

DVP customer refund questions and answers

Are Dominion Virginia Power customers going to get a refund in 2012?

Yes. The refund will come in the form of a credit on customer bills. In the case of those who were customers at any time during 2009 and 2010 but have since closed their accounts, the refund will come in the form of a check.

Why are customers getting a refund?

The refund is the result of a periodic review of the company's costs and earnings by the Virginia State Corporation Commission (SCC), the government agency that determines electricity rates. Under the law, the review takes place every two years. If it is determined that Dominion Virginia Power's earnings exceed the range set by the commission, a refund is ordered.

When will customers get this refund?

Eligible active customers will start receiving the credit on their bills each month for six months beginning in February. Refund checks will be issued in February to customers whose accounts are now inactive or closed.

Will all customers get this refund?

All customers who used electricity at anytime during 2009 and 2010 will receive a credit or a refund check.

How much of a refund will each customer get?

The refund differs for each, depending on how much electricity the customer used and the amount of time the account was active during 2009 and 2010. But, by way of example, the typical residential customer who used 1,000 kilowatt-hours of electricity each month during 2009 and 2010 will receive a bill credit of about \$2.84 each month for six months.

If I am on a payment arrangement, will this affect the amount I need to pay?

Yes, the amount of your payment due will be decreased by the refund credit each month.

If I am on budget billing, how will this affect the amount I need to pay?

If you are on budget billing, the refund credit will reduce the amount you pay each month for six months.

If a customer no longer receives electricity from Dominion, will he or she still get a refund?

Yes. Those who were customers during 2009 and 2010 and who have since moved away and are no longer customers will get a refund check. The one-time check will be for the entire amount of the customer's refund. It will not be disbursed over the six months. The company estimates it

will mail between 700,000 and 800,000 checks in February. The checks will be mailed to the customer's last known address on record with Dominion.

How are Dominion Virginia Power's rates set?

Electric rates are set by the State Corporation Commission to provide customers with reasonable rates while allowing the utility to cover its costs and provide a fair return for investors. It is a thorough process, with active participation by the state Attorney General's office, the SCC staff, customers and Dominion.

The commission determines an appropriate range for the company's earnings. Under Virginia law, if this range is exceeded – perhaps because of utility efficiency efforts or higher-than-expected electricity use by customers – customers share in the additional earnings.

Did the company earn more than its authorized range in 2009 and 2010?

The company presented evidence showing it earned within the authorized range. However, the SCC determined that the company earned slightly above the authorized range, so the company will comply with the commission-ordered refunds.

If the commission had determined instead that Dominion Virginia Power earned *less* than the authorized range, would the company be entitled to collect the shortfall from customers?

No. While the company must refund earnings above the authorized threshold, it is not authorized to recoup any funds if it earns less than the authorized amount.