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130620148

**PUBLIC VERSION**

**VIA HAND DELIVERY**

June 14, 2013

Mr. Joel H. Peck, Clerk  
c/o Document Control Center  
State Corporation Commission  
1300 East Main Street  
Tyler Building – First Floor  
Richmond, Virginia 23219

**Application of Virginia Electric and Power Company  
For revision of rate adjustment clause: Rider B, Biomass Conversions  
of the Altavista, Hopewell, and Southampton Power Stations, for the  
Rate Year Commencing April 1, 2014  
Case No. PUE-2013-00060**

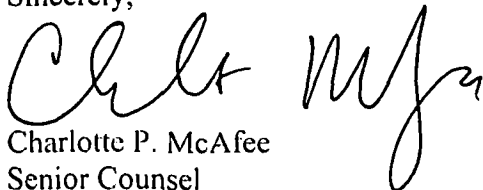
Dear Mr. Peck:

Enclosed for filing are an unbound original and five (5) copies of the Public (redacted) version of Virginia Electric and Power Company's Application in the above-referenced matter (consisting of one Public Volume). A confidential version of this filing is being filed under seal, under separate cover.

In addition, the Company's Motion for Entry of a Protective Order and Additional Protective Treatment in the above-referenced matter is being filed with the Commission under separate cover.

If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,



Charlotte P. McAfee  
Senior Counsel

Enclosures

cc: William H. Chambliss, Esq.  
C. Meade Browder, Jr., Esq.  
Kristian M. Dahl, Esq.  
Elaine S. Ryan, Esq.



# **Dominion<sup>®</sup>**

**Application, Direct  
Testimony, Exhibits  
and Schedules of  
Virginia Electric and  
Power Company**

**Before the State Corporation  
Commission of Virginia**

**For revision of rate adjustment  
clause: Rider B, Biomass  
Conversions of the Altavista,  
Hopewell and Southampton Power  
Stations, for the Rate Year  
Commencing April 1, 2014**

**Case No. PUE-2013-00060**

**Filed: June 14, 2013**

**PUBLIC VOLUME 1 of 1**

Application  
130620148

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

APPLICATION OF )  
 )  
VIRGINIA ELECTRIC AND POWER COMPANY )  
 ) Case No. PUE-2013-00060  
For revision of rate adjustment clause: Rider B, )  
Biomass Conversions of the Altavista, Hopewell, )  
and Southampton Power Stations, for the Rate Year )  
Commencing April 1, 2014 )

**VIRGINIA ELECTRIC AND POWER COMPANY'S  
RIDER B ANNUAL UPDATE FILING AND REQUEST FOR WAIVER**

Pursuant to § 56-585.1 A 6 of the Code of Virginia ("Va. Code") and the directive contained in Ordering Paragraph (6) of the Final Order issued by the State Corporation Commission of Virginia ("Commission") on March 22, 2013 in Case No. PUE-2012-00072,<sup>1</sup> Virginia Electric and Power Company ("Dominion Virginia Power" or the "Company"), by counsel, hereby submits its annual update filing with respect to its Rider B ("2013 Annual Update" or "Update") for the major unit modifications of the Altavista, Hopewell, and Southampton Power Stations from coal-burning generation facilities into renewable biomass generation facilities (collectively, the "Biomass Conversions" or "Conversions"). In support of this 2013 Annual Update, the Company respectfully shows as follows:

**GENERAL INFORMATION**

1. Dominion Virginia Power is a public service corporation organized under the laws of the Commonwealth of Virginia furnishing electric service to the public within its

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<sup>1</sup> *Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider B, Biomass Conversions of the Altavista, Hopewell and Southampton power stations for the rate year commencing April 1, 2013, Case No. PUE-2012-00072, Final Order (March 22, 2013). Hereinafter referred to as the "2012 Annual Update proceeding."*

certificated service territory. The Company also supplies electric service to nonjurisdictional customers in Virginia and to the public in portions of North Carolina. The Company is engaged in the business of generating, transmitting, distributing, and selling electric power and energy to the public for compensation. The Company is also a public utility under the Federal Power Act, and certain of its operations are subject to the jurisdiction of the Federal Energy Regulatory Commission. The Company is an operating subsidiary of Dominion Resources, Inc.

