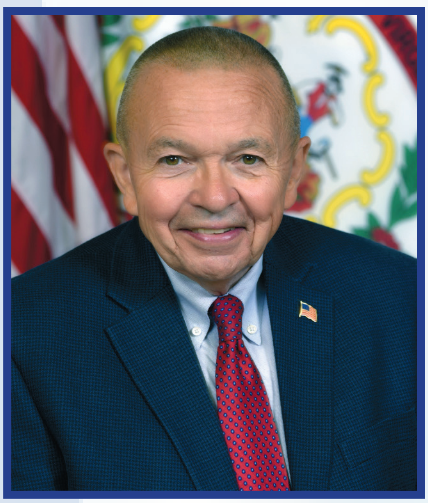
Public Service Commission of West Virginia

Chairman
Charlotte R. Lane



Commissioner
William B. Raney

Commissioner
Renee A. Larrick

2021 Management Summary Report
and the Electric and Natural Gas Utilities Supply-Demand Forecasts for 2022-2031

201 Brooks Street
P.O. Box 812
Charleston, WV 25323

1-800-344-5113
www.psc.state.wv.us

A digital copy of this report can be found at

www.psc.state.wv.us/Mgmt_Sum/MSR2021_Report.pdf

Public Service Commission
of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323

Charlotte R. Lane
Chairman

January 12, 2022

To: The Honorable James C. Justice, II, Governor of West Virginia, and
Distinguished Members of the 85th West Virginia Legislature:

It is our honor to submit to you the *2021 Management Summary Report* and the *Electric and Natural Gas Utilities Supply-Demand Forecasts for 2022-2031*. This report details how the Commission continues to meet our mission of ensuring fair and prompt regulation of public utilities; providing for adequate, economical and reliable utility services throughout the state; and appraising and balancing the interests of current and future utility service customers with the general interest of the state's economy and the interests of the utilities.

We are pleased that the bipartisan Infrastructure Investment and Jobs Act recently passed by Congress will direct about $6 billion to West Virginia over the next five years for a once-in-a-lifetime opportunity to address and solve many gaps in our infrastructure systems.

Senate Bill 739 (SB 739) became effective in 2020, authorizing the Commission to protect customers of distressed and failing water and wastewater utilities by ordering various corrective measures, up to and including acquisition of a failing utility by a capable water or wastewater utility. However, getting a stronger neighboring utility to take over a failing one doesn't always solve all problems. Repairs and system upgrades cost money and can add significantly to utility rates. The Infrastructure Investment and Jobs Act includes more than $475 million for West Virginia to upgrade, repair and replace drinking water and sewer systems.

There is also good news in the recently passed law for West Virginia electric utility customers. Electric utility companies will be eligible for $5 billion to shore up the electric grid, enabling them to provide more reliable service during extreme weather events and to provide restoration of service more quickly when outages occur.

West Virginians learned firsthand during the COVID-19 pandemic the importance of broadband connectivity. To support our educational, medical and business needs, reliable broadband is essential. The Infrastructure Investment and Jobs Act will provide about $600 million to expand broadband across the state in rural and urban areas. The Commission has been focusing on customer service and reliability of broadband providers, and we look forward to working with providers and state economic development agencies to obtain our share of these new funds.

The Commission has seen a couple of trends during 2021 that are worth noting. First, we are seeing an increase in certificate cases for wind and solar electric wholesale generation projects. We fully expect that trend to continue in 2022.

We also want to note that Coal Resource Transportation System shipments from January 1, 2021 through November 30, 2021 have increased by 32% over the same time period in 2020.

We hope you find this report informative and we look forward to continuing to work with you to serve the needs of West Virginia.

Respectfully submitted,

Charlotte R. Lane
Chairman

Renee A. Larrick
Commissioner

William B. Raney
Commissioner

2021 Management Summary Report

Table of Contents

Meet the Commissioners

Chairman Charlotte R. Lane

Charlotte R. Lane was appointed to the Public Service Commission and as Chairman on July 1, 2019. She previously served on the Commission from 1985-1989 and 1997-2003, serving as Chairman from 1997-2001. She has had a long career of public service in addition to her prior work on the Commission, having been elected to three terms in the West Virginia House of Delegates (1979-1980, 1991-1992 and 2017-2018) and serving on the U.S. International Trade Commission from 2003-2011, appointed by President George W. Bush. She has practiced law in state and federal courts in West Virginia for many years and has been admitted to practice in the Third and Fourth U.S. Circuit Courts of Appeals and the Supreme Court of the United States.

Chairman Lane has served as President of the West Virginia Bar Association, Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC) and the Charleston Rotary Club. She has also served on the Boards of Directors of the Rotary Foundation of Washington, D.C.; the National Association of Regulatory Utility Commissioners (NARUC); the Charleston Chamber of Commerce; the Board of Governors of the West Virginia State Bar and as a member of the West Virginia University College of Law Visiting Committee. Chairman Lane graduated from Marshall University with a Bachelor of Arts in Journalism and Political Science and received her Doctorate of Jurisprudence from the West Virginia University College of Law. She has been awarded the Justitia Officium Award from the WVU College of Law, the Distinguished Alumnus Award from Marshall University and is a Fellow of the American Bar Foundation and the West Virginia Bar Foundation.

She resides in Charleston. Her daughter, son-in-law and two grandchildren live in South Carolina.

Commissioner Renee A. Larrick

Renee A. Larrick was appointed to the Commission in July 2017 to a full term ending June 30, 2023. She is a member of the NARUC Water Committee and of MACRUC.

Prior to joining the Commission, she served as the business manager for a private law firm in Beckley, West Virginia. She has also taught on the college and high school levels in Raleigh County.

Commissioner Larrick has served on the Board of Directors of the United Way of Southern West Virginia and is the past President of the Raleigh County Garden Council, the Woodcliff Garden Club and the Black Knight Country Club Ladies Golf Association.

Commissioner Larrick is a graduate of Woodrow Wilson High School in Beckley and the University of Kentucky, where she earned a Bachelor's degree in Business and Economics with a concentration in Finance. She and her husband live in Daniels, West Virginia.

Commissioner William B. Raney

William B. "Bill" Raney was appointed to the Public Service Commission in August 2021 to a term ending June 30, 2027. Commissioner Raney had recently retired as President of the West Virginia Coal Association, a position he held for over 28 years. He has also worked for the West Virginia Mining and Reclamation Association and the West Virginia Department of Natural Resources Division of Reclamation.

Commissioner Raney has served as Chairman of the West Virginia National Guard Foundation and the West Virginia Business & Industry Council. He has also served as a member of the West Virginia Department of Environmental Protection Advisory Committee, West Virginia Special Reclamation Advisory Council, Coal Resource Road Transportation Committee, the WVU School of Engineering Mining Program Visiting Committee, the Youth Leadership Association's Youth in Government Program and the West Virginia Kids Count Fund.

Commissioner Raney is also a former Elder at the First Presbyterian Church in Charleston and a retired Colonel in the West Virginia Army National Guard. A few of the many awards and recognitions he has earned include the Distinguished West Virginian, Who's Who in West Virginia Business, Most Loyal Alumni at WVU, inductee in the West Virginia Coal Hall of Fame, First Tee West Virginia Coal Miners Hall of Fame and the National Multiple Sclerosis Society Hope Award.

Commissioner Raney was born and raised in Mercer County. He earned a Bachelor's degree in Biology and a Master's degree in Public Administration from West Virginia University. He lives in Morgantown with his wife Pam. They have two children and four grandchildren.

2021 Key Performance Accomplishments & Statistics

	Orders Issued	3,737
Orders	General Orders	35
	Commission Hearings	35
	Administrative Law Judge Hearings	30
Hearings	Hearings Held Outside Charleston	9
	Public Comment Hearings	14
	Cases in Mediation Process	82
Mediation	Mediation Meetings	78
Program	Cases Successfully Mediated	60
	Formal Cases Processed	1,434
	Consumer Questions & Inquiries Processed	3,550
	Informal Complaint Cases	8,597
Cases	Assistance to Water and Wastewater Utilities	1,177
	Utility Audits Conducted	68
	Utility Annual Reports Reviewed	1,709
	WVIJDC Reviews Performed	89

Seminars	Water and Wastewater Seminars	9
	Transportation Safety Seminars	13
	People Trained at Seminars	668
Highway Safety	CRTS Transactions Monitored	1.62 million
	CRTS Site Inspections	770
	Complaints to CRTS Hotline Investigated	36
	Accidents Due to Overweight Coal Trucks	**Zero Known**
	Trucks Inspected	17,023
	Buses Inspected	401
	Collected for DOH Transportation Fund	$1.8 million
	Notices of Violation Issued	249
	Collected for CRTS Violations	$359,877
Railroad Safety	Rail Cars and Locomotives Inspected	28,813
	Defective Rail Cars Identified	1,511
	Miles of Railroad Track Inspected	1,166
	Defective Track Conditions Identified	651
	Highway Rail-Grade Crossings Inspected	419
Gas Pipeline Safety	GPS Inspections Performed	253
	GPS Inspection Days	710

What the Public Service Commission Regulates

1. Electric utilities
2. Natural gas utilities
3. Landline services of telephone utilities
4. Certification of independent power producers or non-utility electric wholesale generation facilities in West Virginia, including wind, natural gas, landfill gas or other methane sources, solar, water, coal, renewable fuels and waste fuels
5. Intrastate transmission of gas and hazardous liquids, regulated gathering and gas distribution lines
6. Private and publicly owned water and sewer utilities (limited jurisdiction over rates of municipal and larger public service district water and sewer utilities)
7. Intrastate solid waste carriers
8. Commercial solid waste facilities (landfills)
9. Safety, weight and speed limit enforcement of all commercial motor vehicles (private fleet and common carrier vehicles) operating in the state, including motor carriers involved in interstate commerce, with emphasis on high accident areas
10. Transportation of hazardous materials, including identification, registration and permitting of commercial motor vehicles transporting such materials in and through the state
11. The Coal Resource Transportation System (CRTS)
12. Administration and enforcement of federal and state railroad safety regulations
13. Some motor carrier operations, including economic regulation of intrastate transportation of passengers (taxis and limousines) and towing services not arranged by the owner of a towed vehicle (third-party tows)
14. Middle mile fiber broadband expansion
15. Disputes involving utility pole attachments
16. Disputes involving telecommunication carriers sharing trenches
17. Allocation of Energy Intensive Industrial Consumers Revitalization Tax Credits
18. Cable television providers pursuant to the West Virginia Cable Television Systems Act

2021 Significant Proceedings

Each year the Commission considers a number of significant or novel proceedings. A few of those matters from 2021 are summarized below.

Electricity

Generation Cases

Appalachian Power Company and Wheeling Power Company's Environmental Compliance Projects

Appalachian Power Company (APCo) and Wheeling Power Company (WPCo) filed an application with the Public Service Commission of West Virginia for a certificate of convenience and necessity for environmental compliance projects at the John Amos Power Plant in Winfield, the Mountaineer Power Plant in New Haven and the Mitchell Power Plant in Moundsville (Case No. 20-1040-E-CN). The Companies also requested recovery of the project costs through rates and requested approval from the Commission by July 31, 2021.

The proposed modifications to the plants included projects to comply with the federal Coal Combustion Residuals (CCR) environmental regulations and Effluent Limit Guidelines (ELG) environmental rules. The CCR compliance project at the plants involves relining some existing ponds, closing some ponds and the construction of new lined ponds. The CCR rule required closure to be initiated by April 11, 2021, unless the EPA grants an extension until October 2023. The ELG compliance project involves reconfiguring the ponds and treating coal ash liquids with bioreactors.

The Companies submitted two alternative proposals. Under Alternative 1, the Companies would complete the CCR and ELG projects at all plants, allowing them to operate beyond 2028. Under Alternative 2, the Companies would construct the CCR projects at all the plants, but construct the

ELG projects only at Amos and Mountaineer, allowing only those two plants to operate beyond December 31, 2028.

The Commission's Consumer Advocate Division (CAD), West Virginia Energy Users Group (WVEUG), the Sierra Club, Citizen Action Group/Solar United Neighborhoods/Energy Efficient West Virginia (CAG/SUN/EEWV), the West Virginia Coal Association and the West Virginia Attorney General were granted intervenor status in the case.

The Companies filed parallel proceedings before the Virginia State Corporation Commission (VSCC) concerning the Amos and Mountaineer Plants and the Kentucky Public Service Commission (KPSC) concerning the Mitchell Plant. Mitchell is jointly owned by Kentucky Power Company (KPCo) and APCo. The VSCC approved APCo's request to recover jurisdictional CCR costs from Virginia ratepayers, but denied rate recovery for ELG costs, stating APCo failed to meet its burden to show the prudency of the costs. The KPSC authorized KPCo to construct the CCR project at Mitchell and to recover costs through rates, but denied the application to construct the ELG project at that plant, or to recover those costs through rates.

The Commission entered a Final Order granting the Companies a certificate of convenience and necessity to make the necessary compliance modifications to all three plants under Alternative 1 to enable them to continue to generate electricity after December 31, 2028. The Commission also authorized the Companies to implement a surcharge to recover project costs through rates, effective September 1, 2021.

The Companies then filed a petition to re-open the case, asking the Commission to direct whether they should proceed with the projects approved by the Commission, and for cost recovery.

The Commission entered a Final Order (i) directing the Companies to proceed with construction of the ELG project at all three plants and alert the U.S. Environmental Protection Agency (EPA) and West Virginia Department of Environmental Protection (WVDEP) that it will proceed with the environmental compliance work; (ii) granting the Companies rate recovery of ELG project costs at all three plants and the costs necessary to keep all three plants operating beyond December 31, 2028, to the extent recovery of those costs were not approved by the VSCC or the KPSC and; (iii) ordered that the capacity and energy made possible by the plants would inure to the benefit of the Companies' West Virginia and Federal Energy Regulatory Commission (FERC) jurisdictional customers, unless the VSCC requires APCo's Virginia jurisdictional customers and KPSC requires KPCo's jurisdictional customers to pay their share of the costs of ELG improvements at the plants and the operating costs necessary for the plants to operate beyond December 31, 2028.

CAD and CAG/SUN/EEWV each filed petitions for reconsideration. Those petitions are pending before the Commission.

Appalachian Power Company and Wheeling Power Company and the Mitchell Power Plant

APCo and WPCo requested approval for WPCo to enter into revised ownership and operating agreements with KPCo related to the Mitchell Power plant located in Moundsville (Case No. 21-0810-E-PC). CAD and WVEUG have petitioned to intervene.

The revised agreements are needed as a result of the Final Orders by this Commission in Case No. 20-1040-E-CN and the KPSC, which differed on allowing reimbursement for investments in CCR and ELG environmental controls required by EPA. The KPSC allowed investment to meet only the CCR requirements while denying investment to meet the ELG requirements. This Commission allowed investment in both CCR and ELG, stating in its Order that if there were changes in ownership or cost allocations necessitated by decisions in other states, the Companies should bring such changes back to the Commission. This case is pending before the Commission.

Wild Hill Solar, LLC

Wild Hill Solar, LLC, filed an application for a Solar Siting Certificate and a Petition for Waiver to authorize construction and operation of a 92.5 megawatt (MW) solar powered exempt wholesale electric generating (EWG) facility in Jefferson County (Case No. 20-0845-E-SCS-PW). The project would be located on approximately 795 acres of agricultural land and consist of rows of photovoltaic modules in arrays dispersed through the project area. The estimated cost of the project is $125 million and would take approximately 193,000 craft hours to construct. The power generated from this facility will be sold into the PJM wholesale market. PJM is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia, including all of West Virginia.

The Commission granted intervenor status to Jefferson County Vision, Inc. and the West Virginia Building and Construction Trades Council, AFL-CIO.

The Commission granted Wild Hill Solar a Siting Certificate. The Commission also approved the requested waiver of the requirement of Solar Siting Rule 3.5 to file information related to the project's transmission line. This case is now closed.

Horus West Virginia I, LLC

Horus West Virginia I, LLC, filed an application for a Solar Siting Certificate and a Petition for Waiver to authorize construction and operation of an 80 MW solar EWG facility in Jefferson County (Case No. 21-0664-E-SCS-PW). The project consists of a solar generation plant with single-axis trackers, 535 watt (W) modules and 3.38 MW inverters. Horus stated that no transmission support structures are planned outside the footprint of the solar electric generating facility and no new transmission line will be built as part of the facility because the project will interconnect with the existing Feagans Mill-Millville 138 kilovolt (kV) transmission line.

The Commission granted the requested waiver of the requirement to file information related to the construction of transmission lines. This case is pending before the Commission.

Capon Bridge Solar, LLC

Capon Bridge Solar, LLC, filed an application for a Solar Siting Certificate and a Petition for Waiver to authorize construction and operation of a 20 MW solar EWG facility in Hampshire County (Case No. 21-0566-E-SCS-PW). The project would be located on approximately 84 acres of agricultural land, and is estimated to cost $17 million.

The West Virginia Building and Construction Trade Council, AFL-CIO was granted intervenor status. The Commission received no protest to the project application, which was widely supported by the community.

The Commission granted Capon Bridge Solar the Siting Certificate and approved the requested waiver to file information related to the construction of transmission lines. This case is now closed.

Monongahela Power Company and The Potomac Edison Company Solar Project

Monongahela Power Company (Mon Power) and The Potomac Edison Company (PE) filed for approval of a solar generation project and implementation of associated cost recovery surcharge and rider components (Case No. 21-0813-E-CS). The Companies proposed a 50 MW solar project, consisting of five separate locations in their West Virginia service territories. Those locations are Wylie Ridge Substation in Brooke County, Fort Martin Power Station in Monongalia County, Davis along Route 93 in Tucker County, the R. Paul Smith Ash Site in Berkeley County and the Solvay/Cytec property in Pleasants County.

Four of the five sites are on lands owned by Mon Power or its affiliates. The fifth is on land owned by an industrial customer that wants to participate in solar development. The anticipated capital cost for the project is approximately $99.6 million and the annual operation and maintenance will be approximately $1 million - $1.5 million. The approximate timetable for construction of the five sites is staggered through 2025. This case is pending before the Commission.

Short Mountain, LLC

Short Mountain Wind Energy, LLC, filed a Notice of Intent Electric (NOIE) to file an application for a siting certificate to construct an exempt wholesale electric generating facility, interconnecting transmission lines and any necessary appurtenances in Hardy County (NOIE Short Mountain 21A). The case has not been filed.

Appalachian Power Company and Wheeling Power Company Kanawha River Plant Transfer

APCo/WPCo filed a petition seeking approval to enter into a proposed Amended and Restated Environmental Liability & Property Transfer Agreement between APCo and Applied Partners-Kanawha River, LLC, (AP-KR) for the transfer of the Kanawha River Plant (Case No. 20-0675-E-PC). Under the proposed Agreement, APCo would transfer the Kanawha River Plant to AP-KR and AP-KR would assume the environmental liabilities associated with the site as well as agree to demolish, remediate, rehabilitate and convert the property to a brownfield site. The deal would cause an increase of approximately $5 million in the Companies' next rate increase request. Commission Staff and CAD both asked the Commission to deny the petition, raising concerns about the request for proposal process that selected AP-KR and the ability of AP-KR to successfully complete the job. The parent company of AP-KR failed to successfully complete the remediation of the Century Aluminum site in Ravenswood, West Virginia.

The Commission required the Companies to file testimony addressing why APCo selected AP-KR for the Kanawha River Plant after the default at the Century Aluminum site and why APCo chose not to perform the work itself. The Commission invited the West Virginia Economic Development Authority (WVEDA) to provide testimony and participate in an evidentiary hearing with a witness with knowledge of the loan default by Applied Partners on the Century Aluminum facility.

The Commission denied the Companies' petition. Based on the evidence, the Commission found (i) AP-KR did not have any employees experienced in remediation or similar work; (ii) AP-KR did not have sufficient bonding assets for the work on the Kanawha River Site; (iii) AP-KR would not perform the demolition or remediation work at the Kanawha River Plant with its own equipment or employees, rather it would act as a contractor and rely on others to do the work; and (iv) AP-KR had to rely on PADNOS, a seller and broker of scrap metal, to obtain the $8 million letter of credit for AP-KR required by APCo under the Agreement. The Commission concluded that the Companies failed to demonstrate that AP-KR or its affiliates have a history of successful power plant demolition and remediation. This case is now closed.

Base Rate and Cost Recovery Cases

Appalachian Power Company and Wheeling Power Company Modified Rate Base Cost Tracker Surcharge

APCo/WPCo filed a petition seeking Commission approval to implement an experimental modified rate base cost (MRBC) tracker to provide expedited rate recovery and collect an annual increase in revenue of $49.8 million or 3.4% (Case No. 20-1012-E-P). The proposed rates would result in a rate increase for the average residential customer of approximately $5.26 per month, or 3.71%. The Companies sought to recover $332.3 million in rate base added between December 31, 2017, and September 30, 2020. The Companies also sought to use the tracker to recover the cost of any expenditure over the dollar amount to be recorded as a capital investment.

CAD, WVEUG, the Kanawha County Commission and Steel of West Virginia (SWVA) were granted intervenor status in the case.

The Commission conditionally approved the MRBC surcharge to recover $44.16 million from ratepayers in the first year and a change in class allocation, shifting cost allocation from industrial customers to residential customers. The Commission also ordered the Companies not to file a base rate case until at least June 30, 2024.

The Companies proposed, and the Commission approved, two exceptions to the base rate case prohibition: a deferral of any accelerated depreciation required by an Order of the Commission and deferral of an increase in federal income tax as a result of an increase in the statutory 21% federal income tax rate. The Commission also ordered the Companies to file annual MRBC tracker update cases, which must include specific information and supporting detail.

Petitions for reconsideration were filed by the CAD, WVEUG, SWVA and the Companies. In response, the Commission ordered the Companies to adjust special contract rates for industrial customers to reflect the class allocation shift from industrial customers to residential customers. The Commission also granted the Companies' request to expand the exceptions to the base rate case prohibition to include circumstances in which the Commission determines the Companies' ability to meet their public service obligations is significantly impaired by events beyond their control, including natural disaster, sabotage, catastrophic failure at a generating station or transmission substation or *force majeure*. The Companies agreed to the base rate case prohibition until June 30, 2024, unless something is otherwise triggered by one of the Commission allowed exemptions.

The Commission approved the MRBC tracker surcharge of $44.16 million. This case is now closed.

Appalachian Power Company and Wheeling Power Company ENEC

APCo/WPCo filed a petition to initiate the annual review and update of their Expanded Net Energy Cost (ENEC) rates (Case No. 21-0339-E-ENEC). The ENEC rate review is a narrow, special purpose rate proceeding for electric utilities that allows recovery of certain prudently incurred costs for fuel, purchased power, purchased transmission costs and construction costs for specific projects. The Companies proposed to increase the ENEC rates to recover an additional $73 million in annual revenues. The proposed rates included $2 million for deferred COVID-19 related expenses, an adjusted ENEC under-recovery of $55.3 million, the residential phase-in under-recovery of $556,567, and a projected under-recovery of $17.7 million for the period ending August 2022. The filing stated that under the proposed rates, the average residential customer would experience an increase of $9.09 per month, or 5.6%. Commercial customers would see an average increase of $12.24 per month, or 3.4%. Industrial customers would see an average increase of approximately $10,000 per month, or 5%. The Companies also proposed a change in cost allocation and rate design for large industrial class and special contract customers. The Companies proposed an effective date of September 1, 2021 for the new ENEC rate.

The CAD, WVEUG and SWVA were granted intervenor status in the case.

The Commission approved the proposed rates with adjustments, allowed for the recovery of deferred COVID-19 expenses, disallowed the proposed changes for industrial rate modification and required the Companies to make changes intended to reduce the cost of fuel in the future. The Commission concluded that the Companies should obtain more power from their West Virginia coal-fired generating plants and approved a capacity factor of 69%; which was higher than the Companies proposed. The Commission approved an ENEC rate increase of approximately $6 million dollars to reflect the Companies obtaining more power from the West Virginia plants, subject to true-up in the Companies' next annual ENEC proceeding.

The Companies filed a petition requesting reconsideration of the adjusted ENEC rates due to the Commission's conclusion the Companies should obtain more power from West Virginia coal-fired generating plants. The Companies requested clarification as to how the Companies are to force the operation of their coal-fired generating units when the plants are not in the economic dispatch stack determined by the PJM market. Commission Staff and WVEUG filed responses objecting to the Companies' petition. The Petition for Reconsideration or Clarification is pending before the Commission.

Appalachian Power Company and Wheeling Power Company Vegetation Management Program

APCo/WPCo filed a petition with the Commission for review of its Vegetation Management

Program (VMP) and to update its VMP Surcharge (Case No. 21-0340-E-P). The Companies proposed to maintain the existing VMP rates, eliminate an under-recovery balance of $27.4 million and to change the residential VMP design from a per kWh-based (kilowatt-hour) charge to a fixed charge.

The Companies estimated that in 2021 APCo would manage 3,664 miles of distribution circuits and WPCo would manage 247 miles of distribution circuits at an estimated cost of 54.58 million. The Companies also estimated that APCo would manage 455 miles of transmission circuits and WPCo would manage 34 miles of transmission circuits at an estimated cost of $7 million.

CAD and WVEUG were granted intervenor status in the case. Commission Staff and CAD raised concerns about the failure of the VMP to significantly improve reliability to customers, despite major expense. To address these concerns, Staff asked the Commission to order a focused management audit of the Companies' VMP practices.

The Commission ordered that the Companies' VMP surcharge was to remain unchanged, declined to modify the residential rate design as proposed and required the Companies to recalculate their accumulated deferred VMP under-recovery balance. The Commission also agreed that a focused management audit should be conducted of the Companies' VMP practices. This case is now closed.

Appalachian Power Company and Wheeling Power Company EE/DR Programs

APCo/WPCo filed a petition for review of its energy efficiency and demand response programs (EE/DR) and proposed EE/DR rider rates to be effective January 1, 2022 (Case No. 21-0332-E-P). The Companies proposed the continuation of their existing programs, with budget increases of $5,000 to $30,000 in each, for an overall budget increase of $75,000. The Commission granted CAD, WVEUG and EEWV/WVCAG intervenor status.

