

STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 17, 2024

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APPLICATION OF

VIRGINIA NATURAL GAS, INC.

CASE NO. PUR-2024-00048

For an Annual Informational Filing for 2023

ORDER ON REQUEST FOR WAIVER

On March 27, 2024, pursuant to 5 VAC 5-20-110 of the Rules of Practice and Procedure¹ of the Virginia State Corporation Commission ("Commission"), and 20 VAC 5-205-10 E ("Rule 10 E"), of the Commission's Rules Governing Utility Rate Applications and Annual Informational Filings of Investor-Owned Gas Utilities ("Rate Case Rules"),² Virginia Natural Gas, Inc. ("VNG" or the "Company"), by counsel, filed a Motion For a Waiver of Requirement to File an Annual Informational Filing for 2023 ("Motion"). The Motion asks the Commission to (i) waive the requirement of 20 VAC 5-205-30 ("Rule 30"), of the Rate Case Rules that directs VNG to file an Annual Informational Filing ("AIF") for 2023 ("2023 AIF"), including any and all schedules required by Rule 30 of the Rate Case Rules; (ii) waive the requirement to submit Schedule 36 of the Rate Case Rules to the Commission's Division of Utility Accounting and Finance ("UAF") as a companion document to the 2023 AIF, as directed by the Commission in

¹ 5 VAC 5-20-10 *et. seq.*

² 20 VAC 5-205-5 *et. seq.*

Case No. PUR-2023-00034;³ and (iii) waive the requirement to file an earnings test for certain regulatory assets.⁴

In support of its Motion, VNG states that it intends to file an application for a general rate increase with the Commission on or after August 1, 2024, requesting an increase in its base rates and for the authority to revise the Company's terms and conditions applicable to its natural gas service, utilizing a test period for the twelve months ended December 31, 2023.⁵ The Company further states that the twelve-month period ending December 31, 2023 that is subject to review in the 2023 AIF overlaps with the period of time that will be used to adjust base rates in VNG's upcoming 2024 rate case.⁶ Thus, the Company requests that the Commission waive the requirement to file its 2023 earnings test on May 1, 2024, and direct the Company to include such information in the earnings test filed as part of its 2024 rate case.⁷

According to the Motion, Commission Staff has authorized VNG to represent that Commission Staff does not oppose the relief requested in this Motion.⁸

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that VNG's Motion is reasonable and should be granted as set forth herein.

³ *Application of Virginia Natural Gas, Inc. and The Southern Company For approval to enter into a tax allocation agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2023-00034, Doc. Con. Cen. No. 230540159, Order Granting Approval at 4 (App'x Req. 1) (May 18, 2023).

⁴ Motion at 1.

⁵ *Id.* at 2.

⁶ *Id.* at 3.

⁷ *Id.* at 3-4, citing *Application of Virginia Natural Gas, Inc. For a General Rate Increase and for Authority to Revise the Terms and Conditions Applicable to Natural Gas Service*, 2021 S.C.C. Ann. Rept. 214, 218, Case No. PUR-2020-00095, Final Order (Sep. 14, 2021).

⁸ Motion at 4.

Accordingly, IT IS ORDERED THAT:

(1) This case is hereby docketed and assigned Case No. PUR-2024-00048.

(2) Pursuant to Rate Case Rule 20 VAC 5-201-10 E and subject to the requirements delineated herein, VNG's waiver requests are granted. Specifically, the Commission grants waiver of: (i) the Rule 30 requirement that VNG file its 2023 AIF on or before May 1, 2024,⁹ including any and all schedules required by Rule 30;¹⁰ (ii) the requirement to submit Schedule 36 of the Rate Case Rules to UAF as a companion document to the 2023 AIF, as directed by the Commission in Case No. PUR-2023-00034;¹¹ and (iii) the requirement to file an earnings test for the certain regulatory assets specified herein.¹²

(3) VNG's waiver requests are conditioned upon the requirement that the Company file its 2024 base rate case, which shall include the 2023 earnings test and all supporting schedules.

(4) VNG shall file its 2024 Rate Case in this docket and shall include therein, all Schedules required by the Commission's Rate Case Rules,¹³ including but not limited to Schedule 36.

(5) This case is continued.

⁹ *Id.* at 1. *See also*, Application at 3, *citing Application of Virginia Natural Gas, Inc. For an Annual Informational Filing for 2021*, Case No. PUR-2022-00052, Doc. Con. Cen. No. 220410189, Order on Request for Waiver (Apr. 11, 2022).

¹⁰ Motion at 1.

¹¹ *Id.*, *citing Application of Virginia Natural Gas, Inc. and The Southern Company For approval to enter into a tax allocation agreement pursuant to Chapter 4 of Title 56 of the Code of Virginia*, Case No. PUR-2023-00034, Doc. Con. Cen. No. 230540159 Order Granting Approval at 4 (App'x Req. 1) (May 18, 2023).

¹² Motion at 1. *See also, Id.* at 3-4, *citing Application of Virginia Natural Gas, Inc. For a General Rate Increase and for Authority to Revise the Terms and Conditions Applicable to Natural Gas Service*, 2021 S.C.C. Ann. Rept. 214, 218, Case No. PUR-2020-00095, Final Order (Sep. 14, 2021).

¹³ 20 VAC 5-201-10 *et seq.*

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List of this matter. The Service List is available from the Clerk of the Commission.