

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

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AT RICHMOND, NOVEMBER 25, 2025

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUR-2025-00058

For a 2025 biennial review of the rates, terms and conditions for the provision of generation, distribution and transmission services pursuant to § 56-585.1 A of the Code of Virginia

FINAL ORDER

This proceeding is a biennial review of Virginia Electric and Power Company's ("Dominion" or "Company") rates, terms, and conditions for the provision of generation, distribution, and transmission services pursuant to § 56-585.1 A of the Code of Virginia ("Code"). This case will set Dominion's base rates for the next two calendar years (*i.e.*, January 1, 2026, through December 31, 2027). In its Application, the Company requested a revenue increase of \$822 million for 2026, and a further incremental revenue increase of \$345 million for 2027. Dominion also proposed certain changes to its rate schedules and its terms and conditions of service.

In parallel with this proceeding, Dominion filed an application to revise its fuel factor pursuant to Code § 56-249.6.¹ While the details of that matter will be addressed more fully in the final order in Case No. PUR-2025-00059, the issue of capacity costs straddles both cases, as the Company proposes to shift these costs from base rates to the fuel factor.

¹ *Application of Virginia Electric and Power Company, To revise its fuel factor pursuant to Va. Code § 56-249.6, Case No. PUR-2025-00059, Doc. Con. Cen. No. 250520127, Application (filed Mar. 31, 2025).*

As proposed by the Company across the two applications—exclusive of fuel costs but inclusive of capacity costs—a typical residential customer² would experience a monthly bill increase of \$14.73, or 9.8%, in 2026 and an additional \$4.84, or 2.9%, in 2027.³

Pursuant to the Commission’s Order for Notice and Hearing: (1) Dominion provided public notice of its Application; (2) the Commission received public comments on the Application; and (3) the Commission convened a nine-day evidentiary hearing from September 2-12, 2025, which included testimony from public witnesses and participation by Dominion, Commission Staff (“Staff”), and certain parties filing as respondents herein.⁴

Post-hearing briefs were filed by Dominion, Staff, and the following respondents: Office of the Attorney General’s Division of Consumer Counsel (“Consumer Counsel”); Amazon Data Services, Inc.; Apartment and Office Building Association of Metropolitan Washington (“AOBA”); Appalachian Voices (“APV”); Clean Virginia; CloudHQ LLC; Data Center Coalition (“DCC”); Google, LLC (“Google”); Iron Mountain Data Centers, LLC; Microsoft Corporation; Piedmont Environmental Council; Retail Energy Advancement League; Sierra Club; U.S. Department of Defense and all other Federal Executive Agencies; Virginia Committee for Fair Utility Rates (“Committee”); and Walmart Inc. (“Walmart”).

² For these purposes, the typical residential customer is defined as one using 1,000 kilowatt-hours (“kWh”) per month.

³ *See, e.g.*, Dominion’s April 11, 2025, letter clarifying certain requests in the Application. The percentage change is calculated in comparison to the residential bill as of July 1, 2025, which was \$149.92. Ex. 6 (Dominion Response to OAG Interrogatory No. 12-237).

⁴ Pursuant to Commission order, the evidentiary hearing was combined with the evidentiary hearing for the Company’s fuel factor application in Case No. PUR-2025-00059.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows.⁵

There was considerable concern among the public, demonstrated through both written comments and public witness testimony, regarding the potential for an increase in rates, especially within the residential rate class. Two aspects in particular were often repeated: (1) that the motivating factors underlying the Company's request for a rate increase that would impact residential customers was designed primarily to subsidize data centers; and (2) that, given the price increases in food, shelter, and consumer goods generally over the last few years, any rate increase at this juncture should be disallowed.

Other portions of this order will address the specifics associated with large-load customers, including data centers. The Commission endeavors at every opportunity to allocate costs appropriately across all customer classes to ensure a reasonable result. The same holds true in this case.

The concern associated with rate increases generally, and at this juncture in particular, is understandable. However, many of the same inflationary, economic, and policy impacts that have affected other segments of the economy providing goods and services to consumers apply as well to companies providing electric service. The Company is not immune from current and projected increases in costs associated with raw materials and labor. As the utility regulator, we are obligated by law to set a revenue requirement that affords the Company an opportunity to

⁵ The Commission has fully considered the record, including the post-hearing briefs filed in this matter. The Commission directed that each post-hearing brief include a list of issues for which the participant requests a ruling. Tr. 2672. To the extent this Final Order does not speak to a particular issue or claim, the Commission has found (as supported by the record) that such is neither legally nor factually necessary and that the provisions approved herein are reasonable.

recover reasonable and prudent projected costs and earn a reasonable rate of return. In this case, that has resulted in an increase in rates, but not to the extent requested by Dominion.

2023-2024 EARNINGS REVIEW

The Commission is required to review the Company's 2023-2024 earnings in this biennial review. Based on the record in this proceeding, it is uncontested that Dominion's earned return for 2023-2024 was less than its authorized return on equity ("ROE") of 9.7% over that same period.⁶

2026-2027 BASE RATES

The Commission is required to revise Dominion's prospective base rates as necessary "to ensure the resulting base rates (a) are just and reasonable and (b) provide the utility an opportunity to recover its costs of providing services over the rate period . . . and earn a fair rate of return on its base rates[.]"⁷

The Commission finds an annual base rate revenue increase of \$565.7 million for 2026, followed by an annual base rate revenue increase of \$209.9 million for 2027, to be just and reasonable, and sufficient to provide Dominion an opportunity to recover its costs of providing services and earn a fair rate of return on its base rates.⁸ These base rate adjustments result in approximate monthly bill increases for a typical residential customer of \$11.24, or 7.5%, in 2026 and an additional \$2.36, or 1.5%, in 2027. This represents a decrease of \$3.49, or 23.7%, in

⁶ See, e.g., Ex. 89 (Myers Direct) at 14-15; Ex. 105 (McLeod Rebuttal) at 2.

⁷ Code § 56-581 C.

⁸ The rates approved herein shall take effect for service rendered on and after January 1, 2026, and January 1, 2027. A reconciliation from Dominion's requested revenue requirement, as set forth in its rebuttal testimony, to the revenue requirement approved herein is included as an Attachment to this Final Order.

2026 and \$2.48, or 51.2%, in 2027 from the Company's proposals as described above. In reaching this conclusion, the Commission made specific findings as discussed below.

