

For Immediate Release

December 12, 2019

Del. Jones, Del. Ware Announce Bipartisan Fair Energy Bills Act

Legislation aims to address Virginia's energy burden crisis by restoring SCC authority

MEDIA CONTACT

Office of Delegate Jay Jones: Austin Smith, austin@jayjones.com, 757-625-8989

Office of Delegate Lee Ware: David A. Bovenizer IV, DelLWare@house.virginia.gov, 804- 598-6696

Richmond — Democratic Delegate Jay Jones of Norfolk and Republican Delegate Lee Ware of Powhatan introduced today the Fair Energy Bills Act, legislation that seeks to address rising electricity bills in Virginia, which are already the 7th highest in the nation. Speaking from the General Assembly building, the two legislators outlined their bipartisan bill that reestablishes a fair regulatory process for Dominion Energy, which under current laws has overcharged Virginians by at least \$1.3 billion since 2015:

- The **Fair Energy Bills Act** restores the full historic regulatory authority of the State Corporation Commission (SCC) for Dominion Energy's 2021 rate case.
- This will empower the SCC to examine Dominion Energy's earnings, set its allowed profit level, and direct the monopoly to lower rates and issue refunds if it overcharges customers.
- The **Fair Energy Bills Act** changes no other part of the SCC review process and does not prevent any funding for projects authorized under the 2018 Grid Transformation and Security Act.

In the 2021 rate case, the SCC will examine four years of Dominion's overcharges (2017-2020) and set Dominion's base rate and allowed profit level going forward. The next scheduled rate case is in 2024, meaning that billions of Virginian dollars are at stake in the 2021 ruling. The 2020 legislative session is the last chance the General Assembly has to restore the SCC with its proper, traditional regulatory authority prior to the 2021 rate case.

"The Fair Energy Bills Act puts the customer first - this legislation will restore proper oversight to the State Corporate Commission and allow for a fair and accurate assessment before the 2021 rate case. At its core, this bill is a consumer protection measure that will benefit ratepayers across the Commonwealth. I look forward to working with Delegate Ware and others to ensure its passage," Del. Jay Jones.

"Restoring to the State Corporation Commission (SCC) its rightful, full authority to adjudicate — without legislative interference — the rates charged by public-serving utilities that operate

within the Commonwealth has been an objective of mine for many years. To be able to cooperate with Delegate Jones and the principled advocates who have labored with us to prepare this legislation is a privilege for which I am deeply grateful. I firmly believe we will receive broad bipartisan support in this endeavor on behalf of the citizens of Virginia," Del. Lee Ware.

Southern Environmental Law Center and Virginia Poverty Law Center also voiced their support of the Fair Energy Bills Act:

"A good ratemaking system strikes a balance that delivers reliable electricity at the lowest reasonable rate while allowing the utility to earn a fair, but not unlimited, return. Virginia's system is broken, with monopoly profits far exceeding their authorized limits. This bill takes a big step towards repairing the damage," said Will Cleveland, Senior Attorney at Southern Environmental Law Center.

"Given that the 1990s was the last time there was a deeper review of what comprises the base rate for Virginia's largest electric utilities and given that rate-payers have paid off some items that had been part of the base rate, this type of bill would help ensure that the next regular rate review in 2021 is based on more accurate, up-to-date data, helping ensure electric utility customer rates set by the commission are more fair moving forward," said Dana Wiggins, Director of Outreach and Financial Advocacy at Virginia Poverty Law Center.

Del. Ware, who has represented the 65th House district since 1998, led a bipartisan consumer protection energy bill (HB 1718) in 2019 that Del. Jones, a second-term legislator and member of the Virginia Legislative Black Caucus representing the 89th House district, co-patroned. This legislation sought to establish a safeguard for Virginians from bearing the costs of pipeline projects that were either deemed to be not necessary or not the most cost-effective option to meet energy demand.

###