

DPU Exhibit 1.11 DIR

P.S.C.U. Docket No. 19-057-13
Data Request No. 3.13
Requested by Division of Public Utilities
Date of DEU Response July 16, 2019

DPU 3.13: Please provide a cost comparison of the average price if gas withdrawn from the existing storage facilities compared to the anticipated cost of gas withdrawn from the proposed LNG facility. Is the price of storage gas calculated as an average price, FIFO or some other calculation method?

Answer: The price of storage gas is calculated as an average cost. Refer to the Company's response to DPU 3.12 for further explanation.

It is difficult to make an apples to apples comparison between an on-system LNG facility and off-system storage provided by a third party provider. The table below is a summary of the costs related to storage in the 191 account. These costs include storage and the fuel related to the injections and withdrawals. It also includes a return component on the value of gas in inventory. Finally, costs would need to be added for transporting the gas and the accompanying loss/fuel on those lines. Based on the Company's most recent pass through application, the costs of storage and transportation would add about \$0.72982/Dth to the commodity that comes out of storage. The table below details these costs.

Component	Total Cost	Cost/Dth
Transportation Demand	\$ 62,875,736	\$ 0.54675
Transportation Commodity	547,602	0.00476
Storage Demand	16,725,058	0.14544
Storage Commodity	490,954	0.00427
Return on Working Gas	3,289,207	0.02860
Total Cost	\$ 83,928,557	\$ 0.72982
Firm Sales Volume	114,998,605	

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