RETURN ON EQUITY

The table below provides a summary of the ROE witness testimony presented in this proceeding.⁹

	<u>ROE Range</u>	<u>Recommended ROE</u>
Dominion	10.30% - 11.60%	10.40% ¹⁰
Clean Virginia	n/a	6.01% ¹¹
Committee	9.25% - 9.70%	9.50% ¹²
Consumer Counsel	8.75% - 9.75%	9.25%/9.50% ¹³
DCC	7.50% - 8.90%	8.90% ¹⁴
Staff	9.30% - 10.30%	9.80% ¹⁵

⁹ Respondents not included in the table did not present witness-sponsored testimony regarding the appropriate ROE for Dominion in this proceeding. The Commission notes, however, that while Google did not have a specific ROE recommendation, it recommended the Commission establish an ROE that reflects risk adjustment commensurate with specific High Load Proposals. Ex. 53 (Berry Direct) at 4, 55-56. Further, while AOBA did not make a specific ROE recommendation in pre-filed testimony, they stated that the Company's proposed capital structure and rates of return increase the Company's perceived revenue requirement and shift financial risk onto customers. Ex. 7 (Oliver Direct) at 4.

¹⁰ Ex. 14 (Nelson Direct) at 4.

¹¹ Ex. 61 (M. Ellis Direct) at 5-6. This ROE was based, at least in part, on a discounted cash flow result of 6.74% and a capital asset pricing model result of 5.45%, though no formal cost of equity range was provided in testimony. This ROE was recommended in conjunction with a 57.8% equity ratio. *Id.*

¹² Ex. 56 (Gorman Direct) at 5.

¹³ Ex. 69 (Woolridge Direct) at 4-5. Consumer Counsel's recommendation is dependent on the equity ratio used in the weighted average cost of capital. Consumer Counsel recommends a 9.25% ROE with a 52.1% equity ratio or a 9.5% ROE with a 50% equity ratio.

¹⁴ Ex. 38 (Garrett Direct) at 4-5. This ROE was recommended in conjunction with a 42.38% equity ratio. *Id.* at 7.

¹⁵ Ex. 80 (Gereaux Direct) at 2.

VPLC	n/a	$\leq 9.70\%$ ¹⁶
Walmart	n/a	$\leq 9.70\%$ ¹⁷

Based on the record in this proceeding and applicable law and precedent, the Commission finds that a cost of equity within a range of 9.3% to 10.3% fairly represents the actual cost of equity in capital markets for companies comparable in risk to Dominion seeking to attract equity capital. The Commission further concludes that, within that range, a specific ROE of 9.8% is fair and reasonable, supported by evidence in the record, and satisfies the standards set forth in *Hope* and *Bluefield*.¹⁸

In setting Dominion's fair ROE, the Commission is permitted to use "any methodology to determine such return it finds consistent with the public interest[.]"¹⁹ The Commission has previously recognized that "[t]here is no single scientific correct rate of return"²⁰ The Commission, however, is guided by the standards set forth in the United States Supreme Court's *Hope* and *Bluefield* decisions, which do not establish a particular method for determining an allowed ROE but, rather, require that the end result be sufficient to allow the utility to attract new capital on reasonable terms, maintain its financial integrity, and offer a return commensurate

¹⁶ Ex. 59 (Wiggins Direct) at 7-8. While the Virginia Poverty Law Center ("VPLC") did not conduct an ROE analysis, they opposed an increase in the Company's ROE.

¹⁷ Ex. 68 (Chriss Direct) at 5.

¹⁸ *Federal Power Comm'n v. Hope Natural Gas Co.*, 320 U.S. 591 (1944) ("*Hope*"); *Bluefield Water Works and Improvement Co. v. Public Service Comm'n of West Virginia*, 262 U.S. 679 (1923) ("*Bluefield*").

¹⁹ Code § 56-585.1 A 2 a.

²⁰ *Commonwealth ex rel. Div. of Consumer Counsel v. Potomac Edison Co.*, 233 Va. 165, 171 (1987) (quoting *Central Tel. Co. of Va. v. State Corp. Comm'n*, 219 Va. 863, 874 (1979)).

with other investments of comparable risks.²¹ The Commission finds that the result herein satisfies these standards.²²

CAPITAL STRUCTURE AND COST OF CAPITAL

The Commission approves Staff's recommended capital structure (which includes an equity ratio of 52.035%) and cost of debt, along with the ROE approved above, for rate setting purposes for the 2026 and 2027 rate years and applicable rate adjustment clauses.²³ We find that this reflects Dominion's "actual end-of-test period capital structure and cost of capital," and we do not find that the "debt to equity ratio of such capital structure is unreasonable."²⁴

PURCHASED CAPACITY EXPENSE

The Commission finds that it is reasonable at this time not to shift cost recovery of purchased capacity expenses from base rates to the fuel factor.²⁵ While this decision will alter the timing of the recovery of these costs vis à vis the Company's Application, it will not have an impact on the overall amount of these costs.

²¹ See, e.g., *Hope* at 602, 603 (finding, among other things, that "the [Federal Power Commission] was not bound to the use of any single formula or combination of formulae in determining rates" as the "rate-making function . . . involves the making of 'pragmatic adjustments.'").

²² This finding is supported by, among other things, the testimony in this proceeding from Staff witness Gereaux.

²³ See, e.g., Ex. 78 (Hunt Supp.) at 2-3. See also Code § 56-585.1 A 8 e.

²⁴ Code § 56-585.1 A 11.

²⁵ See, e.g., Ex. 29 (Gaskill Direct) at 10-14; Ex. 71 (R. Smith Direct) at 14-15; Ex. 53 (Berry Direct) at 48-50; Ex. 89 (Myers Direct) at 15-26; Ex. 92 (Myers Illustration of Capacity); Ex. 111 (Gaskill Rebuttal) at 21-25; Tr. 990-992 (Abbott), 1711-1715 (Myers).

SERVICE COMPANY BILLING PERCENTAGE

The Commission approves Dominion's service company billing percentage for Dominion Energy Services, Inc.²⁶ In addition, the Commission finds that, consistent with the current two-year biennial review cycle, the Company shall complete a lower of cost or market study every two years.²⁷

DSM-EE AND VO SALES REDUCTIONS

Dominion has not established the reasonableness of its forecasted sales reductions from demand-side management and energy efficiency ("DSM-EE") and voltage optimization ("VO") programs. Rather, based upon consideration of prior and current forecasts, the Commission finds that 66.7% of the current forecast is reasonably predicted to occur during the rate years.²⁸

We note with concern the Company's declining trend with respect to these programs.²⁹ While we elect to apply the prior year's percentage of that year's forecast in this case, holding the Company's expected performance steady, a simple regression analysis from 2022 through 2024 would suggest that a lower percentage would be expected. This trend was earlier observed in Case No. PUR-2023-00227, which noted that the Company was unsuccessful in meeting the thresholds set forth in Code § 56-596.2 B 2 b and c. If load growth unfolds as projected, it will become even more important for the Company to reverse the current trend and seek to meet the targets set forth in Case No. PUR-2023-00227.

²⁶ See, e.g., Ex. 71 (R. Smith Direct) at 31-34; Ex. 89 (Myers Direct) at 60-68; Ex. 105 (McLeod Rebuttal) at 13-15; Ex. 117 (Wenger Rebuttal) at 2-7.

²⁷ Tr. 1760-1761 (Myers).

