

Docket No. 25-057-06
DPU Data Request No. 11.03
Requested by the Division of Public Utilities
Date of EGU Response: July 8, 2025

DPU 11.03: In reference to Exhibit 4.21, Tab “4.21 101 Change” and the slides to the Technical Conference: The Division’s understanding is that the large difference between the 2025 Net Additions and the 2026 Net Additions for the FERC Account 378 is largely due to the 106 Account, as discussed in the Technical Conference, and a CWIP amount.

(1) In the Division’s understanding, the \$ 64,683,827 for the 2025 Net Additions for Account 378 is roughly based on the following: \$24.6 million from Account 106 (completed construction not classified), \$17.5 million from Account 107 (CWIP), and a remaining \$22.584 million (roughly) for “regular” account 101 items. (This is taken from the “2025-2026 GRC Technical Conference, Docket No. 25-057-06, June 10, 2025” slide 8). Please confirm this understanding, or correct if it is inaccurate.

(2) What are the expected in-service dates for the items in the “\$17.5 million Account 107” bucket? Please provide a list of these items, with expected in-service dates.

(3) Are items placed in Account 106 fully used and useful to the same degree as those in Account 101 (Plant in Service)? For example, one could imagine a scenario wherein the items in Account 106 were completed from a construction standpoint, but did not yet have gas flowing and were not yet being used by consumers. What is the triggering event that sends an item from the 107 Account to the 106 Account?

(4) Does depreciation work exactly the same for items in Account 106 and Account 101? If not, please explain the differences. For example, does depreciation accumulation begin as soon as the item is placed in Account 106?

(5) How long is an item typically in the 106 Account before it is reclassified to the 101 Account?

(6) What steps are needed for an item to be transferred from the 106 Account to the 101 Account?

Answer: (1) The \$64.6 increase for Account 378 is made up of \$27,983,381 for capital increase, (\$2,137,162) in retirements, \$48,586,013 from the 106 and 107 accounts from December 2024 that will move to the 101 account, and (\$9,748,404) for capital expenditures that the company is projecting to be left in the 107 account in 2025.

(2) The 17.5M that is included in the 107 account is the amount that was remaining in the account from 2024. The company anticipates construction will be completed during 2025, when it will be moved to the 106 account.

(3) Yes, items that are placed in the 106 account are fully used and useful. There is no difference between the 101 and 106 in terms of the completion status of the project in question.

(4) Yes, depreciation for the 106 is the same as depreciation for the 101.

(5) There is no formal policy requiring an asset to move from 106 to 101. The 106 balance grew over the years as accounting systems and personnel changed in the years following the move from Peoplesoft accounting to SAP/Powerplaner accounting under Dominion Energy. The Company has been working to reduce the time that projects remain in the 106, and is working on developing a process that will move all 106 balances from the 106 to the 101 within 12 months.

(6) The unit estimate in PowerPlan needs to be completed. Once the detailed unit estimate is completed detailing all assets that should be created, the high-level assets that are sitting in the 106 account are converted into detailed assets in the 101 account.

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