

REVISED SEPTEMBER 19, 2019

**NOTICE OF OPEN MEETING TO DISCUSS
THE 2020 ANNUAL UPDATE TO THE FORMULA RATE OF
VIRGINIA ELECTRIC AND POWER COMPANY**

To Interested Parties (as defined in Section 1.b. of the Formula Rate Implementation Protocols):

Virginia Electric and Power Company (VEPCO) will hold an open meeting regarding its 2020 Annual Update to its formula rate (including the true-up for 2018). The purpose of the meeting is to explain the Annual Update and provide Interested Parties with an opportunity to ask questions and seek information from VEPCO about the Annual Update. The update has been posted on the PJM Interconnection, L.L.C. (“PJM”) website.

To aid in the facilitation of the discussion at the meeting, VEPCO attaches hereto reconciliations* of the Annual Transmission Revenue Requirement between (1) the 2018 Projection as compared to the 2018 True-Up (“Attachment A”), and (2) the 2020 Projection in comparison to the 2019 Projection (“Attachment B”).

The open meeting will be held on Tuesday, September 24, 2019, beginning at 1:00 PM, in the west dining room of VEPCO’s office at 120 Tredegar Street (Riverside Building), Richmond, Virginia, 23219.† For those unable to attend in person, the following call-in number will be available:

Call-In Number: (866) 740-1260
Participant’s Passcode: 7714452#

To ensure we have adequate meeting accommodations, security arrangements, and call-in lines, please RSVP to Ryen Lawson (Ryen.N.Lawson@DominionEnergy.com) by noon on Friday, September 20, 2019. Please provide the following information with your RSVP:

1. Your name;
2. Your title;
3. Your company;
4. Your client(s), if applicable;
5. Your telephone number;
6. Your e-mail address; and
7. Your planned attendance (i.e., in-person or teleconference).

* As a result of the change in values reflected in the corrected 2020 Projection component of the Annual Update as posted to the PJM website on September 19, 2019, these reconciliations have accordingly been updated since the September 17, 2019 reposting of this meeting notice.

† From the downtown Richmond central business district:

Head south on 5th Street until it dead-ends at the James River.

Turn right (west) on Tredegar Street.

Follow Tredegar Street until you reach Dominion Energy’s security guard.

Follow the security guard’s instructions to find parking and the meeting room.

(Map at this [link](#).)

Virginia Electric and Power Company
NITS Formula Rate
2018 Projection vs. 2018 True-Up

2018 Projection as filed in FERC Docket No. ER09-545 on October 26, 2018
2018 True-Up as posted on PJM's website on June 14, 2019

	ATRR Impact (\$ in thousands)
2018 ATRR Projection excluding True-Up (as adjusted in October 2018)	910,972
Transmission Plant in Service	2,073
General & Intangible Plant	1,623
Plant Held for Future Use	1,423
Total Plant in Service	<u>5,119</u>
Transmission Accumulated Depreciation	3,159
General & Intangible Accumulated Depreciation	(800)
Total Accumulated Depreciation	<u>2,358</u>
Accumulated Deferred Income Taxes	(1,165)
Transmission Related Account 242 Reserves	(439)
Unamortized Excess/Deficient Deferred Income Taxes	(5)
Prepayments	39
Materials and Supplies	(154)
Cash Working Capital	173
Transmission Acquisition Adjustments	15
Total Rate Base Adjustments	<u>(1,536)</u>
Change in Total Return % on Projected Rate Base	(9,989)
Transmission O&M	13,413
Adjusted Administrative and General Expenses	7,817
Regulatory Commission Expenses (Account 928)	97
Property Insurance Expense (Account 924)	(4,046)
Total O&M Expenses	<u>17,281</u>
Transmission Depreciation Expense	18,088
General and Intangible Depreciation Expense	1,852
Total Depreciation Expense	<u>19,940</u>
Taxes Other Than Income	(1,732)
Income Tax Adjustments	(3,150)
Transmission Income Taxes	(159)
Total Transmission Income Taxes	<u>(3,309)</u>
Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 Projects	(34)
Revenue Credits	(1,139)
Rounding	(2)
2018 ATRR Actual excluding True-Up	<u><u>937,929</u></u>

Virginia Electric and Power Company
NITS Formula Rate
2020 Projection vs. 2019 Projection

2019 Projection as filed in FERC Docket No. ER09-545 on January 15, 2019

2020 Projection as posted on PJM's website on September 16, 2019, and as revised on September 19, 2019

	ATRR Impact <u>(\$ in thousands)</u>
2019 ATRR Projection excluding True-Up (as billed effective 1/1/19)	993,887
Transmission Plant in Service	60,969
General & Intangible Plant	605
Plant Held for Future Use	(184)
Total Plant in Service	<u>61,390</u>
Transmission Accumulated Depreciation	(13,611)
General & Intangible Accumulated Depreciation	(408)
Total Accumulated Depreciation	<u>(14,019)</u>
Accumulated Deferred Income Taxes	(4,397)
Transmission Related Account 242 Reserves	(152)
Unamortized Excess/Deficient Deferred Income Taxes	363
Prepayments	10
Materials and Supplies	(373)
Cash Working Capital	77
Transmission Acquisition Adjustments	(16)
Total Rate Base Adjustments	<u>(4,488)</u>
Change in Total Return % on 2019 Projected Rate Base	(8,511)
Transmission O&M	5,594
Adjusted Administrative and General Expenses	1,852
Regulatory Commission Expenses (Account 928)	120
Property Insurance Expense (Account 924)	159
Total O&M Expenses	<u>7,725</u>
Transmission Depreciation Expense	18,384
General and Intangible Depreciation Expense	486
Total Depreciation Expense	<u>18,870</u>
Taxes Other Than Income	4,236
Income Tax Adjustments	(2,131)
Transmission Income Taxes	10,887
Total Transmission Income Taxes	<u>8,756</u>
Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 Projects	(47)
Revenue Credits	502
Rounding	-
2020 ATRR Projection excluding True-Up	<u><u>1,068,301</u></u>