

Dominion proposes utility bill changes for residential customers

Dominion Virginia Power customers can expect to see lower electricity bills this summer if a fuel rate proposal the company requested on May 4 is approved by the Virginia State Corporation Commission (SCC).

The company proposed a reduction in its fuel charge that would lower the monthly bill of a typical residential customer, who uses about 1,000 kilowatt-hours a month, by \$4.35, or about 3.8%. With the adjustment, the typical residential bill would have increased by just under 4% since July 2008—less than half the rate of inflation over the same eight-year period.

“At Dominion our goal is to operate at high levels of efficiency in order to keep bills low for our customers. We have done this, and the efficiency from our generating units, combined with the low cost of natural gas and the generally milder weather, has led to this positive announcement,” said Dominion Virginia Power president Robert M. Blue.

“Providing reliable and affordable energy in an environmentally responsible manner is our core mission, and this proposal to reduce customers’ bills is yet another step forward in our ongoing effort,” said Blue.

If approved, the new rate will take effect July 1. No change, up or down, can occur in company rates without approval of the SCC.

The fuel charge comprises about 20% of a typical residential bill. The company is not allowed to make any profit on the fuel charge, so customers only pay for the actual cost of power station fuels such as natural gas, coal, uranium and oil.

In a separate rate filing, the company proposed a small adjustment in the charge for the company’s new and upgraded transmission infrastructure. The proposed change would raise a typical residential customer’s bill by \$0.30, or about 0.3%, and take effect September 1, if approved.

Base rates, which comprise about 60% of a typical residential bill, remain frozen. With the proposed fuel and transmission rate changes, the company’s electric rates continue to be well below national, state and regional averages.