

REVISED SEPTEMBER 15, 2020

**NOTICE OF OPEN MEETING TO DISCUSS
THE 2021 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” or “the Company”) will hold an open meeting regarding its 2021 Annual Update to its formula rate (including the true-up for 2019). The purpose of the meeting is to explain the 2021 Annual Update and provide Interested Parties with an opportunity to ask questions and seek information from VEPCO about the 2021 Annual Update. The update will be posted on the PJM Interconnection, L.L.C. website by September 15, 2020.

To aid in the facilitation of the discussion at the meeting, VEPCO attaches hereto reconciliations of the Annual Transmission Revenue Requirement between (1) the 2019 Projection as compared to the 2019 True-Up (“Attachment A”), and (2) the 2021 Projection in comparison to the 2020 Projection (“Attachment B”).

The open meeting will be held on Tuesday, September 22, 2020, beginning at 1:00 PM. In an effort to comply with the Company’s ongoing precautions in response to the novel Coronavirus (or COVID-19) by limiting large in-person gatherings, VEPCO intends to only hold this year’s open meeting telephonically. 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, please RSVP to Ryen Lawson (Ryen.N.Lawson@DominionEnergy.com) by noon on Thursday, September 17, 2020. 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; and
6. Your e-mail address.

Virginia Electric and Power Company
NITS Formula Rate
2019 Projection vs. 2019 True-Up

2019 Projection as revised in FERC Docket No. ER09-545 on October 9, 2019 (originally filed on January 15, 2019)
2019 True-Up as posted on PJM's website on September 15, 2020

	ATRR Impact (\$ in thousands)
2019 ATRR Projection excluding True-Up	1,013,331
2019 ATRR Projection excluding True-Up*	993,887
Transmission Plant in Service	11,259
General & Intangible Plant	1,257
Plant Held for Future Use	800
Total Plant in Service	<u>13,317</u>
Transmission Accumulated Depreciation	1,764
General & Intangible Accumulated Depreciation	(646)
Total Accumulated Depreciation	<u>1,118</u>
Accumulated Deferred Income Taxes	643
Transmission Related Account 242 Reserves	(923)
Unamortized Excess/Deficient Deferred Income Taxes	3,728
Prepayments	27
Materials and Supplies	(433)
Cash Working Capital	266
Transmission Acquisition Adjustments	-
Total Rate Base Adjustments	<u>3,307</u>
Change in Total Return % on Projected Rate Base	(6,024)
Transmission O&M	4,648
Adjusted Administrative and General Expenses	27,076
Regulatory Commission Expenses (Account 928)	177
Property Insurance Expense (Account 924)	(5,561)
Total O&M Expenses	<u>26,340</u>
Transmission Depreciation Expense	2,617
General and Intangible Depreciation Expense	1,492
Total Depreciation Expense	<u>4,109</u>
Taxes Other Than Income	(1,264)
Income Tax Adjustments	1,549
Transmission Income Taxes	6,243
Total Transmission Income Taxes	<u>7,792</u>
Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 Projects	60
Facility Credits under Section 30.9 of the PJM OATT	14
Revenue Credits	(3,335)
Revenue Credits*	16,109
Rounding	1
2019 ATRR Actual excluding True-Up	<u>1,058,766</u>

*Corrected on September 22, 2020

Virginia Electric and Power Company
NITS Formula Rate
2021 Projection vs. 2020 Projection

2020 Projection as filed in FERC Docket No. ER09-545 on January 15, 2020

2021 Projection as posted on PJM's website on September 15, 2020

	ATRR Impact (\$ in thousands)
2020 ATRR Projection excluding True-Up (as billed effective 1/1/20)	1,064,828
Transmission Plant in Service	67,839
General & Intangible Plant	915
Plant Held for Future Use	345
Total Plant in Service	<u>69,099</u>
Transmission Accumulated Depreciation	(20,374)
General & Intangible Accumulated Depreciation	(299)
Total Accumulated Depreciation	<u>(20,673)</u>
Accumulated Deferred Income Taxes	46,125
Transmission Related Account 242 Reserves	(775)
Unamortized Excess/Deficient Deferred Income Taxes	(42,533)
Prepayments	22
Materials and Supplies	(117)
Cash Working Capital	116
Transmission Acquisition Adjustments	(17)
Total Rate Base Adjustments	<u>2,822</u>
Change in Total Return % on 2020 Projected Rate Base	2,709
Transmission O&M	6,473
Adjusted Administrative and General Expenses	7,210
Regulatory Commission Expenses (Account 928)	57
Property Insurance Expense (Account 924)	(2,208)
Total O&M Expenses	<u>11,532</u>
Transmission Depreciation Expense	21,388
General and Intangible Depreciation Expense	(342)
Total Depreciation Expense	<u>21,046</u>
Taxes Other Than Income	7,748
Income Tax Adjustments	3,916
Transmission Income Taxes	15,071
Total Transmission Income Taxes	<u>18,987</u>
Plus any increased ROE calculated on Attachment 7 other than PJM Schedule 12 Projects	8
Facility Credits under Section 30.9 of the PJM OATT	28
Revenue Credits	17,819
Rounding	-
2021 ATRR Projection excluding True-Up	<u><u>1,195,952</u></u>