²⁸ See, e.g., Ex. 107 (DSM/EE/VO Attainment); Tr. 2491-2498 (Frost); Dominion's Post-Hearing Brief at 9; Ex. 81 (S. Smith Direct) at 4-8.

²⁹ Ex. 107 (DSM/EE/VO Attainment); Tr. 2497-2498 (Frost); Staff's Post-Hearing Brief at 20-21.

OFFSHORE WIND INVESTMENT TAX CREDITS

The investment tax credits related to the Coastal Virginia Offshore Wind pilot project shall be amortized over the 2026-2027 two-year period.³⁰

DATA CENTER CAPITAL EXPENDITURES AND REVENUES

Dominion has not established that 100% of its forecasted data center expenditures are reasonably predicted to occur during the rate years. Rather, the Commission finds that the revenue requirement expenditures and revenues reflected in Ex. 86, Scenario 2 (Revenue Requirement Impacts of Incorporating Executed Electric Service Agreements (“ESA”) and Executed/Pending Construction Letters of Authorization), are reasonably predicted to occur.³¹

The size of individual large-load customers, their number, and the speed with which they are seeking to connect to the system, jointly present challenges for the Company, existing customers, and the grid at large not seen in decades, if ever. Scenario 2 presents a reasonable forecast of what is likely to occur over the course of the upcoming biennium. In 2027, all participants will have the benefit of two more years’ experience with these large-load customers, any initial impacts of the tariff design that we approve today, and potential technological innovations and other developments that could all impact the rate of growth of the projected load forecast.

Despite statements made during the hearing and on brief,³² a reduction in these forecasted expenditures from the Company’s proposal is not a disallowance. Should investments in this

³⁰ See, e.g., Ex. 71 (R. Smith Direct) at 39-41; Ex. 84 (Long Direct) at 32-33; Ex. 108 (Lee Rebuttal) at 24.

³¹ See, e.g., Ex. 70 (Norwood Direct) at 16-20; Ex. 84 (Long Direct) at 7-15; Ex. 89 (Myers Direct) at 37-45; Ex. 105 (McLeod Rebuttal) at 24; Ex. 114 (Blackwell Rebuttal) at 34-35; Ex. 120 (Locke Rebuttal) at 3-12; Ex. 134 (Baine Rebuttal) at 7; Tr. 1625-1636 (Long), 2466-2472 (Locke).

³² Tr. 2104, 2120 (McLeod); Dominion’s Post-Hearing Brief at (ii)-(iii).

area outpace those we have found reasonably likely to occur within the rate period, mechanisms exist to allow for their later recovery, presuming such costs are reasonable and prudently incurred. To the extent such mechanisms involve financing costs, the Commission has significant discretion regarding the period over which such costs ought to be recovered. Further, the establishment of the GS-5 rate class, below, will allow for a more accurate accounting of such costs.

Relatedly, the Commission directs the Company to implement the forecasting of large load, high load factor customer revenue and capital investments in its next biennial review as set forth in Ex. 93.

POWER DELIVERY O&M EXPENSES

The Commission approves the Power Delivery operations and maintenance (“O&M”) expenses forecasted by Dominion as reasonably predicted to occur during the rate years.³³

FOSSIL AND HYDRO PLANNED OUTAGE EXPENSES

Dominion has not established that 100% of its forecasted Fossil and Hydro Planned Outage expenses are reasonably predicted to occur during the rate years, and the Commission approves as reasonable Staff’s adjustments thereto.³⁴

DEFERRED FUEL BALANCE

The Commission approves Dominion’s correction that eliminates the inadvertent inclusion of the deferred fuel balance from rate base.³⁵

³³ See, e.g., Ex. 87 (Otwell Direct) at 23-26; Ex. 108 (Lee Rebuttal) at 21-23; Ex. 120 (Locke Rebuttal) at 11.

³⁴ See, e.g., Ex. 83 (Clayton Direct) at 12-13; Ex. 108 (Lee Rebuttal) at 18-19.

³⁵ See, e.g., Ex. 108 (Lee Rebuttal) at 13; Tr. 1782-1783 (Myers), 2109-2113 (McLeod).

POWER GENERATION CAPITAL SPEND

Dominion has not established that 100% of its forecasted Power Generation Capital Spend is reasonably predicted to occur during the rate years, and the Commission approves as reasonable Staff's adjustments thereto.³⁶

NUCLEAR PRODUCTION TAX CREDIT

For purposes of calculating the Nuclear Production Tax Credit, the Commission incorporates the Company's proposed service company billing percentage, and the cost of capital approved herein. The Commission approves Staff's remaining adjustments related to the Nuclear Production Tax Credit.³⁷

GRID TRANSFORMATION PLAN BENEFITS

The Commission approves the O&M expense reductions proposed by the Company to incorporate projected savings associated with its Grid Transformation Plan during the rate years.³⁸

NON-RECURRING CUSTOMER ACCOUNTS EXPENSE

The Commission approves Staff's adjustments to non-recurring customer accounts O&M expenses associated with the Company's new billing system and the development and implementation of the new residential bill redesign.³⁹

³⁶ See, e.g., Ex. 84 (Long Direct) at 16, 22-23; Ex. 119 (Green Rebuttal) at 3-5; Tr. 1638-1640 (Long), 2457-2459 (Green).

³⁷ See, e.g., Ex. 84 (Long Direct) at 29-31; Ex. 105 (McLeod Rebuttal) at 25-26.

³⁸ See, e.g., Ex. 89 (Myers Direct) at 55-59; Ex. 108 (Lee Rebuttal) at 19-21; Tr. 1770-1779 (Myers), 2130-2133 (Lee).

³⁹ See, e.g., Ex. 83 (Clayton Direct) at 15-16; Ex. 105 (McLeod Rebuttal) at 26-27.

PURCHASED CAPACITY REGULATORY ASSET

As recommended by Consumer Counsel and Staff, the Commission finds that the future ratemaking treatment, including recovery of any financing costs, associated with Dominion's Purchased Capacity Regulatory Asset shall be adjudicated in the Company's next biennial review.⁴⁰

ADVANCED METERING INFRASTRUCTURE AND CUSTOMER INFORMATION PLATFORM

The Commission approves Dominion's proposed costs for the Advanced Metering Infrastructure and Customer Information Platform projects.⁴¹ In addition, the Commission agrees with Staff that in proceedings where Dominion requests recovery of such costs, the Company shall – as part of its application – clearly and expressly identify any costs that exceed previously authorized cost caps, demonstrate the reasonableness of such costs, and request approval thereof.

LABOR O&M EXPENSE FACTOR

The Commission approves Dominion's Labor O&M Expense Factor of 55.451%, which is reasonably based on the three-year average from 2022-2024.⁴²

STORM EXPENSE NORMALIZATION

The Commission approves Dominion's continued use of a three-year average to normalize projected storm expenses for the rate years.⁴³

⁴⁰ See, e.g., Ex. 89 (Myers Direct) at 27-28; Ex. 105 (McLeod Rebuttal) at 27; Tr. 1469-70 (R. Smith), 1725-1726 (Myers).

