

**Virginia’s Electric Cooperatives
Proposed Amendments
to Virginia State Corporation Commission
Streamlined Rate Case Rules for Electric Cooperatives**

Introduction

Rappahannock Electric Cooperative, working together through the Virginia, Maryland & Delaware Association of Electric Cooperatives, has applied to the Virginia State Corporation Commission to amend the Streamlined Rate Case Rules for Electric Cooperatives, a set of administrative rules for setting electric rates.

Official Notice

VIRGINIA’S ELECTRIC COOPERATIVES

NOTICE OF PROPOSED RULEMAKING
CASE NO. PUR-2020-00023

On February 10, 2020, the Virginia, Maryland & Delaware Association of Electric Cooperatives (“VMDAEC” or “Association”) filed with the State Corporation Commission (“Commission”) an Application to Initiate a Rulemaking (“Application”) pursuant to 5 VAC 5-20-110 of the Commission’s Rules of Practice and Procedure (“Rules of Practice”). Specifically, VMDAEC seeks a rulemaking to revise the Cooperative Streamlined Rate Case Rules contained in 20 VAC 5-200-21(C) (the “Streamlined Rate Case Rules” or “Streamlined Rules”). According to VMDAEC, these revisions would assist electric cooperatives subject to regulation by this Commission by making ratemaking proceedings more efficient through the increased use of the Streamlined Rate Case Rules outside of a general rate proceeding.

VMDAEC states that the Association has worked through a collaborative process with various stakeholders to propose the revisions, which would:

- Limit streamlined cooperative rate increases to 4% of total operating revenues;
- Remove references to the Consumer Price Index (CPI-U) for purposes of calculating rate change minimums or maximums;
- Add a new and additional Times Interest Earned Ratio (TIER) limit of 2.5 (or other appropriate metrics), consistent with the Commission’s history of rate regulation for electric cooperatives;
- Allow for participation from member-consumers affected by rate changes;
- Remove references in the current rules that would limit use of the rules by the cooperatives in a period of years from their last general rate case;
- Limit use of the Streamlined Rules to no more than three (3) times in any ten (10) year period;
- Limit use of Streamlined Rules such that any such rate change approved by the Commission would also limit use of a cooperative’s statutory authority, limiting rate changes to once every three years (absent other order of the Commission); and

- Make other miscellaneous updates to the Streamlined Rules, including adding references to websites and the use of electronic mail in addition to traditional notification methods.

Interested persons are encouraged to review the Application for further details of the Association's proposals.

Copies of the Application and the Order Establishing Proceeding that the Commission entered in this case may be obtained by submitting a written request to counsel for the Association, Samuel R. Brumberg, Esquire, VMDAEC, 4201 Dominion Boulevard, Suite 101; Glen Allen, Virginia 23060, or via email to sbrumberg@vmdaec.com.

Copies of the Application and the proposed Streamlined Rules also are available for interested persons to review at the website of each Virginia Electric Cooperative. Interested persons also may download unofficial copies from the Commission's website and the Association's website: <http://scc.virginia.gov/pages/Case-Information> and <http://www.vmdaec.com/streamlined-rules/>.

On or before September 7, any interested person wishing to comment on the Association's Application may comment on or propose modifications or supplements to the Streamlined Rules by following the instructions available at the Commission's website: <https://scc.virginia.gov/casecomments/Submit-Public-Comments>. Refer to Case No. PUR-2020-00023. Any person needing to hand deliver or physically file or submit any pleading or other document may need to contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery, pursuant to the Commission's Rules of Practice, as amended by the Commission's COVID-related Revised Operating Procedures Order, available at the Commission's website at: <http://scc.virginia.gov/pages/Case-Information> and <https://scc.virginia.gov/docketsearch/DOCS/4lyc01!.PDF>.

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Copies of Application & the Proposed Streamlined Rate Case Rules

To review a copy of the Application and the proposed Streamlined Rate Case Rules, please [click here](#).