

DPU 1.03U: Does the Company expect to fill the LNG facility with Wexpro gas? If so, at today's rates how much more will it cost on an annual basis than if it was filled with purchased gas?

Answer: The Company will use the Send out model to determine which gas to put into the LNG facility. The Send out model would consider, among other things, the cost of Wexpro gas at the time, the cost of market supplies at the time, and other costs that may be incurred at the time, such as the costs of shutting in supplies. Because all of these costs vary, determining the difference at some point in the future would be speculative.

The Wexpro gas cost currently being charged to customers is \$4.23/Dth (see the most recent pass through application in Docket No. 18-057-04). There will be about 1,250,000 Dth in the tank. Therefore, the cost to fill the tank with Wexpro gas is \$5,287,500. The cost to fill with market gas is \$3,012,500 based on a market price of \$2.41 (also from the pass through). The difference between the two based on current costs, and excluding other costs such as shut-in costs, is \$2,275,000.

This information was updated to modify quantity.

Prepared by: Austin Summers, Regulatory Manager