BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

APPLICATION OF DOMINION ENERGY UTAH FOR THE CREATION OF A VOLUNTARY RENEWABLE NATURAL GAS PROGRAM	Docket No. 19-057-T04

DIRECT TESTIMONY OF TRAVIS S. WILLEY

FOR DOMINION ENERGY UTAH

DEU Exhibit 1.0

March 29, 2019

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Travis S. Willey. My business address is 333 South State Street, Salt Lake City, Utah.

Q. By whom are you employed and what is your position?

A. I am employed by Dominion Energy Utah as a Supervisor of Energy Efficiency. I am responsible for overseeing Questar Gas Company dba Dominion Energy Utah's (Dominion Energy or the Company) regulatory filings for the energy efficiency programs and initiatives on behalf of the Company.

Q. What are your qualifications to testify in this proceeding?

A. I have listed my qualifications in DEU Exhibit 1.1.

Q. What is the purpose of your testimony in this Docket?

A. The purpose of my testimony is to:

1. Describe utility-created voluntary renewable energy programs across North America,
2. Describe the local perspective for voluntary renewable energy programs,
3. Discuss the benefits of Renewable Natural Gas (RNG),
4. Introduce the "GreenTherm" Program that is more fully explained in the testimony of Ted C. Peterson.

II. EXISTING AND PROPOSED VOLUNTARY RENEWABLE ENERGY PROGRAMS IN NORTH AMERICA

Q. How long have energy utilities around the country been offering renewable energy programs to customers?

A. Voluntary policies and programs promoting renewable energy, such as wind and solar for use in homes and businesses, have long been in effect for electric utilities. The first electric programs were introduced over 20 years ago and allow customers the choice to purchase renewable energy with a surcharge added to their bill.[1] As of 2018, electric utilities in 37 states now offer voluntary green pricing programs.[2] In the natural gas industry, voluntary renewable energy programs are still a fairly new concept.

Q. **What is the status of voluntary renewable energy programs for natural gas utilities?**

A. Although utility-scale natural gas projects have been around since the early 1980s,[3] growth in these voluntary programs has been stronger in recent years. The Company is aware of four of these programs currently operating and/or under consideration. Canada-based Fortis BC began one such program in 2013 and that program presently has over 9,700 customers enrolled. Fortis BC's program allows a customer to purchase a blend (5%, 10%, 25%, 50%, or 100%) of traditional and Renewable Natural Gas for its natural gas supply.[4] Vermont Gas began a program in early 2018, which, like Fortis BC, allows customers to select a blend of their natural gas supply to be RNG.[5]

In Michigan, DTE Energy gives customers the option to participate in its BioGreenGas

[1] Environmental Protection Agency, History of Voluntary Markets, https://www.epa.gov/greenpower/history-voluntary-markets
[2] National Renewable Energy Laboratory, Voluntary Green Power Procurement, https://www.nrel.gov/analysis/green-power.html (number of states included in the "utility green pricing programs" spreadsheet
[3] Fresh Kills Landfill in Staten Island, New York in 1982 is widely considered the first RNG project.
[4] Conversations with Fortis BC Company Representatives
[5] https://www.vermontgas.com/renewablenaturalgas/adder-calculator/

(RNG) program. For a flat rate of $2.50 per month, customers support the development and advancement of clean RNG.[6] In Minnesota, CenterPoint Energy proposed a Renewable Natural Gas program in August 2018 where customers would pay a surcharge to buy RNG. CenterPoint's proposal, if approved, would allow customers to pay $3.89 per therm of RNG.[7]

Q. What is the national potential for Renewable Natural Gas?

A. A 2011 report created by the Gas Technology Institute for the American Gas Association highlights the potential for Renewable Natural Gas. The report determined that Renewable Natural Gas has the potential to add up to 2.5 quadrillion Btu's annually – enough to meet the natural gas needs of half of all American homes annually.[8]

III. LOCAL RENEWABLE ENERGY PROGRAMS

Q. Is there a market for this type of program in Utah?

A. Utahans have historically shown support for renewable energy programs. Over the past two decades, we have seen that Utah customers have supported renewable electric energy programs. We believe there will be similar interest in a Renewable Natural Gas program.

Q. Please explain the history of the renewable electric programs in the state of Utah

A. In Utah, Rocky Mountain Power (RMP) offers voluntary renewable energy programs for its customers. RMP also continues to increase renewable energy in its general supply portfolio. In Utah Docket 98-2034-04, the predecessor to RMP agreed upon the creation of a green resource tariff, which has since become known as the Blue Sky Program.

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[6] https://www.newlook.dteenergy.com/wps/wcm/connect/dte-web/home/service-request/residential/renewables/biogreen-gas
[7] https://www.centerpointenergy.com/en-us/inyourcommunity/pages/renewable-gas-faq.aspx
[8] https://www.eesi.org/files/agf-renewable-gas-assessment-report-110901.pdf

Today, RMP provides customers the option to voluntarily contribute to renewable electricity through its Blue Sky Program.