⁴¹ See, e.g., Ex. 89 (Myers Direct) at 51-55; Ex. 105 (McLeod Rebuttal) at 15-18; Tr. 1771-1774 (Myers), 2107-2108 (McLeod).

⁴² See, e.g., Ex. 71 (R. Smith Direct) at 25-26; Ex. 108 (Lee Rebuttal) at 15-17.

⁴³ See, e.g., Ex. 71 (R. Smith Direct) at 41-45; Ex. 108 (Lee Rebuttal) at 23.

ANNUALIZED REVENUE AND CUSTOMER GROWTH

Unless otherwise modified by this Final Order, the Commission approves the annualized revenue and customer growth included by the Company.⁴⁴

OTHER CAPITAL INVESTMENTS AND DEPRECIATION/PROPERTY TAXES

Unless otherwise modified by this Final Order, the Commission approves Staff's adjustments to Other Capital Investments and Depreciation/Property Taxes.⁴⁵

CREDIT FACILITY FEES

The Commission approves Staff's adjustments to remove the increase to credit facility costs and fees resulting from Dominion's revised allocation methodology.⁴⁶

OTHER PAYROLL/BENEFITS

With the exception of the service company billing percentage addressed above, the Commission approves Staff's adjustments to the computation of payroll, benefits, incentive compensation, and payroll taxes.⁴⁷

NUCLEAR OUTAGE MAINTENANCE

The Commission approves Staff's adjustments to Nuclear Outage Maintenance costs.⁴⁸

⁴⁴ See, e.g., Ex. 88 (Otwell Supp.) at 1-2; Ex. 108 (Lee Rebuttal) at 9; Ex. 129 (Givens Rebuttal) at 6-9.

⁴⁵ See, e.g., Ex. 84 (Long Direct) at 24-29; Ex. 108 (Lee Rebuttal) at 11-12.

⁴⁶ See, e.g., Ex. 89 (Myers Direct) at 68-70; Ex. 108 (Lee Rebuttal) at 6.

⁴⁷ See, e.g., Ex. 83 (Clayton Direct) at 2-11.

⁴⁸ See, e.g., Ex. 83 (Clayton Direct) at 13-14; Ex. 85 (Long Supp.) at 4; Ex. 108 (Lee Rebuttal) at 17-18.

DEPRECIATION DEFERRAL-RELATED EXCESS DEFERRED INCOME TAXES

The Commission approves Staff's adjustments to project the amortization of Depreciation Deferral-Related Excess Deferred Income Taxes.⁴⁹

BELOW-THE-LINE COSTS

The Commission approves Staff's adjustments to remove "below-the-line" costs inadvertently recorded in the "above-the-line" operating accounts.⁵⁰

RIDER TRG PRICE DIFFERENTIAL REVENUES

The Commission approves Staff's adjustments to correct the market prices included in the computation of Rider TRG renewable energy certificate price differential revenues being removed from base rates.⁵¹

INTEREST INCOME

The Commission approves Staff's adjustments to Interest Income related to the Company's recent fuel securitization.⁵²

CAPITALIZED ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION

The Commission approves Staff's recommendation to cease removal of pre-1991 capitalized allowance for funds used during construction from the revenue requirement.⁵³

⁴⁹ See, e.g., Ex. 84 (Long Direct) at 38-39; Ex. 108 (Lee Rebuttal) at 7.

⁵⁰ See, e.g., Ex. 89 (Myers Direct) at 70-73; Ex. 108 (Lee Rebuttal) at 6.

⁵¹ See, e.g., Ex. 87 (Otwell Direct) at 26-27; Ex. 108 (Lee Rebuttal) at 5.

⁵² See, e.g., Ex. 89 (Myers Direct) at 73; Ex. 108 (Lee Rebuttal) at 8.

⁵³ See, e.g., Ex. 84 (Long Direct) at 37-38; Ex. 108 (Lee Rebuttal) at 6.

CASH WORKING CAPITAL

The Commission approves Staff's adjustments to the cash working capital lead/lag study and balance sheet analysis, as well as the Company's request to begin recovering generation rate adjustment clause-related cash working capital in base rates (excluding Rider OSW).⁵⁴

UPDATED ELIMINATION OF RATE ADJUSTMENT CLAUSES

The Commission approves Staff's adjustments related to the elimination of rate adjustment clause-related costs from base rate cost of service.⁵⁵

COAL PLANT EXPENDITURES

The Commission finds that it is reasonable: (1) not to disallow certain coal plant O&M, capital, and environmental costs; and (2) not to require preapproval of capital investments attendant to the Company's coal plants.⁵⁶

OTHER REVENUES

Unless otherwise modified by this Final Order, the Commission approves Staff's adjustments to incorporate corrections reflecting the level of revenues that are reasonably predicted to occur during the rate years.⁵⁷

JURISDICTIONAL AND CLASS COST OF SERVICE STUDIES

After almost a decade of flat-to-low growth, electricity consumption is forecast to increase markedly, and that increase is being driven by commercial and industrial customers—specifically, data centers. This evolution of the Company's load growth profile – in both source

⁵⁴ See, e.g., Ex. 84 (Long Direct) at 33-36; Ex. 108 (Lee Rebuttal) at 13, 24-25.

⁵⁵ See, e.g., Ex. 84 (Long Direct) at 6-7; Ex. 108 (Lee Rebuttal) at 5.

⁵⁶ See, e.g., Ex. 45 (Glick Direct) at 24-25; Ex. 119 (Green Rebuttal) at 10; Ex. 131 (Hinson Rebuttal) at 2-6; Tr. 935-936 (Glick).

⁵⁷ See, e.g., Ex. 87 (Otwell Direct) at 17-20; Ex. 129 (Givens Rebuttal) at 6-9.

and magnitude – make it appropriate at this time to begin the process of transitioning to a cost allocation methodology that takes this shift into account.

Accordingly, the Company shall develop – for consideration in its next biennial review – alternatives that transition away from the full Average & Excess (“A&E”) methodology for the allocation of plant costs. In its next biennial review, Dominion shall include class cost of service studies for the first step of this transition.⁵⁸ The Company, in consultation with Staff, shall investigate and develop three alternatives for such purpose. For example, one alternative shall be a modified A&E model that incorporates principles from a six-month (or higher) coincident peak allocation methodology. In addition, Dominion shall develop and prepare such studies in fully executable formats that can be fully replicated.

The Company’s A&E class cost of service study, updated to reflect the newly proposed GS-5 rate class, demonstrates that customers that will make up the GS-5 rate class contributed an overall per books rate of return of 6.28% for the end-of-test period ending December 31, 2024, which is the lowest return for all rate classes other than outdoor lighting.⁵⁹ With respect to the Company’s transmission function, the same study revealed that those same customers contributed a per books rate of return of 3.01%, which is the lowest return associated with the transmission function for all rate classes other than outdoor lighting.⁶⁰ The same study further

⁵⁸ This directive does not preclude participants in future proceedings from proposing alternative cost allocation methodologies.