Commission Staff, CAD and EEWV/WVCAG submitted a Joint Stipulation that supported EE/DR Rider rates projected to produce annual revenues of approximately $10.48 million, which is $3.09 million less than what the Companies proposed. WVEUG did not join the Joint Stipulation, but stated it had no objection.

The Commission increased the stipulated budget of $900,000 to $1.35 million for the low income programs, which provide the most direct benefits to some of the most economically disadvantaged customers.

The Commission made clear that this decision does not entitle that program to future increases, or even a continuation of the $1.35 million level after 2023. The Commission approved the Joint Stipulation, as modified by its Order and approved the rate recovery necessary for the EE/DR programs. This case is now closed.

Monongahela Power Company The Potomac Edison Company ENEC

Monongahela Power Company The Potomac Edison Company (Mon Power/PE) filed a petition to initiate a review of their ENEC rates (Case No. 21-0658-E-ENEC). The Companies' filing proposed a $19.57 million increase in ENEC rates, which is a 1.5% increase in total rates, but a 0.2% decrease in rates for residential customers, to be effective for service rendered on and after January 1, 2022. The proposed ENEC rates include a June 30, 2021 cumulative ENEC rate over-recovery balance of $28 million, and a projected period ENEC under-recovery of $35.4 million, based upon current ENEC rate levels for 2022. The Companies' proposed ENEC rates also include $12.15 million for boiler modification capital costs for Mercury and Air Toxic Standards and the Companies' Cross-State Air Pollution Rule II compliance for 2022.

The Commission granted intervenor status to CAD; WVEUG; CAG/SUN; Longview Power, LLC; the West Virginia Coal Association; and the Grant Town Power Plant and its project owners, American Bituminous Power Partners, LP (Grant Town).

The Commission approved the requested ENEC rates with modifications and ordered Mon Power to enter into a purchased power agreement if certain conditions can be met. This case is now closed.

Monongahela Power Company and The Potomac Edison Company Vegetation Management Program

Mon Power/PE filed a petition for Commission review of their VMP and update of the VMP Surcharge (Case No. 21-0659-E-P). The Companies requested an annual increase of $16 million, or 1.2%, to their VMP Surcharge, effective January 1, 2022. The Companies stated that the increase was due to an expiring $6.1 million over-recovery from their last true-up, and for trimming, technology enhancements and increased labor costs. The proposal included a June 30, 2021 cumulative over-recovery balance of approximately $296,000, and a projected under-recovery of $31.7 million for the 2022-2023 rate effective period. The Commission granted intervenor status to CAD and WVEUG.

The Companies, Staff and CAD proposed a Joint Stipulation. WVEUG did not join the Joint Stipulation, but did not object to it. The agreement adjusted the VMP Surcharge to add annual revenue of approximately $16 million, or 1.2%. The Commission accepted the Joint Stipulation, but ordered that equipment inspections be performed within a reasonable time after vegetation management has been performed on the same circuit to reap the benefit of improved visibility and less obstruction to access. This case is now closed.

Felman Production, LLC

On September 23, 2021, Felman Production, LLC filed a petition to reopen Case No. 13-1325-E-PC for termination of its 2014 Special Contract with APCo. The 2014 Special Contract was entered under W. Va. Code § 24-2-1j. Felman sought to terminate its 2014 Special Contract based upon a shift in the silicomanganese market from short-term contracts to longer term, set price contracts. Felman wanted to terminate its 2014 Special Contract, on September 1, 2021, and enter into a more conventional special contract with APCo, not tied to W. Va. Code § 24-2-1j.

On November 2, 2021, the Commission entered an Order approving the termination of the special contract finding that the contract had been in place for more than seven years and that it had achieved the policy goals of W. Va. Code § 24-2-1j. This case is now closed.

Middle Mile Broadband Surcharge

APCo/WPCo filed an application to build a middle-mile broadband infrastructure expansion project for construction and installation of over 400 miles of fiber in Logan and Mingo counties (Case No. 21-0032-E-IMM). The West Virginia Legislature passed legislation in 2020 allowing the Commission to review plans submitted by electric utilities to construct middle-mile fiber broadband assets within the power supply zone and for an associated cost recovery mechanism. The Companies estimated there are approximately 15,200 unserved potential customers (residential and business) in Logan and Mingo counties and that 60% of the unserved residents and 90% of unserved businesses in the project area would take the new broadband service.

The projected capital cost for the project was approximately $61.3 million with an annual operations and maintenance cost of approximately $1.2 million in the first year and $1.74 million per year in future years. Intervenor status was granted to CAD and WVEUG.

The Commission granted approval for the Companies to construct the proposed middle-mile broadband project and authorized a Broadband Surcharge to be applied to customers' bills. The estimated cost to APCo's residential customers is projected to be less than 20 cents per customer per month system-wide.

WVEUG filed a petition to re-open the case, asking the Commission to change the timing and amount of the Broadband Surcharge cost recovery. This case is closed, but the petition to reopen is pending before the Commission.

Black Diamond Power Company Purchased Power Cost

Black Diamond Power Company filed an application with the Commission for an increase in its consolidated purchased power surcharge (Case No. 21-0603-E-P). The Company and Staff filed a Joint Stipulation agreeing to an increase in the consolidated purchased power surcharge of $164,469. The Parties also agree to refund $377,429 over-recovered from ratepayers back to ratepayers in the amount of $125,810 annually for the next three years. The Commission approved the Joint Stipulation. This case is now closed.

Reliability Index Target Cases

Appalachian Power Company and Wheeling Power Company

Monongahela Power Company and The Potomac Edison Company

APCo/WPCo filed a petition to maintain their Reliability Index Targets previously approved by the Commission in Case No. 18-0588-E-PC (Case No. 20-0368-E-PC). Staff did not object to the Companies' request, but recommended that the Companies be required to file for a formal evaluation by May 1, 2022, on whether their current reliability targets should be maintained or changed.

Mon Power/PE also filed a petition to maintain their Reliability Index Targets previously approved by the Commission in Case No. 18-0580-E-PC for 2021-2025 (Case No. 20-0357-E-PC). Staff supports the Companies' request.

The Commission issued a Final Order stating that stricter Reliability Index Targets shall be applicable to APCo/WPCo and Mon Power/PE and that the Companies are required to submit additional information with each annual reliability report and file petitions for review no later than May1, 2024. These cases are now closed.

Natural Gas

Abandonment Cases for Field and Farm Tap Customers

Peoples Gas West Virginia, LLC, Equitrans and Essential Utilities, Continuation of Natural Gas Service to Field Tap Customers

Petition for a General Investigation into the Abandonment of Equitrans L.P. Gathering Facilities and Gas Service to Field Tap Customers

Hope Gas Inc., dba Dominion Petition to Abandon 834 Customers

Peoples Gas WV, LLC (PGWV) filed a petition based on the Commission's Final Order in Peoples Gas WV, LLC and Aqua America, Inc. Case No. 18-1475-G-PC requesting the Commission consider the continuation of natural gas service to PGWV's field tap customers from Equitrans L.P.'s low pressure gathering system (Case No. 20-0329-G-P). PGWV included a report prepared by Black & Veatch Management Consulting, LLC, (B&V) that assessed the short- and long-term feasibility of the gathering system providing reliable service to PGWV's customers.

Equitrans asserted the Commission lacked jurisdiction over Equitrans and the gathering system and that the B&V report supported PGWV immediately acquiring the gathering system. Equitrans further stated it had filed a petition with FERC to abandon its entire West Virginia gathering system, not only the portions providing gas access to PGWV.

The Commission concluded that PGWV, Aqua America, Inc., now known as Essential Utilities, Inc., and Equitrans could not discontinue natural gas service to any field tap or distribution system customer served by the gathering system without first obtaining Commission authorization. The Commission joined Essential Utilities and Equitrans to the proceeding. CAD and the Independent Oil and Gas Association (IOGA) were granted intervenor status.

Staff filed a petition to the Commission to institute a General Investigation (GI) into Equitrans' abandonment of the gathering system and the continued gas utility service to affected field tap customers (Case No. 20-0454-G-GI). Staff stated Hope Gas, Inc. dba Dominion Energy West Virginia (Hope), Mountaineer Gas Company and PGWV serve approximately 6,000 gas utility customers, directly or indirectly, from the gathering system. Staff said the three local distribution companies (LDC) will continue to rely on the gathering system to serve customers until Equitrans abandons its customers, or until the LDCs receive Commission approval to abandon their customers. Staff requested the Commission initiate a GI; join Equitrans, the LDCs and IOGA as Parties; and require the Parties provide specific information to aid the Commission in its assessment of the gas supply issue.

Hope requested Commission authority to abandon service to 834 customers due to Equitrans' plan to abandon its gathering system that served those customers (Case No. 20-0660-G-X). In its filing, Hope noted that Mountaineer and PGWV are also affected by Equitrans' plan to abandon its gathering system. Hope stated it was interested in the potential acquisition of portions of the gathering system, but stated it needed more time to conduct due diligence. Hope and the other LDCs are cooperating to determine if other distribution lines are available to serve the impacted customers. Hope stated that if the plan is approved, it could take a year or more to convert affected customers to alternate fuel.

The Commission consolidated Case Nos. 20-0329-G-P; 20-0454-G-GI and 20-0660-G-X and approved Staff's request to open a GI into Equitrans' abandonment. The Commission required all Parties to update their information regarding the number of customers potentially affected.

Equitrans notified FERC it had entered into a Purchase and Sale Agreement (PSA) with Big Dog Midstream, LLC, whereby Big Dog would purchase and acquire the remaining gathering facilities that are the subject of the Commission's General Investigation. The PSA does not include an express provision that Big Dog is bound by a prior commitment made by Equitable Resources that Equitable and all successors of Equitable are to continue gas utility service to field tap customers and not discontinue natural gas service to any field tap or distribution system customer served by the gathering system without first obtaining authorization of the Commission.

At a December 8, 2021 status conference the Commissioners heard updates from and asked questions to the Parties. Chairman Lane stated the Commission's overriding concern regarding the continuation of service to the affected customers. She directed the Parties to file within 90 days a stipulation that settles all issues and details what was going to happen to the gathering lines and customers served by those lines.

Parties now include the Commission Staff, CAD, Equitrans, Peoples Gas, Hope Gas, Mountaineer Gas, the Gas & Oil Association of West Virginia (GO-WV) (formerly the Independent Oil & Gas Association of West Virginia, Inc. or IOGA and the West Virginia Oil and Natural Gas Association or WVONGA), Big Dog Midstream, Diversified Production and Essential Utilities.

These cases are pending before the Commission.

Equitrans L.P.'s Application to FERC to Abandon Gathering Facilities and Services

Equitrans filed an abbreviated application with FERC for approval to abandon gathering facilities and services using a two-step process (FERC Docket No. CPA-312-000). As part of the two-step process, Equitrans stated it would attempt to abandon the gathering facilities by sale and, if that is not successful, Equitrans would simply abandon the gathering facilities. The application was made pursuant to Sections 1(b), 4, and 7(b) of the Natural Gas Act, 15 U.S.C.§ 717 et seq., and Part 157 , Subpart A of the regulations of the Federal Energy Regulatory Commission, 18 C.F.R. Part 157, Subpart A (2020).

Equitrans requested approval to abandon 877 miles of pipeline and nine compressor stations in Braxton, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Ritchie, Taylor, Tyler, and Wetzel counties. The gathering facilities consist of certificated and non-certificated facilities. The certificated facilities include four compressor stations with seven compressor station units and approximately 140 miles of pipelines. The non-certificated facilities include approximately 736 miles of pipelines and nine compressor station units.

Equitrans stated that it does not intend to immediately abandon service if it receives FERC approval. However, Equitrans insists it reserves the right to file 30-day notices to abandon assets and service for the non-certificated facilities during the pendency of the case and for a year following the FERC Order.

Equitrans requested that FERC follow past proceedings and approve a two-step abandonment process for the certificated facilities. Under this process, the requested abandonment authorization would be effective on the date of the FERC Order, and would remain in effect for a year. The abandonment authorization would be conditioned on Equitrans submitting an implementation plan within one year that reflects how it will implement the abandonment (by sale, in place or both), and FERC's Office of Energy Projects approving the plan.

The Commission intervened and filed comments advising FERC of Equitrans' responsibilities for operation of the gathering facilities and that the assurance of continuity of service to customers receiving natural gas service through those gathering facilities has been an issue in previous cases at the Commission. As a result of Commission Orders issued in 2007, 2013 and 2018 and written agreements with conditions contained in those Orders, Equitrans may not discontinue service to any customer served by the gathering facilities without Commission approval. The Commission requested that FERC note the commitment for continued service to which Equitrans is bound, and condition any abandonment on Equitrans' assurance that alternative arrangements are in place for continuance of gas service. Equitrans has taken issue with the requirement that Commission approval is necessary for abandonment of the facilities.

GO-WV, PGWV and Hope Gas intervened and filed protests to Equitrans' application. CAD intervened and filed comments. The Independent Oil and Gas Association of Pennsylvania, West Virginia Surface Owners Rights Organization, American Gas Association and Antero Resources Corporation have also intervened.

Equitrans gave notice to FERC that it had entered into a purchase agreement with Big Dog Midstream to purchase the gathering system. This Commission filed a response to that notice, stating it must approve any transfer.

This case is pending before FERC.

Infrastructure Replacement and Expansion Plan Cases

In 2015, the West Virginia Legislature passed SB 390 authorizing the Commission to approve Infrastructure Replacement and Expansion Plans (IREP), an expedited cost recovery for natural gas utility infrastructure projects through the use of a surcharge and outside a base rate case.

Mountaineer Gas Company

Mountaineer Gas Company's annual IREP application proposed investing $328 million for infrastructure replacement, system upgrades and expansion projects over five years (Case No. 21-0593-G-390P). The Company plans to make these investments to enhance the safety and reliability of its distribution system.

Mountaineer intends to increase investments in replacing bare steel and plans to achieve a replacement rate of 20-30 years, rather than its initial replacement rate of 75 years, which it now considers unsuitable to sustain a safe, reliable and efficient system. Mountaineer projects it would be able to eliminate all bare steel pipelines by 2050. Some of this pipeline was constructed as early as the 1800s, and is fraught with leakage.

The Parties submitted a Joint Stipulation recommending a $16.3 million IREP revenue requirement, including a $1.08 million under-recovery for 2020. The Commission approved the Stipulation and closed the case.

Hope Gas, Inc., dba Dominion Energy West Virginia

Hope submitted its 2022 IREP application, proposing a total IREP revenue requirement of $9.8 million and estimated $56.4 million in capital investment for 2022 (Case No. 21-0416-G-390P). A major component of Hope's capital investment is the 24-year replacement cycle for replacing bare steel distribution mains and unprotected steel distribution mains.

The Parties filed a Joint Stipulation and Agreement for Settlement in which they agreed to IREP rates designed to collect an annual $9.2 million for distribution customers and $79,243 for Rate Schedule PGAS customers, including Business & Occupation taxes. The Commission adopted the Joint Stipulation, closing the case.

Union Oil & Gas, Inc.

Union Oil & Gas' annual IREP application included a rate decrease and a true-up of revenue collected from the surcharge for July 2019 through June 2020 (Case No. 21-0366-G-390P). The Company noted that it had completed its connection to TransCanada's Mountaineer Xpress Pipeline and no future investment in that project is anticipated.

The Company filed a Joint Stipulation that proposed an IREP annual revenue requirement of $197,528 and an over-recovery amount of $34,455. The Commission approved the Stipulation, closing the case.

Cardinal Natural Gas Company, Southern Division

Cardinal Natural Gas Company, Southern Division's annual IREP application proposed an investment of approximately $2 million in 2022, and an additional $7.4 million in 2023-2026 (Case No. 21-0430-G-390P). The investment is to enhance safety and reliability by replacing unprotected steel and cast iron pipes that have exceeded their useful life.

The Company filed a Joint Stipulation and Agreement for Settlement that proposed a $938,078 IREP revenue requirement, including an over-recovery amount of $55,829. The Commission approved the Joint Stipulation, closing the case.

Cardinal Natural Gas Company, Northern Division

Cardinal Natural Gas Company, Northern Division filed its application for an IREP rate adjustment, its first IREP true-up filing (Case No. 21-0309-G-390P). Cardinal North's IREP program included a single year, so this filing only addressed reconciliation of the 2020 IREP. Cardinal North stated it had completed significant infrastructure improvements under the 2020 IREP, and it does not currently plan to file another IREP application.

The Company filed a Joint Stipulation proposing an $88,594 IREP revenue requirement and an over-recovery amount of $21,412. The Commission approved the Joint Stipulation. This case is now closed.

Miscellaneous Gas Cases

Mountaineer Gas Company Acquisition by UGI Corporation

Mountaineer Gas Company and UGI Corporation filed a Joint Petition requesting Commission approval for UGI to acquire all of the issued and outstanding common stock of Mountaineer under the terms and conditions of a Purchase and Sale Agreement. The Petitioners also requested authority to assign an existing service agreement from IGS Utilities, LLC, to UGI, and approve as an affiliate agreement an existing liquefied natural gas purchase and sale agreement (Case No. 21-0043-G-PC).

UGI is a publicly traded energy holding company incorporated in Pennsylvania, providing natural gas, electric, propane and comparable fuels to nearly 2.9 million customers throughout the United States and Europe. UGI owns and operates more than 12,440 miles of gas mains, gathering, distributing or transmitting lines, and transmits about 929 billion cubic feet (Bcf) of natural gas annually. UGI also distributes approximately 2.9 billion gallons of propane and comparable fuels by truck delivery. UGI has approximately 670,000 customers located in 45 counties in Pennsylvania subject to the jurisdiction of the Pennsylvania Public Utility Commission and more than 500 customers in Maryland under the jurisdiction of the Maryland Public Service Commission.

Intervenor status was granted to CAD; CNG Services, LLC and Interstate Gas Supply, Inc. (CNG/IGS); WVEUG; Direct Energy Business Marketing, LLC; Equitrans, L.P.; the West Virginia Laborers District Council; and the Proctor & Gamble Manufacturing Company.

The Parties filed a Joint Stipulation under which Mountaineer and UGI agreed: (i) not to seek to recover in rates, directly or indirectly, any transaction or acquisition costs arising from or associated with the transaction; (ii) not to seek to recover in rates, directly or indirectly, any goodwill or acquisition premium that may be deemed to arise or be associated with the transaction; (iii) Mountaineer would not increase its base rates prior to November 1, 2023, except for a limited rate filing to address certain limited circumstances; (iv) UGI would continue to keep Mountaineer's accounting, financial and required safety and training records in its Charleston headquarters; (v) UGI would maintain Mountaineer's existing management personnel and employees in West

Virginia absent planned retirements and other reasons for departure; (vi) Mountaineer would honor its pension plans with existing employees and its collective bargaining agreements with labor unions; and (vii) Mountaineer would maintain local management with knowledge of the Mountaineer physical plant. Additionally, the Commission directed UGI and Mountaineer to hold monthly meetings with Commission Staff, CAD, Direct Energy, CNG/IGS, WVEUG and other interested Parties beginning in January 2022 to discuss potential changes to enhance and expand Mountaineer's natural gas transportation program rules and related issues.

The Commission approved the sale of Mountaineer to UGI, and approved certain affiliated and operating contracts.

Hope Gas, Inc. dba Dominion Energy Base Rate and Depreciation Cases

Hope Gas filed an application to increase its base rates by $34.6 million annually, or approximately 31% (Case No. 20-0746-G-42T). The proposed increase would include offsetting a reduction in the Company's IREP surcharge rates that would occur when new base rates go into effect and with the additional revenue from the producers under the Company's new Production and Gathering Aggregation Service Rate Schedule. The Company also filed an application to adjust its depreciation rates (Case No. 20-0745-G-D).

Intervenors in these cases included CAD, GO-WV, Morgantown Energy Associates (MEA) and WVEUG.

The Commission approved a base rate revenue requirement of $129 million; a rate base of $208.5 million, a return on equity of 9.54%; a rate of return of 5.90%; a total revenue increase of $12.8 million for base rates and $4.8 million for the 2020 IREP rates; for a total of $17.65 million. Hope filed a petition for reconsideration of the capital structure and rate of return, which is pending before the Commission.

Morgantown Energy Associates, Inc. v. Hope Gas, Inc. dba Dominion Energy

MEA filed a complaint against Hope Gas alleging it breached a gas supply contract and violated its tariff by reducing its maximum daily volume (MDV) of standby gas from 6,000 dekatherms (dth) to 2,000 dth per day (Case No. 21-0065-G-C). Hope defended its action by stating it had insufficient gas volume and capacity to continue providing 6,000 dth per day, and was concerned that the increased demand would adversely affect its ability to meet its daily demand requirements.

This case is pending before the Commission.

Purchased Gas Adjustment Cases

Natural gas utilities are required to file 30C cases annually to reflect changes in the purchased gas component of their rates. The cost of purchased gas is, on average, slightly less than half of typical residential natural gas utility charges. The prices that natural gas utilities pay their suppliers for gas are not regulated by the Commission or the federal government, but are determined by the market. During recent years, the market-driven price has been volatile, largely due to the availability of Marcellus and Utica gas and other external factors. The Commission has ordered the following interim gas rates for the winter of 2021-2022.

Cost of Purchased Gas per Mcf					
	2017	2018	2019	2020	2021
A.V. Company	$0.60	$0.91	$0.80	$0.75	$1.26
Canaan Valley Gas	$2.95	$3.19	$3.82	$4.43	$4.94
Cardinal Natural Gas Northern (Blacksville)	$4.68	$4.78	$4.64	$4.34	$5.69
Cardinal Natural Gas Northern (Lumberport)	$5.48	$5.16	$4.12	$3.73	$5.37
Cardinal Natural Gas Southern	$4.56	$4.76	$4.91	$4.28	$6.65
Consumers Gas Utility	$4.69	$2.94	$4.62	$3.50	$4.85
Hope Gas/Dominion Energy West Virginia	$4.64	$4.42	$3.88	$2.92	$4.05
Mountaineer Gas	$4.79	$4.60	$4.42	$4.22	$5.67
Peoples Gas WV	$3.32	$3.11	$3.48	$3.45	$4.20
Southern Public Service	$3.95	$4.19	$5.19	$4.02	$6.37
Standard Gas	$3.99	$6.00	$4.64	$3.02	$2.53
Union Oil & Gas	$4.71	$4.94	$4.45	$4.05	$6.35

Gas Pipeline Safety

The Gas Pipeline Safety (GPS) Division, under a USC §60105 certification, oversees pipeline safety compliance for 96 gas and hazardous liquid pipeline operators with approximately 14,000 miles of intrastate pipeline. The Division oversight includes both inspection and enforcement for intrastate gas and hazardous liquid transmission and regulated gathering pipelines as well as gas distribution pipelines.

Type of Pipeline Miles in West Virginia						
				Gas Distribution		
Year	Hazardous Liquid [1]	Intrastate Gas Transmission	Regulated Gas Gathering [2]	Mains	Services	Total
2020	142	212	328	11,031	2,322	14,035
2019	188	170	400	11,007	2,237	14,002
2018	151	168	399	10,961	2,282	13,974
2017	164	170	388	10,906	2,280	13,908
2016	230	170	399	10,883	2,262	13,944
2015	322	221	414	10,850	2,431	14,238

1. Mileage includes both transmission and gathering
2. Reported mileage may not represent all regulated gathering

Yearly variations in mileage occur as operators re-evaluate their pipelines according to regulations, changes in ownership, new construction and abandonment of old pipelines. Many production and gathering operators do not fall under GPS oversight and some operators do not understand the requirement to review their lines and determine changes in regulatory status. The ongoing surplus of natural gas in the state continues to cause problems. Changing philosophies regarding gathering and midstream assets have resulted in many changes of ownership as operator divestiture of underperforming pipelines has created both a consolidation of operators and an increase in operators with small amounts of regulated pipeline mileage.

The Federal PIPES Act of 2020 added several new initiatives to pipeline safety, including §113 and §114. These self-executing sections include requirements to address methane emissions and require operators to review their operations and maintenance plans to address the reduction of methane emissions. In addition to other required inspections, GPS is required to inspect all operator O&M plans during 2022.

The Leonel Rondon Pipeline Safety Act of the PIPES Act of 2020 adds additional requirements for inspection of distribution operators' integrity management plans, emergency plans and operations and maintenance plans for overpressure protections.

On November 15, 2021, U.S. Department of Transportation, Pipeline and Hazardous Material Safety Administration (PHMSA) issued new gathering line regulations. These regulations will add significant pipeline mileage to GPS jurisdiction. The new rules go into effect on May 16, 2022. Class 1 gathering lines eight inches or larger in diameter and operating at higher pressures will become regulated after that date. The majority of newly regulated mileage will be associated with horizontal wells and shale plays in the state. The gathering line regulations will add a number of new operators and an unknown amount of mileage to GPS oversight.

Public Service Commission Regulated Pipeline Operators					
Year	Hazardous Liquid	Gas Transmission[1]	Gas Gathering[1]	Gas Distribution[2]	Master Meters
2020	5	14	31	14	33
2019	5	12	30	16	33
2018	5	12	29	16	35
2017	5	16	27	16	35
2016	6	12	19	21	36
2015	5	10	28	21	36

1. Gas transmission operators with gathering pipelines are counted as both transmission and gathering operators

2. Includes liquid propane operator

The COVID-19 pandemic created new challenges for the GPS Division in 2020, which continued into 2021. GPS oversight of operators requires in-person visits to review records and written procedures and to perform onsite inspections of pipeline facilities. Many operators have shut their offices and sent personnel home to work. Using available technology, GPS moved to virtual inspections. While virtual inspections allow a means to continue to monitor operators, they cannot replace the on-site, in-person evaluation. In 2021, the GPS Division performed 253 scheduled inspections that included operations and maintenance, integrity management, operator qualification and drug and alcohol plans. The GPS Division investigated three reportable incidents during the year. In addition to scheduled inspections, GPS inspects construction activities to ensure compliance with design and construction safety regulations. In 2021, GPS inspectors spent 710 days performing inspections.