2. The Company's name and post office address are:

Virginia Electric and Power Company  
120 Tredegar Street  
Richmond, Virginia 23219

3. The names, post office addresses, and telephone numbers of the attorneys for the Company are:

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## BACKGROUND

4. On March 16, 2012, by its Final Order in Case No. PUE-2011-00073, the Commission approved the proposed Conversions as major unit modifications under Va. Code

§ 56-585.1 A 6 (“Subsection A 6”), and reissued amended certificates of public convenience and necessity for the Altavista, Hopewell, and Southampton Power Stations (the “CPCN Order”).<sup>2</sup>

The CPCN Order also authorizes the Company to recover in a timely manner costs associated with the construction of the Biomass Conversions, including projected construction work in progress and associated allowance for funds used during construction (“AFUDC”). For this purpose, the Commission approved a rate adjustment clause (“RAC”), designated Rider B, pursuant to Subsection A 6.

5. The CPCN Order states as follows with respect to the Conversions:

[B]ased on the record presented in this case, we find that: (i) the public convenience and necessity require the proposed Biomass Conversions; (ii) such Conversions will have no material adverse effect upon reliability of electric service provided by any regulated public utility; and (iii) such Conversions are not otherwise contrary to the public interest.

CPCN Order at 6.

6. The CPCN Order also states with respect to Rider B:

Rider B, as approved herein, shall become effective April 1, 2012. The Company shall file its annual Rider B application on or before August 1 of each year.

CPCN Order at 13, Ordering Paragraphs (4), (5).

7. On June 29, 2012, the Company submitted its application in Case No. PUE-2012-00072, requesting approval of an update to its rate adjustment clause, designated Rider B, pursuant to Subsection A 6 with respect to the Biomass Conversions. In its Order Approving Rate Adjustment Clause issued on March 22, 2013 (“2012 RAC Order”), the Commission directed the Company to file its annual update filing with respect to its Rider B “[o]n or before

<sup>2</sup> *Applications of Virginia Electric and Power Company, For approval and certification of the proposed biomass conversions of the Altavista, Hopewell, and Southampton Power Stations under §§ 56-580 D and 56-46.1 of the Code of Virginia and for approval of a rate adjustment clause, designated as Rider B, under § 56-585.1 A 6 of the Code of Virginia, Case No. PUE-2011-00073, Final Order at 12 (March 16, 2012). Hereinafter referred to as the “CPCN Order.”*

August 1, 2013.”<sup>3</sup>

8. Pursuant to the provisions of the Commission’s CPCN Order and the 2012 RAC Order, the Company files this annual Rider B Update to (1) inform the Commission of the status of the Biomass Conversions and their projected expenditures; and (2) present the Company’s proposed revenue requirement, proposed cost allocation, rate design, and accounting treatment for service rendered during a proposed rate year commencing on April 1, 2014 and extending through March 31, 2015 as related to Rider B and the Biomass Conversions.

## **BIOMASS CONVERSIONS AND EXPENDITURES UPDATE**

### **A. Status of the Biomass Conversions**

9. The Biomass Conversions are generally proceeding on schedule and under budget. As discussed in more detail below and in the testimony of Company Witness Robert B. McKinley, the Biomass Conversions are on schedule to be fully operational as biomass-fueled units by December 2013. The contract to provide engineering, procurement, and construction (“EPC”) services was executed with Crowder Construction Company on June 30, 2011. The contract to engineer and supply required boiler modification equipment was executed with Babcock and Wilcox Company on August 10, 2011. All major equipment has been procured and engineering is proceeding according to schedule. As of May 2013, Altavista site construction is almost complete, and commissioning of the wood yard has begun. Construction activities at Hopewell and Southampton have commenced.