⁵⁹ Ex. 126.

⁶⁰ *Id.* The Commission recognizes that transmission rates are currently set using a 12 coincident peak allocation methodology in the Company’s annual proceeding under Code § 56-585.1 A 4, whereas the cost of service studies presented in this proceeding are prepared using the Company’s A&E methodology, as illustrated in Ex. 126.

revealed that remaining GS-4 class customers pay relatively higher rates of return of 20.75% (overall per books) and 22.41% (transmission).⁶¹

Given the relatively low rate of return illustrated by the current cost of service study, with respect to the transmission function, for the new GS-5 rate class, the Commission anticipates examining transmission cost allocation in the next appropriate rate proceeding – the Company’s annual filing pursuant to Code § 56-585.1 A 4. Accordingly, and similar to the above, the Commission directs that the Company, in its next filing pursuant to Code § 56-585.1 A 4, shall develop and propose alternative cost allocations for such purpose. One alternative shall be the same modified A&E model that incorporates principles from a six-month (or higher) coincident peak allocation methodology. The statutory deadline for a Commission order pursuant to Code § 56.585.1 A 4 is compressed – three months from the date a petition is filed.⁶² Accordingly, the Commission directs a Staff-facilitated meeting, one-month in advance of the Company’s anticipated filing date, where interested parties may participate, and where the Company is encouraged to provide information regarding its investigation into alternative transmission cost allocation methodologies.

COST ALLOCATION, RATE DESIGN, AND TERMS AND CONDITIONS

REVENUE APPORTIONMENT

The Commission approves the Company’s proposed revenue apportionment for 2026 and 2027, as modified by Staff’s adjustments.⁶³ For the revenue requirement approved herein,

⁶¹ *Id.*

⁶² Code § 56-585.1 A 7.

⁶³ *See, e.g.*, Ex. 26 (Givens Direct) at Schedule 1; Ex. 98 (Blevins Direct) at 3-6, 35-36 (Tables 30 & 31).

Dominion shall proportionally adjust its revenue apportionment to maintain the relative percentages of revenue assigned to each customer class as recommended by Staff.⁶⁴

BASIC CUSTOMER CHARGES

As recommended by Staff, the Commission approves: (1) Dominion's proposed Basic Customer Charges for the GS-3, GS-4, and GS-5 customer classes; (2) the existing Basic Customer Charges for the Residential and GS-1 customer classes; and (3) Basic Customer Charges of \$31.90 and \$13.88 for the GS-2 and Church customer classes, respectively.⁶⁵

TIME-OF-USE RATES

The Commission approves Dominion's proposed time-of-use rates, except as modified by Staff's recommended changes to calculating the Basic Customer Charge.⁶⁶

GENERATION ADJUSTMENT DEMAND CHARGE

The Commission approves Dominion's rate design for Rate Schedules GS-2T, GS-3, 6, 6TS, and 10-Secondary, which includes the removal of the Generation Adjustment Demand Charge.⁶⁷

⁶⁴ See, e.g., Ex. 98 (Blevins Direct) at 38; Staff's Post-Hearing Brief at 48, n.249.

⁶⁵ See, e.g., Ex. 26 (Givens Direct) at 35-36, and Schedule 3; Ex. 98 (Blevins Direct) at 42-43, and Attachment RSB-4.

⁶⁶ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 26 (Givens Direct) at 38-39; Ex. 98 (Blevins Direct) at 42-43, 48-49.

⁶⁷ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 26 (Givens Direct) at 40; Ex. 98 (Blevins Direct) at 49-51.

OUTDOOR LIGHTING RATE SCHEDULE 28

The Commission approves Dominion's changes to Rate Schedule 28, as well as Staff's proposed adjustments thereto.⁶⁸

RATE SCHEDULE 1G

The Commission approves Dominion's proposal to make Schedule 1G a permanent tariff and to remove the 20,000 residential customer participation cap.⁶⁹ The Commission further directs the Company, as part of its compliance filing in this matter, to adjust the Schedule 1G rate design to be revenue neutral with Schedule 1.⁷⁰

RATE SCHEDULES MBR AND SCR

Rate Schedules MBR⁷¹ and SCR⁷² generally permit large loads – oftentimes data centers – to obtain generation service at a rate other than the cost-of-service rate. Rather, generation rates charged to Schedule MBR and SCR customers reflect the wholesale market rates – and not retail rates based on the Company's generation cost of service. To the extent that the applicable rate under Schedule MBR or SCR became significantly lower than the applicable cost-of-service rate for an extended period of time, this would result in such customers contributing less than their proportional share of revenues based on the standard tariff rates designed to serve such

⁶⁸ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 25 (Miller Direct) at 32, 35-38; Ex. 26 (Givens Direct) at 40-41; Ex. 98 (Blevins Direct) at 57-58.

⁶⁹ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 26 (Givens Direct) at 37-38; Ex. 97 (J. Ellis Direct) at 5-7.

⁷⁰ See, e.g., Ex. 97 (J. Ellis Direct) at 6-7; Ex. 129 (Givens Rebuttal) at 21-22; Tr. 1812 (J. Ellis).

⁷¹ Rate Schedule MBR is an experimental rate structured to reflect market-based rate pricing in the PJM wholesale market. Ex. 27 (Stuller Direct) at 10.

⁷² Rate Schedule SCR is a market-based pricing rate that is similar to MBR but only open to customers who are party to the SCR contract. Ex. 27 (Stuller Direct) at 12.

customers.⁷³ Moreover, customers eligible for Schedules MBR and SCR would have a clear financial incentive to migrate to such a lower rate in that circumstance. Staff and the Company agreed that cost shifting from Rate Schedules MBR and SCR customers to other customers can occur if two things happen: (i) MBR load is beyond Dominion's percentage of market purchases; and (ii) the MBR rate is lower than the standard tariff rate.⁷⁴ On the other hand, the Company and others testified that Rate Schedules MBR and SCR provide a natural hedge against the Company's short position on capacity and energy.⁷⁵ But, according to the Company, the benefits of the hedging effect exist only up to the amount of capacity and energy making up the Company's short position.⁷⁶

The Commission approves the Company's requests related to Rate Schedules MBR and SCR, subject to the following.⁷⁷ While not setting an explicit cap on participation in Rate Schedules MBR and SCR, the Commission expects that the Company will implement Rate Schedules MBR and SCR together in a reasonable and prudent manner, and not to the detriment of any other customers. To this end, the Company is directed to manage participation in Rate Schedules MBR and SCR so that they do not become oversubscribed such that the amount of participating load exceeds either the Company's short capacity or energy positions.⁷⁸ In

⁷³ See, e.g., Ex. 97 (Ellis Direct) at JAE-2.

⁷⁴ Tr. 742-743 (Gaskill), 1815 (Ellis), 2214-2215 (Gaskill).

⁷⁵ Ex. 27 (Stuller Direct) at 11; Tr. 1814 (Ellis).

