



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: The Public Service Commission of Utah

From: The Office of Consumer Services

Michele Beck, Director
Béla Vastag, Utility Analyst
Alex Ware, Utility Analyst

Date: October 13, 2020

Subject: Docket 20-057-02 Reply Comments

In the Matter of: Dominion Energy Utah's Integrated Resource Plan (IRP)
for Plan Year: June 1, 2020 to May 31, 2021

INTRODUCTION

On June 12, 2020, Dominion Energy Utah (DEU) filed its 2020 Integrated Resource Plan (IRP) for the planning period June 1, 2020 to May 31, 2021. On June 26, 2020, the Utah Public Service Commission (PSC) issued a scheduling order that set a deadline of September 3, 2020 for parties to file initial comments and October 13, 2020 for reply comments on the IRP in this proceeding. The Division of Public Utilities (DPU) filed comments on September 1, 2020 and the Office of Consumer Services (OCS) filed comments on September 3, 2020. The OCS indicated in its comments that it was awaiting responses to discovery requests and that it may address issues related to those DRs in reply comments. DEU submitted reply comments on October 7, 2020.

The OCS submits these reply comments to the PSC regarding DEU's 2020 IRP. Based on the DR responses received since the filing of our initial comments and DEU's reply comments, the OCS addresses only the following three topics:

- Modular Liquefied Natural Gas (LNG) Sites
- Renewable Natural Gas (RNG) Sites
- The IRP's Long-Term Planning Section

In our initial comments, the OCS noted that the two new potential natural gas resources listed above (modular LNG sites and RNG sites) were only mentioned very briefly in the IRP document but were discussed in more detail in DEU's May 12, 2020 IRP technical conference. The OCS submitted discovery requests (DRs) to obtain more detail on these resources in writing.¹ DEU's responses are included with these reply comments as Attachment A. These DR responses provide considerably more detail on these subjects than what was provided in the Long-Term Planning Section of the IRP document.

MODULAR LNG SITES

In its response to discovery request (DR) OCS 2.01, DEU states that modular LNG sites are:²

...skid mounted LNG tanks and equipment [that] could be deployed temporarily for short term use in order to boost pressures locally.

The DR response goes on to further explain:

At this point, use of modular LNG sites is conceptual. As such, DEU has not developed plans or costs associated with constructing these facilities. and DEU has not yet identified any particular location for such a site.

However, the DR response also states that these potential modular LNG sites could provide peak hour demand benefits, in addition to local pressure support as stated on page 4-12 of the 2020 IRP.

RENEWABLE NATURAL GAS SITES

In its response to DR OCS 2.02, DEU states that they are:³

...considering contracting with sewage treatment plants or other methane capture facilities to produce RNG, and/or construct facilities to do so.

Similar to modular LNG, the DR response states that DEU does not expect to construct any RNG sites in the near future and does not have any locations currently under consideration.

However, the DR response also states that if DEU does add RNG sites to its system, it anticipates there will be local system pressure/supply benefits and environmental benefits of capturing methane that would otherwise be released into the atmosphere.

¹ The OCS has raised concerns in other dockets that important information presented in DEU's IRP technical conferences is often not included in the IRP document. Therefore, stakeholders not present at these meetings would be unaware of this information. Also, important information presented verbally would not be in the record at all.

² See page 1 of Attachment A to these comments.

³ See page 2 of Attachment A.

LONG-TERM PLANNING SECTION IN THE IRP

As noted above, the DR responses referenced in these comments provide considerably more information on modular LNG and RNG sites than the one or two sentences on each topic in the IRP document. The OCS believes that long-term planning is a very important function of any IRP. In order for the DEU IRP to provide value regarding long-term planning, these type of new resource concepts should be fully developed in the IRP well before DEU brings them before the PSC for approval in another docket. The Long-Term Planning Section is appropriately suited for this type of presentation and should include a more reasonable discussion of new resource concepts.

In our initial comments on DEU's 2020 IRP, the OCS also raised concerns regarding the development of this new IRP section. DEU's 2020 Long-Term Planning Section is barely 1 ½ pages long. Because long-term planning is an essential function of the IRP, we reiterate our concerns from our initial comments:

While the OCS appreciates this first step to better keep stakeholders apprised of DEU's long-term considerations, we encourage DEU to develop this section more fully over time. We believe it's important that this section is not just a place for abstract ideas, but will include justifying evidence and meaningful analysis. There are ways to share preliminary confidential ideas and information with stakeholders during the IRP process, and we encourage DEU to provide such information to minimize surprises in future regulatory filings.⁴

In response to these concerns from the OCS, and especially from our request to "minimize surprises in future regulatory filings", DEU in its October 7, 2020 reply comments stated:

The Company agrees to provide as much information as it has available. As noted above, many long-term projects are conceptual and do not yet have detailed associated plans. As these concepts become more defined, they become projects that can be more specifically described. Longer-term concepts will be addressed in the Long-Term Planning section of the IRP and near-term projects will be discussed in greater detail in the Distribution Action Plan section of the IRP.⁵

RECOMMENDATION

The OCS notes that DEU's justification for the currently under-construction LNG plant was a surprise to stakeholders. The problem that the LNG plant is meant to solve, supply disruptions, and the determination that LNG was the most cost effective solution was never properly analyzed or developed through the IRP process and in the IRP document. As discussed above, the 2020 IRP only very briefly mentions some new long-term resource concepts. The OCS strongly recommends that DEU provide more information, greater detail and adequate analyses, and provide it sooner than later, for

⁴ Docket No. 20-057-02, OCS Comments, September 3, 2020, page 7.

⁵ Docket No. 20-057-02, Dominion Reply Comments, October 7, 2020, Section H, page 6.

potential new resources and other major infrastructure projects in its Long-Term Planning Section in future IRPs. As such, the OCS requests that the PSC give DEU guidance to strengthen its Long-Term Planning Section in future IRPs.

cc:

Jenniffer N. Clark, Dominion Energy
Artie Powell, Division of Public Utilities