### **B. Construction Expenditures**

10. As Company Witness Robert B. McKinley explains, the total forecasted costs for the Conversions have decreased \$8.4 million or 5.1% to \$157.4 million from the original budget case, as reported in the Company’s 2012 Annual Update proceeding. There have also been cost

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<sup>3</sup> 2012 RAC Order at 8.

variances from the original estimates both upward and downward within specific cost categories and subcategories, as would be expected for a project of this size and complexity. Mr. McKinley provides a description of the Biomass Conversions expenditures by budget categories and subcategories, as well as a discussion of any variances to earlier projections, as appropriate.

11. The updated budget forecast, which is included in the testimony of Robert B. McKinley, reflects actual capital expenditures through December 31, 2012, and projected capital expenditures for the remainder of the projects through the commercial operation dates in 2013, by budget item cost category, as well as totals. The monthly projections of capital expenditures detailed by Mr. McKinley were provided to Company Witness Mark C. Stevens for use in determining the revenue requirement in this 2013 Annual Update.

### **C. Operation and Maintenance and Capital Expenditures**

12. The Company maintains a five-year budget plan based on expected operating and maintenance (“O&M”) expenditures, including costs for operating levels, staffing, and planned outages. The Company also maintains a five-year budget plan for expected capital expenditures associated with station operations. Company Witness Sidney J. Bragg’s pre-filed direct testimony describes these expenditures in detail and provides the current Five-Year O&M Budget Plan and the current Five-Year Capital Budget Plan for the Biomass Conversions.

13. For the period beginning January 1, 2014 through March 31, 2015, the Company has projected post-commercial operations date (“COD”) O&M expenses of \$4,908,338 for Altavista, \$2,836,423 for Hopewell, and \$5,459,726 for Southampton. For the rate year beginning April 1, 2014 and ending March 31, 2015, the projected post-COD O&M expenses are \$9,356,633 for Altavista, \$12,326,674 for Hopewell, and \$9,227,191 for Southampton. These projections are based on expenses associated with expected staffing levels, training, and supplies



at the Stations necessary to support startup and commercial operations activities.

14. In addition, the Company has projected the post-COD capital expenditures for the Conversions as detailed in the testimony of Mr. Bragg. For the period beginning January 1, 2014 through March 31, 2014, the Company has projected post-COD capital expenditures of \$150,000 for Altavista, \$113,751 for Hopewell, and \$72,501 for Southampton. For the rate year beginning April 1, 2014 and ending March 31, 2015, the projected post-COD capital expenditures are \$604,500 for Altavista, \$454,997 for Hopewell and \$290,000 for Southampton. This information has been provided to Company Witness Mark C. Stevens for use in calculating the revenue requirement in this proceeding.

15. As part of this 2013 Annual Update, the Company respectfully requests that the Commission approve the updated expenditures for the Biomass Conversions, subject to subsequent true-ups, and find that such expenditures are reasonable and prudent in order to fulfill the Company's service obligations as a public electric utility.

## **BIOMASS CONVERSIONS ACCOUNTING UPDATE**

### **A. Rate of Return on Common Equity**

16. The Company has utilized an enhanced rate of return on common equity ("ROE") of 13.50% for purposes of calculating the revenue requirement in this 2013 Annual Update. This enhanced ROE is comprised of a general ROE of 11.50%, and a 200 basis points enhanced return as provided for in Va. Code § 56-585.1 A 6 for renewable powered generation facilities. The 200 basis points equity adder was approved by the Commission in its CPCN Order through the first five years of the Biomass Conversions' service lives.<sup>4</sup> On March 28, 2013, the Company filed evidence and direct testimony in its 2013 Biennial Review Filing, Case No. PUE-2013-00020, supporting a general rate of return on common equity of 11.50%, calculated pursuant to

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<sup>4</sup> CPCN Order at 9.

