

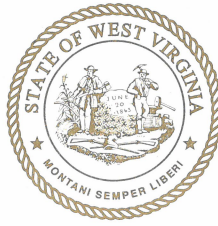
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## CONSUMER ADVOCATE DIVISION

### 2021 ANNUAL REPORT

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## INTRODUCTION

The Consumer Advocate Division (CAD) represents the interests of residential customers in all matters concerning the utility rates those customers pay. The information in this report is specific to residential rates and terms of service. The CAD prepared its Annual Study of Utility Costs (Report) which is attached to this Report as Appendix I, Tables 1 - 10. The Report examines current utility costs for 17 cities in West Virginia and compares them to the utility costs in cities of surrounding states.

The past year has been very difficult for customers of West Virginia utilities. The economic hardships created by the coronavirus pandemic caused many customers, who have never missed a utility bill payment, to accrue unpaid utility bills. Congress provided assistance to utility customers through additional LIHEAP funds and CARES Act funds. The LIHEAP funds assist electric and gas customers with heating bills. The CARES Act funds were available to customers that were unable to pay their utility bills as a result of the economic impact of the coronavirus. The Governor allocated \$25 million of the CARES Act funds provided to West Virginia for utility bill assistance. Customers affected economically by the coronavirus who had unpaid utility bills could apply to have those bills paid for the period February 1, 2020 through July 31, 2020. There has been no

additional assistance to customers from West Virginia utilities for past due bills since August 1, 2020. The exception is Dominion Hope Gas who donated \$25,000 of shareholder funds to help their customers. Prior to these efforts, water and wastewater customers received no past due bill assistance beyond what was available before the coronavirus pandemic. Congress is now considering adding water to the LIHEAP funding and the CARES Act funds were made available to customers of water and wastewater utilities.

#### **OVERALL UTILITY RATES INCREASED BY ABOUT 2%**

There was a wide range in the changes of utility rates in 2020. Table 2 shows the greatest increase of over 7% for Appalachian Power and Wheeling Power (together (APCO) and the greatest decrease (1.8%) for Mon Power and PE.

West Virginia's major utilities filed more than 11 cases requesting rate changes in 2020 (Table 1).

#### **YEAR TO YEAR RATE COMPARISON**

Residential utility costs for the largest utilities are shown in Table 3. The West Virginia average monthly utility bill for all utilities is \$316.55. Table 4 shows an increase of 7% for utility costs over the five year period 2017 - 2021. Table 5 shows the average monthly utility bills in four West Virginia cities from 2017 – 2021. Utility bills increased

the most in Charleston (12%) and the least in Fairmont (3%).

### **CITY TO CITY RATE COMPARISON**

The change in utility costs for residents in seventeen cities in West Virginia is shown in Table 3. Morgantown residents continued to have the lowest utility costs and Bluefield residents continued to have the highest utility costs. Monthly water costs ranges from about \$23 in Morgantown to about \$73 in Charleston. Monthly natural gas costs ranges from about \$107 to about \$158; and monthly electric costs ranges from about \$105 to about \$139.

### **COMPARISON WITH COSTS IN SURROUNDING STATES**

The monthly residential utility bills for out of state cities ranges from a high of \$362 in Pittsburgh, PA to a low of \$281 in Lexington, KY. This compares to the average West Virginia utility bills of \$316.55.

The monthly utility bills in West Virginia and selected cities in surrounding states are shown in Tables 6 – 10. Table 7 shows Lexington, KY and Columbus, OH have lower natural gas costs. West Virginia's monthly water costs are second highest with Pittsburgh, PA being the highest (Table 9). The total monthly utility costs for West Virginia and surrounding states is shown in Table 10.



## **CONCLUSION**

The CAD is concerned with the level of new rate increases and the affordability of rates for residential customers. The CAD's Report is attached as Appendix I and is also available on the CAD's web site at [www.cad.state.wv.us](http://www.cad.state.wv.us).