Q. How does RMP's voluntary program work in the state of Utah?

A. Customers participating in the Blue Sky Program voluntarily pay a surcharge to participate in a renewable energy program. In 2017, almost 45,000 customers chose to contribute nearly $2.7 million to fund the Blue Sky Program. RMP uses those funds to purchase renewable energy certificates (RECs). RECs are as market-based instruments that represent the property rights to the environmental, social, and other non-power attributes of renewable electricity generation.[9]

Q. Are there similar Renewable Energy Credits for Renewable Natural Gas?

A. No. There is a not a national standard that certifies Renewable Natural Gas. The Company is aware that organizations are looking into a standard; however, none has been established. The Company will continue to follow such developments. It is anticipated that the standard may come into place within the next two to five years.

Q. How else does RMP use these funds?

A. In addition, funds may also help develop small-scale renewable projects in communities. After RMP purchases RECs for customers, the remaining funds are used to develop community projects. In RMP's most recent Blue Sky annual report[10] the distribution of excess funds were based on the following seven criteria:

1. Result in the production of renewable electricity,
2. Support communities through a strong education and public engagement component,

[9] https://www.epa.gov/greenpower/renewable-energy-certificates-recs
[10] Pg. 5 (https://pscdocs.utah.govelectric/18docs/1803510/300994-2017BlueSkyAnnRep3-30-2018.pdf)

3. Support a Blue Sky customer project/community,

4. Provide strong environmental and economic benefit to local communities and Rocky Mountain Power customers,

5. Build regional capability,

6. Take advantage of other funding sources available to support the project,

7. Are owned by a non-profit organization, school, Tribal government, religious institution, or other community-oriented organization. (2017 RMP Blue Sky Annual Performance Report).

In RMP's 2017 Blue Sky annual performance report, RMP stated it received 23 proposals and approved 14 renewable energy projects. In total, RMP awarded $1,841,312 for these projects, which include projects such as $85,139 awarded to the Bluffdale City Fire #91 for a solar facility, $120,000 awarded to the Centro Civico for solar for a senior housing project, and $246,630 awarded to the Utah Department of Transportation for solar installation on parking canopies at its Taylorsville facility.[11]

Q. How does Rocky Mountain Power's Blue Sky Program relate to the proposal in this docket?

A. The Company is proposing a voluntary renewable energy program for natural gas customers that would share many of the attributes established in Rocky Mountain Power's Blue Sky Program. As outlined in the testimony of Ted C. Peterson, Dominion Energy's "GreenTherm" program would collect funds from customers for renewable energy. The Company will use these funds to purchase Renewable Natural Gas and support the development of various Renewable Natural Gas-related projects.

[11] https://pscdocs.utah.gov/electric/18docs/1803510/300994-2017BlueSkyAnnRep3-30-2018.pdf

IV. CHARACTERISTICS AND BENEFITS OF RENEWABLE NATURAL GAS

Q. What is Renewable Natural Gas?

A. According to the American Gas Association, Renewable Natural Gas can be produced from a variety of sustainable biomass sources including wastewater treatment plants, animal manure, landfills, woody biomass, crop residuals, and energy crops.[12] There are many terms used to define the gas from these sources that can create confusion. Therefore, the Company will use the following four terms throughout this docket to more clearly describe Renewable Natural Gas.

Biogas - refers to raw unprocessed gas, generated from the aforementioned sources. This gas is not pipeline quality.

Biomethane - refers to upgraded Biogas that is considered pipeline quality. Section 7.07 of the Company's Utah Natural Gas Tariff No. 500 (Tariff) sets specifications for the injection of pipeline quality Biomethane directly onto its system. The Commission approved this in Utah Docket 16-057-T06 in its Report and Order dated February 15, 2017.

Green Attribute – a term indicating that a volume of gas was produced at a renewable facility. The Green Attributes can be split from the Biomethane and assigned to a volume of conventional gas in another geographic region. When this is done, the conventional gas in the new region takes on the designation of Renewable Natural Gas.

Renewable Natural Gas or RNG – refers to pipeline-quality gas with all of the Green Attributes associated with production from the aforementioned sources. Renewable Natural Gas is not necessarily the direct Biomethane molecule produced from a Biogas source.

[12] American Gas Association 2018 Playbook pg. 47

Q. Please clarify how a Green Attribute can be separated from Biogas in one location and assigned to Utah customers.

A. Renewable Natural Gas can be separated into two components, the first a methane component, is the actual gas molecule that can be physically transported in a gas pipeline and used in end-use applications. The second is a "green" component or Green Attribute. This attribute can be separated from the actual gas molecule and reassigned to another gas molecule as long as there is a physical pipeline connection to its source. For example, if a Utah customer wants to purchase RNG, that customer is really purchasing the Green Attributes from a Biomethane source. That Biomethane source could be in Utah, or it could be in another state. When Green Attributes are combined with the conventional gas supply burned by a customer, the customer is buying RNG. The molecules of Biomethane that are produced at the source are not physically distributed to the customer.

Q. How would a voluntary renewable energy program using Renewable Natural Gas benefit Utah natural gas customers?

A. For customers seeking renewable energy, the largest benefit will come through the positive impact that Renewable Natural Gas projects have on the environment. This program will provide natural gas customers a new opportunity to receive renewable energy in a manner that does not currently exist in other renewable energy programs in the state.

