW<sup>1</sup></b>	<b>4/1/2018</b>
	<b>GS-2T</b>	<b>0.1144 ¢/kWh, \$0.415/ \$/kW<sup>2</sup></b>	<b>0.1162 ¢/kWh, \$0.418/ \$/kW<sup>2</sup></b>	<b>4/1/2018</b>
	<b>GS-3</b>	<b>0.425 \$/kW<sup>3</sup></b>	<b>0.420 \$/kW<sup>3</sup></b>	<b>4/1/2018</b>
	<b>GS-4 Primary</b>	<b>0.431 \$/kW<sup>3</sup></b>	<b>0.407 \$/kW<sup>3</sup></b>	<b>4/1/2018</b>

<sup>1</sup>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 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.

<sup>2</sup> 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.

<sup>3</sup>Applied to On-Peak Electricity Supply Demand.