## **FURTHER INFORMATION:**

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**Table 1**  
**WEST VIRGINIA 2020 RATE DECISIONS**  
Consumer Advocate Division: Annual Utility Rate Study 2021

	Requested (\$/Million)	Rate Impact (\$/Million)
<b>ELECTRICITY</b>		
<b>Appalachian and Wheeling Power Companies (APCO)</b>		
APCO ENEC <sup>1</sup>	30.00	12.10
APCO VMS	108.60	40.40
APCO Kanawha River Plant <sup>2</sup>	-	-
<b>Subtotal Electricity</b>	<b>138.60</b>	<b>52.50</b>
<b>Monongalia Power Company and Potomac Edison (First Energy)</b>		
Mon Power ENEC <sup>3</sup>	(54.90)	(50.00)
<b>GAS</b>		
Mountaineer (PGA)	(4.40)	(4.40)
Mountaineer 390	7.00	7.00
Dominion Energy (Hope) Base Rate <sup>4</sup>	34.60	-
Dominion Energy (Hope) DGP Purchase <sup>4</sup>	18.03	-
Dominion Energy (Hope) (PGA)	(3.60)	(3.60)
Dominion Energy (Hope) 390	13.14	12.68
Peoples (PGA)	-	(0.04)
Bluefield (Cardinal) (PGA)	(0.29)	(0.29)
Bluefield (Cardinal) 390	0.74	0.74
<b>Subtotal Gas</b>	<b>\$ 65.23</b>	<b>\$ 12.10</b>
<b>WATER</b>		
WVAWC DSIC	50.60	-
<b>TOTAL</b>	<b>\$ 126.16</b>	<b>\$ (25.81)</b>

<sup>1</sup> Total increase offset by TCJA credit of Unprotected Excess Accumulated Deferred Income Tax (ADIT).

<sup>2</sup> Request Commission approval to transfer plant for demolition. Transfer amount is confidential. Case is still pending before the Commission.

<sup>3</sup> Pending Commission order.

<sup>4</sup> Cases still pending before the Commission.

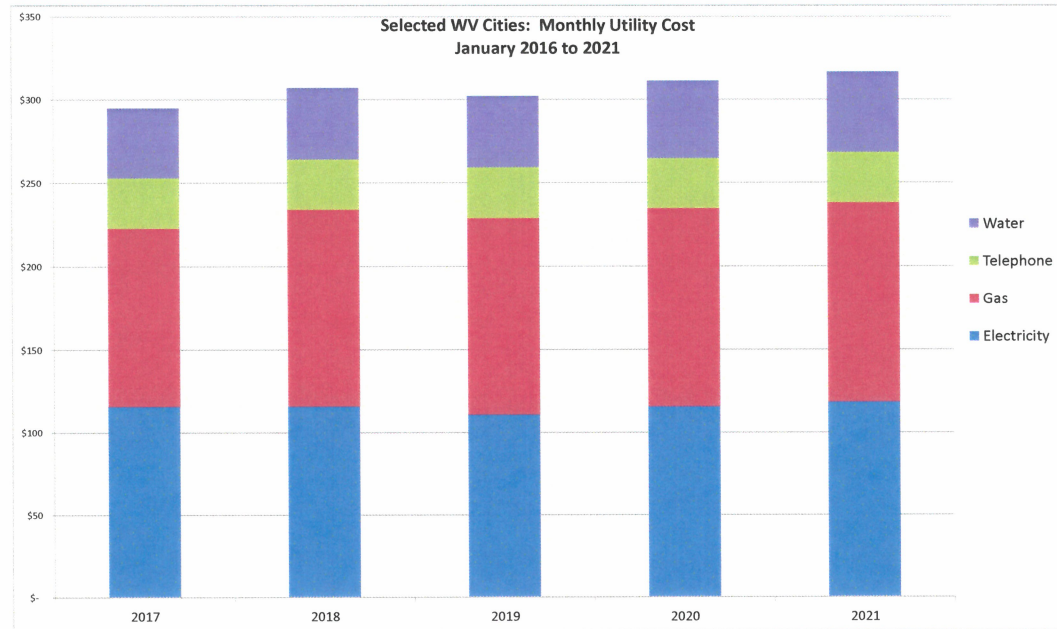
**Table 2**  
**WV RESIDENTIAL CUSTOMERS:**  
**MONTHLY UTILITY COST JANUARY 2020 & 2021**  
Consumer Advocate Division: Annual Utility Rate Study 2021