Va. Code § 56-585.1 A 2.<sup>5</sup> The Company requests that, pursuant to Subsection A 6, the general rate of return on common equity (before the addition of the Subsection A 6 adder) be applied over the rate year in this matter, with such rate of return being the rate approved by the Commission in the 2013 Biennial Review Filing.

### **B. Revenue Requirement Update**

17. The revenue requirement calculation updates the rate base projections, return on equity, capital structure, cost of capital and the Virginia jurisdictional demand allocation factor in Rider B from those used in the Company's 2012 Annual Update proceeding, Case No. PUE-2012-00072. As discussed in more detail in Mr. Stevens' testimony, the proposed rate year for this proceeding is from April 1, 2014 through March 31, 2015. Pursuant to Va. Code § 56-585.1 A 10 and consistent with the Commission's Order on Commission Staff's Motion in Limine dated July 14, 2009 in Case No. PUE-2009-00019, the 2013 Annual Update utilizes the December 31, 2012 end-of-test period capital structure and end-of-test period cost of capital ("Cost of Capital") for purposes of setting rates during the rate year.

18. The two key components of the revenue requirement are the Projected Cost Recovery Factor and the Actual Cost True-Up Factor. The Projected Cost Recovery Factor in this 2013 Annual Update takes the projected 13-month average rate base (for the month ending March 31, 2014 through the month ending March 31, 2015), and multiplies it by the Company's Cost of Capital. This calculation produces the projected financing costs for the Biomass Conversions for the projected average investment in rate base during the rate year plus income taxes on the equity component of the return. In addition, the Projected Cost Recovery Factor includes the projected operating costs for the Biomass Conversions during the rate year, which

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<sup>5</sup> *Application of Virginia Electric and Power Company for a 2013 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, Case No. PUE-2013-00020.*

costs are supported by the testimony of Company Witness Sidney J. Bragg. As shown in Mr. Stevens' testimony, the specific calculation of the aggregate Projected Cost Recovery Factor revenue requirement for the Altavista, Hopewell, and Southampton Power Stations totals \$21,100,000 for Virginia jurisdictional customers in this case.

19. In the 2012 Annual Update proceeding, the Staff proposed an alternative methodology for the recovery of O&M expenses for Rider B ("Staff Alternative"). Under the Staff Alternative, the Company would recover O&M expenses associated with legacy facilities (existing plant and equipment able to be used in the modified renewable biomass generation facilities) in base rates, and would recover O&M expenses associated with the major unit modifications through Rider B. As Company Witness Mark M. Stevens explains, the Company did not incorporate any components of the Staff Alternative in this filing, but is formally addressing the issue in the 2013 Biennial Review. Pursuant to the Commission's directive in Ordering Paragraph (3) of the 2012 RAC Order, on April 22, 2013, the Company filed supplemental testimony in the 2013 Biennial Review to address the Staff Alternative.<sup>6</sup>

20. The Actual Cost True-Up Factor will credit to or recover from customers any over/under recovery of costs from the most recently completed calendar year. In this 2013 Annual Update, actual revenues recovered during 2012 are compared to actual costs incurred during 2012, including the enhanced rate of return on common equity. Any difference in these amounts becomes the basis for the Actual Cost True-up Factor credited to or recovered from customers through the total revenue requirement requested in the rate year of this Update. For each facility, the Total Actual Revenue Requirement for each month of 2012 is determined to be the sum of the monthly actual amounts for the Projected Cost Recovery Factor and the Actual Cost True-Up Factor requested for recovery during the 2012 calendar year. The monthly Total

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<sup>6</sup> 2012 RAC Order at 8.

Actual Revenue Requirements are then compared to the monthly actual revenues collected from Virginia jurisdictional customers during 2012 as provided by the Company's Revenue Accounting department. The difference between the monthly Total Actual Revenue Requirements and the monthly actual revenues collected from Virginia jurisdictional customers is the monthly Under (Over) Recovery of Actual Costs during 2012. Inclusive of financing costs calculated as permitted by Subsection A 6 and approved by the Commission in Case No. PUE-2011-00067, the Actual Cost True-Up Factor revenue requirement is \$946,000, which is to be recovered from customers. The calculation of the Actual Cost True-Up Factor is described in detail in the testimony of Company Witness Stevens.

