



State of Utah  
Department of Commerce  
Division of Public Utilities

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### Technical Conference Questions

**To:** Utah Public Service Commission

**From:** Utah Division of Public Utilities

Allen R. Neale, Consultant

Melissa Whitten, Managing Consultant

Doug Wheelwright, Utility Technical Consultant

**Date:** June 7, 2019

**Re:** **In the Matter of the Application of Dominion Energy Utah for Approval of a Voluntary Resource Decision to Construct a Liquefied Natural Gas (“LNG”) Facility**  
**Docket No. 19-057-13**

**HIGHLY CONFIDENTIAL - SUBJECT OF UTAH PUBLIC SERVICE COMMISSION RULE 746-100-16**

- 1) Refer to Exhibit 1.0, Mendenhall Direct, pp. 3-4 and confirm that pursuant to revised RFP issued January 2, 2019, DEU received bids by the March 4, 2019 deadline that included only the following:
  - a. 3 respondents total
  - b. 2 new respondents, and
  - c. 1 existing respondent providing 2 new options
- 2) Refer to Exhibit 3.0, Schwarzenbach Direct, p. 3 at lines 66-69 and confirm whether DEU receive any respondents to the advertisement placed in the S&P Global Platts Gas Daily newsletter? If so, please identify them by name and describe the nature of their potential service capability.
- 3) Did DEU receive any other expressions of interest from potential bidders besides those identified in the answer to 1) above? If so, please identify them by name and describe the nature of their potential service capability.

- 4) Refer to Exhibit 3.0, Schwarzenbach Direct, p. 4 at lines 76-78, which states that 14 people representing potential bidders attended the bidder's conference held on January 14, 2019. Please provide a list of the organizations each of these 14 people represented and confirm how many of the attendees represented the same organization, i.e., was the total number of organizations represented less than the number of attendees.
- 5) Refer to Exhibit 3.0, Schwarzenbach Direct, p. 3 at lines 64-66, and answer the following:
  - a) provide the list of "all known parties" to whom the Company sent a link to the location of the RFP on its website;
  - b) Identify each member of this list by the three resource categories given: gas suppliers, storage providers and upstream pipelines, or another category that is more applicable to a recipient.
  - c) describe how the list was developed, and
  - d) Confirm whether DEU followed up with any of the members of this list who did not bid to ask them why they did not bid or what changes to the RFP might have allowed them to bid.
- 6) Refer to Exhibit 4.0, Platt Direct, p. 12 at lines 292-294, which states:

"In order to provide reliability for the most likely scenarios to occur, the selected resource must be capable of providing operational pressures for shortfalls at all the gate stations feeding the Wasatch Front."

Please support this claim by providing the following detailed information:

- a. Identify the gate stations located in the Wasatch Front and dates at which each shortfall event occurred (a gate station map would be much appreciated)
  - b. The quantities curtailed for each shortfall event.
  - c. Confirm whether DEU has purchased supply delivered at these gate stations, and
  - d. If so, the quantity purchased at each of these gate stations, the names of suppliers, and whether firm supply was available at those gates on the peak day.
- 7) Refer to Exhibit 4.0, Platt Direct, p.13 at lines 294-295 and provide a list of all the gate stations located within the "Optimal Delivery Location" and identify which of these gate stations are not included among those "feeding the Wasatch Front".
  - 8) Refer to Exhibit 4.0, Platt Direct, p. 12 at lines 286-288, Figure 2: Optimal Delivery Location and explain:
    - a. The significance of the triangle and its location in the middle of the map.
    - b. In detail what is meant by "the system as it is expected to evolve in the future."
  - 9) Refer to Mendenhall, p. 18 at 449-452, which confirms that the proposed LNG facility will be for the sole benefit of sales customers and, as a result, none of the associated facilities costs will be allocated to transportation customers because the latter "will not have access to this facility during a supply disruption" and answer the following:

- a. Does this reference to "Transportation customers" include Firm and non-firm Transportation customers?
  - b. Does DEU's tariff provide Firm Transportation customers with standby or backup service?
  - c. How will DEU physically prevent Transportation only customers from using Company supply?
  - d. How will DEU determine each day whether curtailment experienced is greater than the proposed LNG facility's vaporizer capacity?
  - e. Is DEU able to monitor the daily usage of Transportation customers now or in the near future? If so, please describe how DEU has insured that this monitoring function is achieved.
  - f. Does DEU have other means of controlling Transportation-only customer's receipt of system supply?
  - g. How many transportation-only customers have had AMI meters installed through today?
  - h. How many transportation-only customers have committed to installing AMI meters by the date when DEU expects the proposed LNG facility to enter service?
- 10) How will DEU confirm that firm service customers will not be harmed by Transportation only customers operating on their system once the proposed plant is in service?
- 11) Why did DEU include in its Jan 2, 2019 RFP a requirement that the proposed resource provide supply that will not be subject to the NAESB nomination cycle? Is the LNG facility guaranteed to meet this exact performance requirement of being fully available within 5 minutes? If so, explain how this is possible without creating excess boil-off.
- 12) Refer to Exhibit 4.0, Platt Direct, p. 5 at 134-135 and explain
- a. How dispatching the LNG facility within a 5-minute window would be considered operating within design parameters and not result in excess boil-off.
  - b. Whether the amount of boil-off experienced during this 10-minute window be higher or lower than the facility's design parameters?
- 13) Refer to Exhibit 3.02, Request for Proposal, Section D.3. Operational Requirements, pp. 2-3, and explain:
- a. Why DEU required that the proposed resource not be subject to the NAESB nomination cycle?
  - b. Why wouldn't a higher amount confirmed for re-nomination during one of the intra-day cycles provide similar level of resource to meet system needs?
- 14) Please explain in detail all new provisions since the last rate case governing Transportation Only service in relation to gas supply nominations, requirements for timely response to curtailment orders and imposition of penalties.
- 15) Does DEU hold a customer meeting before the start of winter to remind Transport-only customers of the rules for nominating supply and conditions under which these customers could be curtailed and penalized?

- 16) Refer to Exhibit 2.0, Faust Direct, p. 7 at 156 – 159, which mentions that “it is no longer an option for DEU to interrupt transportation customers to replace supply shortfalls for its firm sales customers, as many of the same risks that could impact DEU supplies, would also likely impact the supply being delivered for its transportation customers.” Please explain:
- a. Why is it no longer an option for DEU to interrupt transportation customers to prevent them from consuming supplies that were procured and nominated by DEU and confirmed for delivery to serve its firm sales customers?
  - b. How many transportation customers are interruptible versus firm?
  - c. What percentage of total transportation customer maximum demand is accounted for by the five (5) largest interruptible versus firm transportation customers?
  - d. Whether transportation customers are required to have alternate fuel resources and if so how is this confirmed?
- 17) Refer to Exhibit 1.0, Mendenhall Direct, p. 18 at 457 – 461, which references the “Hold Burn to Scheduled Quantity restriction, during which if a transportation customer uses more gas than it delivered to the system it would be assessed a penalty.” Please confirm the following:
- a. Have transportation-only customers participated an increase in shortage events?
  - b. For each of the last five winters:
    - i. How many times has DEU issued this restriction?
    - ii. How many penalty notices were issued to transportation only customers following issuance of this restriction?

**Questions referencing information marked as HIGHLY CONFIDENTIAL**

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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