	<u>January 2020</u>	<u>January 2021</u>	<u>% Change</u>
<b>Gas - 13 MCF of Gas</b>			
1. Mountaineer Gas	\$ 119.90	\$ 121.28	1.2%
2. Bluefield Gas	157.93	157.97	0.0%
3. Peoples Gas	113.55	113.16	-0.3%
5. Dominion Energy (Hope Gas)	\$ 107.75	\$ 107.13	-0.6%
<b>Electric - 1000 kWh of Electricity</b>			
1. Appalachian Power	\$ 129.05	\$ 138.58	7.4%
2. Wheeling Power	129.05	138.58	7.4%
3. Potomac Edison	106.45	104.52	-1.8%
4. Monongahela Power	106.45	104.52	-1.8%
<b>Telephone - Flat Rate, Single Party</b>			
1. Frontier/Verizon	\$ 29.85	\$ 29.85	0.0%
<b>Company or Municipality - 4,500 Gallons</b>			
1. West Virginia American Water	\$ 73.28	\$ 73.28	0.0%
2. Municipal Systems (detail on Table 3)	\$ 35.36	\$ 38.21	8.0%

**Table 3**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
**MONTHLY UTILITY COST JANUARY 2021**  
Consumer Advocate Division: Annual Utility Rate Study 2021

WEST VIRGINIA		2021	2021	2021	2021	2021
<u>City</u>		<u>Electricity</u>	<u>Gas</u>	<u>Telephone</u>	<u>Water</u>	<u>Total</u>
1	Morgantown	\$ 104.52	\$ 107.13	\$ 29.85	\$ 23.18	\$ 264.68
2	Clarksburg	104.52	107.13	29.85	34.79	276.29
3	Parkersburg	104.52	107.13	29.85	37.85	279.35
4	Fairmont	\$ 104.52	107.13	29.85	39.92	281.42
5	Logan	138.58	121.28	29.85	28.95	318.66
6	Grafton	104.52	113.16	29.85	34.11	281.64
7	Wheeling	138.58	121.28	29.85	29.98	319.69
8	Weirton	104.52	121.28	29.85	39.58	295.23
9	Beckley	138.58	121.28	29.85	39.62	329.33
10	Elkins	104.52	121.28	29.85	51.75	307.40
11	Martinsburg	104.52	121.28	29.85	45.24	300.89
12	Lewisburg	104.52	121.28	29.85	53.51	309.16
13	Bluefield	\$ 138.58	\$ 157.97	\$ 29.85	\$ 73.28	\$ 399.68
14	Hinton	104.52	121.28	29.85	73.28	328.93
15	Charleston	138.58	121.28	29.85	73.28	362.99
16	Huntington	138.58	121.28	29.85	73.28	362.99
17	Oak Hill	138.58	121.28	29.85	73.28	362.99
<b>Average</b>		<b>\$ 118.54</b>	<b>\$ 119.63</b>	<b>\$ 29.85</b>	<b>\$ 48.52</b>	<b>\$ 316.55</b>
<b>SURROUNDING STATES</b>						
	Lexington, KY	\$ 112.20	\$ 100.41	\$ 29.72	\$ 38.40	\$ 280.73
	Columbus, OH	128.23	102.64	27.92	27.08	285.87
	Richmond, VA	121.97	140.62	29.79	36.48	328.86
	Baltimore, MD	136.28	154.67	29.96	35.64	356.55
	Pittsburgh, PA	143.39	\$ 122.69	\$ 24.13	71.48	\$ 361.69
<b>Average</b>		<b>\$ 128.41</b>	<b>\$ 124.21</b>	<b>\$ 28.30</b>	<b>\$ 41.82</b>	<b>\$ 322.74</b>

**Table 4**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV**  
**MONTHLY UTILITY COST JANUARY 2017-2021**  
Consumer Advocate Division: Annual Utility Rate Study 2021