Inspection Performance			
Year	Inspections	Inspectors	Inspection Days
2021	253	3 full time; 3 part time	710
2020	154	4 full time	525
2019	178	4 full time	516
2018	137	2 full time; 3 part time	439
2017	120	4 full time; 2 part time	547

Construction

Operators in West Virginia are now able, with Commission approval, to recover pipe replacement costs under annual 390P filings. The operators are working to replace older bare steel and other materials prone to leaking with newer, safer pipe materials. In accordance with federal pipeline safety program requirements, GPS is required to spend at least 20% of its required inspection days on construction projects. In 2021, GPS spent 162 days, or 22.9% on construction inspections.

State regulations require operators to report projects costing more than $50,000 to GPS. The number of reported construction projects has greatly increased in recent years.

Year	Major Construction Projects
2021	524
2020	280
2019	169
2018	155

Funding

The GPS Division is funded through a federal pipeline safety grant, which is a reimbursement grant based on actual expenditures from the previous year. Federal funding available for state pipeline safety programs is established by the reauthorization of PHMSA; and the amount of money available to states is dictated by the reauthorization. The PIPES Act of 2020 outlines the funds available for state programs for the next four years.

As a requirement of the federal grant, the GPS Division must follow the *2021 Guidelines for States Participating in the Pipeline Safety Program* that details the requirements for the types of inspections, inspection intervals, minimum number of inspection days, reporting requirements, staffing levels and other criteria. GPS must file an annual progress report that outlines the accomplishments of the previous year and is subject to an annual program review. The progress report and the review affect the amount of federal funding GPS receives. The program is subject to a three-year audit to insure monies are spent appropriately. In 2021, PHMSA conducted the fiscal review with no adverse findings or issues.

Year	Total Eligible Grant Expenditures [1]	Actual Grant Reimbursement	Percentage Reimbursed
2022	$1,131,399 [2]	TBA	TBA
2021	$996,742 [2]	TBA [3]	TBA [3]
2020	$729, 085	$512, 914	70.35%
2019	$759,633	$470,345	61.90%
2018	$639,060	$476,901	74.62%

1. Includes both gas and hazardous liquid reimbursement. Hazardous liquids are about 5% of total funding, gas is 95% of funding. Represents actual spending by GPS

2. Estimates submitted September 2021 for calendar year 2022. Submitted September 2020 for calendar year 2021

3. Actual grant reimbursement for 2021 based on documents to be submitted in February 2022. Payment of grant will occur by June 2022

Training

All GPS inspectors are required to receive training on federal pipeline regulations at the PHMSA training facility, in Oklahoma City, Oklahoma. Six classes must be completed within three years for an inspector to be considered a minimally trained gas pipeline safety inspector. Inspectors must meet minimum requirements prior to being allowed to inspect pipelines. Inspectors of hazardous liquid are required to receive additional training. Advanced level courses include integrity management, control room management and root cause analysis. The GPS Division is required to have inspectors trained in all aspects of pipeline safety and all classes. Training costs approximately $2,000 per class per inspector and is primarily paid by a federal grant. The cost to send an inspector to all classes is approximately $60,000.

Staffing

PHMSA guidelines state GPS should have seven inspectors to provide adequate inspection and oversight of the operators and miles of regulated gas and hazardous liquid pipelines in West Virginia. GPS hired two additional inspectors late in 2018 (who completed their initial training in 2020). In 2021, GPS hired two more inspectors, but also lost an experienced inspector to retirement. The Division continues to have vacancies and is in the process of filling them.

The GPS Division struggles to meet the required staffing level. It is difficult for the Division to maintain appropriate staffing because of the state of the oil and gas industry and low state salaries. Once trained, inspectors frequently are hired by private companies at a 50-100% salary increase. The 2021 gathering line changes and other PIPES Act of 2020 mandates will increase the total regulated mileage, and will create the need for additional inspectors.

One-Call Program

PHMSA issued new federal damage prevention regulations to strengthen the protection of underground pipeline facilities by allowing enforcement actions against contractors violating the One Call regulations. GPS continues to work with WV811 to educate the public and ensure compliance with the State One Call law.

State damage prevention enforcement regulations that became effective July 1, 2018, created the 10-member Underground Facilities Damage Prevention Board to review violations of the State One Call law. PHMSA again determined during the 2021 annual review that the damage prevention enforcement in West Virginia was "adequate." While the Commission has a member on the board, the Commission has no authority over the board or damage prevention enforcement. The lack of enforcement action could potentially hurt the GPS Division's federal funding.

Working with Industry

The Commission has approved new pipeline replacement rates through the 390P IREP cases for several distribution operators, increasing the rate of bare pipe replacement from up to 75 years to a cycle of between 20 and 30 years. This dramatic increase in construction activities will require additional inspectors to provide oversight.

GPS personnel continue to work with the oil and gas industry and provide guidance on changes to pipeline safety regulations. Each year, GPS typically provides two educational seminars for industry representatives. Because of COVID-19, GPS this year held a virtual seminar on regulatory changes, which was facilitated by GO-WV. GPS personnel regularly participate in GO-WV meetings to discuss proposed changes to federal regulations. GPS personnel also work with industry representatives and organizations to create and update industry standards.

Siting of Pipelines

GPS is prohibited from participating in the siting and locating of pipelines (§24B-1-2(6)). Interstate pipelines are certificated by FERC and do not fall under state or Commission jurisdiction. GPS has no jurisdiction in siting intrastate pipelines and has no oversight of non-regulated gathering pipelines.

Farm Taps

In 2017, PHMSA enacted new regulations regarding farm taps, defining them as service pipelines. These regulations require taps on both regulated and unregulated pipelines to be regulated and inspected periodically. Farm tap operators would be required to report the number of taps annually. Some concern exists that the new regulations could lead to the abandonment of taps and the loss of gas service in underserved areas if operators choose not to adhere to the regulations.

In 2019, PHMSA issued a stay of enforcement regarding farm taps and allowed operators to inspect taps under the new regulations or existing integrity management requirements. While PHMSA continues to examine the farm tap regulation, the GPS Division is working with industry on compliance issues.

Gathering Lines

While GPS oversees the safety of certain regulated gathering lines (as defined in 49CFR192), the majority of production and gathering lines are outside of any regulatory oversight. Recent changes will increase the regulated mileage in West Virginia. In addition, unregulated gathering lines will be required to file annual mileage reports.

National Association of Pipeline Safety Representatives

Gas Pipeline Safety Division Director Mary Friend is Chair of the National Association of Pipeline Safety Representatives (NAPSR). She serves in that position until October 1, 2022. The annual NAPSR meeting will be held in September 2022 in Charleston, West Virginia and should attract many national regulatory and industry leaders in pipeline safety. As a member of NAPSR, Friend serves on numerous industry and NAPSR committees, and was awarded the prestigious 2018 Chairman's Award for Outstanding Service for her many contributions to improve pipeline safety.

Water and Wastewater

West Virginia American Water Company

West Virginia American Water Company (WVAW) filed rate cases seeking a $40.5 million increase, or 26.1% for its water operations; and a $340,289, or 31.0% increase for its sewer operations (Case Nos. 21-0369-W-42T and 21-0370-S-42T). The proposed water rate increase would affect more than 167,000 customers in 19 counties and the customers of 12 other entities that purchase water from the Company. The proposed sewer rate increase would affect 1,113 customers in Fayette County.

WVAW also filed a proposed change in its depreciation rates, which would result in an overall increase in the Company's annual depreciation expense for both water and sewer operations (Case No. 21-0368-WS-D). The Company requested that the rates go into effect at the same time as new base rates.

WVAW, CAD, and Commission Staff submitted a settlement offer to the Commission in the depreciation case in which they agreed to new depreciation accrual rates, net salvage percentages and cost of removal allocators. The stipulating Parties also recommend the Company make a new depreciation case filing by December 31, 2027.

WVAW also filed a petition for approval of a Distribution System Improvement Charge (DSIC) for 2022 (Case No. 21-0507-W-DSIC). The Company proposed the DSIC for accelerated rate recovery of approximately $32.5 million in infrastructure replacement and system upgrades. The Company proposed an additional DSIC rate increase of 1.87% to go into effect March 1, 2022.

Intervenors in these cases include CAD, the Kanawha County Commission and WVEUG. These cases are pending before the Commission.

Beckley Water Company

Beckley Water Company applied for an increase in water rates and charges of approximately $2.7 million, or 19.8% (Case No. 21-0493-W-42T). The average monthly rate increase for residential customers would range from $6.10 to $7.01. The Commission suspended implementation of the increased rates for 270 days (or approximately nine months) and referred the matter to the Division of Administrative Law Judges.

The Company also seeks approval of a 2022 DSIC (Case No. 21-0721-W-DSIC). The Company is requesting to recover costs associated with the replacement and relocation of 3.82 miles of mainlines along W.Va. Route 3 from Beaver towards Shady Spring. The Company estimated its average monthly investment for 2022 will be $1.99 million, with a total DSIC revenue requirement of $227,454 for the first year and $452,535 for the second year. These cases are pending before the Commission.

Page-Kincaid Public Service District

In 2019, Page-Kincaid Public Service District (PSD) requested approval to rehabilitate its water treatment plant in Fayette County at a cost of approximately $3.35 million, which would have resulted in a 10% increase over then current rates (Case No. 19-0609-PWD-CN). After receiving petitions with more than 400 signatures and numerous formal complaints by customers, the Commission opened a General Investigation (GI) into the quality of water provided by Page-Kincaid (Case No. 20-0397-PWD-GI). WVAW, CAD and U.S. Department of Agriculture were granted intervenor status.

Staff identified many problems with the District's maintenance and operation of its system and recommended acquisition of the water system by WVAW. The District's water source presented a significant and continuing challenge. Staff also identified problems that would not be improved by the proposed treatment plant project, including the physical condition of the booster stations and tanks, missing pumps, large quantities of sediment on the bottom of the tanks and in the lines that needed to be removed, the required maintenance of the distribution lines for leak detection and line repairs and flushing to remove built-up iron and manganese. Extremely high levels of lost water resulted in the need for the District to pump and operate the water plant an average of 23 hours per day. Staff noted that WVAW had the expertise and resources to quickly improve water quality for much of the system within three months after an acquisition.

Following briefings and a hearing, the Commission concluded that Page-Kincaid had failed in its duty to its customers. The Commission gave the Parties 30 days to reach an agreement on an offer by WVAW to acquire the Page-Kincaid water system.

In September 2020, the District's Board voted to proceed with an acquisition by WVAW. The

Commission authorized WVAW to take immediate steps to facilitate construction of the interconnection and improvements to the water distribution.

WVAW filed a Joint Application on behalf of itself and the District, seeking Commission approval of an Interim Water Sale Agreement and Asset Purchase Agreement, which authorized (i) the Company's sale of water to the District to serve portions of the distribution system; (ii) immediate Company investment in the system; and (iii) the Company's acquisition of the District's water distribution facilities. (Case No, 20-0718-W-PWD-PC). WVAW and the District also requested interim relief and a preliminary Order to facilitate the Company beginning work on the system and for the Company to begin the pre-closing system investment.

In December 2020, WVAW took the Page-Kincaid water treatment plant out of service. All Page-Kincaid PSD water customers were then receiving water from WVAW's New River water treatment plant.

The Commission issued a Final Order closing the GI and granting consent for the District to convey certain assets to WVAW, and for WVAW to provide service to Page-Kincaid customers. These cases are now closed.

West Virginia American Water and Cedar Grove Municipal Water Department Acquisition

WVAW filed a Joint Application on behalf of itself and Cedar Grove Municipal Water Department seeking Commission approval of an asset purchase agreement (Case No. 21-0325-W-PC). Staff recommended the Commission approve the transaction, including accounting and ratemaking treatment related to the acquisition, a Water Service Termination Agreement and a Usage Agreement.

The Commission approved the asset purchase agreement between WVAW and Cedar Grove and ordered WVAW to provide water service to Cedar Grove customers upon closing of the acquisition. The case is now closed.

West Virginia Infrastructure and Jobs Development Council

The Public Service Commission is a voting member of the West Virginia Infrastructure and Jobs Development Council (WVIJDC). The WVIJDC serves as the funding clearinghouse for West Virginia's water, wastewater and economic development projects and streamlines support for needed infrastructure projects. Commission Staff serve as members of the Technical Review Committees (both water and sewer), the Funding Committee, the Consolidation Committee and the full Council.

Staff performs financial and engineering reviews for water and sewer filings brought before the WVIJDC. No other agency completes an independent review of the proposed utility rates, nor does any other agency have the extensive organizational knowledge of utilities and their service territories to identify opportunities for consolidation, merger or other opportunities to increase efficiencies and lower the cost of providing utility service. Various state agencies, including the West Virginia Department of Health and Human Resources, Bureau for Public Health and the WVDEP, rely on the Commission review of WVIJDC filings and incorporate those reviews in their final recommendations.

The engineering review takes into account the likely impact of any proposed project on the short- and long-term operations and maintenance costs of the utility. These estimates serve as a useful measure of the project's cost effectiveness and efficiency. Staff works closely with the applicants and their project teams to correct errors and fill data gaps in the preliminary applications filed with the WVIJDC. In 2021, Staff reviewed 89 WVIJDC applications.

The Commission also assists the Council when questions arise about utility practice, ratemaking and regulation of public utilities.

Distressed or Failing Utility Cases

During the 2020 regular session, the West Virginia Legislature passed Senate Bill 739, the Distressed or Failing Utilities Bill. The bill was developed by the Public Service Commission in consultation with the West Virginia Water Development Authority (WVWDA) and the WVIJDC to assist distressed and failing water and sewer utilities. The goal is to ensure that citizens have access to safe drinking water and adequate and safe sewage treatment.

Struggling water and sewer systems now have a system that may ultimately result in a troubled utility being acquired by another utility. If a utility is unable to stabilize its operations or financial condition after the Commission lends assistance, a proceeding could be initiated to determine whether the utility is distressed or failing. This proceeding may be initiated by the Commission, its Staff or by any other person or entity having a legal interest in the utility.

If the Commission determines a utility is distressed, it may order a number of alternatives, including reorganization of the utility under new management or a new board, an operation and maintenance agreement or merger with another public utility. If the Commission determines a utility to be failing, the Commission may order another utility to acquire the troubled one.

Following are the distressed or failing utility proceedings from 2021:

Lincoln County Public Service District

Commission Staff petitioned the Commission to determine whether the Lincoln County PSD was a distressed or failing utility (Case No. 21-0258-PWD-P). Staff stated that the District (i) experienced ongoing problems with customer billing and trouble performing necessary maintenance to ensure adequate water service to its customers; (ii) received a Notice of Violation and Opportunity to Confer from the EPA related to violations of the United States Code and Federal Regulations; and (iii) had been the subject of a variety of Commission cases involving the District's operations and staff, including a request from the Lincoln County Commission to initiate a general investigation, failure by the District to file its annual reports and numerous complaints related to billing and quality of service. Finally, Staff noted the District experienced a mass resignation of its office and field staff. Although plant operators did not resign, the loss of such a large group of critical staff created obvious concerns about the District's ability to supply water to more than 3,700 customers.

The Commission opened a proceeding to consider whether to declare the District a distressed or failing utility, named the District and WVAW as respondents and joined the Lincoln County Commission and CAD as Parties. The Commission directed the Parties to provide a list of any potential capable proximate public or private utilities able to acquire the utility. The Parties were further directed to apprise the Commission of any talks between the District and other utilities.

WVAW stated it was not capable of providing full service to the District's customers and suggested Branchland-Midkiff PSD and the Town of West Hamlin might be able. Staff and CAD responded that Branchland-Midkiff, the Town of West Hamlin, Logan County PSD and the Boone County PSD were not good candidates, and suggested that WVAW would be the best candidate. They suggested an operation and maintenance agreement with WVAW could serve as a stop-gap measure.

The District, in its response, dismissed most of Staff's allegations, stating the 2014 GI was withdrawn and that many utilities fail to file annual reports on time. The District noted it was current on its bond indebtedness with the Municipal Bond Commission, current on its accounts receivable and had funds on hand to handle its monthly obligations. The District denied it is distressed or failing, asserted that new staff had been hired and requested dismissal of the Staff Petition.

Staff replied by reminding the Commission of the District's violation of federal law and the mass resignation of experienced office and field staff. Staff reiterated its commitment to investigate the District.

Following extensive discovery, Staff filed its Final Joint Staff Memorandum recommending the Commission find the District to be a distressed utility, but did not recommend the District be taken over by another utility. Staff recommended extensive corrective actions, ranging from addressing unaccounted for water issues and overhauling the District management to continuing reporting obligations. The District agreed with the Staff recommendations.

Staff filed a Second Final Joint Memorandum regarding emergency repairs to the District's Alum

Creek water tank that were needed to address a potential tank rupture and collapse, which would present a threat to the public. The Commission entered an Order requiring prompt repairs to the tank, including immediate stabilization of the foundation to avoid collapse.

Staff filed a Third Final Joint Staff Memorandum, noting outages in the District's service area and the inadequacy of the District's corrective action plan. The Commission ordered the District to comply with Staff recommendations. The District responded that it is preparing a revised corrective action plan with the assistance of engineering and accounting firms. This case is pending before the Commission.

Greater Paw Paw Sanitary District

A petition was filed by the outgoing Chairman of the Board of the Greater Paw Paw Sanitary District requesting that the Commission determine whether the District should be placed into receivership. The Commission opened a proceeding to determine if the utility can be classified as a distressed or failing utility (Case No. 21-0827-PSD-P). The District is a sewer utility serving 1,318 customers in Rivesville, WV.

The petition stated that, despite a recent 25% rate increase, the utility is unable to meet its financial obligations, including fines imposed on it by the Commission, WVDEP and FEMA. It further stated that the entire board of directors has resigned, the maintenance staff did not have sufficient experience to make necessary repairs and that the City of Fairmont previously ran the system and may be considered as a potential capable proximate utility to take over.

The West Virginia Water Development Authority (WVWDA) holds the sewer revenue bonds for the District and has petitioned to intervene in the case. This case is pending before the Commission.

The Newell Company

The Newell Company, a public utility providing water and sewer service to the city of Newell, filed a petition for the Commission to determine the Company is a distressed or failing utility (Case No. 20-1033-WS-P). The Company stated the Commission previously granted a request for a certificate to construct an upgrade to the Company's water treatment plant (Case No. 18-1392-W-CN). The Company solicited bids for the project, all of which exceeded the projected costs and the planned funding. The Company asked to reopen its filing for approval of a further loan, but ultimately found itself unable to satisfy the terms of the lender and withdrew its petition to reopen the matter. The Company was unable to meet the terms of the lender because of the change in the financial condition of its former parent company, the Homer Laughlin China Company. Homer Laughlin had reorganized, retaining its Fiestaware business. The Company is now a wholly owned subsidiary of the Fiesta Tableware Company, which has decided to quit the utility business.

In January 2018, the Company and the Tomlinson PSD entered into a Memorandum of Understanding related to the construction of a treatment facility, giving Tomlinson a first right of refusal to purchase Company assets if the Company decided to quit providing utility service. In recent months, the Company has met with Tomlinson PSD and Hancock County PSD, but they have failed to reach an agreement.

The company asserted that without a purchaser for its assets, the construction of a water treatment facility and continued utility service to its customers is in jeopardy. The Company has identified Tomlinson PSD and Hancock County PSD as utilities that could take over its operations.

The Commission held Public Comment and Evidentiary Hearings in Weirton. This case is pending before the Commission.

Town of Cedar Grove

The Commission opened a proceeding to consider whether the Town of Cedar Grove, a municipal utility, is a distressed or failing utility (Case No. 21-0801-S-P). The Commission made Cedar Grove and the Kanawha PSD respondents in the case, added CAD as a Party, and requested the Parties provide a list of potentially capable utilities to take over the system. The parties were to apprise the Commission of any talks or negotiations between those potentially capable utilities and Cedar Grove.

Cedar Grove operates a municipal sewer collection system serving approximately 400 customers. Kanawha PSD provides bulk sewer treatment services to Cedar Grove and bills for those services monthly. Cedar Grove makes regular payments to Kanawha PSD, but those payments have been inadequate to cover all charges. As of June 2020, Cedar Grove owed Kanawha PSD nearly $119,000. Kanawha PSD filed a complaint case with the Commission over the outstanding bills (Case No. 19-0684-PSD-WS-C). The Commission consolidated Case No. 19-0684-PSD-WS-C with this proceeding.

In June 2020, an Administrative Law Judge (ALJ) issued a Recommended Decision directing (i) Cedar Grove adopt adequate rates or a surcharge to pay current treatment charges and eliminate its arrearage to Kanawha PSD within 24 months; (ii) Cedar Grove and Kanawha PSD meet quarterly; (iii) Cedar Grove and Kanawha PSD file quarterly reports for two years addressing the adequacy of Cedar Grove's sewer rates, billing, the arrearage and the date of the last meeting between the two parties; and (iv) unseal billing information filed with the Commission.

In July 2021, Kanawha PSD filed a petition to reopen the case, asserting that Cedar Grove had not complied with the ALJ's Recommended Decision and had not adopted rates or a surcharge that would allow it to pay current charges and eliminate the arrearage. The Commission reopened the case and ordered Staff to file a report addressing Cedar Grove's compliance with the Recommended Decision. Staff reported that Cedar Grove was not in compliance, and that Kanawha PSD had billed Cedar Grove for $126,220. Kanawha PSD agreed with the Staff conclusions and requested the Commission order appropriate remedial measures to address Cedar Grove's noncompliance.

Staff filed a list of utilities able to take over the system, including Kanawha PSD, Malden PSD, Union PSD, Charleston Sanitary Board, City of Montgomery, South Charleston Sanitary Board, City of Nitro Sanitary Board, WVAW and the St. Albans Municipal Utility Commission-Sewer. On the same date, Cedar Grove responded, agreeing that the Town of Montgomery is a potentially capable utility. Cedar Grove stated it had not engaged in talks with Montgomery.

This case is pending before the Commission.

Boone-Raleigh Public Service District

The Boone County Commission filed a petition requesting the Commission find the Boone-Raleigh PSD to be a distressed or failing utility (Case No. 21-0066-PSD-P). The County Commission stated it had been paying the District's bond indebtedness and major equipment repair costs for the last two years. It also stated it could not continue to pay the District's expenses and that the sewer system could no longer support itself.

The Commission named the District as a Respondent and added CAD as a Party. The Commission required the Parties to provide lists of utilities capable of taking over the system and apprise the Commission of any talks between those utilities and the District.

Commission Staff identified the Boone County PSD, noting that the utility had excess capacity because of a decreased customer base. CAD was unable to identify any utility it considered capable of taking over the Boone-Raleigh sewer operation.

The Boone County Commission informed the Commission that discussions had taken place between the Boone County PSD and the District, but that a $400,000 Internal Revenue Service lien against the District had stalled any serious acquisition negotiations.

The Commission joined the Boone County PSD, Bradley PSD and WVAW as respondents, requiring that each file a statement regarding its fitness as capable utilities and its recommendations for other candidates for the Commission to consider.

Staff asked the Commission declare the District to be a distressed utility and recommended a merger with the Boone County PSD, subject to the County Commission's approval and that an Operation and Maintenance Agreement between the District and the Boone County PSD be put into effect as a remedial measure.

Boone County PSD, Bradley PSD and WVAW all filed responses to the Commission's Order. Boone County PSD denied being a capable proximate utility and rejected the Staff recommendation that it merge with the District. Bradley noted that it is not physically close to the District and asked to be dismissed. WVAW stated it had the financial, managerial and technical ability to take control of the District, and could expand its operation to include the service area, but it identified constraints that would prove difficult to overcome without the acquisition of a larger customer base, such as Boone County PSD's, to avoid what WVAW termed "untenable rates." WVAW, however, noted that Boone County PSD was not receptive to an acquisition.

This case is pending before the Commission.

Shenandoah Junction Public Sewer, Inc.

Shenandoah Junction Public Sewer, Inc. filed a petition for the Commission to determine that Shenandoah is a distressed or failing utility (Case No. 21-0260-S-P). Shenandoah stated it serves 187 customers in Jefferson County. Shenandoah stated its treatment facility is 40 years old and although it is durable, it is heavily loaded. Shenandoah cited potential difficulty meeting recently enacted restrictive discharge limits, conceded that it has had issues with the DEP over the years and is now under a WVDEP consent order.

Shenandoah previously petitioned the Commission for a moratorium on serving new customers. Staff recommended a conditional moratorium be granted in Case No. 17-1358-S-PC. In a separate matter in 2018, the Commission approved a petition by the Jefferson County Commission to dissolve the Jefferson County PSD and for the City of Charles Town to take over the sewer treatment services provided by Jefferson County PSD.

The annual reports filed by Shenandoah in the moratorium case reveal costs that include capacity improvement fees of $600,000 for connection to Charles Town's sewage treatment system; $450,000 for a new pump station; and $25,000 for a Mission SCADA System. Those and other costs total $1.15 million, making continuation of service by Shenandoah cost prohibitive and place Shenandoah's customers in a precarious situation.

Shenandoah suggested Charles Town Utility Board (CTUB) as a capable proximate utility, requested the Commission make CTUB a party and determine CTUB's eligibility for funding to assist in either extending resale service to Shenandoah or purchasing Shenandoah.

Commission Staff moved the Commission to join the CTUB, to which CTUB had no objection. Staff recommended Shenandoah and CTUB be given 60 days to explore a resolution of this case. CTUB told the Commission that its Board authorized CTUB management "to explore options for negotiating a possible resolution of the matter with Shenandoah." This case is pending before the Commission.

Craig F. Bessinger, dba Bessinger Rental Management

Bessinger Rental Management (BRM), provides water service to 10 customers in the town of Harman. It requested approval to discontinue providing water service (Case No. 20-0997-W-X). The Commission had previously found BRM to be acting as a water utility because it was purchasing water at bulk rates from Harman and reselling the water to its customers at rates exceeding bulk rates.

