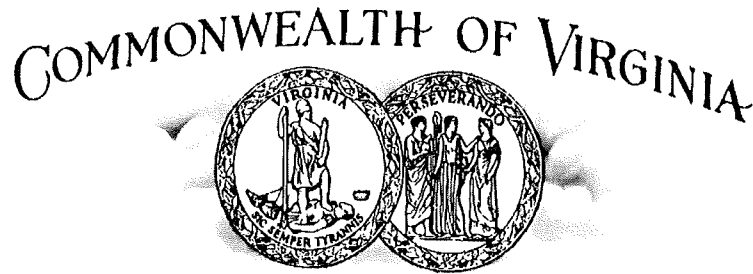


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**STATE CORPORATION COMMISSION
DIVISION OF UTILITY ACCOUNTING AND FINANCE**

February 5, 2020

The Honorable Jerrauld C. Jones
Pocahontas Building, Room E420
900 East Main Street
Richmond, Virginia 23219

The Honorable R. Lee Ware
Pocahontas Building, Room E308
900 East Main Street
Richmond, Virginia 23219

Dear Delegates Jones and Ware:

I am writing in response to your request to the State Corporation Commission concerning the Fair Energy Bills Act ("HB 1132"). Please see below for answers to your questions.

1. If HB1132 were to become law, would Dominion Energy still recover all approved costs for any new projects it may undertake, including projects authorized under the Grid Transformation and Security Act (GTSA) of 2018?

Answer: Yes. See answer to number 3 below.

2. Would HB1132 delay cost recovery for any project undertaken by Dominion, including projects authorized under the GTSA?

Answer: No.

3. Under HB1132, what cost recovery mechanisms can Dominion Energy use for any such projects?

Answer: Dominion Energy may opt to recover project costs through either base rates or a rate adjustment clause.

4. Under HB1132, if the Commission finds that there are overearnings in the 2021 rate case, will the Commission have the authority to refund overearnings to customers instead of allowing the company to accelerate cost recovery via a Customer Credit Reinvestment Offset (CCRO)?

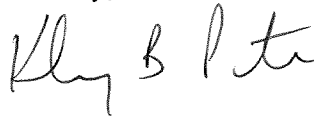
Answer: Yes.

5. Is it accurate that under HB1132, all rate cases after 2021 will occur pursuant to Chapter 23 with CCROs available as a mechanism to accelerate cost recovery?

Answer: Yes. HB1132 does not apply to any rate proceeding other than the 2021 triennial review.

Please let me know if you have any other questions.

Sincerely,



Kimberly B. Pate
Director Utility Accounting and Finance