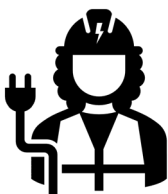


Committed to serving the people of the Commonwealth by safely providing **reliable, affordable, and increasingly clean energy.**



2.8M

Customer accounts (5M+ people, businesses, etc.)



16,000

Employees and contractors in Virginia



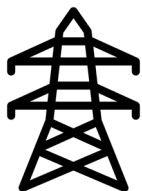
43

Years of EnergyShare customer assistance



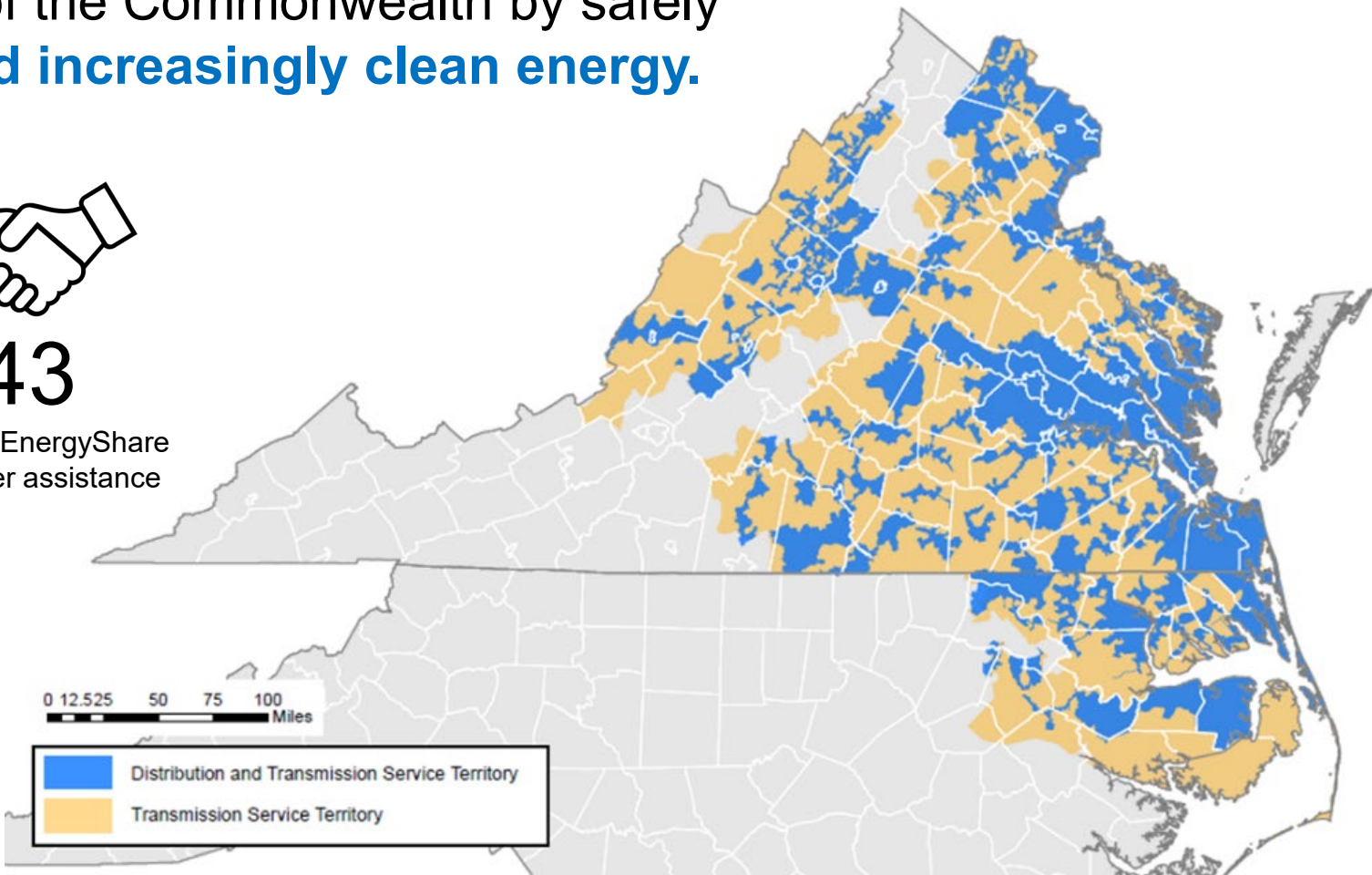
20,500+

Megawatts of power generation resources



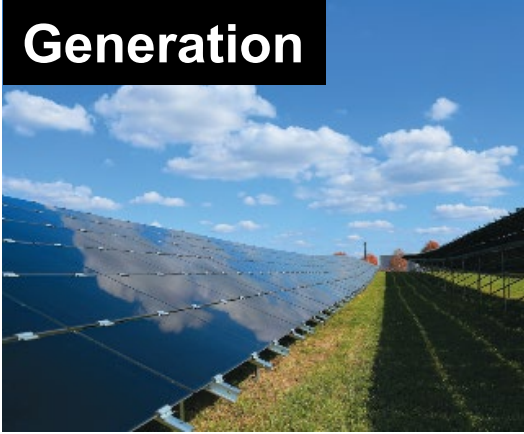
67,400

Miles of power lines (transmission+distribution)



Electric Utility Operational Segments

Generation



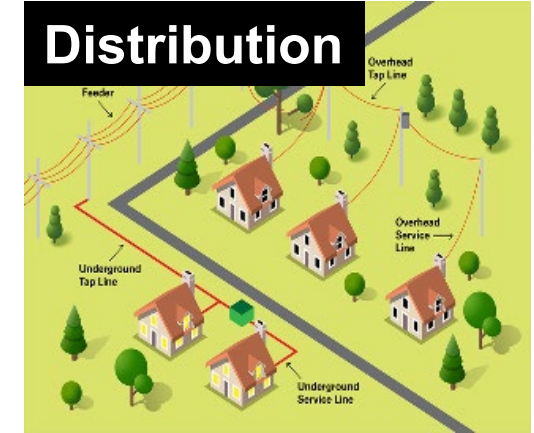
- Solar, wind, conventional hydro, biomass, nuclear, natural gas, coal, oil, etc.
- Purchased power from the wholesale (PJM) market
- Balance generation and load (customer demand)

Transmission



- Transmission lines distribute electricity at higher voltages
- Regional transmission network operated by PJM Interconnection
- Inter-state transmission also subject to federal regulation