The Commission initiated a proceeding to consider whether to determine that BRM is a distressed or failing utility, made the Town of Harman a respondent and added CAD as a party (Case No. 20-0707-W-P). This case is pending before the Commission.

Water and Sewer Certificate Cases

During 2021, the Commission approved 25 cases totaling more than $115 million in investments to extend water or sewer service to more than 1,200 new customers. Municipalities, public service districts and water or sewer associations must obtain certificates of convenience and necessity from the Commission to expand, upgrade or replace water and sewer infrastructure within their service territories. The utility seeking a certificate of convenience and necessity submits an application, an engineering study describing the scope of the project, specifications for physical infrastructure to be constructed, estimated costs and the benefits to be provided by the project. The filing must describe sources of funding for the project, such as loans and grants, and contain detailed financial statements regarding the impact of the project in terms of any additional customer revenue, changes in operating expenses and annual debt service requirements related to the project. The utility may request an increase in rates to support project costs.

The filing is reviewed to determine the adequacy of the supporting data. Additional information may be requested to assure the Commission has all information required to determine the reasonableness of the request. Staff reviews the engineering specifications for design, cost and rate impact. Staff also reviews and analyzes the financial and operational data to determine appropriate rate levels if the utility's current rates do not generate adequate revenue to support the project costs. A public hearing is held and evidence is submitted by the utility, Staff and any intervenors about the need for the project, modifications to the project and the proper rates to support it. The Commission uses this evidence to determine if the project should be granted a certificate, and what would be the appropriate rates.

Following is a table summarizing those projects for which certificates of convenience and necessity were approved during 2021.

Utility	Estimated Cost	Pre-Project Customers	Customers Added	Date Approved
Camden-on-Gauley Sanitation System	$1,200,000	94	0	2/1/21
Central Hampshire PSD	$2,983,000	1,652	0	1/4/21
City of New Cumberland	$2,447,600	574	0	5/24/21
City of Ravenswood	$6,201,045	1,872	0	6/14/21
Corporation of Shepherdstown	$1,977,000	1,721	0	7/7/21
Cowen Public District	$5,165,675	597	135	10/3/21
Doddridge County PSD	$1,924,000	18	29	1/11/21
Eastern Wyoming PSD	$9,358,620	71	112	1/3/21
Greenbrier PSD #1	$8,365,000	300	240	10/6/21
Huttonsville PSD	$3,760,000	1,477	0	12/27/21
Kanawha PSD	$10,200,000	2,412	281	10/30/21
McDowell County PSD	$7,900,000	3,271	0	12/12/21
New Creek Water Association	$9,896,000	1,377	7	1/18/21
Oceana Municipal Water Works	$2,319,401	1172	0	3/17/21
Pocahontas County PSD	$3,640,000	730	106	7/19/21
Southern Jackson County PSD	$3,464,800	2,481	112	3/4/21
Tomlinson PSD	$8,071,000	1,837	0	6/14/21
Town of Albright	$2,195,000	94	0	7/6/21
Town of Ansted	$4,038,026	576	0	3/17/21
Town of Monongah	$3,105,000	613	0	5/31/21
Town of Pax Water Department	$855,000	291	29	7/27/21
Tyler County PSD	$3,491,600	283	150	12/27/21
Wellsburg Municipal Water Dept.	$5,972,458	1,552	0	2/10/21
White Oak PSD	$4,474,000	981	0	2/1/21
Whitehall Public Service District	$2,293,000	1,440	0	10/13/21

Public Water and Sewer 42A, 42R and 42T Rate Cases

The Commission has rate jurisdiction over public service districts with fewer than 4,500 customers or annual gross revenues less than $3 million. Those water and sewer utilities under Commission jurisdiction with revenues in excess of $3 million and fewer than 4,500 customers are required to file full financial support for requested rates. Proposed rates are published, and Staff reviews the utility's books and records.

Following its review, Staff recommends rates. If the utility does not object to Staff's proposed rates, and if there is not significant public protest, Staff's recommended rates may be approved without a public hearing. If the utility objects or if there is significant public protest, a hearing may be held. Based on testimony and evidence presented at the hearing, the Commission determines a reasonable level of rates.

In 2021, the Commission completed two public water and sewer rate cases. Others are in progress. Those cases are summarized below.

Utility	Amount Requested	Percent Requested	Amount Granted	Increase/ Decrease	Customers	Date Approved
Huttonsville PSD, Step 1	$64,004	8.00%	$34,489	4.31%	946	2/28/21
Huttonsville PSD, Step 2			$62,184	8.05%		
Mineral Wells PSD, Step 1	$155,512	13.92%	$53,128	4.24%	1,748	5/19/2021
Mineral Wells PSD, Step 2			$82,718	7.37%		

Rule 19A Rate Cases

The Commission uses an accelerated and simplified procedure for smaller utilities to file for increased rates without requiring these utilities to develop financial exhibits and rate requests. In those instances, Staff performs the financial analyses required to establish appropriate rates. In most cases, the utility does not request specific rates or a given level of increase, and the Staff recommends new rates for the utility. This process, a 19A rate case, saves the utility the time and expense of preparing and filing a full rate case.

Previously, utilities with gross annual revenues of less than $1 million were able to file a 19A rate case. In 2019, the Commission changed the criteria, stating a 19A proceeding would now be available to utilities with fewer than 4,500 customers and with annual gross revenue less than $3 million, making the optional procedure available to more utilities.

In 2021, 29 19A rate filings were completed. Those cases are summarized in the following chart.

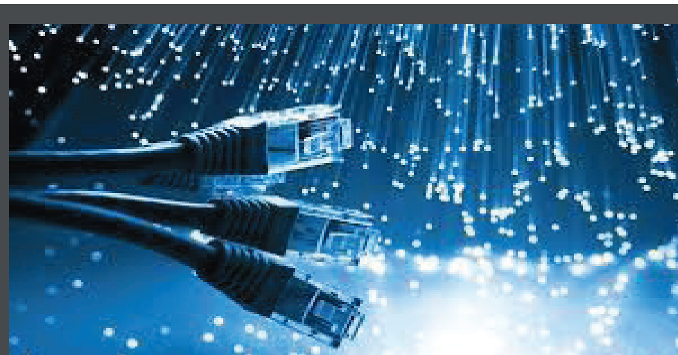
Utility	Amount Granted		Increase/Decrease		Customers	Date Approved
	Step 1	Step 2	Step 1	Step 2		
Cheat View PSD	$188,306	—	13.75%	—	2,066	8/11/21
Clay Battelle PSC	$77,775	—	7.98%	—	1,625	3/24/21
Coolfont Mountainside Assn.	$12,237	—	140.03%	—	146	4/5/21
Cowen PSD	$161,504	$61,698	22.86%	6.90%	1,448	2/10/21
Culloden PSD	$52,214	$151,693	5.71%	16.84%	12	6/4/21
Danese PSD	$102,060	—	17.61%	—	931	6/6/21
Elk Valley PSD	$217,672	—	8.30%	—	4,523	1/31/21
Flatwoods-Canoe Run PSD	$5,210	—	0.38%	—	1,276	8/11/21
Hancock County PSD	$14,130	—	0.91%	—	1,569	8/8/21
Hodgesville PSD	$307,094	$246,912	45.73%	36.77%	1,263	10/26/21
Hughes River Water Board	$46,094	—	10.32%	—	3	11/29/21
Huttonsville PSD	$34,489	—	4.31%	—	946	2/28/21
Jane Lew PSD	$29,237	—	5.85%	—	671	5/30/21
Jane Lew PSD	$55,797	—	9.51%	—	903	5/30/21
Little Creek PSD	$95,176	—	20.06%	—	913	4/28/21
Mannington PSD	$66,453	—	11.44%	—	544	4/22/21
Marshall County PSD No. 2	$16,834	—	3.85%	—	646	12/13/21
Mineral Wells PSD	$137,294	$82,718	12.23%	7.37%	1,748	5/19/21
Mount Hope Water Assn.	$29,900	—	4.50%	—	1,200	1/10/21
Mountain View Water System	$2,307	—	10.20%	—	55	10/18/21
Pendleton County PSD	$12,402	—	2.62%	—	858	8/31/21
Ravencliff-McGraws-Saulsville PSD	$200,408	—	19.42%	—	1,236	10/14/21
Shenandoah Junction Public Sewer	$9,247	—	10.27%	—	160	4/7/21
Tennerton PSD	$96,099	$72,295	18.73%	14.09%	887	9/23/21
Tyler County PSD	$38,765	—	26.43%	—	283	6/22/21
Webster Springs PSD	$47,153	—	14.16%	—	622	6/9/21
Wetzel County PSD No. 1	$59,265	—	12.38%	—	683	12/19/21
Wilderness PSD	$136,439	—	11.23%	—	2,060	11/8/21
Williamsburg Sewer System	$7,250	—	10.11%	—	207	1/29/21

Rule 30B Pass-Through Cases

The Commission allows smaller water and sewer utilities that purchase finished water for resale or that have sewage they collect treated at a plant operated by another utility to file to recover rate increases on an expedited basis for resale rates charged to them. In these cases, the Commission allows the purchasing utility to increase rates to its customers enough to make the utility whole for the increased cost of purchased water or sewage treatment. The utility is required to publish the new rates and to provide an opportunity for public protest.

Because the amount of the pass-through rate is a mathematical calculation, there is usually little dispute between the utility and Staff as to the rates. If no significant public protest is received, the rates usually are quickly approved without a public hearing. If high levels of unaccounted for or lost water are discovered during Staff's review, the Commission may require the utility to determine the causes of the high water loss, develop a remediation plan and report the results of steps taken prior to approving the interim rate increases as final rates. Seven 30B pass-through rate filings were completed in 2021.

Telecommunications



Suddenlink Communications Quality of Service General Investigation

After receiving more than 1,900 complaints from Suddenlink's cable television customers over the past two years regarding billing, delays in restoring service, inability to place orders for service or contact personnel regarding the status of requests, the Commission initiated a Show Cause-General Investigation into the quality of Suddenlink's cable television service and ordered Suddenlink Communications to show why it should not be required to take specific remedial steps to improve service to customers and why the Commission should not impose penalties as authorized by state law (Case No. 21-0515-CTV-SC-GI). Suddenlink is the second largest telephone provider and one of the five largest cable television companies in the state, serving up to 350,000 customers in 31 counties in West Virginia. CAD, Kanawha County Commission and the Cities of Beckley, Charleston and Elkins were granted intervenor status in the case.

On May 6, 2021, Chairman Charlotte Lane met with representatives of Suddenlink to discuss the quality of service complaints the Commission had received. Chairman Lane directed Suddenlink to provide the Commission a corrective plan within 30 days. Suddenlink sent a letter to Chairman Lane on June 7, 2021, that contained neither a correction plan nor details of the steps that Suddenlink had taken to improve service.

The Commission then ordered Suddenlink to file information, including details on completed and projected improvement projects to its cable television service; specific outage information; the processes used to issue and track trouble tickets; customer complaint call logs; a copy of all Suddenlink's current franchises for cable television service in the state; and metrics regarding training, personnel, office locations and hours of operation.

Staff made a number of recommendations, including that the Commission impose penalties on Suddenlink for failing to restore service to customers as required by W.Va. Code §24D-1-15-(b). Those penalties would include a $1,000 penalty for failing to restore service within 24 hours after notification by a customer and an additional $1,000 penalty for each 24-hour period the customer remains without service.

The Commission held a series of evidentiary and public comment hearings. This case is pending before the Commission.

Frontier and Citizens Telecommunications Company's Copper Network and Quality of Service

In 2018, the Communications Workers of America filed a Petition with the Commission requesting a General Investigation into Frontier West Virginia Inc.'s and Citizens Telecommunications Company of West Virginia's copper network and the service quality issues related to that network (Case No. 18-0291-T-P). CAD and Communication Workers of America, AFL-CIO (CWA) were granted intervenor status.

After receiving numerous and increasing complaints regarding Frontier's quality of service, the Commission ordered a focused management audit of Frontier to determine if Frontier was operating efficiently, utilizing sound management practices, and to identify areas where Frontier was not operating efficiently. The Commission determined it did not have the staff to conduct a management audit in a timely manner and ordered that the audit be conducted by a qualified outside auditing firm and paid for by Frontier. The audit was to focus on the status of the copper network, adequacy of staffing levels dedicated to the copper network, adequacy of capital investment in the copper network since 2010, adequacy of policies and procedures affecting the quality of service, adequacy of metrics in place to measure quality of service, impact of the declining customer base on internal cash flow from operations relative to historic levels and current copper infrastructure maintenance, capital investment and the impact of the current bargaining agreement and ongoing relations between management and labor on customer service quality and response timing. The audit was to make appropriate recommendations for addressing areas that needed to be improved.

The Commission determined that Schumaker and Associates presented the most comprehensive audit plan and resources for conducting the audit, and it was selected to conduct the audit of Frontier.

Shumaker conducted the audit and filed the *Final Focused Service Quality Management Audit Report* with the Commission as a confidential filing. The report included numerous recommendations for areas of improvement, including quality of service.

On January 15, 2021, the Commission entered a Final Order requiring Frontier to implement most recommendations from the audit and imposing numerous reporting requirements to assure Frontier remained on track in meeting goals. In addition, the Commission required Frontier to continue providing Service Quality Results Reports and the 25 Worst Call Center Reports. This case is now closed.

Frontier and Citizens Telecommunications Joint Application for Expedited Approval of Certain Chapter 11 Related Reorganization Changes

Frontier West Virginia, Inc., and Citizens Telecommunications Company Of West Virginia dba Frontier Communications of West Virginia (Frontier) filed a petition seeking Commission approval of a transaction in which Frontier's parent corporation would convey all its assets, (including its interest in Frontier) to a newly formed company, Reorganized Frontier, as part of its Chapter 11 bankruptcy proceeding (Case No. 20-0400-T-PC). Frontier also filed a plan of reorganization in which the holders of senior notes would receive their pro rata share of 100% of the common stock of Reorganized Frontier, thereby eliminating over $10 billion in debt and interest expense payments of $1 billion annually. All other holders of secured or unsecured claims would either be paid in full, reinstated or otherwise unimpaired by the restructuring, except existing shareholders who would receive nothing for their shares in the existing parent company. CAD and CWA were granted intervenor status.

Staff filed a recommendation that the Commission refrain from approving the transaction until Frontier provided assurances that (i) West Virginia would be included as one of the states where Frontier will deploy fiber upgrades to homes, and (ii) sufficient funds are available to immediately implement the recommendations of the Focused Management Audit as may be imposed by the Commission in Case No. 18-0291-T-P.

During its evidentiary hearing Frontier representatives disclosed that West Virginia had been designated an "InvestCo" state under its "Virtual Separation" plan, meaning Frontier intended to invest in fiber in West Virginia beginning in 2021. The Parties submitted a Joint Stipulation to the

Commission.

The Commission approved the Joint Stipulation, subject to certain conditions, including reporting requirements to ensure that Frontier remained on track in meeting certain terms and conditions and invested the agreed upon capital expenditures each year in the state. This case is now closed.

Federal Universal Service Funding by Eligible Telecommunications Carriers

The Federal Communications Commission (FCC) requires each state to certify that all high cost funds flowing to rural and non-rural carriers in that state are used in accordance with the Telecommunication Act of 1934. The Commission initiated a proceeding regarding the use of Federal Universal Service Funding by Eligible Telecommunications Carriers in West Virginia (Case No. 20-0268-T-P).

A Recommended Decision was issued directing a certification be issued to the FCC and the Universal Service Administration Company stating that the carriers appropriately utilized Federal high-cost and other universal service support. This case is now closed.

Enhanced 911 Wireless Tower Access Assistance Fund

Revenue for the Wireless Tower Access Assistance Fund (WTAAF) is generated from a fee collected each month from cell phone subscribers. The Commission administers this fund, but it passes all monies to recipients, as required by law. The Commission does not charge for its services in collecting the fees or administering the grants.

Initially $83,333.33 collected from that fee was deposited into the WTAAF each month. In 2020, the Legislature replaced that set amount with a wireless tower fee of $0.08 per in-state two-way wireless service subscriber per month. The fund began 2021 with a balance of $461,571.

In 2021, Fayette County (TAF Fayette 21A) was awarded a grant of $638,091, Hardy County (TAF Hardy 21A) was awarded a grant of $446,754 and Nicholas County (TAF Nicholas 21A) was awarded a grant of $28,800, leaving a balance of $488,266 in the fund.

Transportation Safety Enforcement

Special Initiatives

The Commission's Transportation Division works with the Commercial Vehicle Safety Alliance (CVSA) and the Federal Motor Carrier Safety Administration (FMCSA) to increase safety enforcement for commercial motor vehicles on interstate highways and heavily traveled roadways to reduce commercial vehicle and passenger carrier incidents. In 2021, Transportation Officers worked with FMCSA to increase the number of passenger carrier inspections and on a variety of special initiatives, including the annual 72-consecutive-hour International Roadcheck, Brake Safety Week, Hazardous Materials Road Blitz and Operation Safe Driver.

Officers teamed with the Governor's Highway Safety Program to encourage increased seatbelt use in passenger and commercial motor vehicles through a "Click It or Ticket" campaign. The initial blitz occurred in October 2021, and will be followed by three blitzes in 2022. In 2021, Officers also participated in the GHSP Speed Enforcement campaign and the Distracted Driving campaign.

To combat human trafficking, Officers received education from Truckers Against Trafficking in conjunction with the CVSA during the spring of 2021. The issues covered in training included The Rules of the Game, Do's and Don'ts for Roadside Officers when Interacting with a Human Trafficking Victim, Types of Traffickers and Sex Trafficking.

PSC Transportation Officers Earn $40 Million for State Highway Fund

In 2021, the Commission's Transportation Officers earned $40 million for the State Highway Fund by once again meeting all federal requirements for enforcing laws relating to maximum vehicle size and weights on the Interstate Highway System and state highways. Meeting these requirements is necessary for West Virginia to receive its full allotment of the federal-aid highway funds for the National Highway System apportioned to the state. The PSC has met these requirements every year since taking over weight enforcement efforts from the West Virginia Division of Highways

(DOH) in 2003. Had the PSC not met the federal requirements, the State would have suffered a 10% reduction in funds, or a loss of about $40 million. The funds are received by the DOH and are used for maintenance or other improvements.

Federal Highway Administration policy mandates each state enforce vehicle size and weight laws to assure violations are discouraged and those vehicles traveling the highway system do not exceed limits specified by law. These size and weight limits are based upon design specifications and safety considerations. Enforcement efforts are developed and maintained both to prevent premature deterioration of the highway pavement and structures and to provide a safe driving environment.

Working with Law Enforcement

Transportation Officers participate in many joint activities with the West Virginia State Police. Historically, they have assisted with firearms training during Basic and Cadet Classes at the West Virginia State Police Academy, assisted with annual firearms training for current troopers, conducted DUI checkpoints and other efforts as requested by the State Police. Transportation Officers also work with local law enforcement on DUI, seatbelt and speed control activities. All these joint activities have been extremely limited during 2021 as a result of the COVID-19 pandemic.

Officers also worked with the State Police on the West Virginia Turnpike and U.S. Route 35 to increase safety enforcement during the busy road construction season.

Upgrading Facilities

The Commission successfully upgraded its I-77 southbound weigh station in Mineral Wells to a state-of-the-art facility featuring the IIS Smart Roadside System. This system includes an automated license plate reader, an automated USDOT number reader, an automated vehicle camera and an automated thermal inspection system. Plans are underway to install a virtual roadside inspection facility on U.S. Route 50 in Wood County. Equipment for these systems will be purchased with the assistance of a USDOT Commercial Vehicle Inspection System Network grant.

Coal Resource Transportation Division

The Coal Resource Transportation System (CRTS) has significantly increased public safety while allowing coal producers to efficiently transport coal in 19 West Virginia counties and into surrounding states. Coal facilities and transporters work together to haul increased weights on over 2,100 miles of West Virginia's roads designated by the DOH as CRTS routes. Coal haulers may purchase a permit that will allow for a gross vehicle weight of up to 120,000 pounds, depending on the truck configuration and the specific routes on which the truck will be operating. Coal operations and transporters operating on designated CRTS roads must adhere to additional reporting and permitting statutes and regulations, and are subject to sanctions by the Commission.

Notices of Violation (NOV) are initiated through audits conducted by CRTS inspectors and supervisors or by uniform traffic citations issued by Transportation Officers. In 2021, there were 249 NOVs issued and the Commission collected $359,877 for CRTS violations.

During the 2021 permitting period, the CRTS permitting unit registered 144 transport companies from five states and issued 953 permits. The CRTS reporting unit had 131 mines, plants, load outs and other coal facilities registered and reporting coal shipments to the Commission. Daily electronic files were submitted to the Commission containing unique tracking information for approximately 1.62 million transactions, representing over 834,000 loads, or approximately 32 million tons of coal being transported over CRTS roads in 2021. Each electronic transaction contains the origin, destination, date, time, weight, permit ID and a unique transaction number for that specific shipment of coal. Records are forwarded to the CRTS auditing program and are reviewed by Staff to detect non-compliance. Staff conducts onsite inspections and audits and initiates administrative violations to companies. The CRTS program generated $1.8 million in 2021 dedicated for improvements and repairs to CRTS roads and bridges.

Complaints about coal trucks operating on the CRTS highways can be made through the Commission's 1-866-SEE-TRUX hotline. In 2021, CRTS officers received and processed 36 complaints from the CRTS hotline. The complaints ranged from speeding and overweight trucks to impaired drivers.

Electronic Logging Devices

Motor carriers were required to comply with the new hours-of-service regulations starting on September 29, 2020. During 2021, Officers received training and updated information on the notable changes including:

Short-haul exception: Expanded the short-haul exception to 150 air-miles and allows a 14-hour work shift to take place as part of the exception.

Adverse driving conditions exception: Expanded the driving window during adverse driving conditions by up to an additional two hours.

30-Minute break requirement: Required a break of at least 30 consecutive minutes after eight cumulative hours of driving time (instead of on-duty time) and allowed an on-duty/not driving period to qualify as the required break.

Sleeper berth provision: Modified the sleeper berth exception to allow a driver to meet the 10-hour minimum off-duty requirement by spending at least seven hours of that period in the berth combined with a minimum off-duty period of at least two hours spent inside or outside the berth, provided the two periods total at least 10 hours. When used together as specified, neither period counts against the 14-hour driving window.

Motor Carrier Section

The Transportation Division's Motor Carrier Section conducts registration of intrastate and interstate motor carriers, and collects intrastate and interstate assessments, registration fees, filing fees for intrastate authority, insurance fees and HazMat (hazardous materials) permits. Most revenue collected is from Unified Carrier Registration fees. The revenue collected goes to fund motor carrier safety enforcement programs.

Railroad Safety Section

The Railroad Safety Section consists of one manager and 10 inspectors (one of which is currently in training). These inspectors are fully certified by the Federal Railroad Administration.

In 2020 the Commission added an online portal to it's website through which individuals can report trains that are illegally blocking one of the nearly 8,000 public highway rail crossings in West Virginia. The portal has been successful as the Railroad Safety Section has responded to 22 reports in 2021. To report a blocked crossing, citizens must detail the date, time, how long the crossing was blocked, the location and U.S. Department of Transportation (USDOT) number of the blocked crossing.

The Commission's Railroad Safety Section participated in the 2021 Rail Safety Week to raise awareness of potential hazards of driving near railroad rights-of-way and highway-rail grade crossings. The 2021 event was conducted for three days in West Virginia's Eastern Panhandle with activities at three highway rail-grade crossings with different railroad companies. Railroads that participated were Winchester and Western, Norfolk Southern and CSX Transportation.

During 2021, Railroad Safety Inspectors conducted 1,208 inspections, inspected nearly 1,166 miles of track (including 283 miles on foot), citing 651 defective track conditions. They inspected 419 highway rail grade crossings and 28,813 rail cars and locomotives, citing 1,511 defects.

The Commission maintains a comprehensive Hazardous Materials Inspection Program that conducted 168 inspections, cited 150 defective conditions and one violation. Our Operating Practices Inspectors constantly monitor railroad operations. An intensive inspection program, coupled with the fact that most of the Commission's Railroad Safety Inspectors are also Operation

Lifesaver volunteers, has made West Virginia's railroads among the safest in the nation.

Motor Carriers

General Investigation Relating to Statewide Wrecker Rates

In 2020, the Commission initiated a General Investigation to evaluate statewide wrecker rates for third-party tows and ancillary equipment (Case No. 20-0796-MC-GI). The term "third-party tow" refers to when a vehicle is towed without the consent of the vehicle owner or operator.

The West Virginia Towing and Recovery Association (WVTRA), the Owner-Operator Independent Drivers Association (OOIDA) and Enterprise Rent-a-Car were granted intervenor status. WVTRA and Staff negotiated a Joint Stipulation that was submitted to the Commission.

The Commission adopted the Joint Stipulation with modifications. The WVTRA objected to the modifications the Commission made and filed a petition requesting the Commission reconsider this matter. The Commission made further modifications to its previous Order and issued a revised schedule of maximum state tow rates. This case is now closed.

Apple Valley Waste

Apple Valley Waste filed applications to increase its solid waste rates and charges for PSC Certificate Nos. F-4711 (Mineral County), F-5381 (Hampshire County), F-5492 (Grant and Mineral Counties), F-6159 (City of Keyser), and F-7029 (infectious medical waste in Grant, Hampshire, and Mineral Counties) (Case Nos. 20-1042-MC-42SW; 20-1043-MC-42SW; 20-1044-MC-42SW; 20-1045-MC-42SW; 20-1046-MC-42SW).

Apple Valley proposed a $3.90, or 18.78% increase in its residential base rate; a $1.95, or 19.5% increase in its bag rate service; and a $0.25, or 20% increase in its bag rate. The Company also proposed a new cart-rental service, including a $3.60 monthly cart-rental charge, a $24 delivery fee, and a $12 set-up fee. The Company stated the proposed changes would generate $421,445 of additional annual revenue, and requested the new rates and charges go into effect February 10, 2021.