**AVERAGE FOR SELECT WV CITIES\***

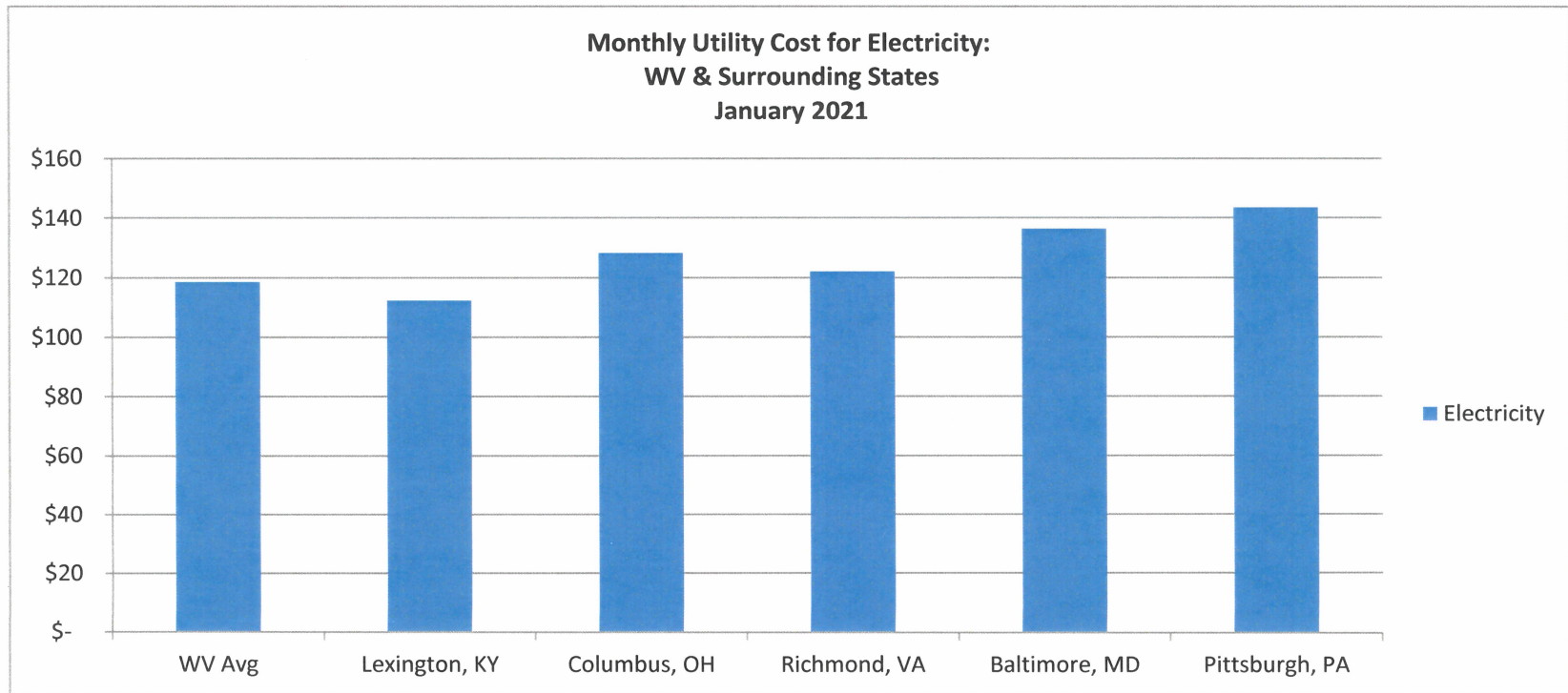
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Change</u> <u>2017 -2021</u>
Electricity	\$ 116	\$ 116	\$ 111	\$ 116	\$ 119	2%
Gas	107	118	118	119	120	12%
Telephone	30	30	30	30	30	0%
Water	<u>42</u>	<u>43</u>	<u>43</u>	<u>47</u>	<u>49</u>	<u>16%</u>
<b>TOTAL</b>	<b>\$ 295</b>	<b>\$ 307</b>	<b>\$ 302</b>	<b>\$ 311</b>	<b>\$ 317</b>	<b>7%</b>

\* Citites included in average are shown on Table 3.

**Table 5**  
**MONTHLY UTILITY COST JANUARY 2017-2021**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV**  
Consumer Advocate Division: Annual Utility Rate Study 2021