⁷⁶ Tr. 742-744 (Company witness Gaskill describing an "overhedged" position).

⁷⁷ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 27 (Stuller Direct) at 12-13. The Commission denies further modifications to these rate schedules requested by respondents, including elimination of certain demand obligations. See, e.g., Ex. 41 (Bremser Direct) at 50; Ex. 55 (Lacey Direct) at 6-7, 47-48, 51; Tr. 848-849 (Bremser), 1124 (Lacey).

⁷⁸ See e.g., Tr. 1816-1817.

addition, the Company shall annually report to Staff the total customer load taking service under (1) Rate Schedule MBR, and (2) Rate Schedule SCR.

ADDITIONAL TARIFF CHANGES

The Commission approves Dominion's proposals: (1) to remove tariff language permitting meter reads in 10 kilowatt-hour increments;⁷⁹ (2) to remove references to Distribution kWh Charges for Non-Exempt Customers;⁸⁰ (3) to update the Monthly Facilities Charges, Interval Metering Charges, Installation/Removal Charges, Service Reconnection Charges, and Temporary Service Charges;⁸¹ and (4) to update the tax effect recovery factor (Rider D), subject to any modifications necessary based on the capital structure approved herein.⁸²

ADDITIONAL BIENNIAL REVIEW FINDINGS

As recommended by Staff, the Commission: (1) finds that the rates, tolls, charges, and schedules approved in this Final Order contain reasonable classifications of customers;⁸³ (2) approves the Company's proposed uprates to its Ladysmith, Remington, Bear Garden, and Possum Point units;⁸⁴ (3) directs Dominion to track, and to report annually to Staff, its solar fleet's availability factor over multiple years to better evaluate performance based on factors

⁷⁹ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 27 (Stuller Direct) at 5-6; Ex. 97 (J. Ellis Direct) at 2.

⁸⁰ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 27 (Stuller Direct) at 5, 7; Ex. 97 (J. Ellis Direct) at 3-4.

⁸¹ See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 27 (Stuller Direct) at 3-5; Ex. 97 (J. Ellis Direct) at 13-18.

⁸² See, e.g., Ex. 3 (Biennial Application) at Filing Schedule 41; Ex. 27 (Stuller Direct) at 5-6; Ex. 97 (J. Ellis Direct) at 10-11.

⁸³ See 2025 Va. Acts ch. 395. See, e.g., Ex. 103 (Pratt Direct) at 5-8.

⁸⁴ See, e.g., Ex. 8 (Green Direct) at 6-9; Ex. 81 (S. Smith Direct) at 10.

within the Company's control;⁸⁵ (4) directs Dominion to continue monitoring customer service performance to ensure that benefits of the new Customer Information Platform, Mobile App, and Redesigned Billing systems are realized, and that issues related thereto are reasonably resolved;⁸⁶ and (5) directs the Company to supplement its Filing Schedule 47 in future biennial review proceedings to provide a comparison of the trends in inflation with the trends in revenues generated from rate adjustment clauses under Code § 56-585.1 A 6.⁸⁷

LARGE LOAD INTERCONNECTION QUEUE

There was testimony at the hearing regarding the Company's new interconnection queue process for large load customers.⁸⁸ Although the Commission has exercised its discretion not to address comprehensive transmission planning or the allocation of transmission costs as part of this biennial review proceeding, we recognize, as noted in the concurrence of Case No. PUR-2024-00135, that such issues loom large.

Accordingly, in addition to directing an examination of cost allocation for transmission costs in the next appropriate transmission rate proceeding under Code § 56-585.1 A 4, the Commission further directs that the Company file its new large load interconnection queue process, along with supporting testimony, in a separate future proceeding at the Commission. The Commission finds that the public interest would be supported by a transparent process wherein the rules for the interconnection process of larger loads are subject to examination and approval in a formal proceeding. Other interested parties would have an opportunity to

⁸⁵ See, e.g., Ex. 96 (Joshapura Direct) at 11.

⁸⁶ See, e.g., Ex. 96 (Joshapura Direct) at 17-18.

⁸⁷ See, e.g., Ex. 98 (Blevins Direct) at 59; Tr. 1837-1839 (Blevins).

⁸⁸ Tr. 448-451 (Blackwell).

participate. The Commission anticipates that such a proceeding will occur on an expedited timeline and directs that the Company make such a filing on or before February 2, 2026. As part of its filing, the Commission encourages the Company to consider options allowing for faster interconnection of large loads that meet certain readiness or other reasonable criteria (*e.g.*, site readiness, proximity to generation, flexibility, etc.).

RATE SCHEDULE GS-5

The Company shall implement a new rate schedule, Rate Schedule GS-5, as set forth below, effective January 1, 2027. The Commission finds such to be just and reasonable, supported by the evidence, and permitted by law. Moreover, the Commission finds that the specific provisions approved herein reflect a reasonable classification and treatment of customers that are similarly situated based upon, among other things, cost causation and usage characteristics.⁸⁹

GS-5 RATE CLASS

The GS-5 rate class shall include customers with: (1) a measured or contracted demand of 25 megawatts (“MW”) or greater on a contiguous site; and (2) a measured or expected load factor of at least 75%.⁹⁰ The Commission likewise approves the Company’s proposals for: (a) measuring demand and load factor to determine if a customer falls within Rate Schedule

⁸⁹ Accordingly, unless specifically approved herein, the Commission has exercised its discretion (as supported by the record) to reject other proposals attendant to Rate Schedule GS-5, finding that such are neither legally nor factually necessary and that the provisions approved herein are reasonable.

⁹⁰ *See, e.g.*, Ex. 15 (Blackwell Direct) at 13; Ex. 20 (Haynes Direct) at 3-4; Ex. 27 (Stuller Direct) at Schedule 1; Ex. 114 (Blackwell Rebuttal) at 8-10. For purposes of analyzing the continued implementation of this new customer class, Dominion shall collect and submit the information recommended by APV in future biennial review proceedings. *See, e.g.*, APV’s Post-Hearing Brief at 10.

GS-5;⁹¹ and (b) permitting totalization at contiguous locations, but not aggregating accounts at the customer retail service level, for purposes of applying minimum demands.⁹²

CONTRACT

The contract provisions shall apply to customers taking initial service and signing an ESA on or after January 1, 2027.⁹³ The contract term shall be 14 years.⁹⁴ A customer may also include, within the contract term, a load ramp period not to exceed four years (with a minimum annual ramp of 20%).⁹⁵ If the customer continues to take service after the conclusion of the contract term, the minimum charges approved herein shall continue.⁹⁶ If the customer ceases operations or otherwise defaults on its agreement during the contract term, the customer shall be required to pay an exit fee covering any outstanding minimum charges over the remaining contract duration (subject to capacity reassignment as addressed below).⁹⁷

⁹¹ See, e.g., Ex. 15 (Blackwell Direct) at 13; Ex. 20 (Haynes Direct) at 3-4; Ex. 27 (Stuller Direct) at Schedule 1.