The Commission found that Apple Valley had not had a rate increase since 2003, and that the rate increase was not unreasonable. The Commission approved the proposed rates for use starting February 10, 2021, and required the Company to file its tariff within 30 days. These cases are now closed.

Consumer Price Index Rate Increases

The West Virginia Legislature passed legislation in 2020 to allow solid waste common carriers to annually increase rates beginning January 1, 2021, by giving notice to the Commission and its customers at least 30 days prior to January 1 of each year, with the rates to be effective on January 1. The rate increase is to be based on the previous year's increase in the *Garbage and Trash Collection CPI Index* (consumer price index) published by the U.S. Bureau of Labor and Statistics. The Commission determined that the rate increase for 2022 would be 5.62%. A solid waste common carrier may avail itself of the CPI for four years, but must file a base rate case during the fifth year before it may again utilize the CPI for a rate increase.

The Commission received 44 CPI cases in 2021, 42 of which are now closed.

Fuel Surcharges

The Commission continues to respond to the volatility of fuel costs for motor carriers by reviewing and adjusting fuel surcharges for regulated motor carriers. This series of surcharges was initiated in MC GO 56.4 in March 2004 following a dramatic increase in fuel prices. The most recent surcharges are based on forecasted fuel prices for January 1, 2022 through June 30, 2022.

The average price for unleaded regular gasoline is forecasted to be $3.01 per gallon and the price of diesel is forecasted to be $3.34 per gallon. This forecast reflects increases of $0.25 per gallon for regular grade gasoline and $0.13 per gallon for diesel fuel over the previously forecasted average prices for July 1, 2021 through December 31, 2021. Staff recommended increased fuel surcharges as follows: 6.02% for haulers of solid waste and/or infectious medical waste; 16.41% for transporters of passengers, including but not limited to taxicab and limousine companies; and 6.38% for wrecker companies for towing services with respect to their rates for third-party tows.

The Commission approved the Staff-recommended fuel surcharges for use from January 1, 2022 through June 30, 2022.

Fuel prices are reviewed every six months to determine if there is a need for relief for eligible motor carriers. The surcharges are not automatic. Eligible motor carriers may not charge the old surcharge after it has expired and may not implement a new surcharge unless they have filed a Fuel Surcharge Supplement to their tariffs with the Commission Tariff Office.

Staff will continue to monitor fuel prices, and the Commission will continue to make adjustments in its semi-annual General Orders. If there is a 20% or greater increase or decrease in the price of regular grade gasoline, diesel fuel or both between its semi-annual Orders, Staff will file a further memorandum requesting a reopening of the case and recommending adjustments to the fuel surcharges based on that increase or decrease in price.

Motor Carrier and Solid Waste Complaint Cases

When contacted by ratepayers, Commission Staff investigates and resolves informal complaints involving motor carriers the Commission regulates. The largest number of these informal complaints are against solid waste haulers, involving missed trash pickups. Commission Staff also receives and investigates complaints against towing companies, mostly involving the rates and charges the vehicle owners are billed, and whether vehicles should have been towed.

If the customer is not satisfied with the results of the informal complaint process, he or she has the option of filing a formal complaint with the Commission. In 2021, 75 motor carrier formal complaint cases were filed with the Commission. Of these, 33 cases involved solid waste haulers and the remaining 42 cases involved towing companies. Of those filings, 64 cases have received Final Orders and are now closed.

Motor Carrier Rate Cases

Commission Staff continues to improve upon a strong working relationship with motor carriers operating in West Virginia to reach our mutual goals of providing safe, affordable and reliable service to ratepayers. The Commission completed six Motor Carrier rate cases in 2021. Others are under review.

Utility & Certificate Nos.	Amount Granted	Increase/ Decrease	Customers	Date Approved
City of Kingwood, Certificate No. F-5860	$206,411	38.31%	1,885	5/30/21
Jochum Refuse Service, Certificate Nos. F-4604, F-4605 and F-6417	$266,497	32.78%	2,700	4/13/21
Matthew Shisler, dba D & J Sanitation, Certificate No. F-5382	$35,891	24%	958	12/9/21
R & L Trash Service, Certificate No. F-6992	$63,871	11.45%	1,282	3/22/21
Solid Waste Services of West Virginia, Certificate Nos. F-4606, 5096, F-6027,F-6332, F-6235, F-6446, F-6818 and P.S.C. M.C. Permit No. H9717	$73,108	1.77%	7,523	6/16/21
Solid Waste Services of West Virginia, Certificate No. F-5382	$142,612	24%	2,130	6/16/21

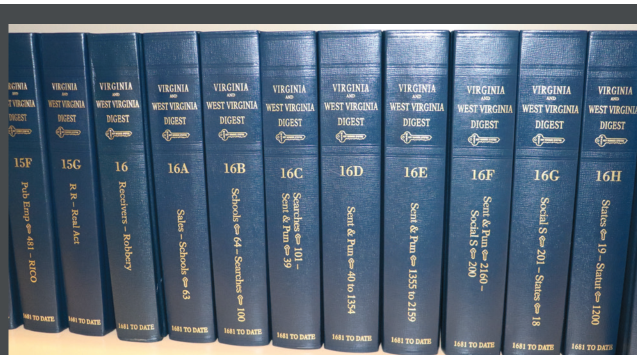
Solid Waste Facilities/Landfills

Commission Staff works with the WVDEP, the Solid Waste Management Board and West Virginia State Treasurer's Office to enforce the rules and regulations of the Public Service Commission and other state and federal agencies. The Commission sets tonnage rates for solid waste facilities and landfills based on proven costs and expenses.

The Commission completed three rate adjustment applications for solid waste facilities in 2021. Others are under review.

Utility	Amount of Anticipated Annual Revenue Increase Granted	Percent of Anticipated Annual Revenue Increase Granted	Date Approved
City of Kingwood	$227,814	35.75%	4/20/21
Lackawanna Transport Company, dba Wetzel County Landfill	$493,894	9.98%	8/13/21
Valero Terrestrial Corporation, dba Brooke County Sanitary Landfill	$862,816	45.64%	8/23/21

Rulemaking Proceedings



Rules Governing Sewer Utilities

Rules Governing Water Utilities

Senate Bill 739 (SB 739) became effective in 2020, authorizing the Commission to protect customers of distressed and failing water and wastewater utilities by ordering various corrective measures, including acquisition of a failing utility by another capable water or wastewater utility.

The Commission proposed additions to the Sewer Rules through General Order 186.35 (GO 186.35) and to the Water Rules (GO 188.40) to address statutory changes created by SB 739. These additions detail procedural steps necessary to identify a distressed or failing water or wastewater utility and provide assistance to that facility, including the management or takeover by another utility, if necessary. Comments on the proposed Rules were received by the Commission.

In addition to the Rule amendments required by SB 739, the Commission proposed other amendments to the Sewer Rules and Water Rules, which include: (i) renumbering the Rules to conform to current Secretary of State requirements; (ii) amending the water leak language in Water Rule 6.4.3 and Sewer Rule 6.4.3; (iii) modifying Water Rule 6.2.1. and Sewer Rule 6.2.1 to indicate that interest on deposits is now handled by General Order and not rulemaking; and (iv) modifying Water Rule 6.8. and Sewer Rule 6.8 to make the Discontinuance of Service Rules similar to the Rules for the Regulation of Electric Utilities, 150 C.S.R. 3, and Rules for the Regulation of Gas Utilities, 150 C.S.R. 4. The proposed Rules also modify the notice of filing language.

Initial comments were filed by interested Parties. The revised Rules were filed with the Secretary of State on July 16, 2021, and became effective September 14, 2021. These cases are now closed.

Rules Governing Emergency Telephone Service

SB 579, the Wireless Enhanced 911 (E-911) Fee, became effective in June 2020. The new law made significant changes to the collection, remission and disbursal of the fees collected from in-state, two-way service subscribers. The purpose of SB 579 was to eliminate the FCC's post-audit concern that the state of West Virginia was diverting E-911 fees to non-E-911 uses and, as a result, disqualify the state for additional E-911 grant funding from the FCC.

The Commission issued GO 187.55 to provide commercial mobile radio service (CMRS) providers guidance on the requirements of the new law. Beginning July 1, 2020, CMRS providers were required to separately bill for and collect from customers the wireless enhanced 911 fee, wireless tower fee, State Police public safety fee and Division of Homeland Security and Emergency Management public safety fee. CMRS providers were required to remit funds to the Commission for each fee separately. The Commission provided instruction regarding the distribution of fee revenues to recipients. The Commission intends to initiate a rulemaking proceeding to revise the Rules Governing Emergency Telephone Service to be consistent with guidance in GO 187.55. This case is now closed.

Rules Governing Motor Carriers, Private Commercial Carriers and the Filing of Evidence of Insurance and Financial Responsibility of Motor Carriers

Rules for the Construction and Filing of Tariffs

SB 686 became effective in 2020, authorizing the Commission to appoint an emergency substitute carrier when the certificate or permit of common and contract carriers by motor vehicle is suspended or revoked by the Commission. The bill also allows a carrier with a certificate or permit suspended to petition the Commission to have it reinstituted.

Soon after SB 686 became effective, the Commission issued MC GO 64.5, amending the Rules Governing Motor Carriers, Private Commercial Carriers, and the Filing of Evidence of Insurance and Financial Responsibility of Motor Carriers to conform to changes in the new law.

House Bill 4587 (HB 4587) also became effective in 2020. It allows: (i) for the transfer of certificates to another certificated holder for the same commodity with approval by the Commission within 90 days following the submission of a completed application; (ii) a motor carrier of solid waste to suspend service for up to five days at its discretion for certain reasons, including dangerous road conditions, inclement weather, flooding, road closures, etc.; and (iii) for two new methods for motor carriers of solid waste to change rates. Passage of HB 4587 required the Commission to amend Rules Governing Motor Carriers, Private Commercial Carriers, and the Filing of Evidence of Insurance and Financial Responsibility of Motor Carriers and the Rules for the Construction and Filing of Tariffs (GO 183.12). Comments were filed in both rulemaking proceedings.

In 2021, HB 3129 became effective. It modified the calculation of the allowable rate increases authorized by HB 4587 in 2020 under the U.S. Department of Labor, Bureau of Labor Statistics, Garbage and Trash Collection Index. Pending the effective date of the amendments, stakeholders and the Commission sought an extension of the comment period on the proposed rules. Further reply comments were received by the Commission.

Final revised versions of the Motor Carrier Rules, 150 CSR 09, and the Tariff Rules, 150 CSR 02 were filed with the Secretary of State. They will take effect on January 13, 2022. This case is now closed.

Rules Governing Transportation of Natural Gas

During the 2020 legislative session, the West Virginia Legislature passed SB 802. It provides an alternate method of notice and certification to bypass utility facilities for a person, entity or facility that has not previously been a natural gas customer that will use large volumes of natural gas produced in West Virginia. The Commission issued GO 228.3 and opened a rulemaking proceeding with proposed revisions to Rules Governing Transportation of Natural Gas.

Comments were filed with the Commission. The Commission determined that modifications to the Rules were largely unnecessary. Instead, the Commission adopted a simple modification that provisions of Rule 6 of the Gas Transportation Rules do not apply to an end-user who meets the criteria for a statutory bypass under W.Va. Code §24-2-20. This case is now closed.

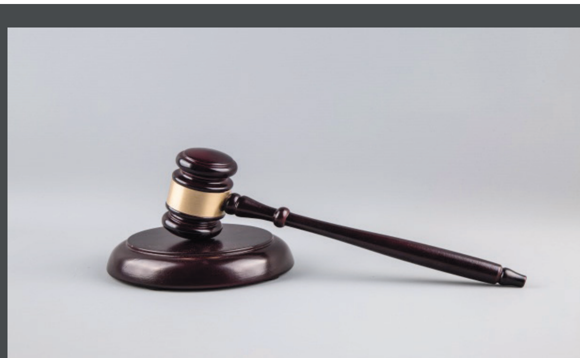
Rules Governing Telephone Conduit Occupancy

The Commission issued Rules Governing Telephone Conduit Occupancy by GO 187.48; issued August 26, 2016. The Rules included an expiration date of July 1, 2022.

The Commission filed a request with the West Virginia Secretary of State for an extension of the sunset date to August 1, 2023.

The Legislative Rule-Review Committee adopted a motion approving a further extension of the expiration date of the Rules to August 1, 2026. The Commission made the extension to the expiration date effective by filing the Rules with the Secretary of State. This case is now closed.

The Courts



Supreme Court of Appeals of West Virginia

Metro Tristate v. Public Service Commission and Community Pastor Care

Metro Tristate Inc. filed a formal complaint and Motion for Interim Relief against Community Pastor Care (CPC) alleging that CPC was unlawfully providing transportation of passengers for hire by transporting veterans in Cabell and Wayne counties to the Huntington VA Medical Center (Case No. 18-1315-MC-FC). Metro requested an interim order requiring CPC to stop providing these services without Commission approval.

CPC responded it had entered into a contract with the U.S. Department of Veterans Affairs (VA) to provide non-emergency medical transportation exclusively on behalf of the VA. CPC asserted that the Commission lacked jurisdiction because CPC was operating under federal law (the Veterans Benefits Act). CPC also filed for a proper permit from the Commission (Case No. 19-0006-MC-CC). The Commission consolidated the two cases.

An ALJ issued a Recommended Decision finding that the Commission did not have jurisdiction to regulate intrastate transportation services procured exclusively by the VA. The ALJ dismissed the cases because the state regulatory mechanism conflicts with federal contracting goals. Metro objected to the ALJ's Recommended Decision.

The Commission denied the objection filed by Metro and adopted the Recommended Decision as modified and supplemented. Since the Commission found it did not have jurisdiction, it determined a ruling was not necessary on the permit application. Metro filed an appeal of the Commission Order to the West Virginia Supreme Court.

After hearing arguments, the Court affirmed the Commission Order. This case is now closed.

SRC Holdings, LLC (fka Williams Holdings, LLC), dba Williams Transport v Public Service Commission of West Virginia, Donald R. Abner, dba Ambassador Limousine and Taxi Service, and Classic Limousine Service, Inc.

Donald R. Abner and Donna and Brian Williams, dba Classic Limousine Service, filed an application for the transfer of P.S.C. M.C. Certificate No. 7508 from Classic Limousine to Abner.

Following public notice, hearing and intervention by Williams Transport, the ALJ issued a Recommended Decision authorizing the transfer of the certificate only in Raleigh County because of the ALJ's incorrect understanding that Abner failed to publish notice of the proposed transfer in the other counties.

Abner and Classic Limousine objected to the denial of the transfer and stated publication occurred in all counties except Monroe and Summers. Williams Transport also filed exceptions to the Recommended Decision, raising issues of operational and geographic dormancy. Williams Transport stated that MC Certificate 7508 covers nine counties, but Classic Limousine's operations were minimal in all of those counties except Raleigh. Williams Transport asserted that Classic Limousine did not transport railroad workers for railroad-related work and did not own vehicles for this purpose. Finally, Williams Transport argued that Classic Limousine's primary purpose was to transport customers to and from its owner's restaurants in Beckley. It stated the proposed change in ownership would result in such different service it would effectively create a new service without showing a public need.

The Commission issued a Final Order granting the exceptions filed by Abner and Classic Limousine on publication of notice, denied exceptions filed by Williams Transport and authorized the transfer and assignment of MC Certificate No. 7508 from Classic Limousine to Abner for all of the certificated counties.

Williams Transport appealed to the West Virginia Supreme Court. The Court affirmed the Commission Order.

Informal Complaint Cases

Each year the Commission hears from customers who have issues paying or reconciling a utility bill or are experiencing service problems or difficulties in a variety of areas. These are called informal complaint cases. They are routed to Consumer Affairs Technicians in the Commission's Utilities and Water and Wastewater Divisions. The Commission received nearly *8,200* informal complaints in 2021.

The Consumer Affairs Technicians assist customers in negotiating payment plans, resolving communication problems and act as liaisons between utilities and customers to resolve differences. If problems are not resolved, customers may file a formal complaint with the Commission. Formal complaint proceedings are more time consuming and usually require legal representation by the utility and, in some cases, by the customer.

An internal goal of closing at least 90% of all informal complaints within 30 days was set by the Commission to reduce the filing of formal complaints. Difficulties in obtaining information from some smaller cable and phone companies, and challenges of isolating service problems related to electric, telephone and cable complaints, affect overall numbers in this area. A further goal is to resolve 95% of complaints at the informal level, further lessening the need to file formal complaints. Both goals were met in 2021.

Type of Utility	Number of Informal Complaints filed in 2021	Percent of Informal Complaints that closed within 30 days	Number that became Formal Complaint Cases	Percent that did not become Formal Complaint Cases
Water	2,896	95.27%	81	97.14%
Electric	1,917	95.00%	35	98.10%
Telephone	1,373	86.20%	15	98.90%
Sewer	1,070	98.86%	27	97.43%
Cable	957	86.80%	9	99.00%
Gas	384	97.40%	4	98.90%
Totals	**8,597**	**93.39%**	**171**	**97.96%**

APPENDIX A

Table of Abbreviations

AEP	American Electric Power
ALJ	Administrative Law Judge
APCo	Appalachian Power Company
CAD	The Public Service Commission’s Consumer Advocate Division
CAG	Citizen Action Group
CCR	Coal Combustion Residuals
CPI	Consumer Price Index
CRTS	Coal Resource Transportation System
CVSA	Commercial Vehicle Safety Allaince
DOH	West Virginia Division of Highways
DSIC	Distribution System Improvement Charge
EE/DR	Energy Efficiency and Demand Response
EEWV	Energy Efficient West Virginia
EIA	U.S. Energy Information Administration
ELG	Effluent Limit Guidelines
ENEC	Expanded Net Energy Cost
EPA	U.S. Environmental Protection Agency
EWG	Exempt Wholesale Electric Generating Facility
FCC	Federal Communications Commission
FERC	Federal Energy Regulatory Commission
FMCSA	Federal Motor Carrier Safety Administration
GI	General Investigation
GO-WV	Gas & Oil Association, formerly IOGA and WVONGA
GPS	Gas Pipeline Safety
HB	House Bill
Hope	Hope Gas, Inc. dba Dominion Energy West Virginia
ICAP	Installed Capacity
IOGA	Independent Oil and Gas Association
IREP	Infrastructure Replacement and Expansion Plan
KPCo	Kentucky Power Company
KPSC	Kentucky Public Service Commission
kV	Kilovolt

kW	Kilowatt
kWh	Kilowatt Hour
LDC	Local Distribution Company
MACRUC	Mid-Atlantic Conference of Regulatory Utilities Commissioners
Mcf	1,000 Cubic Feet
MEA	Morgantown Energy Associates
MMBtu	Metric Million British Thermal Units
Mon Power	Monongahela Power Company
MW	Megawatt
NARUC	National Association of Regulatory Utility Commissioners
NGPA	Federal Natural Gas Policy Act of 1978
NOIE	Notice of Intent Electric
PE	Potomac Edison Company
PGWV	Peoples Gas West Virginia
PHMSA	USDOT Pipeline and Hazardous Material Safety Administration
PJM	Pennsylvania, Jersey, Maryland Power Pool (RTO)
PSD	Public Service District
RTO	Regional Transmission Organization
SB	Senate Bill
SUN	Solar United Neighborhoods
SWVA	Steel of West Virginia
UCAP	Unforced Capacity
USDOT	United States Department of Transportation
VMP	Vegetation Management Program
VSCC	Virginia State Corporation Commission
W	Watt
WPCo	Wheeling Power Company
WVAW	West Virginia American Water Company
WVDEP	West Virgina Department of Environmental Protection
WVEDA	West Virginia Economic Development Authority
WVEUG	West Virginia Energy Users Group
WVIJDC	West Virginia Infrastructure and Jobs Development Council
WVONGA	West Virginia Oil and Natural Gas Association
WVU	West Virginia University
WVWDA	West Virginia Water Development Authority

APPENDIX B

PSC Organization and Functions

The Public Service Commission consists of 13 Divisions and the separate Consumer Advocate Division. The Commission is supported in its work by a staff of 229 employees, including many professionals, such as lawyers, engineers, economists and accountants. The CAD is physically separate and financially independent of the Commission and acts as an independent party representing residential customers in Commission proceedings.

Commission

The Commission regulates rates, charges, acts and practices of persons, firms and governmental subdivisions that provide public utility services, including electricity, natural gas, water, sewer, telephone landlines, solid waste disposal (landfills), gas pipeline safety and, to some extent, the transportation of persons and property for hire over public highways. The Commission sets statewide policies for utility regulation through rulemaking proceedings, investigates acts and practices of regulated utilities, recommends statutory changes that affect utilities and the Commission, and sets administrative policies for the agency. Motor carriers regulated by the Commission include taxis, most limousines, solid waste transportation services and third-party towing.

The Office of the Commission includes the Commissioners, the Communications and Quality Assurance Divisions, the Federal and Regional Regulatory Policy Advisor, facilities management staff and support personnel.

Administration Division

The Administration Division is comprised of four sections.

The Budgets and Finance Section prepares Commission budgets; provides fiscal review and control; processes and monitors travel expenses, payables and receivables; oversees all procurement activities and ensures fixed assets are properly recorded and funded through assessment of public utilities or from grants and other programs. This Section is responsible for managing the Commission's annually appropriated special revenue budget, federal funds and non-appropriated special revenue funds. It also collects and distributes E-911 fees.

The Human Resources Section oversees employee hiring and separations, administers employee benefit programs, state grievance procedures and other personnel-related activities. This section processes payroll, taxes and benefit transactions for Commission employees.

The Information Technology Section manages the Commission's technical assets. It oversees the Commission's computer system and service desk in conjunction with the State Office of Technology by providing programming, database and web design, training, support and other technical assistance. It also manages webcasts of Commission hearings in Charleston.

The Training Section coordinates and provides education and training for Commission employees and maintains training records for the agency.

Administrative Law Judges Division

The ALJ Division consists of attorneys and support staff who act in an adjudicatory role under the auspices of the Commission. The ALJs issue Recommended Decisions within time periods prescribed by the Commission or set by statute in cases referred to the Division by the Commission. A Recommended Decision becomes the Commission's Final Order unless modified or suspended by the Commission based on exceptions filed by one of the Parties or Staff of the Commission or suspended on Commission authority.

The ALJ Division reviews cases involving public utilities, motor carriers, cable television and coal hauling on CRTS roads. The ALJs hold hearings and issue Recommended Decisions in cases involving quality of service or other complaints from consumers about utilities or motor carriers, rate change requests, applications for certificates of convenience and necessity to construct new or expand existing utility plants and petitions for numerous utility transactions regulated by the Commission. The ALJs are bound by the rules regarding *ex parte* contact with Parties in proceedings before the Commission.

Engineering Division

The Engineering Division, which is considered part of Commission Staff in formal cases, provides technical recommendations in cases before the Commission relating to rate requests, quality of service or billing disputes, engineering agreements, alternate main line extensions, certificates of convenience and necessity, mergers and acquisitions of utilities, service territory disputes, general investigations of utility operations and other cases requiring engineering expertise.

Engineering Staff provide technical assistance to customers and utility companies, supervise and certify utility meter tests, conduct water pressure tests, investigate voltage levels and other electrical complaints, investigate water taste and odor problems, investigate odor and other problems for sewer utilities, provide leak detection services, review utility construction estimates and undertake other technical tasks and studies as ordered by the Commission.

The Engineering Division provides recommendations to the Commission and the WVIJDC on the merits of proposed water and sewer projects, technical comments and assistance on proposed rules and regulations, information and assistance to governmental entities around the state and technical training for public service district board members and staff. The Engineering Division also assists in the preparation of the annual *Electric and Natural Gas Utilities Supply-Demand Forecasts* for the West Virginia Legislature.

Executive Secretary Division

The Executive Secretary Division is the public face of the Commission and maintains a record of all proceedings, acts, orders and judgments of the Commission. It ensures that documents and pleadings in cases are available to the public in a timely fashion on the Commission website at www.psc.state.wv.us. The Division receives, processes and maintains all documents, maps and papers filed in formal cases on the Commission's docket, processes all Orders and schedules hearings for the Commission and the ALJ Division.

The Executive Secretary Division receives and maintains all records required for the Commission, including annual reports from utilities; reviews utility reports for accuracy and compliance; processes all Commission Freedom of Information Act requests; receives and processes all formal complaints filed with the Commission; issues all tariffs for rate cases; and issues subpoenas at the direction of the Commission.

The Executive Secretary maintains and updates the Commission's Web Docket, provides copies of all Orders, filings and case documents maintained by the Executive Secretary Division, all of which are available online without cost. This database separately lists each case on the formal docket and contains PDF files of every non-confidential document filed in each case. Documents filed in formal cases are docketed and scanned throughout the day and can be accessed within one hour of being received and linked to the Commission's website. The Executive Secretary Division processes all electronic case subscriptions through the Commission website, allowing individuals to track progress in cases and receive daily electronic notification of all activities in any docketed case. Public hearing schedules and logistical information dealing with cases are also available online.

Gas Pipeline Safety Division

The Gas Pipeline Safety Division is responsible for the application, oversight and enforcement of pipeline safety regulations under W.Va. Code §24B and is certified annually under 49 USC §60105 by the USDOT, PHMSA, Office of Pipeline Safety. The GPS Division oversees safety compliance for 97 regulated pipeline operators who operate more than 14,000 miles of intrastate natural gas and hazardous liquid transmission and regulated gathering pipelines and natural gas distribution pipelines. Its inspectors are certified to inspect interstate transmission pipelines as agents for, and at the request of, PHMSA.

GPS inspectors perform regularly scheduled (approximately every 18-24 months) inspections of all operators of intrastate natural gas and hazardous liquid transmission and regulated gathering pipelines, natural gas distribution pipelines and master meter systems to determine compliance with federal and state regulations. The GPS Division maintains a multiyear master plan for scheduling routine inspections.

The GPS Division may conduct additional inspections based on complaints from the public, reports from other state agencies or as a follow up to previous inspections. Inspectors may lead or assist with accident investigations to determine the cause of an accident and to evaluate adherence to regulations. Unsatisfactory inspection findings may result in a variety of enforcement actions to ensure compliance with pipeline safety regulations.

