

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 28, 2024

2024 JUN 29 12:01

240640057

APPLICATION OF

VIRGINIA NATURAL GAS, INC.

CASE NO. PUR-2023-00032

For an Annual Informational Filing for 2022

ORDER CLOSING PROCEEDING

On November 27, 2023, Virginia Natural Gas, Inc. ("VNG" or "Company") filed its application for an Annual Information Filing ("AIF") with the Clerk of the State Corporation Commission ("Commission"). The Company's AIF consisted of financial and operating data for the twelve months ended December 31, 2022 ("Test Year").

On May 6, 2024, the Staff of the Commission ("Staff") filed its Report ("Staff Report") on the Company's AIF. The Staff Report included both financial and accounting analysis.<sup>1</sup> Staff's earnings test analysis reflected an adjusted return on equity ("ROE") of 8.84% during the Test Year, which is below the Company's authorized ROE of 9.50%.<sup>2</sup> Accordingly, Staff determined that the Company's earnings were not sufficient to accelerate the amortization of its regulatory assets.<sup>3</sup> Staff recommends that no action be taken at this time concerning the Company's regulatory assets.<sup>4</sup>

On May 28, 2024, VNG filed a letter ("Response") advising that it agreed with certain of Staff's adjustments, but disagreed with others, including Staff's proposed capital structure.<sup>5</sup>

---

<sup>1</sup> Staff Report at 2-5.

<sup>2</sup> *Id.* at 3.

<sup>3</sup> *Id.* 3, 6.

<sup>4</sup> *Id.* at 6.

<sup>5</sup> *Id.* at 1-2.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds as follows. While VNG disagrees with certain Staff adjustments and proposed capital structure, VNG does not dispute Staff's overall conclusion that no further action is required in this proceeding. Accordingly, the Commission finds it unnecessary to rule at this time on the disputed issues and, there appearing nothing further to be done, this case should be dismissed.

Accordingly, IT IS SO ORDERED, and this case is dismissed.

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.