

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE REQUEST OF
DOMINION ENERGY UTAH FOR
APPROVAL OF A VOLUNTARY
RESOURCE DECISION TO CONSTRUCT
AN LNG FACILITY

Docket No. 18-057-03

SURREBUTTAL TESTIMONY OF TINA M. FAUST

FOR DOMINION ENERGY UTAH

September 20, 2018

DEU Exhibit 2.0SR

1 **Q. Please state your name and business address.**

2 A. My name is Tina M. Faust. My business address is 333 S. State, Salt Lake City, UT.

3 **Q. Are you the same Tina M. Faust who submitted prefiled direct testimony and**
4 **prefiled rebuttal testimony in this matter?**

5 A. Yes.

6 **Q. What is the purpose of your surrebuttal testimony?**

7 A. To address issues raised in the rebuttal testimony of Mr. Vastag filed on September 6,
8 2018.

9 **Q. Mr. Vastag in lines 47-51 of his surrebuttal testimony references the Division's**
10 **claim that DEU is not concerned about supply reliability in the short term**
11 **(Wheelwright Direct Testimony Lines 277-280). Is it true that DEU is not concerned**
12 **about potential supply shortfalls in the short term?**

13 A. Of course not. In the short term, DEU plans to manage supply disruptions by contracting
14 for additional supplies and utilizing available storage on an as-needed basis. While
15 relying on purchasing additional supplies on short notice is theoretically viable in the
16 short term, history has demonstrated that these supplies could be disrupted, fail to
17 materialize as gas supply for the Company, and may not be available in the quantities
18 needed, if at all, especially on a Design Peak Day or during multiple days of continuous
19 cold weather. DEU will naturally use all of the tools at its disposal to rectify a supply
20 disruption in the short term.

21 The central issue before the Commission in this proceeding, however, is whether it is
22 prudent to continue relying on such tools long into the future. The need at issue in this
23 docket has become apparent in recent years, and given those facts the Company does not
24 feel it prudent to not take action. The Office of Consumer Services appears to be willing
25 to ignore the likelihood of supply shortfalls and continue rolling the dice in perpetuity. It
26 assumes that supply reliability issues will not ever result in customers losing service,
27 regardless of risks that are apparent but outside of the Company's control. DEU's prior
28 history of supply shortfalls demonstrates that it would not be advisable to take this
29 approach.

30 **Q. In lines 106-117 of his rebuttal testimony, Mr. Vastag states “that the timeline of this**
31 **resource decision proceeding cannot properly accommodate the addition of an RFP”**
32 **and that this filing should be withdrawn. Can you respond?**

33 A. I do not believe it would be worthwhile for the Company to issue an RFP related to the
34 supply reliability need discussed in this docket. The Company has evaluated all relevant
35 options that are available in its market area. Those advocating for an RFP in this docket
36 do not seem to realize that there is not a large pool of established suppliers that are
37 capable of providing reliable, instantaneous supply when shortfalls occur. No witness
38 has been able to identify a solution that the Company did not consider. No witness has
39 been able to point to any entity, let alone a list of entities, that would be capable of
40 responding to an RFP that the Company did not already consider. In addition, delaying
41 this proceeding could put customers at risk as it would delay the implementation of any
42 supply reliability solution.

43 **Q. In lines 134-138, Mr. Vastag quotes Mr. Holder and refers to the Magnum option as**
44 **being directly connected to DEU. Is Mr. Vastag’s characterization correct?**

45 A. No. The Magnum option would connect to DEU’s system just like any other off-system
46 storage facility -- through an upstream interstate pipeline that would interconnect at a city
47 gate. That is entirely different than how the LNG facility would be connected, as it
48 would be an on-system storage solution directly embedded in DEU’s distribution system.
49 Portraying a supply source that is 80-100 miles away as directly connected and
50 comparable to the LNG facility is inappropriate as well as misleading.

51 **Q. In lines 160-166, Mr. Vastag states that the Company has provided insufficient**
52 **evidence and inadequate alternative analyses that do not satisfy the public interest**
53 **criteria of the Utah Energy Resource Procurement Act, §54-162 17-402(3)(b) and that**
54 **the Company does not prove that the LNG facility is the lowest reasonable cost resource**
55 **to retail customers or that it will result in the resource with the best long-term and**
56 **short-term impacts, risk and reliability. How do you respond?**

57 A. The Company has provided abundant evidence and alternative analysis as evidenced in

58 my direct testimony and the direct testimony of others. Mr. Vastag does not identify any
59 solution that was not assessed, does not identify any counterparty that an RFP should be
60 sent to, and does not provide any basis to support a claim that any other option imposes
61 less risk, ensures greater reliability, or has a similar positive impact on the system as the
62 proposed LNG facility.

63 The LNG facility is the best solution, as it allows DEU to provide the most secure supply
64 reliability to its customers. It is the only option that is located on-system and allows
65 DEU the exclusive ability to control its use. The LNG facility is the lowest reasonable
66 cost resource because it is the only option that allows for the diversity, flexibility and
67 supply independence that its customers need during supply shortfalls.

68 **Q. Does this conclude your testimony?**

69 **A. Yes.**

State of Utah)

) ss.
County of Salt Lake)

I, Tina M. Faust, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. Except as stated in the testimony, the exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.


Tina M. Faust

SUBSCRIBED AND SWORN TO this 20th day of September, 2018.


Notary Public