Pipeline operators are required to meet specific reporting requirements for certain events that occur on their pipeline facilities. The GPS Division operates a 24-hour emergency phone line to facilitate operators' notification of these events.

Office of the General Counsel

The Commission's General Counsel acts as the chief legal advisor to the Commission on cases, policies and other issues facing the Commission and represents the Commission in outside litigation and in other state and federal court and agency proceedings, such as the U.S. District and Circuit Courts, FERC and the FCC.

The Office of the General Counsel includes law clerks, an employment attorney and support personnel. Law clerks research regulatory matters; prepare summaries of facts and issues in Commission deliberations and hearings and draft Orders that are reviewed, revised and approved by the Commission. The General Counsel and law clerks are bound by the rules regarding *ex parte* contact with Parties in proceedings before the Commission. The employment attorney assists in the development of policy, tracks court opinions in human resources and employment law and researches and handles grievances and other employment issues.

Legal Division

The Legal Division provides legal assistance to the other Divisions and represents the Staff of the Commission in proceedings before the Commission and ALJs. The Legal Division is also bound by the rules regarding *ex parte* contact with the Commission, the Commission's immediate staff and the ALJs.

Commission Staff is a Party to Commission proceedings. The Legal Division works with the technical and financial analysts to review the positions of all Parties in proceedings before the Commission and represents the Staff, not individual complainants, before the Commission.

The Legal Division, in coordination with the General Counsel, represents the Commission before state and federal courts and before other state and federal agencies, including the WVIJDC, FERC and the FCC. The Legal Division assists in defending Commission Orders that are appealed to the West Virginia Supreme Court and helps develop responses to utility customers and utility company inquiries.

Transportation Division

The Transportation Division consists of seven operating sections.

The Safety Enforcement Section performs safety inspections of motor vehicles operated by interstate and intrastate motor and private carriers, commercial motor vehicles and drivers. Officers enforce compliance with U.S. Department of Transportation safety criteria adopted by the Commission.

The Special Operations Section, in conjunction with the Federal Motor Carrier Safety Administration, conducts safety audits on newly established motor carriers involved in interstate commerce and compliance reviews on interstate and intrastate motor carriers with lower than average safety ratings. It monitors intrastate taxi carriers, but not Uber or Lyft, which are transportation network companies monitored by the West Virginia Division of Motor Vehicles.

The Motor Carrier Section conducts registration of intrastate and interstate motor carriers, collects registration fees, filing fees, insurance fees and hazardous materials assessments.

The Hazardous Material Registration Section is responsible for registration of hazardous materials being transported and for a multi-state project providing identification, registration and permitting of commercial motor vehicles carrying these materials in West Virginia.

The Coal Resource Transportation System (CRTS) Section is responsible for permitting vehicles on designated CRTS roads in 19 counties, imposing reporting requirements for coal shippers and receivers, imposing administrative sanctions for violations and collecting the five-cents-per-ton fee for shipments of coal in excess of 88,000 pounds on CRTS roads.

The Railroad Safety Section is responsible for the administration and enforcement of federal and state regulations governing the transportation of persons and property by rail.

The Logistics Section is responsible for commercial vehicle enforcement on the West Virginia Turnpike, the scheduling of special patrols to high accident areas and the procurement and inventory of all supplies and equipment to support the Transportation Division.

Utilities Division

The Utilities Division consists of accountants, auditors, financial analysts and economists, and provides accounting, auditing, financial, economic and other technical assistance and analysis in Commission cases and processes. It is considered part of Commission Staff in formal cases. The Division participates in rate and other filings made by electric, natural gas, landline telephone, water and wastewater utilities, solid waste carriers, taxis, most limousine services, tow operators and commercial solid waste facilities.

The Division is responsible for reviewing and making recommendations to the Commission about formal customer complaints filed against natural gas, electric, landline telephone, water and wastewater utilities, regulated motor carriers, commercial solid waste facilities and informal complaints or requests for assistance with regulated utility services. It also assists customers with quality of service complaints related to cable television, maintains a comparative database of motor carrier costs and rates and conducts financial and management audits of motor carriers

Water and Wastewater Division

The Water and Wastewater Division provides assistance in technical support, operations, financial analysis, accounting, ratemaking, Commission rules and policies and other regulatory matters to political subdivisions that operate a water or sewer utility. It also provides assistance with Commission rules and policies to private utilities. It provides training seminars on topics including safety, regulatory and legal requirements, project financing, personnel issues, terminations, customer service and basic accounting. The Division makes field visits and, in collaboration with WVDEP and the Bureau for Risk and Insurance Management, publishes *The Pipeline*, a quarterly newsletter, available on the Commission's website.

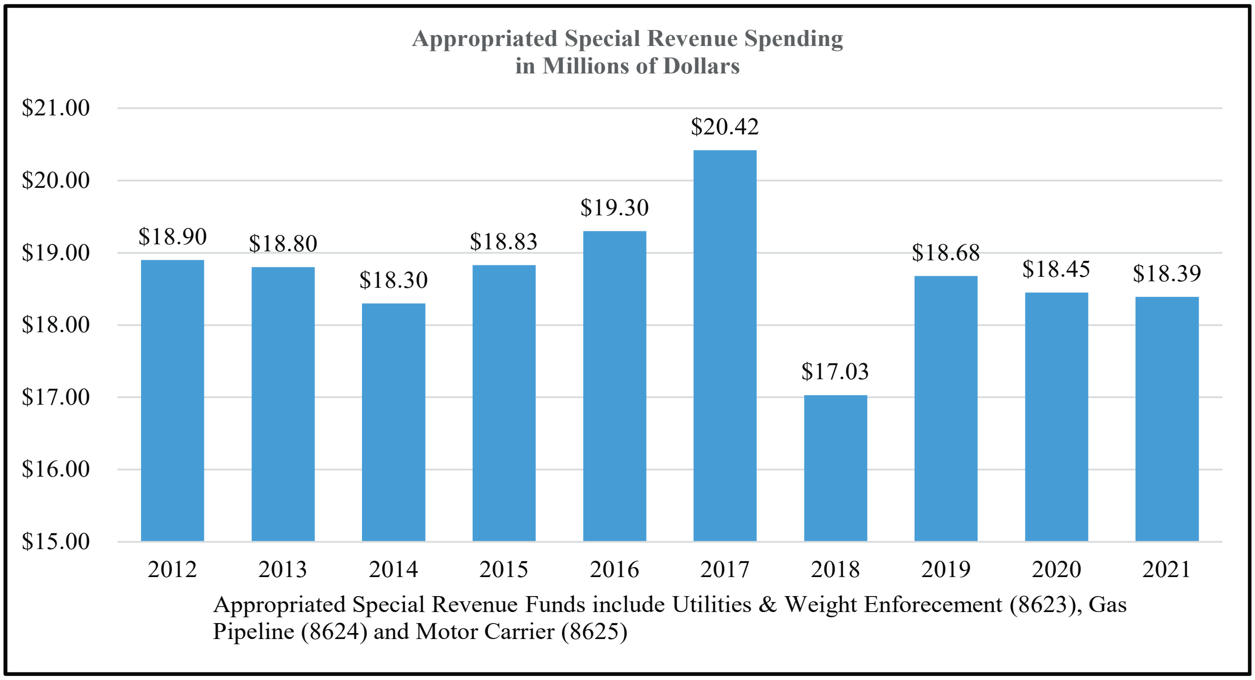
The Division conducts financial reviews of preliminary WVIJDC applications. It also reviews annual reports filed by water and wastewater utilities for quality and accuracy.

APPENDIX C

Budget & Human Resources

The Commission is committed to being a prudent steward of its funds and actively pursues and implements savings initiatives.

With the exception of 2015-2017, when the Commission's headquarters underwent major repairs, the Commission's spending of the state-appropriated special revenue funds has been relatively flat for the last 14 years. The Commission's 2021 appropriated special revenue fund spending was slightly less than 2020.



Administration Division staff utilizes the wvOASIS and UKG systems for budgeting, financial and personnel transactions, recordkeeping, timekeeping and payroll processing.

By supporting Staff's professional development, the Administration Division develops employees who are skilled at continuously reviewing processes and contracts and monitoring tasks that affect procurement activities. These accomplished professionals identify savings opportunities for the Commission.

APPENDIX D

Comparison of Change in West Virginia Residential Utility Rates

The following charts present a summary of the change in the rates paid by residential utility customers for electricity, natural gas and water in West Virginia over the past decade. The change in the utility residential rates is compared to the rate of inflation as measured by the Consumer Price Index (CPI) for the same period of time.

The first chart shows the change in residential bills reflecting representative usage levels for residential customers. The averages shown represent the bills for a residential customer of the various utilities at the tariff rates in effect on January 1 of each of the years 2012 through 2021, and reflect monthly usage at 1,000 kWh of electricity, 13 Mcf of natural gas and 4,500 gallons of water.

The second chart depicts the average rates of the selected utilities by industry serving the majority of the utility customers in West Virginia for the period. The calculated rates of change on a compounded annual basis are presented by measure of utility service, *i.e.*: per kWh for electricity, per Mcf for natural gas and per 1,000 gallons of water. The electricity rate is the unweighted average residential rates for APCo, WPCo, Mon Power and PE, which combined serve more than 95% of the state's population. The natural gas figures are the average unweighted residential rates for Mountaineer Gas and Hope Gas, which together serve approximately 90% of the natural gas customers in the state. Water numbers are the unweighted residential rates for customers in nine of the largest cities in West Virginia. Detail for the individual utilities is provided on the second chart.

On average, the rates for electricity, gas and water have increased at a slower rate than the rate of inflation for the past 10 years at 1.4%, -0.7% and 3.4%, respectively.

Comparison of Change in WV Residential Utility Rates to Change in the CPI

	Average Rate (A)		Total Increase/ Decrease	Compound Annual Growth Rate
	1/1/2012	1/1/2021		
Electricity - Per kWh	$0.1029	$0.1181	14.8%	1.4%
Gas - Per Mcf	$9.620	$8.970	-6.8%	-0.7%
Water - Per 1,000 Gals.	$7.800	$10.92	40.0%	3.4%
Composite CPI (B)	$226.60	$261.58	15.4%	1.4%

1. The rate data is an unweighted average of the monthly bills of the selected utilities and usage levels reflected on "Electric, Gas, and Water Rate Comparisons," attached.
2. U.S. Department of Labor, Consumer Price Index for All Urban Customers, CPI-U, 1982-84 = 100

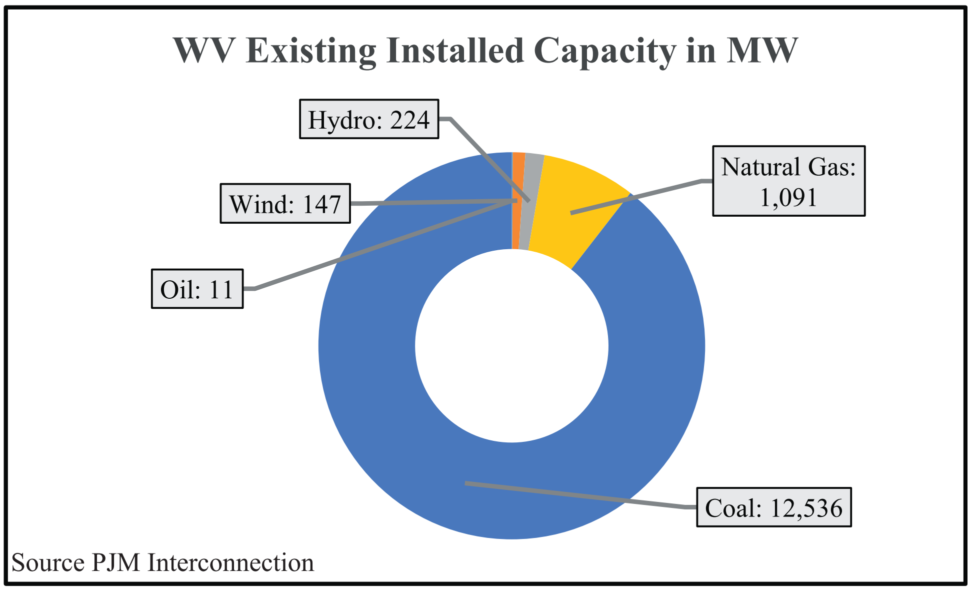
Comparison of Change in West Virginia Residential Utility Rate to Changes in the Consumer Price Index (CPI)

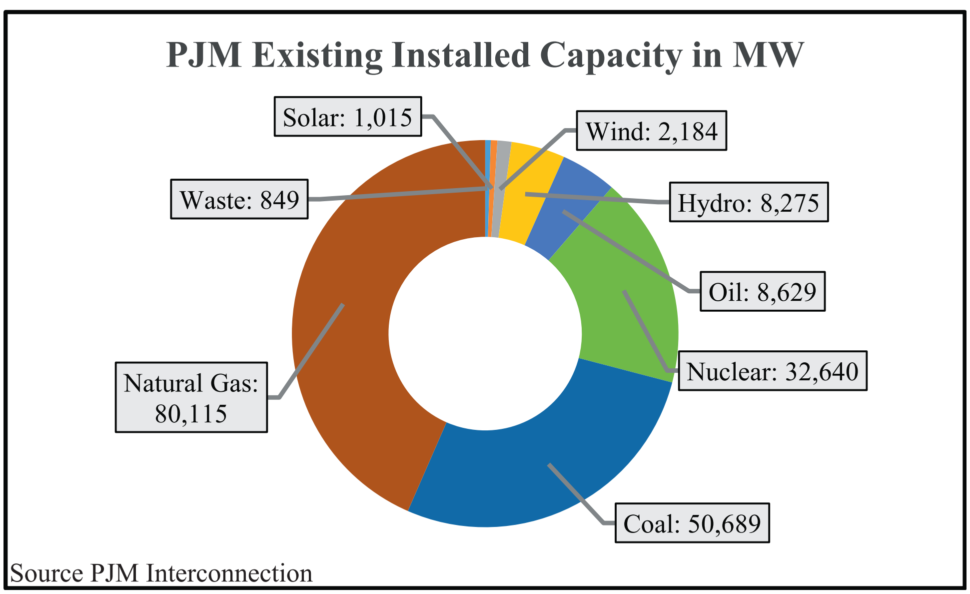
	1/1/12	1/1/13	1/1/14	1/1/15	1/1/16	1/1/17	1/1/18	1/1/19	1/1/20	1/1/2021	Compound Annual Change 2012-2021
	1000 kWh - Residential Schedule										
Appalachian Power	$96.39	$96.75	$93.99	$93.99	$109.82	$120.93	$120.93	$115.04	$128.21	$138.57	3.70%
Wheeling Power	$96.39	$96.75	$93.99	$93.99	$109.82	$120.93	$120.93	$115.04	$128.21	$138.57	3.70%
Monongahela Power	$99.35	$94.31	$93.71	$92.62	$109.54	$112.02	$110.53	$105.83	$106.45	$104.52	0.51%
Potomac Edison	$99.35	$94.31	$93.71	$92.62	$109.54	$112.02	$110.53	$105.83	$106.45	$104.52	0.51%
	13 Mcf Gas - Residential Schedule										
Mountaineer Gas	$126.72	$113.13	$118.29	$131.22	$117.29	$111.76	$120.73	$119.00	$119.68	$121.28	-0.44%
Hope Gas	$138.78	$125.50	$121.17	$114.86	$87.82	$91.50	$110.18	$118.88	$107.75	$107.13	-2.56%
	4.5 Thousand Gallons Water - Residential Schedule										
Beckley	$30.17	$33.35	$33.35	$33.35	$36.85	$36.85	$36.85	$39.62	$39.62	$39.62	2.76%
Charleston	$50.50	$50.50	$54.07	$54.07	$54.07	$62.96	$64.24	$64.24	$75.14	$78.11	4.46%
Clarksburg	$32.67	$33.71	$34.79	$34.79	$34.79	$34.79	$34.79	$34.79	$34.79	$34.79	0.63%
Huntington	$50.50	$50.50	$54.07	$54.07	$54.07	$62.96	$64.24	$64.24	$75.14	$78.11	4.46%
Martinsburg	$28.33	$28.33	$34.00	$34.00	$34.00	$34.00	$34.00	$34.00	$34.00	$45.24	4.79%
Montgomery	$50.50	$50.50	$54.07	$54.07	$54.07	$62.96	$64.24	$64.24	$75.14	$78.11	4.46%
Morgantown	$17.42	$17.42	$17.42	$17.42	$17.42	$23.18	$23.18	$23.18	$23.18	$23.18	2.90%
Parkersburg	$33.18	$34.98	$34.98	$34.98	$34.98	$34.98	$34.98	$34.98	$34.98	$34.98	0.53%
Wheeling	$19.44	$19.44	$29.98	$29.98	$29.98	$29.98	$29.98	$29.98	$29.98	$29.98	4.43%

APPENDIX E

Electric Generating Capacity in West Virginia and PJM by Fuel Source

The following charts illustrate the existing installed electric generating capacity by fuel source in West Virginia and within PJM as of December 31, 2020. PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia, including all of West Virginia. Coal represents approximately 89.5% of the total installed capacity in the West Virginia service territory, while natural gas represents approximately 7.8%. Across PJM, natural gas and coal account for 43.4% and 27.5%, respectively, of the total installed capacity.





APPENDIX F

Electric and Gas Residential Rate Comparison

Average Annual Electricity and Natural Gas per Unit Prices by State

State-by-state average electric and gas rates are shown in the following tables. For ease of comparison, we have highlighted West Virginia and neighboring states. To compare electric rates we use an average of electric rates by state over the 12-month period ending September 2021, as reported by the Energy Information Administration (EIA).

Average annual electric, natural gas, propane and fuel oil prices for all states are compiled from information taken from EIA databases.

Residential Electric Rates

West Virginia average residential rates remain slightly below the median level when compared to all states and the District of Columbia. Our residential rates ranked 21st lowest in the country. Compared to neighboring states, West Virginia residential rates were higher than Kentucky and Virginia and lower than Ohio, Maryland and Pennsylvania.

Average Residential Electric Rates 10/2020 - 09/2021 — U.S. Average 14.1 ¢ per kWh

#	State	Avg. per kWh	% of U.S. Avg.	#	State	Avg. per kWh	% of U.S. Avg.	#	State	Avg. per kWh	% of U.S. Avg.
1	Washington	10.1 ¢	71.12%	18	Florida	11.8 ¢	83.51%	35	Minnesota	13.3 ¢	94.14%
2	Idaho	10.1 ¢	71.27%	19	Texas	11.9 ¢	84.12%	36	New Mexico	13.4 ¢	94.60%
3	Utah	10.4 ¢	73.44%	20	Virginia	12.1 ¢	85.55%	37	Indiana	13.4 ¢	94.71%
4	Louisiana	10.7 ¢	75.56%	21	West Virginia	12.2 ¢	85.97%	38	Pennsylvania	13.6 ¢	96.30%
5	Nebraska	10.8 ¢	76.64%	22	S. Dakota	12.3 ¢	86.72%	39	Wisconsin	14.5 ¢	102.60%
6	N. Dakota	10.9 ¢	77.35%	23	Arizona	12.3 ¢	87.13%	40	New Jersey	16.2 ¢	114.79%
7	Tennessee	11 ¢	78.01%	24	Georgia	12.3 ¢	87.22%	41	Maine	16.7 ¢	117.94%
8	Arkansas	11.1 ¢	78.30%	25	Iowa	12.6 ¢	89.21%	42	Michigan	17.2 ¢	121.86%
9	Montana	11.2 ¢	79.28%	26	Delaware	12.6 ¢	89.30%	43	New York	19.1 ¢	135.23%
10	Wyoming	11.3 ¢	79.82%	27	Ohio	12.7 ¢	89.82%	44	Vermont	19.2 ¢	135.92%
11	Missouri	11.3 ¢	79.92%	28	Colorado	12.8 ¢	90.24%	45	N. Hampshire	19.4 ¢	137.28%
12	Oregon	11.3 ¢	79.93%	29	Kansas	12.9 ¢	91.24%	46	Connecticut	22 ¢	155.39%
13	Kentucky	11.3 ¢	80.10%	30	S. Carolina	13 ¢	91.81%	47	Rhode Island	22.3 ¢	157.73%
14	Nevada	11.4 ¢	80.74%	31	Maryland	13 ¢	91.83%	48	California	22.4 ¢	158.21%
15	N. Carolina	11.4 ¢	80.92%	32	D.C.	13.1 ¢	92.34%	49	Massachusetts	22.5 ¢	159.37%
16	Mississippi	11.6 ¢	82.33%	33	Alabama	13.1 ¢	92.67%	50	Alaska	22.6 ¢	159.78%
17	Oklahoma	11.7 ¢	82.51%	34	Illinois	13.2 ¢	93.38%	51	Hawaii	31.8 ¢	224.83%

Commercial Rates

West Virginia average commercial rates were slightly below the median level when compared to all states and the District of Columbia. Our commercial rates ranked 18th lowest in the country. Compared to neighboring states, West Virginia commercial rates were higher than Virginia and Pennsylvania and lower than Ohio, Maryland and Kentucky.

Average Commercial Electric Rates 10/2020 - 09/2021 — U.S. Average 11.4 ¢ per kWh

#	State	Avg. per kWh	% of U.S. Avg.
1	Nevada	7.5 ¢	65.60%
2	Virginia	7.6 ¢	66.17%
3	Idaho	7.8 ¢	68.61%
4	Oklahoma	8.1 ¢	70.71%
5	Utah	8.1 ¢	71.01%
6	North Carolina	8.6 ¢	75.23%
7	Pennsylvania	8.7 ¢	75.75%
8	Nebraska	8.8 ¢	77.15%
9	Texas	8.9 ¢	78.23%
10	Missouri	9 ¢	78.47%
11	Oregon	9 ¢	78.98%
12	North Dakota	9.1 ¢	79.73%
13	Washington	9.1 ¢	80.01%
14	Arkansas	9.3 ¢	81.51%
15	Florida	9.4 ¢	81.93%
16	Delaware	9.4 ¢	82.47%
17	Illinois	9.5 ¢	82.69%
18	West Virginia	9.5 ¢	83.07%
19	Ohio	9.7 ¢	84.59%
20	Wyoming	9.8 ¢	85.39%
21	Louisiana	9.9 ¢	86.92%
22	Maryland	10 ¢	87.10%
23	Iowa	10 ¢	87.38%
24	Arizona	10.1 ¢	88.23%
25	South Dakota	10.1 ¢	88.59%
26	Kansas	1.04 ¢	91.40%
27	South Carolina	10.5 ¢	91.96%
28	Georgia	10.6 ¢	92.04%
29	Montana	10.6 ¢	92.35%
30	Kentucky	10.6 ¢	92.55%
31	New Mexico	10.7 ¢	93.38%
32	Colorado	10.7 ¢	93.55%
33	Tennessee	10.8 ¢	94.08%
34	Minnesota	10.9 ¢	95.01%
35	Wisconsin	10.9 ¢	95.37%
36	Mississippi	10.9 ¢	95.48%
37	Indiana	11.5 ¢	100.68%
38	Alabama	12 ¢	105.23%
39	Michigan	12.2 ¢	106.48%
40	D.C.	12.4 ¢	108.35%
41	Maine	12.6 ¢	110.18%
42	New Jersey	12.6 ¢	110.60%
43	Rhode Island	15.7 ¢	136.98%
44	New York	16 ¢	139.64%
45	New Hampshire	16 ¢	139.83%
46	Vermont	16.6 ¢	143.86%
47	Connecticut	16.6 ¢	145.15%
48	Massachusetts	16.7 ¢	145.90%
49	California	18.7 ¢	163.23%
50	Alaska	19.5 ¢	170.98%
51	Hawaii	29.7 ¢	260.20%

Industrial Rates

West Virginia average industrial rates were significantly below the median level when compared to all states and the District of Columbia. Our industrial rates ranked 12th lowest in the country. Compared to neighboring states, West Virginia industrial rates were higher than Kentucky and lower than Pennsylvania, Ohio, Virginia, and Maryland.

Average Industrial Electric Rates 10/2020 - 09/2021 — U.S. Average 8.2 ¢ per kWh

#	State	Avg. Rates per kWh	% of U.S. Avg.	#	State	Avg. Rates per kWh	% of U.S. Avg.
1	Oklahoma	5 ¢	61.58%	27	Missouri	6.9 ¢	84.40%
2	Tennessee	5.4 ¢	66.24%	28	North Dakota	6.9 ¢	84.90%
3	Kentucky	5.7 ¢	69.26%	29	Illinois	7.1 ¢	86.76%
4	Washington	5.7 ¢	69.97%	30	Indiana	7.1 ¢	87.18%
5	Nevada	5.8 ¢	71.06%	31	Kansas	7.4 ¢	89.93%
6	Louisiana	5.8 ¢	71.44%	32	Nebraska	7.4 ¢	90.94%
7	Mississippi	5.9 ¢	72.68%	33	Delaware	7.5 ¢	91.88%
8	South Carolina	6 ¢	73.55%	34	Wisconsin	7.5 ¢	92.20%
9	New Mexico	6 ¢	73.86%	35	Michigan	7.6 ¢	92.70%
10	Oregon	6 ¢	74.00%	36	Florida	7.6 ¢	93.26%
11	Montana	6.1 ¢	74.13%	37	D.C.	7.6 ¢	93.48%
12	West Virginia	6.1 ¢	75.03%	38	Colorado	7.9 ¢	96.32%
13	Idaho	6.1 ¢	75.22%	39	South Dakota	8.1 ¢	98.66%
14	Utah	6.2 ¢	75.33%	40	Minnesota	8.1 ¢	99.36%
15	Texas	6.2 ¢	75.62%	41	Maryland	8.2 ¢	100.16%
16	New York	6.2 ¢	76.10%	42	Maine	9.3 ¢	113.43%
17	North Carolina	6.2 ¢	76.29%	43	New Jersey	10.5 ¢	128.11%
18	Alabama	6.3 ¢	76.97%	44	Vermont	11.3 ¢	137.94%
19	Georgia	6.3 ¢	77.28%	45	Connecticut	13 ¢	158.50%
20	Pennsylvania	6.3 ¢	77.31%	46	New Hampshire	13.7 ¢	167.03%
21	Arkansas	6.3 ¢	77.44%	47	California	14.8 ¢	180.49%
22	Ohio	6.3 ¢	77.46%	48	Massachusetts	14.8 ¢’	181.62%
23	Virginia	6.4 ¢	77.81%	49	Rhode Island	16 ¢	196.09%
24	Iowa	6.5 ¢	79.72%	50	Alaska	16.3 ¢	199.98%
25	Arizona	6.5 ¢	80.12%	51	Hawaii	25.7 ¢	314.97%
26	Wyoming	6.9 ¢	84.27%				

Natural Gas

Natural gas rate comparisons are affected by the rate design of natural gas utilities and the level of monthly usage. Utilities with high fixed monthly customer charges and lower commodity rates will have higher average rates per Mcf in low usage months and lower average rates per Mcf during higher usage months. Conversely, utilities with low fixed monthly customer charges and higher commodity rates will have lower average rates per Mcf in the low usage months and higher average rates per Mcf in the higher usage months.