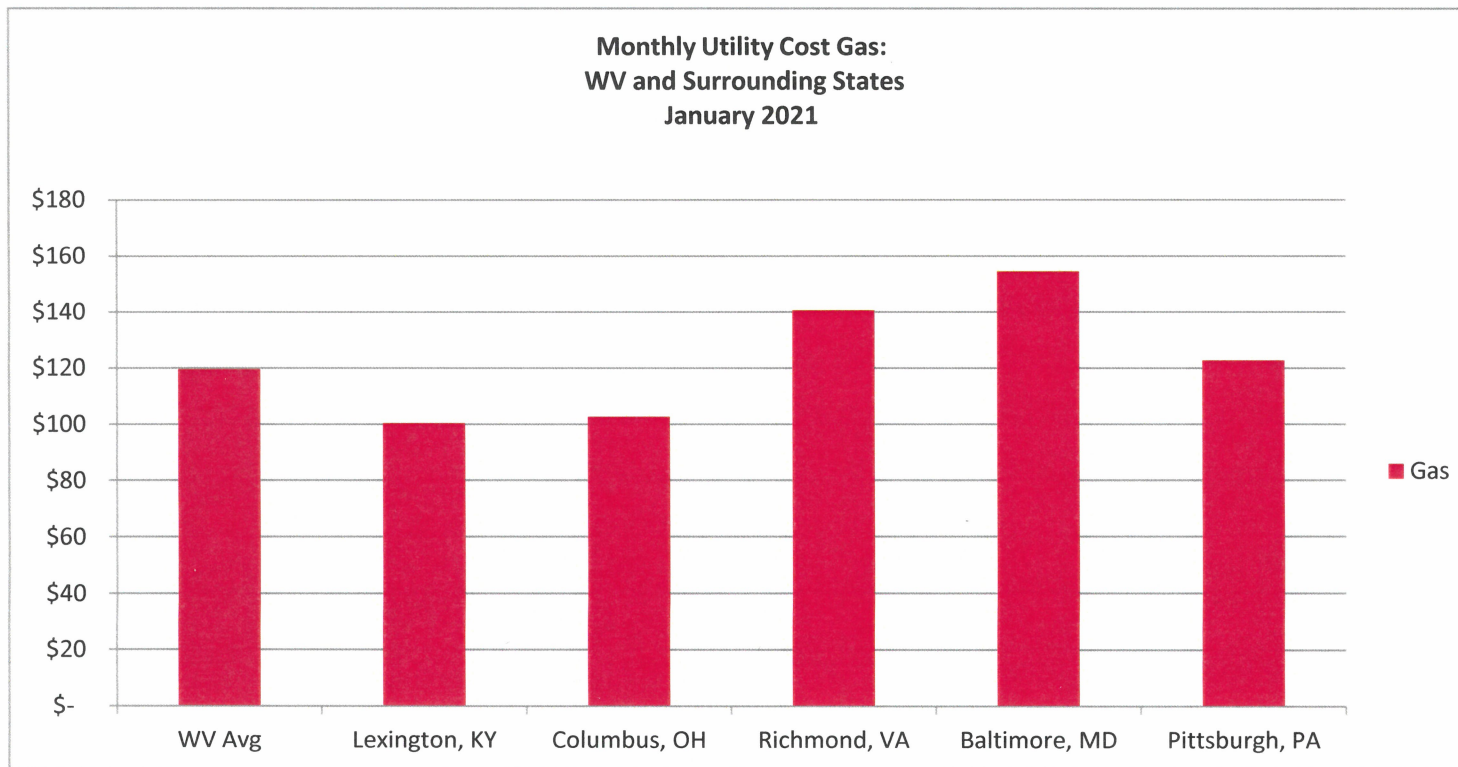
		2017	2018	2019	2020	2021	2017 to 2021: % Chg
<b>WHEELING</b>							
Wheeling Power	\$	120.93	\$ 120.93	\$ 118.18	\$ 129.05	\$ 138.58	15%
Mountaineer Gas		111.76	120.73	119.00	119.90	121.28	9%
Verizon/Frontier		29.64	29.82	29.85	29.85	29.85	1%
City Water		<u>29.98</u>	<u>29.98</u>	<u>29.98</u>	<u>29.98</u>	<u>29.98</u>	<u>0%</u>
Total	\$	292.31	\$ 301.46	\$ 297.01	\$ 308.78	\$ 319.69	9%
<b>CHARLESTON</b>							
APCO	\$	120.93	\$ 120.93	\$ 118.18	\$ 129.05	\$ 138.58	15%
Mountaineer Gas		111.76	120.73	119.00	119.90	121.28	9%
Verizon/Frontier		29.64	29.82	29.85	29.85	29.85	1%
WV-American		<u>62.96</u>	<u>64.24</u>	<u>64.24</u>	<u>73.28</u>	<u>73.28</u>	<u>16%</u>
Total	\$	325.29	\$ 335.72	\$ 331.27	\$ 352.08	\$ 362.99	12%
<b>FAIRMONT</b>							
Mon. Power	\$	112.02	\$ 110.53	\$ 105.83	\$ 106.45	\$ 104.52	-7%
Dominion Energy (Hope)		91.50	110.18	110.05	107.75	107.13	17%
Verizon/Frontier		29.64	29.82	29.85	29.85	29.85	1%
City Water		<u>39.92</u>	<u>39.92</u>	<u>39.92</u>	<u>39.92</u>	<u>39.92</u>	<u>0%</u>
Total	\$	273.08	\$ 290.45	\$ 285.65	\$ 283.97	\$ 281.42	3%
<b>MARTINSBURG</b>							
Potomac Edison	\$	112.02	\$ 110.53	\$ 105.83	\$ 106.45	\$ 104.52	-7%
Mountaineer Gas		111.76	120.73	119.00	119.90	121.28	9%
Verizon/Frontier		29.64	29.82	29.85	29.85	29.85	1%
City Water		<u>34.00</u>	<u>34.00</u>	<u>34.00</u>	<u>34.00</u>	<u>45.24</u>	<u>33%</u>
Total	\$	287.42	\$ 295.08	\$ 288.68	\$ 290.20	\$ 300.89	5%