21. As Mr. Stevens' testimony explains, both the Projected Cost Recovery Factor and the Actual Cost True-up Factor include an allocated amount of capital overhead costs. Pursuant to the terms of the Stipulation and Addendum approved by the Commission in the 2012 Annual Update proceeding, the methodology used to calculate capital overheads in Rider B proceedings has been deferred for resolution in the Company's 2013 Biennial Review proceeding, with the Commission-approved indirect overhead allocation methodology to be implemented effective January 1, 2012. The Company filed direct testimony in the 2013 Biennial Review Filing supporting its revised methodology for indirect overhead cost allocation. The capital overhead cost methodology employed in this proceeding is in accordance with that presented for the Commission's consideration in the 2013 Biennial Review Filing.

22. The Projected Cost Recovery Factor revenue requirement also reflects the revenue produced by the sale of renewable energy certificates ("RECs") from the converted Altavista, Hopewell and Southampton Power Stations after they become operational in 2013. As Mr. Stevens' testimony explains, the revenue associated with these RECs will benefit all customers

as an offset to other operating expenses in Rider B.

23. For the rate year beginning April 1, 2014, the Company is therefore requesting an aggregate Projected Cost Recovery Factor revenue requirement of \$21,100,000 and an Actual Cost True-Up Factor revenue requirement of \$946,000 for this Rider B RAC. Thus, the total revenue requirement requested in the Company's 2013 Annual Update is \$22,046,000, proposed to be effective for usage on and after April 1, 2014.

### **RIDER B RATE DESIGN UPDATE**

#### **A. Revised Rider B Calculation**

24. The Company has calculated the revised Rider B rates in accordance with the same methodology as those rates approved in the 2012 Annual Update proceeding, Case No. PUE-2012-00072, as well as for Rider W for the Warren County Power Station (Case No. PUE-2012-00067); Rider R for the Bear Garden Generating Station (Case No. PUE-2012-00068); and Rider S for the Virginia City Hybrid Energy Center (Case No. PUE-2012-00071). The testimony of Company Witness Bonnie P. Horton details this methodology and the calculations.

#### **B. Revised Rider B Tariff**

25. The revised Rider B, which is sponsored by Ms. Horton, identifies the rates, in either cents per kilowatt-hour or dollars per kilowatt, that will apply to each Company Rate Schedule or special contract approved by the Commission pursuant to Va. Code § 56-235.2. If approved as proposed, the revised Rider B will be applicable for usage on and after April 1, 2014.

#### **C. Rider B Impact on Customer Bills**

26. The implementation of the proposed Rider B on April 1, 2014 will increase the residential customer's monthly bill, based on 1,000 kWh per month, by \$0.19. Ms. Horton's

testimony provides typical bill comparisons for Residential Schedule 1, General Service Schedules GS-1, GS-2, GS-3, and GS-4, and Church Schedule 5C, based on rates to be effective on or about November 1, 2013 for the post-COD period.

**PRE-FILED DIRECT TESTIMONY AND EXHIBITS  
SUPPORTING FILING SCHEDULE 46 AND REQUEST FOR PARTIAL  
WAIVER OF THE RATE CASE RULES FILING REQUIREMENTS**

27. In support of this 2013 Annual Update, Dominion Virginia Power presents herewith the pre-filed direct testimony and exhibits of the following witnesses: Robert B. McKinley, Sidney J. Bragg, Mark C. Stevens, and Bonnie P. Horton.

28. Rule 20 VAC 5-201-60 of the Commission's Rate Case Rules provides that an application filed pursuant to Subsection A 6 "shall include Schedules 45 and 46 as identified and described in 20 VAC 5-201-90, and which shall be submitted with the utility's direct testimony." The Company is submitting with this 2013 Annual Update Filing Schedule 46 in compliance with the Schedule instructions set forth in Rule 20 VAC 5-201-90 as follows, except to the extent waived by the Commission's Order for Notice and Hearing issued in the 2012 Annual Update proceeding, or to the extent addressed by the requested waiver discussed below.

