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October 9, 2019

Via eFiling

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: *Virginia Electric and Power Company*
Informational Filing of Revised 2019 Annual Update
Docket No. ER09-545-000**

Dear Secretary Bose,

Virginia Electric and Power Company d/b/a Dominion Energy Virginia (“Dominion” or “Company”) hereby submits for informational purposes revisions to its 2019 Annual Update Informational Filing which was filed on January 15, 2019 in accordance with Section 1 of Attachment H-16B (“Protocols”) included in the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”).¹ These subsequent changes to the 2019 Annual Update Informational Filing do not require Commission action.²

I. 2019 Annual Update Informational Filing

On January 15, 2019, in accordance with the Protocols, Dominion submitted an informational filing with the 2019 Annual Update to the Commission.³ Attachment A of the 2019 Annual Update was divided into two parts:

¹ Attachment H-16B may be found under PJM’s “Intra-PJM Tariffs” title in eTariff, available here: <https://etariff.ferc.gov/TariffBrowser.aspx?tid=1731>. Attachment H-16B was approved by Federal Energy Regulatory Commission (“FERC” or the “Commission”) orders dated April 29, 2008 in Docket Nos. ER08-92-000, et al. (Va. Elec. and Power Co., 123 FERC ¶ 61,098 (2008)), and December 15, 2008 in Docket Nos. ER08-92-004, et al. (Va. Elec. and Power Co., unpublished letter order issued on December 15, 2008 in Docket Nos. ER08-92-004 and ER08-92-005).

² See PJM OATT at Attachment H-16B, Section 1(c) (“VEPCO shall cause the Annual Update, as revised pursuant to the procedures set out above, to be included in an informational filing with the Commission by no later than January 15. This filing will not require Commission action.”).

³ Va. Elec. & Power Co., Docket No. ER09-545-000, Informational Filing of 2019 Annual Update (filed Jan. 15, 2019) (“2019 Annual Update”).

Part 1 – The transmission formula based on 2019 projections, which includes the Annual Transmission Revenue Requirement (“ATRR”) for 2019, Network Integration Transmission Service (“NITS”) rate for 2019, True-Up Adjustment for 2017, and Network Service Peak Load (“NSPL”) for 2019 (“2019 Projection”).

Part 2 – The transmission formula based on 2017 actual data, which is used to calculate the True-Up Adjustment for 2017, without interest (“2017 True-Up”).

The instant filing only includes changes to the 2019 Projection where necessary to recalculate the Projected Revenue Requirement including True-Up Adjustment, if applicable, for all Regional Transmission Enhancement Plan (“RTEP”) projects listed in Attachment 7 of the formula rate, as discussed further below.

II. Revisions to the 2019 Projection

A. Actual Revenue Requirements for the Previous Calendar Year

In accordance with Section 2 of the Protocols, the 2017 True-Up was posted on the PJM website on June 14, 2018. Various updates were identified and the 2017 True-Up was subsequently revised and on August 3, 2018 posted on the PJM website as “Revision 1 to the 2017 True-Up.” As an ongoing review of the 2017 True-Up formula rate process, additional updates were identified necessitating further revisions to the 2017 True-Up which were posted to the PJM website as “Revision 2 to the 2017 True-Up” on October 4, 2018.

Pursuant to Section 1 of the Protocols, the 2019 Projection was posted to the PJM website on September 17, 2018. Subsequently on October 5, 2018, as a result of Revision 2 to the 2017 True-Up, the 2019 Projection was modified and posted to the PJM website as “Revision 1 to the 2019 Projection.” Specifically, Revision 1 to the 2019 Projection included (1) an adjustment to reflect the Revision 2 of the 2017 True-Up ATRR actual costs,⁴ and (2) an adjustment to reflect the Revision 2 of the 2017 True-Up actual costs for each of the Underground Projects.⁵ Revision 1 to the 2019 Projection did not, however, include applicable adjustments to Attachment 7 based on actual project revenue requirement changes included in Revision 2 to the 2017 True-Up.

