

FACT SHEET



virginia interfaith
power & light

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Support: Decrease Energy Burden on Families

Support:

SB 1027 – Sen. Lewis
HB 981 – Del. Herring
SB 851 – Sen. McClellan
HB 1526 – Del. Sullivan
HB 77 – Del. Rasoul
HB 1132 – Del. Jones

Problem: Virginia households have a more costly energy burden than the national average

- the average electricity burden is unaffordable for over 75% of Virginia households. Although our state has average electricity rates, consumers pay bills, which include rates and expensive additional charges called “RACs” or rate adjustment clauses – also called riders. Dominion’s bills have gone up 30% from 2006 and 2016.

Policy solutions:

Virginia should remedy the burden of high bills on Virginia electricity billpayers by expanding energy efficiency programs for underserved and low-income communities.

- **Leverage resources from clean energy commitments:**
In joining the Regional Greenhouse Gas Initiative, a cap and trade program to reduce carbon pollution from power plants, at least 50% of the auction revenues should be allocated to energy efficiency programs for low-income communities.
- **Restore monopoly utility review:**
Looking at recent bill increases from Dominion

Virginia Power, 42% were due to riders, additional charges added on top of rates. A controversial bill from the 2015 legislative session froze base rates, but not riders and limited state oversight. Oversight from the State Corporation Commission (SCC) should be restored for the 2021 rate case, SCC’s upcoming review of the utility monopoly. Dominion has overearned by at least \$1.3 billion since 2015.

Who benefits:

- **Working families:**
Looking at 2015 data, Dominion could have reduced energy bills by more than \$10,000,000 just looking at rental homes alone through potential energy savings measures. Increasing energy efficiency savings would stabilize and reduce economic burden of utility bills for low income families.
- **Responsible energy stewardship:**
Dominion is far behind its peers in terms of taking advantage of energy savings through energy efficiency. Many peer utilities, are saving almost twice the amount Dominion currently saves through energy efficiency programs. Dominion can follow the example of Duke Energy and Kentucky Power.
- **The environment:**
Dominion can minimize the need to build expensive power plants that often rely on fossil fuels, contributing to the problems of pollution and climate change.

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Sources: *Virginia Poverty Law Center, State Corporation Commission*

Virginia Interfaith Power & Light collaborates, as people of faith, to grow healthy communities and advance climate justice through education, advocacy, and worship.