⁹² See, e.g., Ex. 27 (Stuller Direct) at Schedule 1; Ex. 111 (Gaskill Rebuttal) at 14-16; Ex. 130 (Stuller Rebuttal) at 9-10 and Rebuttal Schedule 2; Tr. 2200-2201 (Gaskill).

⁹³ See, e.g., Ex. 15 (Blackwell Direct) at 21-22; Ex. 114 (Blackwell Rebuttal) at 10-11; Ex. 130 (Stuller Rebuttal) at Rebuttal Schedule 2.

⁹⁴ See, e.g., Ex. 15 (Blackwell Direct) at 21-22; Ex. 114 (Blackwell Rebuttal) at 14-16; Ex. 130 (Stuller Rebuttal) at Rebuttal Schedule 2.

⁹⁵ See, e.g., Ex. 15 (Blackwell Direct) at 21-22; Ex. 114 (Blackwell Rebuttal) at 14-16; Ex. 130 (Stuller Rebuttal) at Rebuttal Schedule 2.

⁹⁶ See, e.g., Ex. 15 (Blackwell Direct) at 19; Tr. 2206-2207 (Gaskill).

⁹⁷ See, e.g., Ex. 15 (Blackwell Direct) at 22; Ex. 114 (Blackwell Rebuttal) at 17-18. To ensure that the minimum demand charges approved herein represent a firm contract floor, the Commission approves the additional exit fee provisions recommended by APV. See, e.g., Ex. 62 (Wilson) at 74-77. In addition, the Commission does not herein address how revenues from exit fees shall be treated in future rate proceedings; as recommended by Staff, in future biennial reviews Dominion shall report on all exit fee payments received and how the Company proposes to treat those payments for ratemaking purposes. See, e.g., Ex. 103 (Pratt Direct) at 21.

COLLATERAL REQUIREMENTS

The collateral requirements shall apply to customers taking initial service and signing an ESA on or after January 1, 2027.⁹⁸ The Commission approves the Company's proposed collateral requirement terms, including: (1) \$1.5 million/MW; (2) a reduction up to 70% based on the customer's established credit; (3) provisions for third-party guarantees and letters of credit; and (4) releasing 1/14th of the collateral requirement each year throughout the contract term.⁹⁹ In addition, cash collateral shall accrue interest while held by Dominion and shall be returned to the customer consistent with standard financial practices.¹⁰⁰

MINIMUM DEMAND CHARGES

The Commission approves Dominion's proposed minimum demand charges: (1) minimum distribution charge of 85% contracted demand; (2) minimum transmission charge of 85% contracted demand; and (3) minimum generation charge of 60% contracted demand.¹⁰¹

⁹⁸ See, e.g., Ex. 15 (Blackwell Direct) at 13, 15, 22-24; Ex. 114 (Blackwell Rebuttal) at 10-12; Ex. 130 (Stuller Rebuttal) at 10-11 and Rebuttal Schedule 2.

⁹⁹ See, e.g., Ex. 15 (Blackwell Direct) at 23-24; Ex. 111 (Gaskill Rebuttal) at 16-17; Ex. 114 (Blackwell Rebuttal) at 19-26; Ex. 130 (Stuller Rebuttal) at Rebuttal Schedule 2. The Commission clarifies that the specific collateral requirements required herein do not fall within, and are not precluded by, the general customer deposit provisions in 20 VAC 5-10-20. See, e.g., Dominion's Post-Hearing Brief at 3-4. Moreover, to the extent the Commission approves a specific tariff provision for a specific utility after notice and hearing, such supersedes any generally applicable regulation.

¹⁰⁰ See, e.g., Tr. 2373 (Blackwell).

¹⁰¹ See, e.g., Ex. 15 (Blackwell Direct) at 17-19; Ex. 27 (Stuller Direct) at 8-9 and Schedule 1; Ex. 111 (Gaskill Rebuttal) at 3-16; Ex. 130 (Stuller Rebuttal) at Rebuttal Schedule 2. In addition, while the Commission denies certain respondents' proposal to base the calculation of a customer's minimum demand obligations on a rolling 12-month average, we approve the request that Dominion include, in its Terms and Conditions, exemptions from minimum demand obligations to allow for necessary and planned maintenance. See, e.g., Ex. 40 (Joint High Load Proposal) at ¶ 2.d; Ex. 41 (Bremser Direct) at 37-39.

The Commission also approves the Company's proposal to exclude PJM capacity expense from the minimum generation demand charge.¹⁰²

Next, the Company has established that certain legacy customers present different risk and cost causation profiles, and the Commission approves the exemptions proposed by Dominion: (a) minimum demand charges shall not apply to a customer that was taking service from the Company prior to January 1, 2016; and (b) minimum generation demand charges shall not apply to a customer that as of January 1, 2025, was taking supply service from a competitive service provider ("CSP"), was a Schedule 10-Interruptible Service customer, or that formally notified the Company before January 1, 2025, that it intended to elect service from a CSP or under Schedule 10 prior to January 1, 2026.¹⁰³

Unless exempted per the above, the minimum generation demand charges shall apply to customers receiving service from a CSP.¹⁰⁴ Dominion must consider aggregate forecasted demand over a long-term planning period, must plan to meet those needs with supply resources that typically require many years to develop, and must construct generation to be ready to serve high load customers who are eligible to select a CSP in the future.¹⁰⁵ Accordingly, the Commission finds that the minimum generation demand charges shall apply to these new shopping customers. This will reasonably recover the fixed costs of the infrastructure that must

¹⁰² See, e.g., Ex. 111 (Gaskill Rebuttal) at 9-10.

¹⁰³ See, e.g., Ex. 15 (Blackwell Direct) at 18-19; Ex. 27 (Stuller Direct) at Schedule 1; Ex. 129 (Givens Rebuttal) at 36-37; Tr. 2188-2189 (Gaskill).

¹⁰⁴ The Commission also concludes that this finding is not inconsistent with the Company's currently approved Terms & Conditions of service. See, e.g., Dominion's Post-Hearing Brief at 37-38; Tr. 2406-2408 (Blackwell).

¹⁰⁵ See, e.g., Ex. 15 (Blackwell Direct) at 3-7; Ex. 111 (Gaskill Rebuttal) at 3-8; Tr. 2175, 2178-2181 (Gaskill); Dominion's Post-Hearing Brief at 34-35.

be available to serve those very same customers regardless of whether they choose to receive service from a CSP in the future.¹⁰⁶

CAPACITY REDUCTIONS

A customer on Rate Schedule GS-5 may reduce its contracted capacity during the contract term: (1) by up to 20% at no cost; and (2) by an additional 30% if another customer agrees to assume the associated capacity.¹⁰⁷ Each capacity reduction shall require a separate 36-month notice.¹⁰⁸ In addition, the Commission agrees that, prior to the effective date, existing customers who would be subject to the High Load Customer Terms and Conditions be allowed to adjust their contracted demand downward (one-time) without penalty.¹⁰⁹ Dominion shall track the total amount of capacity reductions and reassignments requested and implemented as of the date of this Final Order and shall provide Staff with an aggregated annual report identifying the same.¹¹⁰

Accordingly, IT IS ORDERED THAT:

(1) The Company's Application is granted in part and denied in part as set forth in this Final Order.