The 2019 Projection component of the 2019 Annual Update is being revised in order to recalculate the Projected Revenue Requirements for all RTEP projects listed in Attachment 7 in order to be consistent with the actual revenue requirements contained in Revision 2 to the 2017 True-Up. While the original 2019 Projection as posted to the PJM website on September 17, 2018 (and filed with the Commission on January 15, 2019 in accordance with the Protocols) contained the actual revenue requirements consistent with Revision 1 of the 2017 True-Up,

⁴ This adjustment was included in Attachment 6, Line A to the revised 2019 Projection.

⁵ This adjustment was included in Attachment 10, Line 13 to the revised 2019 Projection.

Revision 1 to the 2019 Projection⁶ still reflected the actual revenue requirements from Revision 1 to the 2017 True-Up, rather than the revenue requirements listed in Revision 2 of the 2017 True-Up.⁷ Accordingly, on Attachment 7 of the 2019 Projection, Dominion seeks to modify certain inputs located in order to match their corresponding inputs on Attachment 7 to Revision 2 to the 2017 True-Up.⁸ Updating these inputs to the 2019 Projection as described will correct the calculations for the Projected Revenue Requirements including True-Up Adjustment, if applicable, at the very bottom of Attachment 7.

Dominion has coordinated with PJM in order to implement the revised 2019 revenue requirements for RTEP projects in the bill for October 2019 service.

B. Project AK-5

Dominion discovered that the cost of Project AK-5 as reflected on Attachment 7 of the formula rate was understated by \$125,840 in the 2016 true-up calculation. Attachment B to this Revised 2019 Informational Filing, which is presented in three parts (Parts 1, 2, and 3), includes a 2016 true-up calculation incorporating the correct cost of Project AK-5 (Part 3), as well as the calculation of adjustments (Parts 1 and 2) to be included for 2019 to implement the correction to Project AK-5 attributed to 2016. The Project AK-5 revenue requirement adjustments resulting from this correction are incorporated into the formula rate calculations detailed in Attachment A, Part 1. Dominion took similar steps in its 2018 Informational Filing of the Annual Update when it discovered an overstatement for Project BB-5, and in its 2015 Informational Filing of the Annual Update when it discovered a cost understatement for Project AP-1. The correction to Project AK-5 does not change the ATRR or the NITS rate, and it is shown on page 48 of Attachment A, Part 1.⁹

As stated, Dominion has coordinated with PJM in order to implement the revised 2019 revenue requirements for all RTEP projects, including Project AK-5 in the bill for October 2019 service.

III. Documents Submitted with this Filing

Dominion submits the following documents for filing with this Revised 2019 Annual Update package:

⁶ As posted to PJM's website on October 5, 2018.

⁷ As posted to PJM's website on October 4, 2018.

⁸ Specifically, the changes on Attachment 7 to the 2019 Projection are to Line C (Actual Revenue Requirement without Incentive for Previous Calendar Year) and Line D (Actual Revenue Requirement with Incentive for Previous Calendar Year).

⁹ The costs of projects reflected in Attachment 7 to the formula rate are charged by PJM pursuant to Schedule 12 to the PJM OATT.

Attachment A, Part 1 – Revised 2019 Projection

Attachment B, Part 1 – Impact of Rate Adjustment to Project AK-5

Attachment B, Part 2 – Interest Component of the Adjustment to Project AK-5

Attachment B, Part 3 – Calculation of the Actual 2016 Revenue Requirement for Project AK-5

IV. Miscellaneous

This filing contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7) (2019).

Dominion has submitted this filing to PJM for posting on its website (www.PJM.com).

V. Conclusion

Thank you for your attention to this revised Informational Filing. Please direct any questions to the undersigned.

Respectfully submitted,

/s/ Anne K. Dailey

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CERTIFICATE OF SERVICE

I hereby certify on this 9th day of October, 2019, that a true and correct copy of the foregoing document was served upon each person designated on the official service lists compiled by the Secretary in these proceedings.

/s/ Miles H. Kiger

Miles H. Kiger

TROUTMAN SANDERS LLP