**Table 6**  
**MONTHLY UTILITY COST JANUARY 2021: ELECTRICITY**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
Consumer Advocate Division: Annual Utility Rate Study 2021

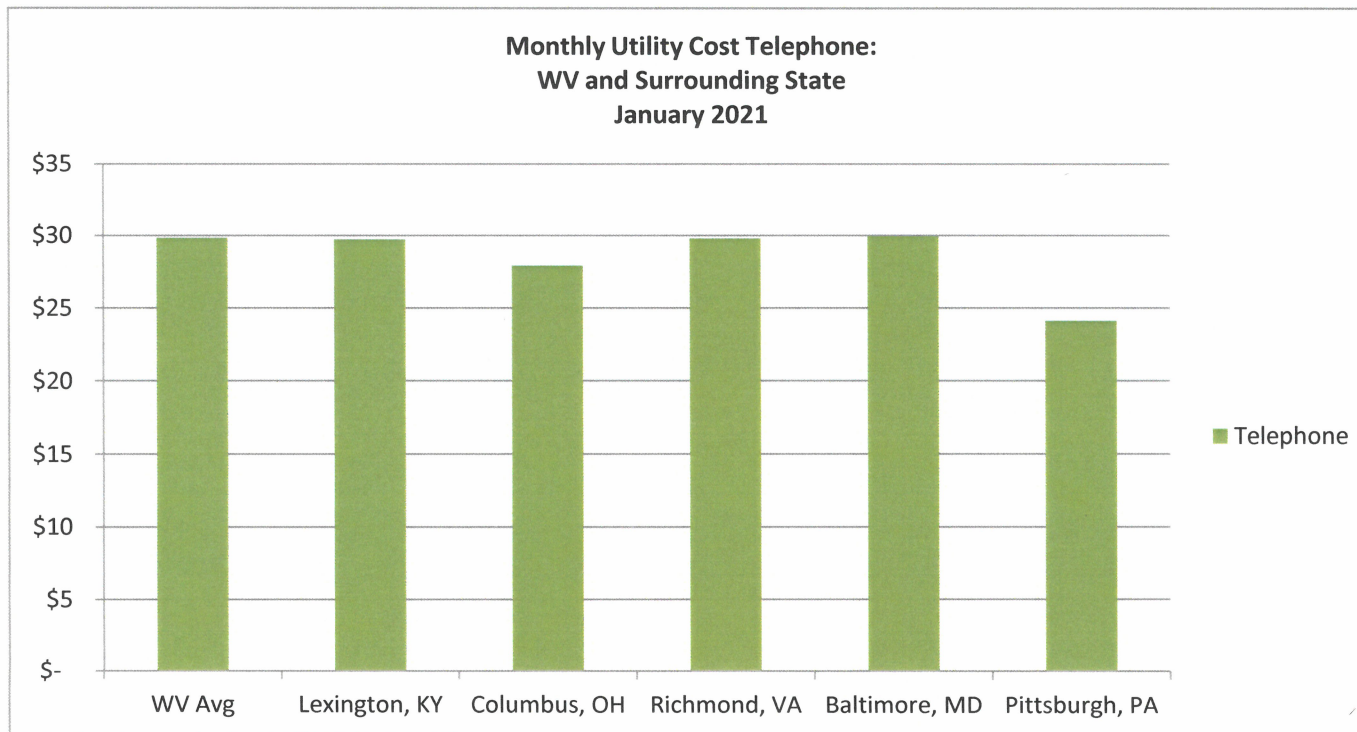




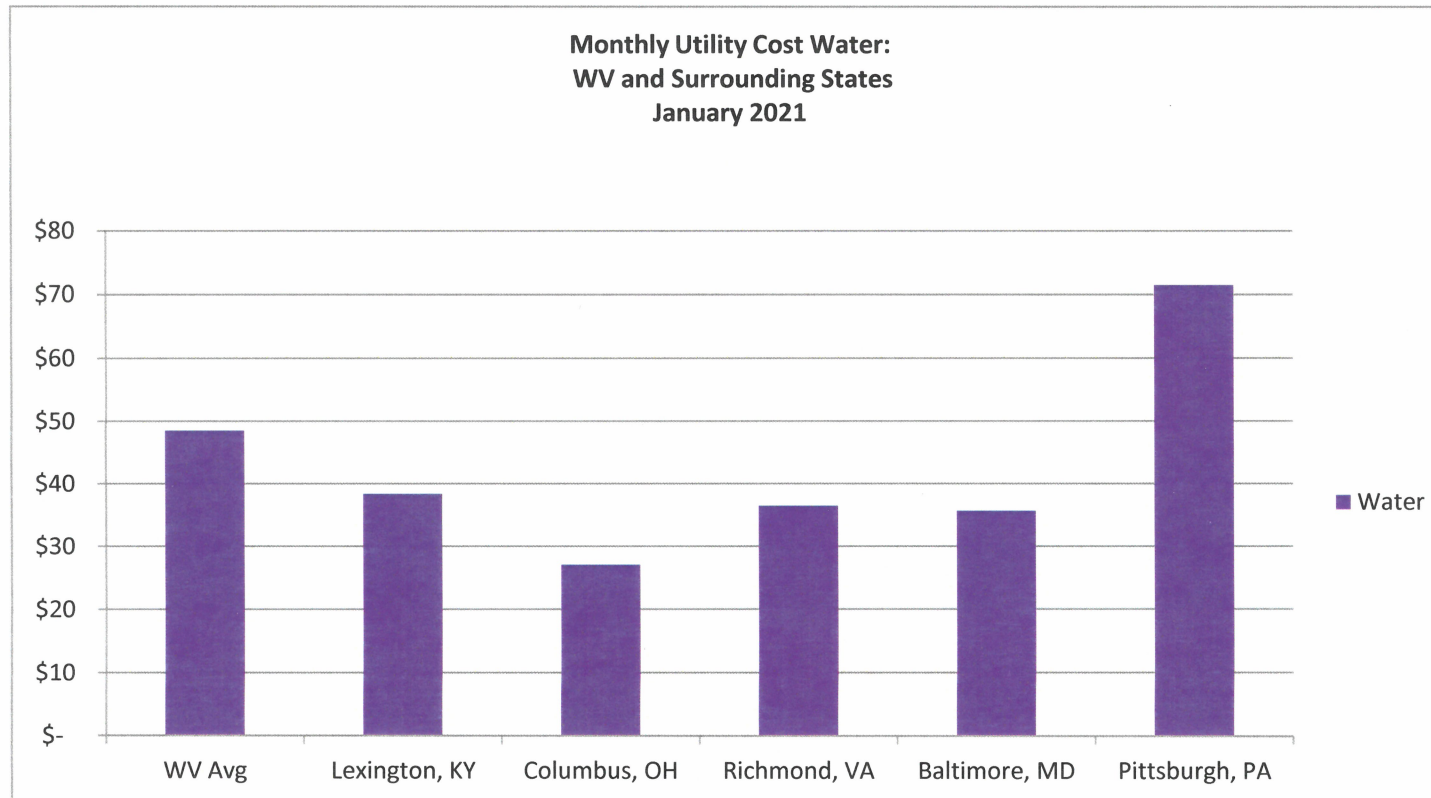
**Table 7**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
**MONTHLY UTILITY COST JANUARY 2021: GAS**  
Consumer Advocate Division: Annual Utility Rate Study 2021



**Table 8**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
**MONTHLY UTILITY COST JANUARY 2021: TELEPHONE**  
Consumer Advocate Division: Annual Utility Rate Study 2021



**Table 9**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
**MONTHLY UTILITY COST JANUARY 2021: WATER**  
Consumer Advocate Division: Annual Utility Rate Study 2021



**Table 10**  
**RESIDENTIAL CUSTOMERS: SELECTED CITIES WV & SURROUNDING STATES**  
**MONTHLY UTILITY COST JANUARY 2021: ALL UTILITIES**  
 Consumer Advocate Division: Annual Utility Rate Study 2021

