

Grid Transformation and Security Act Compared to Current Law

<u>Provision</u>	<u>Current Law (SB 1349)</u>	<u>Grid Transformation & Security Act</u>
Customer Bill Credits	Not applicable (0)	\$200 million (DEV)/\$10 million APCO
Tax Savings	Not able to pass through until 2021 (APCO) and 2022 (DEV)	\$125 million (Dominion)/\$50 million APCO effective 7-1-18; 2019 SCC “true up”
SCC review of utility earnings	No review of 2017-2019	2017 and all subsequent years reviewed
Energy Storage	No specific provisions	Energy storage pilot; energy storage on the utility side of the meter is part of the franchise
Utility over-earnings	100 percent retained by utility through end of the rate freeze; prior to the freeze and after 70 percent of over-earnings refunded to the customer	Refunds as under pre-rate freeze law, option to reinvest in grid transformation and renewable energy projects
Grid Transformation	No specific provisions	New grid transformation rider and reinvestment option—provisions for upfront prudence review
Energy Share	Expires in 2019	Expanded through 2028 and expanded to \$13 million/year (all shareholder funded)--\$130 million over 10 years
Energy Efficiency	No specific requirements, RIM test is key measure requiring a showing that all customers benefit not just participating customers, most programs are turned down	Programs now must pass three of four tests; Requires \$870 million in program filings by Dominion Energy over 10 years—total investment of \$1 billion (including \$130 million in Energy Share)
Renewable Energy	500 MW of solar in the customer interest; renewable energy subject to a higher threshold for approval (no “unreasonable” increase in customer rates)	5,000 MW of solar and wind (onshore or offshore) in the public interest—SCC still determines if projects are reasonable and prudent; separate public interest provisions for small solar (500 MW) and rooftop solar (50 MW) and offshore wind pilot (16 MW)—new re-investment option
Underground neighborhood power lines (Dominion Energy only)	Strategic undergrounding program subject to continued SCC rejection despite General Assembly legislation in 2014 and 2017—no sunset date	Sets cost parameters to support putting neighborhood lines underground (\$2 billion program cap) to prevent power outages—also provides for continued cable television service— sunset date of 2028