**A. Filing Schedule 46**

29. Filing Schedule 46A, Statement 1, sponsored by Company Witness Robert B. McKinley, provides a schedule of projected construction costs by type of cost and year associated with Rider B. In addition, Schedule 46A, Statement 2, provides the documentation supporting these construction costs to the extent such information has changed through the first quarter of 2013, including all documents, contracts, studies, investigations or correspondence that support costs proposed to be recovered via the RAC. The Company is providing this updated supporting documentation as part of Schedule 46A pursuant to the Commission's July

23, 2012 Order for Notice and Hearing in the Company's 2012 Annual Update proceeding which granted the Company a limited, ongoing waiver specifically with respect to the portions of Filing Schedule 46 related to selection of the Biomass Conversions as the preferred alternative to meet the specified need for new generating capacity ("CPCN-related information") and permitted the Company to supplement this type of information required by Schedule 46 only to the extent it had changed since the Commission issued its Final Order in Case No. PUE-2011-00073.<sup>7</sup> Filing Schedule 46A, Statement 1, also satisfies the facility cost estimate requirement of subsection (f) of Filing Schedule 46.

30. Filing Schedule 46B, Statement 1, sponsored by Company Witness Sidney J. Bragg, provides schedules of the projected O&M and capital expenditures by type of cost and year associated with Rider B. In addition, Schedule 46B, Statement 2, provides the documentation supporting these O&M and capital costs, including all documents, contracts, studies, investigations or correspondence that support costs proposed to be recovered via the RAC.

31. Filing Schedule 46C, Statement 1, sponsored by Company Witness Mark C. Stevens, provides the annual revenue requirement for the rate year ending March 31, 2015. In addition, Filing Schedule 46C, Statement 2, provides the annual revenue requirement over the duration of the RAC, and Statement 3 provides documentation supporting Statement 2. Lastly, Filing Schedule 46C, Statement 4, provides a detailed description of all significant accounting procedures and internal controls that the Company has instituted to identify all costs associated with the Subsection A 6 RAC. Filing Schedule 46C, Statement 1, also satisfies the Biomass Conversions financing requirement of subsection (f) of Filing Schedule 46.

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<sup>7</sup> *Application of Virginia Electric and Power Company, For revision of rate adjustment clause: Rider B, Biomass Conversions of the Altavista, Hopewell and Southampton power stations for the rate year commencing April 1, 2013, Case No. PUE-2012-00072, Order for Notice and Hearing at 6 (July 23, 2012).*

32. Filing Schedule 46D, Statement 1, sponsored by Company Witness Bonnie P. Horton, provides the allocation of the revenue requirement and the rate design for the rate year ending March 31, 2015. In addition, Filing Schedule 46D, Statement 2, provides the annual revenue requirement by class over the duration of the RAC.

#### **B. Request for Waiver of Filing Schedule 45 Requirements**

33. The Company, for good cause shown and pursuant to 20 VAC 5-201-10 E, respectfully requests that the Commission waive, in part, the requirements of Rules 60 and 90 of the Rate Case Rules with respect to Filing Schedule 45 (Return on Equity Peer Group Benchmark). Specifically, the Company has requested in this Application that a determination of the general ROE that would apply to this RAC request be made in connection with the Company's 2013 Biennial Review, and the Company has filed testimony and other evidence in support of its requested ROE, including Filing Schedule 45 materials and analysis, in that filing. To promote judicial economy and efficiency of case administration, the Company requests a waiver of Filing Schedule 45's filing requirements in this proceeding, as information supporting the general ROE determination has been submitted in the 2013 Biennial Review Filing. For these reasons, and pending consideration of its procedural request, the Company respectfully requests that the Commission waive, for good cause shown, the requirements of 20 VAC 5-201-60 and 20 VAC 5-201-90 with respect to the submission of Filing Schedule 45 with this Application.