¹⁰⁶ See, e.g., Ex. 15 (Blackwell Direct) at 8-9, 18-19; Ex. 111 (Gaskill Rebuttal) at 3-8, 13-14; Dominion's Post-Hearing Brief at 42-43. The Commission further concludes that such finding is not prohibited by state or federal law. See, e.g., Dominion's Oct. 24, 2025, Brief Legal Memorandum.

¹⁰⁷ See, e.g., Ex. 15 (Blackwell Direct) at 19-21; Ex. 114 (Blackwell Rebuttal) at 12-14. The Company's currently available methods to reduce capacity shall continue until Rate Schedule GS-5 becomes effective. See, e.g., Ex. 15 (Blackwell Direct) at 20; Ex. 114 (Blackwell Rebuttal) at 14.

¹⁰⁸ See, e.g., Ex. 15 (Blackwell Direct) at 19-21. Customers may take direct actions to facilitate reassignment of unneeded capacity, including full contract reassignment accepting the current contract terms. See, e.g., Ex. 40 (Joint High Load Proposal) at ¶ 7.d; Tr. 453-457 (Blackwell). The Commission does not at this time direct the development of a dispute resolution process regarding capacity requests and reassignments.

¹⁰⁹ See, e.g., DCC's Post-Hearing Brief at v.

¹¹⁰ The Commission does not at this time rule on whether such information shall be deemed confidential, as well as to which future proceeding(s) such information may be deemed relevant.

(2) The Company shall comply with the directives set forth in this Final Order.

(3) For approved tariff changes effective January 1, 2026, the Company shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(4) For approved tariff changes effective January 1, 2027, the Company shall file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance, at least forty-five (45) days in advance of such effective date, as necessary to comply with the directives and findings set forth in this Final Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

(5) This case is dismissed.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

Final Order Revenue Requirement Reconciliation - 2026 Rate Year
(In Thousands of Dollars)

Line No.	Issue	Incremental Revenue Requirement		
		Combined	Generation	Distribution
1	Company Application (including Purchased Capacity Expense)	\$821,962	\$421,411	\$400,551
2	Company Rebuttal Adjustments	(\$115,129)	(\$105,625)	(\$9,505)
3	Company Rebuttal (including Purchased Capacity Expense)	\$706,833	\$315,787	\$391,046
4	Capital Structure and Cost of Capital	(\$957)	(\$409)	(\$548)
5	Return on Equity	(\$65,151)	(\$27,812)	(\$37,339)
6	Service Company Billing Percentage	-	-	-
7	DSM-EE and VO Sales Reductions	(\$8,694)	(\$5,459)	(\$3,235)
8	Offshore Wind Investment Tax Credits	(\$23,579)	(\$23,579)	-
9	Data Center Capital Expenditures and Revenues	(\$10,685)	(\$2,689)	(\$7,996)
10	Power Delivery O&M Expenses	-	-	-
11	Fossil and Hydro Planned Outage Expenses	(\$10,924)	(\$10,924)	-
12	Deferred Fuel Balance	-	-	-
13	Power Generation Capital Spend	(\$8,480)	(\$8,480)	-
14	Nuclear Production Tax Credit	(\$3,263)	(\$3,263)	-
15	Grid Transformation Plan Benefits	-	-	-
16	Non-Recurring Customer Accounts Expense	(\$4,688)	-	(\$4,688)
17	Purchased Capacity Regulatory Asset	(\$4,515)	(\$4,515)	-
18	Advanced Metering Infrastructure and Customer Information Platform	-	-	-
19	Labor O&M Expense Factor	-	-	-
20	Storm Expense Normalization	-	-	-
21	Other Payroll/Benefits	(\$295)	(\$205)	(\$90)
22	Nuclear Outage Maintenance	\$31	\$31	-
23	Cash Working Capital	\$60	\$230	(\$171)
24	Coal Plant Expenditures	-	-	-
25	Other Revenues	(\$26)	(\$4,455)	\$4,429
26	Commission-Authorized 2026 Incremental Revenue Requirement	\$565,667	\$224,259	\$341,408

Final Order Revenue Requirement Reconciliation - 2027 Rate Year
(In Thousands of Dollars)

Line No.	Issue	Incremental Revenue Requirement		
		Combined	Generation	Distribution
1	Company Application (including Purchased Capacity Expense)	\$1,166,962	\$628,897	\$538,065
2	Company Rebuttal Adjustments	(\$203,696)	(\$198,550)	(\$5,145)
3	Company Rebuttal (including Purchased Capacity Expense)	\$963,266	\$430,347	\$532,920
4	Capital Structure and Cost of Capital	(\$1,025)	(\$416)	(\$608)
5	Return on Equity	(\$69,744)	(\$28,340)	(\$41,403)
6	Service Company Billing Percentage	-	-	-
7	DSM-EE and VO Sales Reductions	(\$12,088)	(\$7,660)	(\$4,428)
8	Offshore Wind Investment Tax Credits	(\$23,579)	(\$23,579)	-
9	Data Center Capital Expenditures and Revenues	(\$38,413)	(\$12,854)	(\$25,559)
10	Power Delivery O&M Expenses	-	-	-
11	Fossil and Hydro Planned Outage Expenses	(\$9,682)	(\$9,682)	-
12	Deferred Fuel Balance	-	-	-
13	Power Generation Capital Spend	(\$15,683)	(\$15,683)	-
14	Nuclear Production Tax Credit	(\$7,580)	(\$7,580)	-
15	Grid Transformation Plan Benefits	-	-	-
16	Non-Recurring Customer Accounts Expense	(\$4,688)	-	(\$4,688)
17	Purchased Capacity Regulatory Asset	(\$4,515)	(\$4,515)	-
18	Advanced Metering Infrastructure and Customer Information Platform	-	-	-
19	Labor O&M Expense Factor	-	-	-
20	Storm Expense Normalization	-	-	-
21	Other Payroll/Benefits	(\$372)	(\$259)	(\$113)
22	Nuclear Outage Maintenance	(\$211)	(\$211)	-
23	Cash Working Capital	(\$37)	\$90	(\$127)
24	Coal Plant Expenditures	-	-	-
25	Other Revenues	(\$37)	\$1,999	(\$2,035)
26	Commission-Authorized 2027 Incremental Revenue Requirement	\$775,612	\$321,655	\$453,957
27	Less: Commission-Authorized 2026 Incremental Revenue Requirement	\$565,667	\$224,259	\$341,408
28	Commission-Authorized 2027 Rate Year Revenue Increase	\$209,946	\$97,397	\$112,549