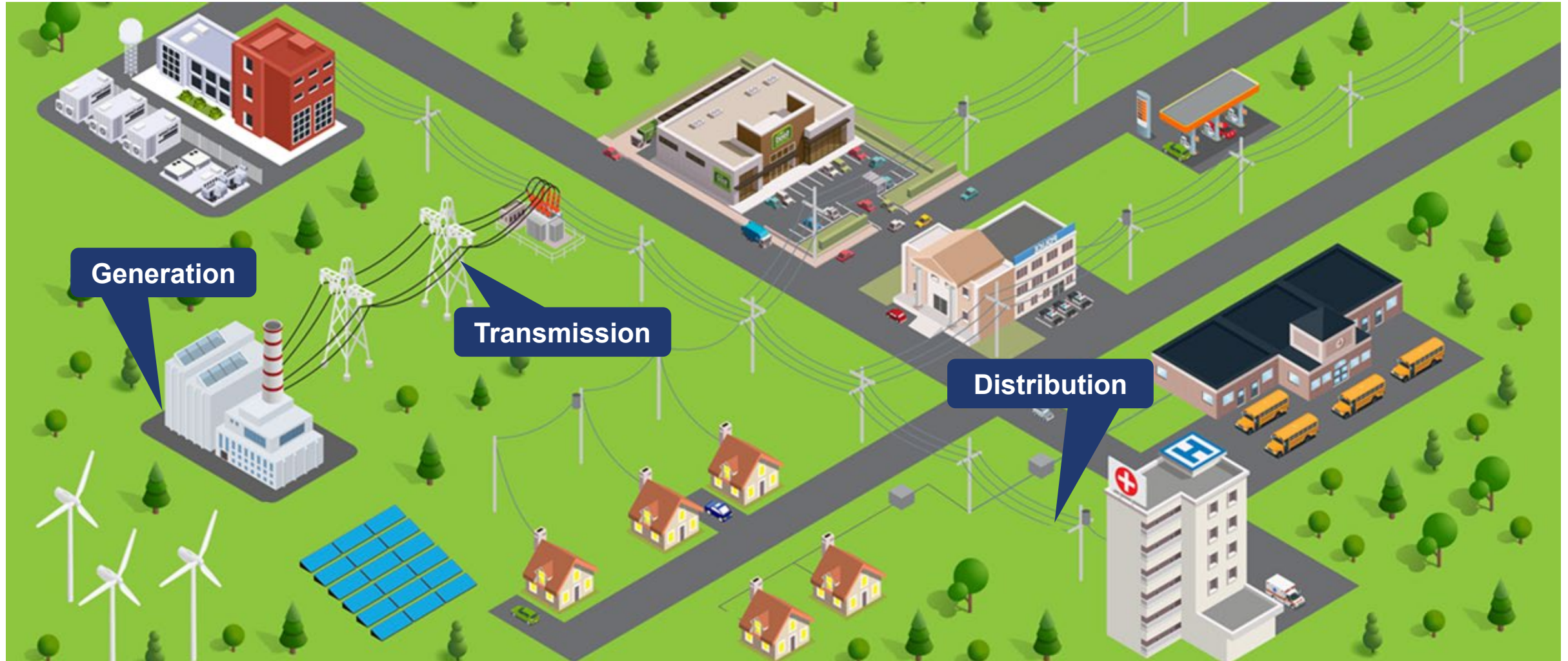
Distribution



- Distribution grid substations “step-down” to lower voltage
- Distribution main lines serve the majority of customers
- Neighborhood “tap lines” connect to individual end-use customers