To normalize the variations caused by temperature differences month by month, we use the average rate per Mcf reported by the EIA. In the winter of 2020/2021. West Virginia residential natural gas rates were close to U.S. mean and median levels at \$9.29 per Mcf compared to the U.S. average of \$9.93 per Mcf. West Virginia residential rates were 23rd lowest in the country, higher than Ohio and Kentucky and lower than Pennsylvania, Virginia, and Maryland.

Natural Gas Rates for Winter 2020-2021 — U.S. Average per Mcf \$9.93

#	State	Avg. Rate per Mcf
1	North Dakota	\$5.92
2	Idaho	\$6.34
3	South Dakota	\$6.58
4	Colorado	\$6.96
5	Iowa	\$6.98
6	Illinois	\$6.99
7	New Mexico	\$7.21
8	Montana	\$7.27
9	Wisconsin	\$7.29
10	Indiana	\$7.44
11	Oklahoma	\$7.58
12	Minnesota	\$7.68
13	Nebraska	\$7.79
14	Michigan	\$7.81
15	Ohio	\$7.88
16	Utah	\$8.03
17	Wyoming	\$8.11
18	Kansas	\$8.18
19	Tennessee	\$8.19
20	Nevada	\$8.25
21	Missouri	\$8.87
22	Kentucky	\$9.21
23	West Virginia	\$9.29
24	New Jersey	\$9.57
25	Pennsylvania	\$10.22
26	Oregon	\$10.34
27	Washington	\$10.55
28	Alaska	\$10.60
29	Louisiana	\$10.72
30	Arkansas	\$10.83
31	Mississippi	\$11.10
32	Texas	\$11.11
33	D.C.	\$11.47
34	New York	\$11.98
35	Delaware	\$11.99
36	North Carolina	\$12.11
37	Arizona	\$12.16
38	Virginia	\$12.20
39	South Carolina	\$12.27
40	Maryland	\$12.43
41	Vermont	\$12.52
42	Georgia	\$13.72
43	Connecticut	\$13.95
44	Maine	\$14.04
45	Alabama	\$14.87
46	Massachusetts	\$14.89
47	New Hampshire	\$14.98
48	California	\$15.01
49	Rhode Island	\$15.29
50	Florida	\$20.34
51	Hawaii	\$38.90

Alternative Fuels Heating Cost Comparisons

The amount of fuel used for heating purposes depends on factors such as fuel used, efficiency of equipment and weather conditions. To calculate heating bill comparisons, we use 15.4 metric million British thermal units (MMBtu) of heat output. Usage levels of electricity, fuel oil and natural gas are calculated at a level necessary to produce 15.4 MMBtu of heat output based on the efficiency of the heating equipment.

Gas furnaces that are less than 20 years old should have an original efficiency rating in the mid-70% range or higher, so we use 75% and 90% efficiency levels for calculating natural gas heating costs. We use 65% efficiency for a lower-efficiency oil furnace and 85% efficiency for a higher-efficiency oil furnace.

Electric resistance heating is 100% energy efficient in the sense that all the incoming electric energy is converted to heat as it runs through a high resistance heating coil or strip. Heat pumps operate differently, using electricity to compress a "refrigerant" chemical compound and then decompressing the refrigerant. The process can extract heat from inside air and move that heat to the outside (cooling inside air) or, on a reverse setting, it can extract heat from outside air and move it inside (heating inside air). More heat can be delivered to inside air per kWh of electricity used during the heating cycle process than can be gained by simply using the electricity in a resistance coil or heating strip. The efficiency, or coefficient of performance (COP), of heat pumps depends on the age and construction of the heat pump and the ambient operating conditions. Some lower-efficiency heat pumps may struggle to maintain a COP of 2.0 when outside temperatures drop below freezing. When outside temperatures are above freezing, a well-maintained modern heat pump can achieve a COP of 3.0 or higher and a COP level above 2.0 at temperatures well below freezing. Electric heat pump heating costs have been calculated at COPs of 2.0 and 3.0.

To achieve a 15.4 MMBtu level of heat output requires various levels of fuel input, depending on the fuel source and the equipment used, as shown in the following table.

Fuel and Equipment	Fuel Input	Heat Output
75% Efficiency Natural Gas Furnace	20.5 Mcf	15.4 MMBtu
90% Efficiency Natural Gas Furnace	17.1 Mcf	15.4 MMBtu
65% Efficiency No. 2 Fuel Oil Furnace	170.4 Gallons	15.4 MMBtu
85% Efficiency No. 2 Fuel Oil Furnace	130.3 Gallons	15.4 MMBtu
75% Efficiency Propane Furnace	224.4 Gallons	15.4 MMBtu
90% Efficiency Propane Furnace	187.0 Gallons	15.4 MMBtu
Electric Resistance Heating (100% Efficiency)	4,500 kWh	15.4 MMBtu
Electric Heat Pump at 2.0 Coefficient of Performance	2,250 kWh	15.4 MMBtu
Electric Heat Pump at 3.0 Coefficient of Performance	1,500 kWh	15.4 MMBtu

To calculate comparative monthly heating cost, we used the December cost of propane and heating oil published by the EIA. There is no published propane and heating oil data specific to West Virginia, so we used an average of the EIA data for the Middle Atlantic and Southern Atlantic regions, including Maryland, Pennsylvania and Virginia.

Monthly electric bills are calculated using the APCo and Mon Power rates that were in effect December 2021. Average electricity cost per kWh will tend to be lower at higher levels of usage because of the effect of fixed charges and declining block rates. This is more noticeable for APCo, which has a declining block rate design that differs from that of Mon Power. Since the electricity rates used for the purposes of this alternative fuel comparison are company-specific and are based on the higher usage levels associated with heating, they differ from the statewide annual average cost of electricity EIA data.

Monthly gas bills are calculated using the Hope/Dominion and Mountaineer Gas Company rates that were in effect December 2021.

Alternative Fuel Heating Cost Comparisons Based on 15.4 Metric Million BTU of Heat Output for a Month				
Type of Fuel and Equipment	**Heat Output MMBtu**	**Fuel Units Used**	**Fuel Cost per Unit**	**Total Monthly Cost**
Hope/Dominion				
Natural Gas (75% Efficiency)	15.4	20.5 Mcf	$9.60	$196.80
Natural Gas (90% Efficiency)	15.4	17.1 Mcf	$9.74	$166.55
Mountaineer				
Natural Gas (75% Efficiency)	15.4	20.5 Mcf	$10.46	$214.43
Natural Gas (90% Efficiency)	15.4	17.1 Mcf	$10.57	$180.75
Fuel Oil (65% Efficiency)	15.4	170.4 Gallons	$3.38	$575.95
Fuel Oil (85% Efficiency)	15.4	130.3 Gallons	$3.38	$440.41
Propane (75% Efficiency)	15.4	224.4 Gallons	$3.36	$753.98
Propane (90% Efficiency)	15.4	187 Gallons	$3.36	$628.32
Appalachian and Wheeling Power Companies (AEP)				
Electric resistance heat	15.4	4,500 kWh	$0.11	$505.22
Heat Pump (2.0 Coefficient of Performance)	15.4	2,250 kWh	$0.13	$282.92
Heat Pump (3.0 Coefficient of Performance)	15.4	1,500 kWh	$0.14	$208.80
Monongahela and Potomac Edison Power Companies (First Energy)				
Electric resistance heat	15.4	4,500 kWh	0.10	$453.87
Heat Pump (2.0 Coefficient of Performance)	15.4	2,250 kWh	0.10	$229.44
Heat Pump (3.0 Coefficient of Performance)	15.4	1,500 kWh	0.10	$154.62

APPENDIX G

Electric Utilities Supply – Demand Forecast 2022 – 2031

Executive Summary

Electric utility supply resources and capacity planning has changed since the creation of Regional Transmission Organizations (RTO) and RTO wide capacity and energy markets. Moreover, because of environmental regulations and economics of generation, older and less-efficient coal-fired generating facilities have been retired and cancellation of long-standing capacity agreements and inter-utility supply contracts has occurred, contributing to the need for alternative capacity resources.

Because West Virginia electric utilities are now operating within the PJM RTO, it is important to understand and use PJM labels regarding generation resource supply, or capacity, and peak demand requirements. This supply/demand report addresses the supply of electric generation capacity necessary to meet peak demands. In that context, "supply" is synonymous with the word "capacity" and "demand" is synonymous with the word "load." The terms are sometimes used interchangeably in this report. Historically, generation resource capacity was stated at its Installed Capacity level, or ICAP. PJM calculates a reliability factor for each generating unit based on the availability of the unit at times of PJM system peaks, and downgrades the ICAP value to an availability level referred to as unforced capacity or UCAP. PJM also includes a reserve requirement in its representation of peak loads. Thus, PJM peak loads are referred to as "reserve-adjusted loads" or, to match the capacity resource they are measured against, simply as UCAP loads.

Appalachian Power Company and Wheeling Power Company will have marginally adequate capacity for summer requirements. Monongahela Power Company and Potomac Edison will have negative excess reserve margins during the forecast period. The general conclusions reached in this report are:

- APCo/WPCo projected electrical demand will continue to decrease at a modest rate, mainly due to a shrinking residential customer base.
- For Mon Power/PE we expect a modest growth rate in electrical demand, influenced by increased load related to natural gas activity in its operating territory.
- PJM has implemented new capacity performance rules that require enhanced levels of availability of capacity resources and that increase penalties for nonperformance during certain peak load conditions. These rules affect both APCo and Mon Power. A major result of these rules is to reduce the capacity values assigned to solar, hydro, pumped storage and wind resources.
- As in our 2020 report, we believe that instead of using ICAP to represent utility available capacity, it is appropriate to use the reduced capacity value, referred to as UCAP, assigned annually to each generation unit by PJM.

- Because PJM calculates a capacity requirement based on projected peak loads that includes both diversity and reserves for each utility, it is appropriate to use the same adjusted load approach, referred to as UCAP load, in this report.
- Until recently, the Commission measured reserve margins as a percentage of total ICAP in excess of actual, unadjusted internal peak-load requirements (ICAP load). Using that calculation, when reserve margins dropped below 15-16%, we anticipated an approaching need to acquire new capacity. This is different from the PJM approach to represent load requirements that include reserve requirements and to downgrade generation resources to reflect availability of individual units.

As an example of different reserve margin pictures when reserves are built into the load number, if a utility had a projected peak demand load requirement of 5,200 MW and name-plate rated capacity resources of 6,000 MW of ICAP, we would have historically calculated a reserve of 800 MW, or 15.4%. The 15.4% reserve margin would likely have signaled the need to consider additional capacity resources or load reduction measures.

For PJM power supply purposes, however, the same load is adjusted upward to include a PJM targeted reserve, while the capacity is adjusted downward to a UCAP value that reflects a reduced capacity value based on historical peak availability of individual units.

For example, if PJM targeted a 15.4% reserve margin and assumed that capacity should be valued at 95% of its nameplate rating, it would calculate a reserve-adjusted load of approximately 5,700 MW instead of 5,200, and it would value the capacity at 5,700 MW UCAP instead of 6,000 MW ICAP. Thus, while the 5,200 MW actual load and 6,000 MW ICAP reflects a 15.4% reserve margin, as historically calculated by the Commission, the same load adjusted upward to build in a reserve margin, and the same generation capacity adjusted downward to UCAP, would result in a calculated reserve of zero for PJM power supply purposes.

Thus, while historically a reserve margin of around 15-16% was considered a target where new generation was needed to meet reliability standards, using the PJM methods of representing capacity requirements a reserve margin of 0% is the target where new generation is needed. A comparison of the two methods of representing reserves is shown in the following table.

Historical Calculation Based on Metered Load and Nameplate Generator Capacity		
Peak Load	(A)	5,200 MW
Installed Capacity (ICAP)	(B)	6,000 MW
Reserves	(C) = (B) - (A)	800 MW
Reserve Percentage	(C)/(A)	15.4%

PJM Calculation Based on Load Adjusted to Include Reserve Requirements and Availability-Adjusted UCAP Generator Capacity	
Peak Load Plus Reserves	5,700 MW
PJM Assigned UCAP	5,700 MW
Reserves	- MW
Reserve Percentage	0.0%

- We have adopted the PJM approach to represent reserve margins. Using this approach, reserves are already built into UCAP load, and generating capacity is reduced from the ICAP level to the PJM UCAP level. Therefore, lower reserve margins than those historically presented in the annual *Electric Utilities Supply-Demand Forecast* are expected. For reliability, UCAP capacity over UCAP load of 15-16% is no longer indicative of a need to plan new capacity resources.
- Both APCo and Mon Power face declining reserve margins above their PJM UCAP.
- As these margins drop below zero, additional capacity resources will be required.

General Discussion

Under the provisions of W. Va. Code § 24-1-1(d)(3), the Commission is required to report to the Legislature annually on the 10-year supply and demand balance for electric utilities in West Virginia. Commission Staff conducts an annual examination of long-term demand forecasts and resource plans of the major electric utilities in West Virginia. Staff evaluates plans and underlying assumptions and reasonableness of forecasts when preparing the annual *Electric Utilities Supply-Demand Forecast*. In addition, Staff compares actual experience to prior projections and trends in demand to prepare its own independent forecast, which may deviate from utility projections. These Staff-adjusted forecasts are reflected in this report.

The four largest regulated electric utilities in West Virginia are APCo, WPCo, Mon Power and PE. APCo and WPCo are affiliate companies of American Electric Power (AEP). Mon Power and PE are affiliate companies of FirstEnergy (FE). These four electric utilities account for approximately 96% of West Virginia residential sales and 98% of West Virginia commercial and industrial sales. APCo, WPCo and Mon Power are regulated electric transmission and distribution utilities that also own generation facilities. PE is a distribution and transmission utility in West Virginia, but does not own any generation facilities.

For purposes of this report, APCo and WPCo data are combined, providing the supply and demand forecast as a single entity based on their combined supply resources and projected demand. Since APCo serves significant load in Virginia and must plan to meet both its West Virginia and Virginia customers' requirements, we project APCo requirements and resources on a total company basis. Reference to APCo includes the total company supply resources and load of APCo, including Virginia data, plus the total company supply resources and load of WPCo, which operates only in West Virginia.

Mon Power and PE West Virginia operations data are similarly combined. Reference to Mon Power includes supply resources and load of Mon Power, which operates only in West Virginia, plus the load of the PE West Virginia operations.

Five independent non-generation electric utilities in West Virginia also operate distribution systems providing power to local residential, commercial and industrial customers at retail rates. Those utilities are:

- Harrison Rural Electrification Association, Inc.
- Black Diamond Power Company
- Craig-Botetourt Electric Cooperative
- The City of New Martinsville
- The City of Philippi

Those companies purchase their power requirements from various generators operating in the regional area served by PJM. Historically, they have relied on medium- to long-term contracts with wholesale providers, but can also purchase available energy and capacity in the PJM markets when planning their power supply requirements.

The PJM organization manages both the bulk-power transmission system and competitive capacity and energy markets within its footprint of 13 states plus the District of Columbia. The PJM capacity and energy markets have become the major source of power supply for many customers and load-serving entities in the PJM Region.

AEP and FE companies prepare an Integrated Resource Plan (IRP). An IRP considers supply options to economically meet future net demand requirements. The IRP includes projected equipment upgrades, re-rating of plants, retirement of internal generation resources, additional internal generation resources, demand-side resources and purchased capacity. An IRP also considers possible future demand impacts of energy-saving technologies and equipment installed by customers that also control or reduce demand. Staff reviews this information and its own independent projections to compare capacity to the projected loads.

This report is not an IRP. It does project demand requirements over a 10-year time frame, but does not project or analyze optional supply additions that might be considered to meet any supply shortfalls. It does, however, reflect specifically planned future supply changes such as generation upgrading, downgrading, re-rating or retirement and supply contract additions or cancellations.

EPA Affordable Clean Energy Rule

On August 21, 2018, the EPA issued a new proposed rule targeting carbon emissions from existing fossil-fuel-fired electricity generating plants. The 2018 Rule is referred to as the Affordable Clean Energy Rule (ACE). Unlike the previous EPA Clean Power Plan, which set carbon dioxide limits on a statewide basis and required both inside and outside the plant carbon-reducing technologies, the ACE Rule:

1. Defined the best system of emission reduction for existing power plants as onsite, heat-rate efficiency improvements;
2. Provided states with a list of candidate technologies that can be used to establish standards of performance and be incorporated into State plans;
3. Updated the New Source Review permitting program to further encourage efficiency improvements at existing power plants;
4. Aligned regulations under the Clean Air Act §111(d) to give states adequate time and flexibility to develop their state plans; and,
5. Gave states flexibility to consider unit-specific factors, including a particular unit's remaining useful life, when it comes to standards of performance.

The West Virginia Department of Environmental Protection (WVDEP) considered a State plan to implement the ACE Rules. No assumptions regarding the impact of the ACE Rules on West Virginia's electricity supply or demand are made in this report.

On January 19, 2021, the U.S. Court of Appeals for the District of Columbia Circuit vacated the ACE and remanded it to the EPA for further proceedings consistent with its opinion. On February 12, 2021, the EPA issued a "Status of Affordable Clean Energy Rule and Clean Power Plan" memorandum, stating that EPA does not expect states to take any further action to develop and submit plans under the Clean Air Act § 111(d) with respect to greenhouse gas emissions from power plants at this time.

Summer versus Winter Peaks

PJM incurs its peak capacity requirements in the summer and plans its capacity resources accordingly. APCo and Mon Power are required to acquire enough capacity to meet their load obligation based on the PJM summer peak, even though their individual internal peak demands occur during the winter. Because of the requirement to have enough capacity to meet their summer peak loads and because of the availability of energy from the PJM market to meet their expected higher winter loads, the Commission now evaluates the APCo and Mon Power supply and demand during the summer months.

For the forecast period of summer 2022 through 2031:

1. We expect the combined APCo/WPCo demands to decrease over the forecast period by approximately 8.55%.
2. We expect Mon Power/PE demands to increase by approximately 8.12% over the forecast period.
3. APCo/WPCo face declining excess reserve margins, offset by planned capacity additions

in 2026 and 2029.

4. Based on existing capacity resources, adjusted for currently planned additions or retirements, Mon Power and PE face declining excess reserve margins, having negative excess reserve margins over the entire forecast period.
5. The need to acquire new supply to assure reliability is not triggered until the excess reserve margins reach zero.
6. Since APCo has elected an exclusive self-supply option under PJM rules, it should meet UCAP load obligations and maintain a small but declining excess reserve margin with company-owned capacity and purchased power contracts, except for one year in the forecast period.
7. Mon Power faces reserve margins that are below zero throughout the forecast period, which means it must acquire additional capacity or control load to meet its supply obligations to cover its PJM UCAP load.
8. Unlike APCo, which has elected an exclusive self-supply option, Mon Power has elected to have the ability to meet shortfalls in UCAP either through acquiring additional supply resources or purchasing capacity from the PJM capacity market.

Appalachian Power Company and Wheeling Power Company

APCo is the largest operating company in the American Electric Power (AEP) East System in terms of population served, number of customers and area of service territory. APCo covers southern West Virginia and adjacent portions of Virginia. WPCo owns generation, transmission and distribution facilities providing service in Marshall and Ohio counties. For rate regulation purposes in West Virginia, all operating costs of APCo and WPCo, including power supply costs, are combined and shared among APCo and WPCo customers. The Commission sets the same tariff rates, by class of customer, for both companies.

APCo's internal electricity supply sources include coal-fired steam power plants, natural gas-fired power plants employing either solely combustion-turbine technology or combined combustion turbine and steam technology (combined cycle), hydroelectric facilities and purchased power contracts. APCo also has existing purchased power contracts from renewable resources, and potential future additions include more capacity and energy supplies from renewable energy sources.

Historically, APCo has reached its annual peak demands during the winter months. The Commission has projected APCo supply and demand balances at the time of the annual winter peaks. Because PJM peaks in the summer, for PJM planning purposes the adequacy of APCo self-supply capacity to meet UCAP load obligations is measured during the summer months, and the supply and demand data used in this report reflect summer peaks. Thus, it is possible that APCo's projected excess reserve margins in any year will be less, and likely even negative, when APCo reaches its winter internal peaks. Because of the availability of capacity and energy from the PJM market after meeting its summer self-supply obligations, any additional capacity and energy required during APCo's winter peak periods should be available from the PJM market.

A summary of the combined projected capacity supply and demand (at PJM UCAP levels) for APCo and WPCo is represented in the following table.

Appalachian Power Company / Wheeling Power Company
Projected Supply and Demand - 2022 through 2031[1]
Based on Summer Internal Load and PJM UCAP Obligations and Capacity

Year	Internal UCAP Load Obligation[2]			UCAP Capacity[3]			Reserve Margin in Addition to Margins Already Built into UCAP	
	APCo MW	WPCo MW	Total MW	APCo MW	WPCo MW	Total MW	Total MW	Total Percent
2022	5,913	666	6,579	6,367	664	7,030	451	6.9%
2023	5,941	669	6,611	6,260	664	6,923	312	4.7%
2024	5,972	672	6,645	6,249	664	6,913	268	4.0%
2025	5,559	652	6,211	5,852	664	6,516	305	4.9%
2026	5,415	656	6,071	5,998	664	6,662	590	9.7%
2027	5,387	661	6,047	5,931	664	6,595	547	9.1%
2028	5,377	663	6,039	5,898	664	6,562	522	8.6%
2029	5,352	666	6,019	5,887	1,327	7,214	1,195	19.9%
2030	5,346	670	6,016	5,864	1,327	7,191	1,175	19.5%
2031	5,343	674	6,016	5,864	1,327	7,191	1,175	19.5%

1. Includes APCo total company (WV and VA) UCAP capacity resources and UCAP load obligations, consistent with the currently anticipated capacity and load assumptions to be used in the 2021 APCo Virginia Clean Economy Act (VCEA) plan to be filed in Virginia later this year. The APCo UCAP load obligations have been reduced by Demand Response and Demand Side Management.

2. Includes PJM adjustments to measured load to reflect diversity and reserve requirements.

3. Includes APCo-owned generation and long-term power contracts and WPCo-owned generation. Assumes that Clinch River 1+2 retire in 2025. Assumes that post December 31, 2028, WPCo will assume ownership of KPCo's 50% interest in the Mitchell Plant. APCo assumes a 1,200 MW ICAP wind project addition in 2026.

Monongahela Power and The Potomac Edison Company West Virginia

Mon Power and PE are regulated subsidiaries of FirstEnergy. The long-term assessment of supply and demand includes total current and future capacity resources owned or contracted by Mon Power and the total load (demand) for the combined Mon Power and PE service territory in West Virginia.

Mon Power's internal electricity supply sources include coal-fired steam plants and purchased power contracts. The purchased-power contracts include coal- and gob-fired generation and both run-of-river and pump-storage hydro generation. Mon Power has partial ownership share of a pump hydro generation facility located in Virginia and a small sponsorship share of the Ohio Valley Electric Corporation (OVEC) units located in Ohio and Indiana. Potential future changes in Mon Power's supply sources include acquisition of additional generating capacity and more purchases from the PJM market.

Like APCo, Mon Power, historically, has reached its annual peak demands during the winter months. Because PJM peaks in the summer, for PJM planning purposes the adequacy of Mon Power capacity is measured during the summer months. Although on a stand-alone basis it would be normal to project the Mon Power supply and demand balances at the time of the annual winter peaks, for purposes of this report the Commission is using the summer demand levels that are used for PJM planning purposes. Excess reserve margins will be lower in the winter when Mon Power reaches its internal peaks. It is likely that projected excess reserve margins will be less, or projected negative, at the time of Mon Power's winter peak demand. Because it has not elected an exclusive self-supply option, if Mon Power requires more capacity at any time, that capacity should be available from the PJM market.

A summary of the Mon Power/PE projected capacity supply and demand for the forecast period is reflected in the following chart. The Mon Power data shows a supply deficiency throughout the forecast period.

Unlike APCo, Mon Power can use purchases from the PJM capacity market to meet incremental capacity deficiencies. For resource planning, Mon Power will have to consider either continuing to rely on the PJM market to meet its total UCAP load obligations or adding new company-owned or contracted capacity.