#### **REQUEST FOR CONFIDENTIAL TREATMENT**

34. The Company's 2013 Annual Update contains, at points so designated therein, confidential and/or redacted information, and the non-public version of this filing is being made under seal. Because portions of the Company's Update contain such confidential and/or redacted



information, in compliance with Rule 10 F and Rule 170, 20 VAC 5-201-10 F and 5 VAC 5-20-170, this filing is accompanied by a separate Motion for Entry of a Protective Order, including a form of Proposed Protective Order, filed by the Company under separate cover but contemporaneously with this 2013 Annual Update.

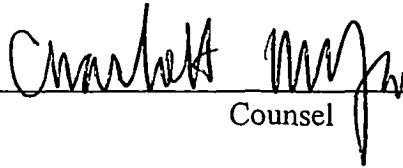
#### **COMPLIANCE WITH RULE 10 OF THE RATE CASE RULES**

35. The Company's 2013 Annual Update for approval of Rider B complies with the requirements contained in Rule 10 of the Rate Case Rules. In accordance with Rule 10 A, the Company filed with the Commission on March 28, 2013, the Company's notice of intent to file this Update under Va. Code § 56-585.1 A 6. Copies of the Public Version of this Update, to the extent required by Rule 10 J, along with the additional information required by Rule 10 J, have been served upon the persons addressed in that Rule. A complete copy of the Public Version of this Update has been served upon the Office of the Attorney General's Division of Consumer Counsel, in conformity with Rule 10 J. Also included with and following this Update, pursuant to Rule 10, is a table of contents of this filing, including exhibits and schedules.

#### **CONCLUSION**

WHEREFORE, the Company respectfully requests that the Commission (1) approve the proposed revenue requirement, cost allocation, rate design, and accounting treatment for service rendered on and after April 1, 2014 for the construction and operation of the Biomass Conversions; (2) establish a rate of return on common equity for the purpose of this proceeding at 13.50%; (3) approve the Company's proposed Rider B, to be effective on and after April 1, 2014; (4) grant the Company's requested waiver as to the filing requirement of Schedule 45; and (5) grant such other relief as deemed appropriate and necessary.

Respectfully submitted,

By:   
Counsel

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*Counsel for Virginia Electric and Power Company*

June 14, 2013

**FOR REVISION OF RATE ADJUSTMENT CLAUSE:  
PURSUANT TO CODE OF VIRGINIA § 56-585.1 A 6  
FOR THE BIOMASS CONVERSIONS OF THE  
ALTAVISTA, HOPEWELL, AND SOUTHAMPTON  
POWER STATIONS PROJECTS  
For the Rate Year Commencing April 1, 2014**

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Company Exhibit _____, SJB, Public Schedule 1 –	Five-Year O&M and Capital Budget Plans
Company Exhibit _____, SJB, Public Schedule 2 –	Projected Post-COD O&M Expenses January 1, 2014-March 31, 2014
Company Exhibit _____, SJB, Public Schedule 3 –	Projected Post-COD Capital Expenses April 1, 2014-March 31, 2015

**Direct Testimony of Mark C. Stevens**

Company Exhibit _____, MCS, Public Schedule 1 –	Revenue Requirement for the Rate Year April 1, 2014 through March 31, 2015
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**Direct Testimony of Bonnie P. Horton**

Company Exhibit _____, BPH, Schedule 1 –	Allocation of the Revenue Requirement for the Rate Year April 1, 2014 through March 31, 2015
Company Exhibit _____, BPH, Schedule 2 –	Rider B for the Rate Year April 1, 2014 through March 31, 2015
Company Exhibit _____, BPH, Schedule 3 –	Rider B, post-COD, April 1, 2013 through March 31, 2014
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**FOR REVISION OF RATE ADJUSTMENT CLAUSE:  
PURSUANT TO CODE OF VIRGINIA § 56-585.1 A 6  
FOR THE BIOMASS CONVERSIONS OF THE  
ALTAVISTA, HOPEWELL, AND SOUTHAMPTON  
POWER STATION PROJECTS  
For the Rate Year Commencing April 1, 2014**