The State Corporation Commission’s regulatory oversight covers all segments

The Flow of Power: Visualization



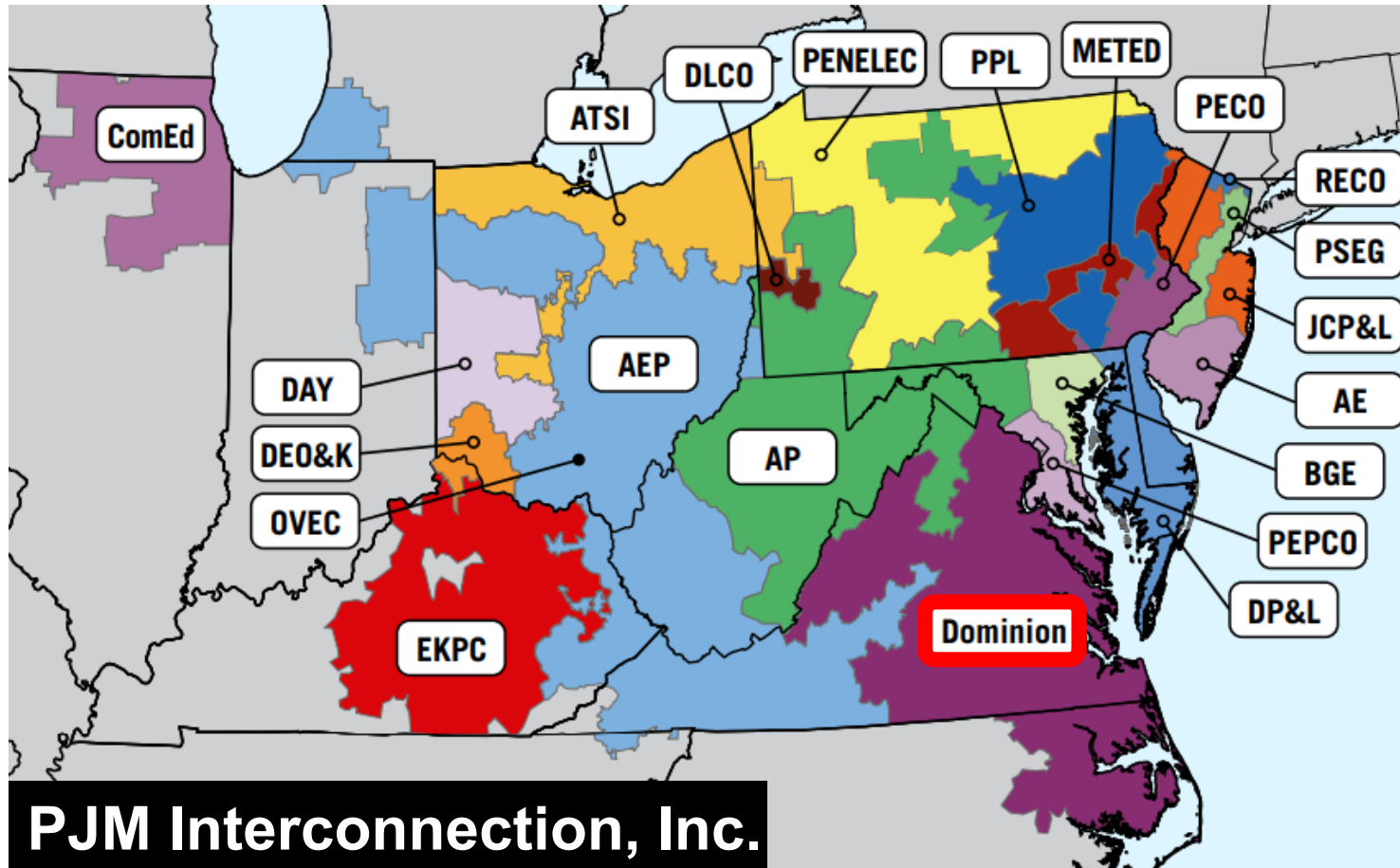
A Megawatt is Not a Megawatt

Generation Type	Average Capacity Factor*	Carbon-free?	Fuel-free?	Dispatchable?
Solar Photovoltaic	~28%	YES	YES	NO
Offshore Wind	~42%**	YES	YES	NO
Biomass	~83%	Carbon-neutral (per EPA)	NO	YES
Natural Gas Combined-Cycle	~87%	NO (~1/2 carbon of coal)	NO	YES
Nuclear	~90%	YES	NO	YES

*U.S. Energy Information Administration estimate for new resources entering service in 2027 ([Table 1b](#)).

**Reflects expectations for the commercial-scale Coastal Virginia Offshore Wind project's net capacity factor (Case No. PUR-2021-00142).

Our Place in the Regional Grid



- PJM is one of several “regional transmission organizations” (RTOs)
- Coordinates movement of electricity at the wholesale level in all or parts of 13 states
- Operates electricity and capacity markets to assure reliable service and resource adequacy
- Manages a queue of new power generation resources seeking to interconnect to the electric grid
- Produces **customer demand forecasts** within each of its constituent transmission “zones”

