

LEGAL NOTICE

NOTICE TO THE PUBLIC OF CENTRAL VIRGINIA ELECTRIC COOPERATIVE'S APPLICATION FOR A STREAMLINED INCREASE IN RATES CASE NO. PUR-2024-00046

On May 6, 2024, Central Virginia Electric Cooperative ("CVEC" or "Cooperative") expects to file with the State Corporation Commission ("Commission") an application requesting approval of a proposed increase in rates and charges for bills rendered on and after June 5, 2024 ("Application"). The Cooperative is filing the Application pursuant to §§ 56-231.33, 56-231.34, 56-235, 56-236, and 56-585.3 of the Code of Virginia and under 20 VAC 5-200-21(C) of the Commission's Rules Governing Streamlined Rate Proceedings and General Rate Proceedings for Electric Cooperatives Subject to the State Corporation Commission's Rate Jurisdiction ("Streamlined Rate Case Rules").

CVEC is continuing to experience increased costs due to the required upgrading of substations and transmission lines as well as inflation and higher interest rates. Despite its efforts to control costs, CVEC has determined that it needs additional revenue to continue to meet its financial obligations and to provide high levels of reliability and customer service. CVEC's proposed rates are designed to increase the Cooperative's revenues by approximately \$4.6 million per year, an increase in total operating revenues for the Cooperative of 3.98%. Impacts on individual member bills may vary based on rate schedule and usage. Based on pro-forma year results, the proposed rates will produce a TIER (Times Interest Earned Ratio) of 2.2.

The Cooperative proposes the following changes to the rate schedule revenues:

Class (Rate Schedule)	Revenue Increase/Decrease Amount (\$)	Revenue Increase/Decrease Percentage (%)*
Schedule A – Farm and Home Service	\$3,647,481	4.50%
Schedule B – General Service	\$400,524	4.50%
Schedule LP – Large Power Service	\$452,273	3.25%
Schedule LPM – Large Power Market Service	\$18,000	.21%
Schedule SW – Seasonal Winter Service	\$10,395	3.25%
Schedule I – Commercial and Industrial Service	\$101,020	3.50%
Schedule SHL – Street, Highway and Homestead Lighting Service	\$0	0%
Total	\$4,629,693	3.98%
The figures represent the class percentage increase based on rates as of December 31, 2023. An individual member's increase will vary based on electricity usage and current power costs.		

Under the proposed rates, an average residential member using 1,000 kWh per month will see an increase of approximately \$7.50 per month, which represents a 4.5% increase in the monthly bill that includes the current Power Cost Adjustment rate.

The Application does not propose any wholesale power cost riders be rolled-in to base rates. Additionally, the Cooperative is not proposing revisions to its rate structure as part of the Application.

As noted above, the Cooperative intends to file the Application with the Commission on May 6, 2024. Any person subject to the change or changes proposed by CVEC has the right to request a hearing within 30 days of the Application's delivery to the Commission, or by June 5, 2024. Requests for hearing should be directed to the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. If the Commission receives objections from fewer than (i) 150 of the Cooperative's members; (ii) one-quarter of the members within a rate class that is the subject of a revision or increase; or (iii) all of the members within a rate class that is the subject of a revision or increase if the rate class contains 20 or fewer members, CVEC may petition the Commission to make rates permanent without hearing within 30 days after the Application is filed with the Commission. Specifically, CVEC intends to request in its Application that if the Commission does not suspend the proposed rates as provided in the Streamlined Rate Case Rules, CVEC be permitted to implement the proposed rates on a permanent basis without a hearing effective June 5, 2024.

The Commission may convene a hearing to consider the Cooperative's Application, and if a hearing is held, the Commission may order rate relief, redesign rates or adopt tariff revisions which differ from those appearing in CVEC's Application.

Interested persons are encouraged to review the Application and supporting documents for the details of these and other proposals and may download unofficial copies from the Commission's website: <https://www.scc.virginia.gov/pages/CaseInformation> once it is filed. Copies of the Cooperative's Application also may be inspected by appointment during regular business hours at each of the Cooperative's business offices in the Commonwealth of Virginia. Electronic copies of these documents also may be obtained, at no charge, by submitting a written request to counsel for the Cooperative: Timothy E. Biller, Esquire, Hunton Andrews Kurth LLP, Riverfront Plaza East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, tbiller@hunton.com.

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