

SUPPORT HB 2645

Short Title: Ratepayers Earned These Funds, Not Dominion (REFUND Act)
Patrons: Del. Rasoul and Lopez, Sen. Deeds (and 12 other co-sponsors)

Reasons to support HB 2645

1. Virginia's SCC has shown that for-profit utilities like Dominion are overcharging customers by hundreds of millions of dollars every year above their normally allowed rate of return.
2. Public filings also show that hundreds of millions of dollars more are spent every year on unnecessary expenditures with little or no value for ratepayers.
3. The REFUND Act will return hundreds of millions of dollars back to ratepayers pockets, so they can spend it for themselves in their own communities.

Overview

This legislation requires refunds be paid to ratepayers for non-essential spending by utilities including lobbying, excessive executive compensation, political contributions, and advertising costs. It prevents ratepayers from picking up the costs of large natural gas pipelines—specifically the Atlantic Coast Pipeline—unrelated to providing demonstrated, needed energy to Virginian ratepayers. It returns regular SCC oversight in setting electricity rates to its normal status starting in 2020. It requires utilities to provide their audited financials to regulators every year regardless of whether there's a rate case or not. Abolishes “peer group analysis” that ties bloated rates to high-price states, which simply inflates energy bills and has no relation to the cost of providing energy to Virginians. Directs the SCC to begin developing new “performance-based” rate-setting mechanisms that reward efficiency and outcomes in the public interest. Even before SB 966, the law only required utilities like Dominion and APCO to refund 70% of any overcharges over .7% the authorized rate of return--this legislation changes that refund rate to 90% over .5% the authorized rate of return.

LEAD ORGANIZATION: Clean Virginia

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