Monongahela Power Company / The Potomac Edison Company Projected Supply and Demand - 2022 through 2031[1] Based on Summer Internal Load and PJM UCAP Obligations and Capacity								
Year	Internal Load Plus Reserves[3 & 4]			UCAP Capacity[2]			Reserve Margin in Addition to Margins Already Built into UCAP	
	Mon Pwr MW	PE MW	Total MW	Mon Pwr MW	PE MW	Total MW	Total MW	Total Percent
2022	2,414	764	3,179	3,159	0	3,159	(20)	-0.6%
2023	2,483	772	3,255	3,159	0	3,159	(96)	-3.0%
2024	2,532	780	3,312	3,159	0	3,159	(153)	-4.9%
2025	2,552	784	3,336	3,159	0	3,159	(177)	-5.6%
2026	2,569	787	3,356	3,159	0	3,159	(197)	-6.2%
2027	2,585	789	3,374	3,159	0	3,159	(215)	-6.8%
2028	2,600	793	3,394	3,159	0	3,159	(235)	-7.4%
2029	2,613	795	3,408	3,159	0	3,159	(249)	-7.9%
2030	2,626	796	3,422	3,159	0	3,159	(263)	-8.3%
2031	2,639	798	3,436	3,159	0	3,159	(277)	-8.8%

1. Includes Mon Power and PE total company (West Virginia) UCAP capacity resources and UCAP load obligations.

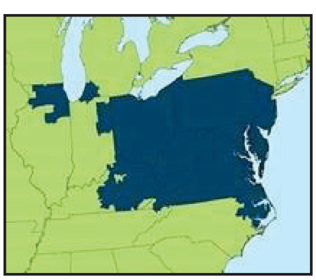
2. Includes Mon Power and PE total company-owned generation and long-term power contracts.

3. Reserve Margin = PJM FPR = PJM Summer Installed Reserve Margin IRM less Average Equivalent Demand Forced Outage Rate (2021/22=8.71%, 2022/23=8.68%, 2023/24=8.63%, 2024/2025 and beyond=8.65%)

4. Mon Power and PE Internal Load Plus Reserves calculated to be coincident with Total WV Internal Load Plus Reserves.

Reference: *2020 PJM Reserve Requirement Study* (October 6, 2020): 10.

PJM Interconnection LLC



PJM is a regional transmission organization that coordinates movement of wholesale electricity and operates the transmission grid delivering power in all or parts of Illinois, Michigan, Indiana, Ohio, Kentucky, Tennessee, North Carolina, Virginia, West Virginia, Maryland, the District of Columbia, Pennsylvania, Delaware and New Jersey. The PJM grid consists of the major transmission facilities owned by a large number of integrated electric utilities, transmission companies spun off from former integrated electric utilities and new transmission companies. These transmission owners have turned over operation of their interconnected transmission lines to PJM.

As the grid operator, PJM conducts ongoing long-term regional planning that projects load within the system. Based on overall load levels, the geographic location of loads and the capability of the transmission lines to move energy within the grid, PJM evaluates potential grid transmission bottlenecks and reliability issues. The end result of the evaluation and planning process is the identification of transmission upgrades and new transmission necessary to ensure reliably delivered power. PJM notifies the transmission owners of the need for system upgrades. For local, lower-voltage upgrades, transmission owners are then responsible for implementing necessary upgrades. Under FERC rules, larger upgrades needed for reliability purposes and subject to PJM-wide cost allocation may require competitive bidding.

PJM operates a competitive wholesale electricity energy market within the region served by transmission facilities under its control. Generation providers bid their production volumes and prices for delivery into the market on the next day. Those energy bids are matched to the energy requirements of load-serving entities on the next day (day-ahead market). PJM matches generation and load requirements on a regional basis and determines the hourly prices at which power will enter (clear) the market. Market price for power varies based on location and time of day. In addition, PJM manages a real-time power market to price power necessary to serve hourly supply-and-demand fluctuations from the day-ahead market commitments.

PJM also operates a capacity market. The capacity market is based on the PJM long-term reliability pricing model (RPM). Along with capacity buyers and sellers, the RPM takes into consideration the continued use of self-supply and bilateral contracts by load-serving entities electing to generate or contract for their own capacity requirements. Annual capacity auctions obtain the remaining capacity that is needed after fixed-resource or self-supply market participants have committed the resources they will supply themselves or obtain through contracts. PJM receives bids for annual capacity from suppliers to be available three years in the future. Through this bidding process, the price that will be paid for future capacity is established based on the price of the last unit of capacity that clears the market. Successful bidders receive the marginal market clearing price, and all load pays that price.

PJM is regulated by FERC. The Commission is a party to many PJM-related FERC cases. For example, some cases involve costs of connecting generation to the grid, energy and capacity rules for the wholesale markets, collateral requirements for participants in the markets, integrating zero-carbon generation into the grid, and what cost-responsibilities customers bear. The purpose of the Commission's involvement is to protect West Virginia customers from unnecessary costs and risks.

The Commission is an *ex officio* non-voting member of PJM and participates in its member-driven stakeholder processes. Most recently, the PSC is addressing how to incorporate the zero-carbon mandates of other states into the wholesale markets without prejudicing the operation of West Virginia's coal-fired generation. Setting generation policies falls into the PSC's jurisdiction and is not regulated by FERC. Approximately two-thirds of a retail electric bill in West Virginia is for wholesale of electricity and transmission costs passed through FERC and PJM. The remaining third of the bill entails traditional state ratemaking expenses approved by the Commission.

PJM Capacity Auctions

FERC determined that the PJM capacity market bidding rules were unjust and unreasonable (June 29, 2018 FERC Order in Docket Nos. EL16-49-000; ER18-1314-000; ER18-1314-001; and EL18-178-000, Consolidated). To address its perceived deficiencies in the PJM capacity market, FERC initiated a hearing process seeking input on its preliminary findings that PJM should expand the Minimum Offer Price Rule to cover all capacity resources, existing and planned, receiving out-of-market support (subsidies); and implement a new, resource-specific construct that allows subsidized resources to remain on the system, but outside the capacity market. Because of the FERC's delay in approving new "just and reasonable" capacity market rules, the 2019 and 2020 capacity auction that would have locked-in capacity volumes and prices for 2023/2024 and 2024/2025 did not take place as scheduled.

FERC reconsidered and modified its decision in 2020, and ruled on a PJM proposal to implement the Final FERC Order in 2020. The 2022/2023 capacity auction took place in May 2021, and several subsequent auctions will be held on an accelerated basis to return PJM to its regular auction schedule.

Distributed Energy Resource Aggregation

On September 17, 2020, FERC approved Order 2222, enabling distributed energy resources (DER) to compete in regional wholesale energy markets by aggregation. DERs are small generation or storage resources, like residential solar panels, which individually lack the capacity to participate in the wholesale market. Order 2222 instructs grid operators to revise tariffs to remove barriers for DER participation in the PJM capacity market.

The Order took effect November 17, 2020. Grid operators are in the process of determining the best methods of compliance. Grid operators' plans to adhere to the Rule were due in July 2021, but PJM has received an extension to February 2022.

Conclusion

Based on the information reviewed by Commission Staff, it is the conclusion of the Commission that West Virginia will have an adequate supply of electricity available to meet demand for the next 10 years (2022-2031). Any shortfall in supply that is not filled by purchased capacity or utility-owned generation will be met through purchases from the PJM capacity market.

APPENDIX H
Natural Gas Utilities Supply – Demand Forecast 2022-2031

The *Natural Gas Utilities Supply-Demand Forecast 2022-2031* is similar to previous reports to the Legislature, primarily because: (i) the actual flowing supplies match all demand in the state at all times (except for minimal unplanned outages); (ii) the capacity of unrestrained production far exceeds current and future projected demand; (iii) shale-gas development is still occurring; and (iv) no significant additions to current or projected demands on utility systems in the state or power production fuel switching involving natural gas public utilities have been identified. Therefore, the only changes made are to update the forecast date range, identify residential customers solely dependent on gas supplied through the Equitrans gathering system proposed abandonment, comment on the likely effects of SB 390 and to update market price forecasts.

Prior to 1979, the wholesale price of natural gas was regulated and capped by the federal government. Concern at that time was that suppliers of natural gas were reluctant to produce and market their supplies and that exploration for new sources was somewhat curtailed because some believed wholesale gas prices were artificially low and unprofitable. The Legislature, concerned about these factors and interested in learning more about the natural gas production industry in West Virginia and what role the Legislature might play in it, directed the Commission as part of an annual *Management Summary Report*, to describe the current balance of supply and demand for natural gas and electric utility services in the state and forecast the probable balance for the next 10 years.

Prior to the passage of the Federal Natural Gas Policy Act of 1978 (NGPA), the natural gas market experienced production shortages that many believed were a direct result of federal price controls. The NGPA addressed the situation by establishing a schedule of price decontrol over time, reducing barriers between interstate and intrastate markets and providing incentives for gas exploration and development. Today, wholesale natural gas prices are market-driven and are subject to various market forces, much like the prices of any other publicly-traded commodity.

As a major gas producing state, West Virginia exports far more native production gas than it consumes. The state also has multiple access points to interstate gas from other production areas and major gas-storage regions. This report focuses on the physical availability of supplies of natural gas and the outlook for the next 10 years. Based on recent developments of unconventional natural gas reserves in the Appalachian Basin and elsewhere in the United States, more than an ample supply exists for the coming decade and beyond. Included in this year's report are some concerns regarding peripheral issues related to general supply-and-demand and localized concerns relating to certain trends.

The prices that natural gas public utilities pay their suppliers for gas are not regulated by the state or federal government. Utilities buy gas based on a national market price basis and recover those costs through rates that contain additional storage and transportation costs. Adjustments are made based on to past period over- or under-recoveries of gas costs.

Prices for natural gas are expected to rise during the winter of 2021-2022. The rising prices in recent months reflect U.S. natural gas inventory levels that are below the five-year average and continuing demand for natural gas for power generation use at relatively high prices.

History of Natural Gas Pricing

Prior to the passage of the NGPA and for the first few years afterward, natural gas prices at the wellhead were regulated with a maximum-allowable price. As production costs escalated with inflation, producers saw profits decrease to the point that it was no longer attractive to investors and owners to drill new wells or, in some situations, to continue to maintain wells that already had been put into production, which increased legislative interest in shut-in wells.

The situation became so severe that moratoria were put into place restricting the addition of new distribution customers, essentially nationwide. This resulted in an increase of all-electric housing and businesses.

Congress passed the Industrial Fuel Use Act of 1978, which dictated the allowable uses of natural gas by industry. The use of natural gas in industrial boilers, including for the generation of electricity, was prohibited. This led to conversion of natural gas-fired boilers to fuel oil and reduced natural gas use in industrial boilers.

Congress then passed the Natural Gas Utilization Act of 1987, which repealed much of the Fuel Use Act at about the same time wellhead prices became fully deregulated under NGPA, and gas began trading on a national commodity market basis. Both supply and demand, as well as prices, rose significantly. These actions greatly reduced concerns over adequate supplies in the near term.

Since 2007, huge new supplies of gas have become available and recoverable because of advances in deep-well and horizontal drilling technology and economic feasibility, along with the accompanying hydraulic fracturing process. Estimates by industry, government and academia show more than ample supply for the long term, with most saying there is a recoverable supply in North America to cover needs for 100 years or more. The abundance has driven the price of natural gas to near record low levels when compared to prices in the 1980s and 1990s. The use of gas for electric generation and other industrial applications continues to grow and exportation of liquefied natural gas to other countries has begun. According to the GO-WV, West Virginia natural gas end-users (households, businesses and manufacturers) have saved $3.69 billion over the 10-year period between 2008 and 2018 in gas utility city gate pricing because natural gas production increased in the Appalachian Basin[1].

1. *Natural Gas Savings to End-users: 2008-2018*, a technical briefing paper prepared by Kleinhenz & Associates.

Marcellus Shale Impact on Supply

The feasibility of extracting natural gas from the Marcellus Shale formation in the Appalachian region has resulted in increased drilling and production activity in West Virginia over the last 15 years. Gas has long been known to exist in the formation, but until improvements in deep well and horizontal drilling capabilities were made, the resource was not economically attractive to producers and consumers.

Recently, new drilling activities have shifted to oil-bearing areas in the eastern United States' formations, most notably Utica Shale that is predominantly in Ohio, and to "wet" gas zones in the Marcellus formation. This shift in production activities may slow, but will not eliminate, production of natural gas from other non-traditional formations. As producers develop oil-bearing formations, gas that coexists with the oil also must be produced.

Natural gas demand remains flat for the three main distribution utilities within West Virginia: Peoples Gas West Virginia, Hope Gas dba Dominion Energy and Mountaineer Gas Company. These three main distribution companies do not foresee any concerns with natural gas supply on their distribution systems because they are traditionally interconnected with interstate transmission lines flush with Marcellus and Utica supply. However, an annual report ordered by the PSC directing all natural gas utility companies in West Virginia to identify points of delivery that are at risk of losing gas service reveals there are more than 3,000 local distribution company (LDC) customers having farm taps on third-party low-pressure gathering lines operated by Equitrans. The number of farm taps for each company is listed below.

Local Distribution Company	Customers 100% Reliant on Equitrans Farm Tap
Consumers Gas Utility	18
Hope Gas Inc., dba Dominion Energy	808
Mountaineer Gas Company	30
Peoples Gas West Virginia	2,202

Records filed with FERC under Docket CP20-312-000 showed conventional natural gas production on Equitrans' Midstream gathering system has dropped from 21.2 million dekatherms (MMDth) in 2014 to 13.1 MMDth in 2018, and is projected to drop to 7.4 MMDth by December 31, 2021. Assuming average residential customer consumption is 76 dekatherms/year/customer, only 3% of the total production on Equitrans Midstream's system is consumed by these 3,000 farm tap customers. On October 4, 2021, Big Dog Energy LLC submitted a proposal to Equitrans to acquire the gathering facilities it proposes to abandon. It has yet to be determined whether Big Dog Energy LLC can provide safe, reliable and continuous gas service to the 3,000 LDC farm-tap customers on such a large gathering system including pipelines and numerous transmission-sized compressors in Greene County, Pennsylvania and in Braxton, Doddridge, Gilmer, Harrison, Marion, Marshall, Monongalia, Ritchie, Taylor, Tyler and Wetzel counties in West Virginia.

EIA Short Term Energy Outlook, released in October 2021, provided the following information:

- In August, the Henry Hub natural gas spot price averaged $4.07 per million British thermal units (MMBTU), up from an average of $3.84/MMBTU in July. Higher natural gas spot prices reflected hotter temperatures in August on average across the United States compared with July, which caused demand for natural gas in the electric power sector to be higher than expected. Prices rose further in late August when Hurricane Ida caused a decline in natural gas production in the Gulf of Mexico. EIA expects Henry Hub spot prices to peak at a monthly average of $4.25/MMBtu in January 2022 and generally decline through 2022, averaging $3.47/MMBtu for the year amid rising U.S. natural gas production and slowing growth in LNG exports.

- EIA estimates that total U.S. working natural gas in storage will end October at almost 3.6 trillion cubic feet (Tcf), 5% below the five-year (2016-2020) average. Injections into storage this summer have been below the previous five-year average, largely as a result of hot weather and high exports occurring amid relatively flat natural gas production.

- EIA expects that total U.S. consumption of natural gas will average 82.5 billion cubic feet per day (Bcf/d) in 2021, down 0.9% from 2020. The decline in total U.S. consumption reflects the electric power generators switching to coal from natural gas as a result of higher natural gas prices. EIA expects residential and commercial natural gas consumption, combined, to rise by 1.2 Bcf/d from 2020 and industrial consumption to rise by 0.6 Bcf/d from 2020. Rising natural gas consumption in sectors other than the electric power sector results from expanding economic activity and colder winter temperatures in 2021 compared with 2020. The EIA expects U.S. natural gas consumption to average 82.6 Bcf/d in 2022, mostly unchanged from 2021.

- EIA expects dry natural gas production to rise from a spring 2021 average of 91.7 Bcf/d to a fall 2021 average of 92.7 Bcf/d in the U.S. and then rise to 95.4 Bcf/d in 2022. Record-high dry natural gas production in the first half of 2021 was made possible by growth in pipeline takeaway capacity that allows natural gas produced in the Appalachian Basin to reach other demand markets especially in the Midwest. The Mountain Valley Pipeline is the largest natural gas pipeline currently being constructed in the region and is targeted to enter service in 2022.

- U.S. Liquefied Natural Gas (LNG) exports that averaged 9.3 Bcf per day in September 2021, are expected to average 9.1 Bcf/d in October 2021, and are forecasted to finish the year with an average export of 10.7 Bcf/d as global natural gas demand remains high and additional LNG export trains go online at Sabine Pass LNG and Calcasieu Pass LNG.

EIA expects U.S. consumption to decline for 2021, because electric-power generators have switched to coal in response to summertime price increase in natural gas averaging $4.00/MMBtu at Henry Hub prices; and environmental regulatory actions regarding air quality continue to pin natural gas against coal for electric generation in the area.

Natural Gas Utility Positions

We expect little change in natural gas utility load over what was reported last year. The passage of SB 390, designed to encourage the expansion of the gas industry and the availability of natural gas to unserved or underserved areas of the state, is leading an expansion of gas utility infrastructure. However, it is difficult to estimate what additional load volumes these activities might produce given the substantial capital cost necessary to tap the newer Marcellus and Utica long-haul transmission lines. Certain areas of the state may experience declines in gas demand due to shrinking populations, conventional gas gathering system production decline and certain industrial load declines.

Conclusion

West Virginia and the United States have more than enough natural gas available to meet demand for the next 10 years (2022-2031) and well beyond. This gas likely will be available in the near term at continuing commodity price levels near or even below $4.00/MMBtu, plus transport and storage fees. The state's natural gas utilities will have ample supplies for their systems and relatively flat demand for the coming decade.

APPENDIX I

UTILITY DISCOUNT PROGRAM

Through a program created by the West Virginia Legislature in 1983, qualifying residential customers are eligible for a reduced rate schedule in their gas, electric and water utility rates. The reduced rate is 20% less than the rate applicable to other residential customers.

Eligible customers must be receiving:

- Social Security Supplemental Security Income (SSI);
- WV Works, a program previously called Aid to Families with Dependent Children (AFDC) and Temporary Aid to Needy Families (TANF); or
- Supplemental Nutrition Assistance Program (SNAP), a program previously called Food Stamps, if the recipient is age 60 or older.

During the 2020-2021 program year, 36,910 electric customers received more than $5.26 million in discounts, 68,212 natural gas customers received more than $1.26 million in discounts and 3,430 eligible West Virginia American Water (WVAW) customers received $653,693 in discounts.

Following is a report on the 20% discount program for the billing months of November 2020 through April 2021 for the gas and electric utilities and for the billing months of June 2020 through May 2021 for WVAW. A summary by type of utility, including the percentage changes from last year and individual utility information, is detailed on the following pages.

20% Discount Program for Natural Gas Utilities

	Cardinal Natural Gas (Bluefield)*	Cardinal Natural Gas (Blacksville)*	Cardinal Natural Gas (Lumberport)*	Consumers Gas Utility	Hope Gas, dba Dominion Energy WV	Megan Oil & Gas
Applications Received	599	11	533	454	4,849	27
Applications Approved	599	11	533	454	2,214	27
Percent Approved	100.00%	100.00%	100.00%	100.00%	45.66%	100.00%
Residential Customers	2,908	234	3,209	7,636	102,230	196
Customers Given Discount	599	11	533	2,175	16,159	134
Percent Given Discount	20.60%	4.70%	16.61%	28.48%	15.81%	68.37%
SSI Customers	219	0	304	249	2,251	14
WV Works Customers	60	1	26	19	357	0
SNAP (Age 60 Plus)	320	10	203	186	2,214	13
Bills at Non-Discounted Rates	$91,381.98	$1,019.03	$59,646.05	$179,232.80	$1,664,275.55	$16,846.45
Bills at Discounted Rates	$73,105.49	$815.24	$47,716.80	$141,803.00	$1,331,420.44	$13,477.16
Revenue Decrease	$18,276.49	$203.79	$11,929.25	$37,429.80	$332,855.11	$3,369.29
Adjustment for B&O Tax Reduction	$784.06	$8.74	$511.77	$1,605.74	$14,279.48	$144.54
Revenue Deficiency Certified	$17,492.43	$195.05	$11,417.48	$35,824.06	$318,575.63	$3,224.75

Data for November 2020 - April 2021

**Cardinal Natural Gas Company did not report in 2019 or 2020*

20% Discount Program for Natural Gas Utilities

	Mountaineer Gas	Peoples Gas WV	Southern Public Service Co.	Standard Gas	Union Oil & Gas
Applications Received	8,363	344	250	7	80
Applications Approved	8,363	344	250	7	77
Percent Approved	100.00%	100.00%	100.00%	100.00%	96.25%
Residential Customers	195,587	12,781	5,475	347	5,917
Customers Given Discount	45,289	1,682	1,219	35	376
Percent Given Discount	23.16%	13.16%	22.26%	10.09%	6.35%
SSI Customers	3,936	163	135	4	40
WV Works Customers	606	17	13	0	34
SNAP (Age 60 Plus)	3,821	164	102	3	6
Bills at Non-Discounted Rates	$4,010,794.30	$175,538.50	$69,412.60	$2,101.54	$31,971.55
Bills at Discounted Rates	$3,208,635.44	$140,430.80	$55,530.08	$1,699.20	$25,577.24
Revenue Decrease	$802,158.86	$35,107.70	$13,882.52	$402.34	$6,394.31
Adjustment for B&O Tax Reduction	$34,412.62	$1,506.12	$595.56	$17.26	$274.32
Revenue Deficiency Certified	$767,746.24	$33,601.58	$13,286.96	$385.08	$6,119.99

Data for November 2020 - April 2021

20% Discount Program for Electric Utilities

	Appalachian Power	Monongahela Power	Potomac Edison	Wheeling Power
Applications Received	20,888	14,376	3,524	1,238
Applications Approved	19,136	13,381	3,257	1,136
Percent Approved	91.61%	93.08%	92.42%	91.76%
Residential Customers	810,840	333,844	369,301	34,950
Customers Given Discount	19,136	13,381	3,257	1,136
Percent Given Discount	2.36%	4.01%	0.88%	3.25%
SSI Customers	10,167	6,445	1,147	473
WV Works Customers	1,284	649	187	63
SNAP (Age 60 Plus)	7,685	6,287	1,923	600
Bills at Non-Discounted Rates	$16,345,058.60	$6,982,039.95	$2,296,232.01	$713,090.05
Bills at Discounted Rates	$13,076,046.88	$5,585,630.93	$1,836,985.73	$570,472.04
Revenue Decrease	$3,269,011.72	$1,396,409.02	$459,246.28	$142,618.01
Adjustment for B&O Tax Reduction	$0.00	$0.00	$0.00	$0.00
Revenue Deficiency Certified	$3,269,011.72	$1,396,409.02	$459,246.28	$142,618.01

Data for November 2020 - April 2021

Black Diamond Power did not report this year.

20% Discount Program Summary Data									
	Electric Utilities			Natural Gas Utilities			WV American Water Co.		
	2020-2021	2019-2020	Change	2020-2021	2019-2020	Change	2020-2021	2019-2020	Change
Applications Received	40,026	39,648	0.95%	15,517	13,429	15.55%	1,784	1,226	45.51%
Applications Approved	36,910	36,672	0.65%	12,879	13,349	-3.52%	1,232	936	31.62%
Percent Approved	92.22%	92.49%			99.40%		69.06%	76.35%	
Residential Customers	1,548,935	848,382	82.58%	336,520	327,470	2.76%	168,630	152,906	10.28%
Customers Given Discount	36,910	36,672	0.65%	68,212	13,349	410.99%	3,430	6,243	-45.06%
Percent Given Discount	2.38%	4.32%		20.27%	4.08%		2.03%	3.80%	
SSI Customers	18,232	18,946	-3.77%	7,315	6,472	13.03%	1,464	2,735	-46.47%
WV Works Customers	2,183	2,217	-1.53%	1133	956	18.51%	1,550	1,252	23.80%
SNAP (Age 60 Plus)	16,495	15,509	6.36%	7,042	5,921	18.93%	416	2,256	-81.56%
Bills at Non-Discounted Rates	$26,336,420.61	$23,191,478.08		$6,302,220.35	$5,446,274.75		$3,161,207.00	$4,286,860.00	
Bills at Discounted Rates	$21,069,135.58	$18,556,610.97		$5,040,210.89	$4,356,125.67		$2,507,514.00	$3,423,239.00	
Revenue Decrease	$5,267,285.03	$4,634,867.11	13.64%	1,262,009.46	1,090,149.08	15.76%	$653,693.00	$863,621.00	-24.31%
Adjustment for B&O Tax Reduction	$0.00	$0.00		$54,140.21	$46,767.40		$28,762.00	$37,999.00	
Revenue Deficiency Certified	$5,267,285.03	$4,634,867.11	13.64%	$1,207,869.25	$1,043,381.68	15.76%	$624,931.00	$825,622.00	-24.31%

Gas and electric utility data for November 2020 - April 2021

West Virginia American Water Company data for June 2020 - May 2021

APPENDIX J

Tel-Assistance Service Telephone Rate Discount Program

Tel-Assistance Service provides reduced rates for qualified low-income residential customers of telephone utilities through a waiver of the monthly Federal Subscriber Line Charge. The option of Tel-Assistance Service remains part of the residential tariffs of all local exchange telephone utilities, and is available to eligible customers. Those customers must be receiving benefits from an income-related state or federal program, including SSI, WV Works, Medicaid, federal public housing assistance, Low Income Home Energy Assistance Program (LIHEAP) or SNAP if the recipient is age 60 or older.

Telephone utilities may recover their revenue deficiency as a credit against the carrier's income tax. The agreements or tariffs filed with the Commission for approval in accordance with the Tel-Assistance Program may specify the methodology by which the eligible telecommunications carrier calculates its annual revenue deficiency. Subject to Commission approval, telecommunications carriers may agree to freeze or cap the amount of revenue deficiency at specific levels.

Frontier, West Virginia Inc. and Citizens Telecommunications Company of West Virginia, dba Frontier Communications of West Virginia, are the only companies to file a Tel-Assistance report for certification of revenue deficiency for 2021.

Frontier requested the Commission certify $66,384.89 as its revenue deficiency associated with the Tel-Assistance Program for the 2020 program year (Case No. 21-0255-T-P). Citizens requested the Commission certify $19,603.80 as its revenue deficiency (Case No. 21-0256-T-P). The Commission approved these revenue deficiencies. These cases are now closed.

Public Service Commission

PSC

of West Virginia