Q. Will the projects that are funded from the surplus fund also benefit Utah customers?

A. There are sources of pollution in the state that could be reduced by increasing Biomethane production. For example, Methane is a potent greenhouse gas that is inadvertently released by agriculture, landfill, and other waste streams. The technology exists to capture these sources of methane and turn them into a usable fuel. Similarly, some facilities are known to capture the methane but not have a source to use it. This methane is often ignited (flared) so that the raw methane isn't released into the atmosphere. Capturing that methane and sending it to a more efficient end-use is good for Utah air. These are the types of projects that would be funded through this program. Renewable Natural Gas would represent a significant reduction in carbon emissions.[13]

Q. Could these projects offer a clean air benefit along the Wasatch Front?

A. They could. As I mentioned before, Biogas comes from a variety of sources including landfills, agricultural waste, and food waste. Excess funding from the proposed program could be used to advance Biogas capture at locations right here, along the Wasatch Front.

Q. Would this program offer other benefits to Utah customers?

A. Yes. Voluntary renewable energy programs offered by utilities, like the one proposed here, allow customers to pool efforts together to bring renewable energy into the system, which may not be as easily accessible for individual or small customers. This program would also help create demand and a market for RNG locally. Finally, customers may choose to buy a small or large amount of renewable energy based on their budgetary and environmental goals. In any case, all customers would benefit from reduced methane emissions and sustainable renewable energy.

[13] The California Air Resources Board indicates that RNG produced from landfills is 44% less carbon intensive than natural gas, while RNG produced from wastewater sludge is 77% less intensive, and RNG provided from food and green waste from dairy manure is 100% less intensive. "The Production and Use of Renewable Natural Gas as a Climate Strategy in the United States". (Gasper & Searchinger, April 2018)

Q. Are there any Renewable Natural Gas projects here in Utah?

A. Yes. The Company is aware of three Renewable Natural Gas projects in operation or in development in the state of Utah. These include the Wasatch Research Recovery Project at the South Davis Sewer District, Milford Pig Farm, and the Bayview Landfill. These three projects are estimated to have the capacity to provide over 2 million dekatherms of RNG annually. This production is enough to provide Renewable Natural Gas to over 25,000 typical GS customers throughout the service territory. In addition, in the state of Utah alone, there are 54 landfills,[14] at least eight wastewater treatment plants,[15] and 185 dairy farms.[16] The Company believes that these local projects could represent a potential source for RNG for the future.

Q. Would the implementation of a newly created voluntary renewable energy program advance Utah's statewide energy goals?

A. Yes. Building off of Governor Gary Herbert's 10-Year Strategic Energy Plan originally released in 2011; in 2018, Governor Herbert's Office of Energy Development released "Utah's Energy Action Plan Through 2020." In that plan, Governor Herbert identifies ten energy goals. The second goal is to "support energy research, demonstration and development initiatives." Moreover, Governor Herbert's sixth and seventh goals are to increase "infrastructure development for alternative fuels," and "to engage in policy and regulatory matters".[17] The creation of a voluntary Renewable Natural Gas program would permit Dominion Energy's customers the opportunity to voluntarily contribute and

[14] https://www.epa.gov/lmop/project-and-landfill-data-state
[15] https://weau.org/Strategic_Plan_and_History
[16] https://ag.utah.gov/documents/AnnualReportWEBFinal2016.pdf
[17] http://energy.utah.gov/wp-content/uploads/Energy-Action-Plan-Website-Final-1.pdf

help further our State's commitment to the environment, innovation, and domestic energy investment.

V. CONCLUSION

Q. Will voluntary renewable energy programs provide the Company's natural gas customers with an ongoing opportunity to positively impact the environment?

A. Yes. If history is any indicator, customers will continue to demand ways to minimize their impact on the environment, and obtain sustainable clean energy. Voluntary renewable energy programs like this will offer solutions to meet those demands, offer benefits locally, and continue to advance the use of renewable energy.

Q. Does this conclude your testimony?

A. Yes.

State of Utah)
) ss.
County of Salt Lake)

I, Travis S. Willey, 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.

Travis S. Willey

SUBSCRIBED AND SWORN TO this 29th day of March, 2019.

Notary Public

LEORA N. PRICE
Notary Public - State of Utah
Comm. No. 701704
My Commission Expires on
Aug 19, 2022

Dominion Energy Utah
Docket No. 19-057-T04
DEU Exhibit 1.1

Qualifications of Travis S. Willey

Educational Background

Travis has a bachelor's degree in accounting from Weber State University and a master's degree in business administration from Westminster College.

Current Responsibilities

As Supervisor, Energy Efficiency, Travis is responsible for managing regulatory functions and budget and finance functions within the ThermWise® program for Dominion Energy Utah, Wyoming, and Idaho.

Prior Experience

Prior to joining the ThermWise team in 2013, Travis held positions in Internal Audit, Financial Planning and Budget, and Accounting Departments for Dominion Energy. Within these positions he insured compliance with Department of Energy funding grants, Securities and Exchange Commission financial compliance, and operational compliance.