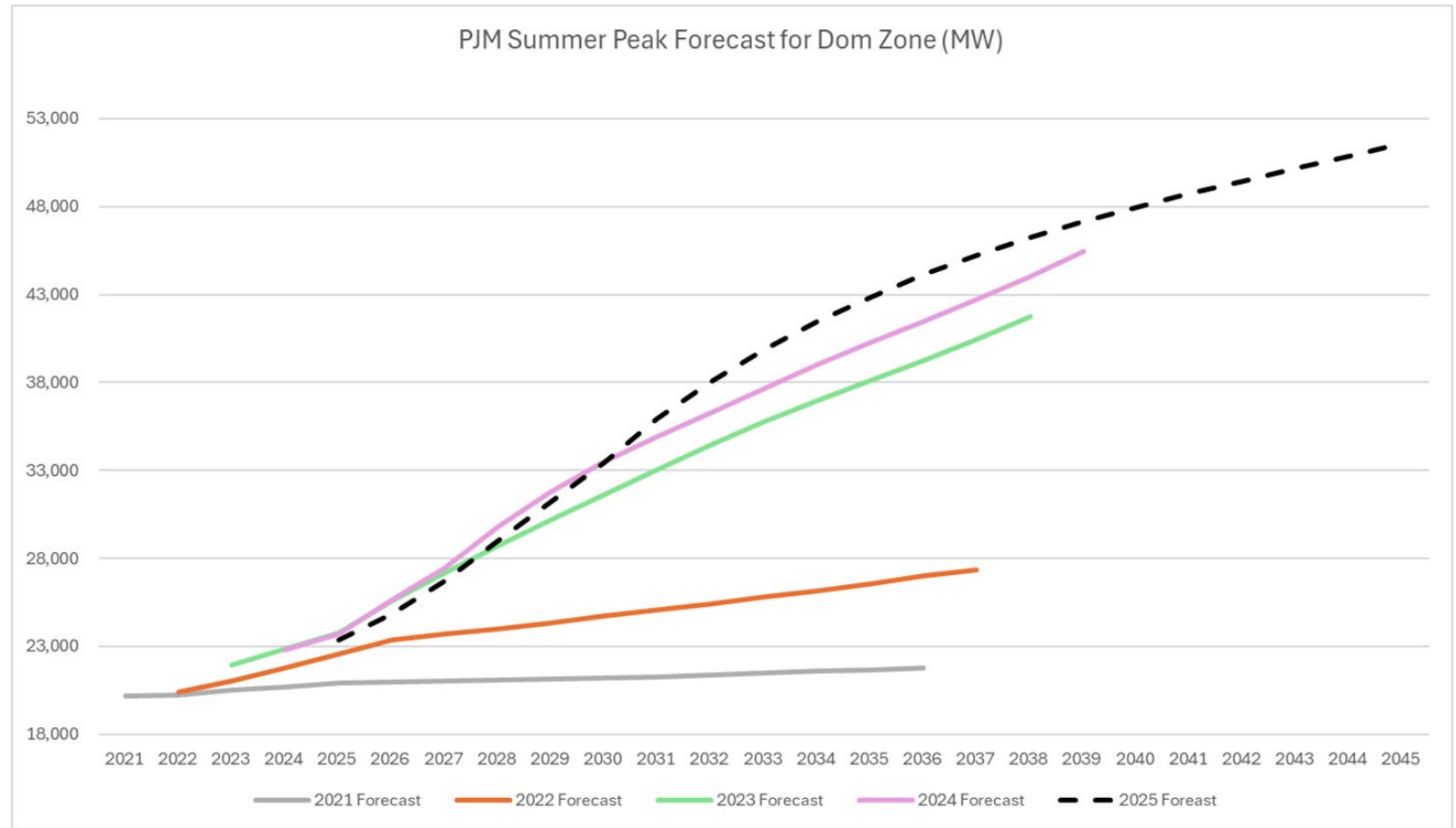
Review: Integrated Resource Planning

An IRP is:

- An outline of possible strategies for meeting customers' future needs
- A “snapshot in time” based on present-day information

An IRP is NOT:

- A definitive near-term build plan for utility infrastructure
- A request for approval of specific projects or cost recovery



2024 IRP Baseline vs. “Retirement Case”



(Capacity in Megawatts)	Through 2039 (2024 IRP)	Through 2039 (2025 Update)	Through 2045 (2025 Update)	Retirement Case
Solar	12,210	11,414	17,534	19,754
Wind	3,460	3,460	3,460	3,460
Storage	4,100	2,000	2,000	9,075
Natural Gas	5,934	8,510	8,510	3,814
Nuclear	1,340	0	1,944	12,244*
Total	27,044	25,384	33,448	48,347

*Includes almost 4,500 MW of traditional, large-scale nuclear (four additional units).

The State-Level Regulatory Model



Virginia's Regulatory Compact

CUSTOMER BENEFITS

- Access to public and economic necessity
- Just and reasonable rates
- Ability to participate in the ratemaking process

UTILITY BENEFITS

- Designated service territory
- Recovery of legitimate costs
- Fair return on investment

UTILITY RESPONSIBILITIES

- Obligation to serve all customer demand
- Expenditures must be prudent
- Rate changes must be justified/approved

Regulated Model

- Vertical integration: utility owns assets across the generation-transmission-distribution value chain
- In exchange: obligation to serve; oversight by the State Corporation Commission (SCC)
- Utility serves as default service provider; conducts long-range planning
- Utility bears responsibility for decisions made with its public service commitment in mind

Deregulated / “Competitive” Model

- Non-utility providers/third parties have no obligation to serve
- Competitive providers act according to pure financial interest in response to price signals