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<b>Filing Schedule 46C</b>	<b>Sponsored by Company Witness Mark C. Stevens</b>
Statement 1	Annual Revenue Requirement for the Rate Year Ending March 31, 2015 (also satisfies subsection (f) of Filing Schedule 46)
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<b>Filing Schedule 46D</b>	<b>Sponsored by Company Witness Bonnie P. Horton</b>
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**CONFIDENTIAL VOLUME 1 of 6**

**Application**

**Direct Testimony of Robert B. McKinley**

Company Exhibit _____, RBM, Confidential Schedule 1 –	Project Cost Reports
Company Exhibit _____, RBM, Schedule 2 –	Project Cash Flows

**FOR REVISION OF RATE ADJUSTMENT CLAUSE:  
PURSUANT TO CODE OF VIRGINIA § 56-585.1 A 6  
FOR THE BIOMASS CONVERSIONS OF THE  
ALTAVISTA, HOPEWELL, AND SOUTHAMPTON  
POWER STATION PROJECTS  
For the Rate Year Commencing April 1, 2014**

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**Direct Testimony of Sidney J. Bragg**

- Company Exhibit \_\_\_\_, SJB, Confidential Schedule 1 – Five-Year O&M and Capital Budget Plans  
 Company Exhibit \_\_\_\_, SJB, Confidential Schedule 2 – Projected Post-COD O&M Expenses  
 January 1, 2014-March 31, 2014  
 Company Exhibit \_\_\_\_, SJB, Confidential Schedule 3 – Projected Post-COD Capital Expenses  
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**Direct Testimony of Mark C. Stevens**

- Company Exhibit \_\_\_\_, MCS, Confidential Schedule 1 – Revenue Requirement for the Rate Year  
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**Direct Testimony of Bonnie P. Horton**

- Company Exhibit \_\_\_\_, BPH, Schedule 1 – Allocation of the Revenue Requirement for the  
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 Company Exhibit \_\_\_\_, BPH, Schedule 2 – Rider B for the Rate Year April 1, 2014 through  
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**Filing Schedule 46A**

**Sponsored by Company Witness Robert B. McKinley**

- Statement 1 Construction Costs by Type of Cost and Year  
 (also satisfies subsection (f) of Filing Schedule 46)  
 Statement 2 Documentation Supporting the Construction Costs

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**Filing Schedule 46A**

**Sponsored by Company Witness Robert B. McKinley**

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<b>Filing Schedule 46B</b>	<b>Sponsored by Company Witness Sidney J. Bragg</b>
Statement 1	O&M and Capital Costs by Type of Cost and Year
Statement 2	Documentation Supporting O&M and Capital Costs including: <ul style="list-style-type: none"><li>• Part A – Altavista</li><li>• Part B – Hopewell</li></ul>

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<b>Filing Schedule 46B</b>	<b>Sponsored by Company Witness Sidney J. Bragg</b>
Statement 2	CONTINUED - Documentation Supporting O&M and Capital Costs including: <ul style="list-style-type: none"><li>• Part C - Southampton</li></ul>

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Statement 1	Annual Revenue Requirement for the Rate Year Ending March 31, 2015 (also satisfies subsection (f) of Filing Schedule 46)
Statement 2	Annual Revenue Requirement for Rate Years 2015 – 2040
Statement 3	Documentation Supporting Filing Schedule 46C, Statements 1 and 2
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<b>Filing Schedule 46D</b>	<b>Sponsored by Company Witness Bonnie P. Horton</b>
Statement 1	Allocation of the Revenue Requirement and the Rate Design for the Rate Year Ending March 31, 2015
Statement 2	Annual Revenue Requirement by Class for Rate Years 2015 – 2040