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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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| DOMINION ENERGY UTAH'S INTEGRATED RESOURCE PLAN FOR PLAN YEAR: JUNE 1, 2021 TO MAY 31, 2022 | Docket No. 21-057-01 SUBMISSION OF SUPPLEMENTAL INFORMATION |
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Questar Gas Company dba Dominion Energy Utah (DEU, Dominion Energy or Company) respectfully submits an update to its Integrated Resource Plan for Plan Year: June 1, 2021 to May 31, 2022 (IRP).

Background

On January 11, 2021, the Company filed a Notice of Intent to file IRP. On June 14, 2021, the Company filed its IRP. On page 1-1 of the IRP the Company indicated that “[t]he Company is reviewing its hedging practices, in light of a February 2021 weather event that impacted natural gas prices. DEUWI will update the Commission and interested stakeholders of the results of this review in the future.” The Company further indicated that it “is considering additional price stabilization resources to minimize . . . exposure on high demand days. The resources being considered include . . . additional [First-Of-Month] supply contracts The Company will continue to review these alternatives with

stakeholders prior to adding any alternatives for the 2021-2022 heating season.” IRP at p. 8-4. On page 2-9 of the IRP, the Company noted that “[t]his is an ongoing evaluation and the Company will continue meet with stakeholders to discuss this issue.”

In addition to the technical conference held on the subject on February 9, 2021, the Company met with Utah Office of Consumer Services (OCS) and the Utah Division of Public Utilities (DPU) (together with DEU, the “Parties”) on February 22, May 26, June 10, July 22 and September 2 to discuss the Company’s hedging practices, and steps it may take during the 2021-2022 heating season. The Company respectfully submits this Supplemental Information to update the Commission about these matters.

Summary

The hedging discussions referenced above focused on answering two main questions. First, should DEU increase its hedged position in future winter heating seasons; and second, what options are available to meet an increased in hedged positions.

To determine the appropriate level of hedging, the Parties compared DEU’s current hedging plan with demand for the last few heating seasons. They also compared the current design-day forecast to the current hedging plan. The DEU gas supply group also developed a model that it could use to review various hedging levels and costs, and savings in a high price environment. Based on this review and analysis, the Company proposed that an additional 80,000 dth/day be hedged in the upcoming winter heating season.

There are many options available to DEU to increase hedged supply. Among those options identified were:

- First of Month Contracts
- Fixed Price Contracts


- Additional Storage (Spire, Magnum, Dominion Energy Questar Pipeline Company)
- Increasing the Wexpro cap

The First of Month contracts, fixed priced contracts, and Spire storage contract were the only options that were immediately available in the upcoming winter heating season. For that reason, the Parties focused on these options for the 2021/2022 IRP heating season. After reviewing the costs, reliability, and risk mitigation of each option, DEU issued a request for proposal (RFP) to procure an additional 80,000 dth/day in first-of-month fixed priced contracts. Ultimately the Company selected four contracts summing up to 80,000 dth/day based on a combination of cost, location, and creditworthiness of the supplier. The four contracts selected were the four lowest-cost options proposed. Parties will monitor the results of the 2021/2022 winter heating season and determine whether this option should continue to be used in future heating seasons. The Company will provide further analysis and assessment in its next integrated resource plan.

The Magnum, Dominion Energy Questar Pipeline and Wexpro options, while not feasible in the 2021/2022 heating season, could be viable options in the longer term. DEU will continue to work with these service providers and with the DPU and OCS to determine the merit and timeline of these remaining potential options.

RESPECTFULLY SUBMITTED this 14th day of September, 2021.

DOMINION ENERGY UTAH



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Dominion Energy Utah's Submission of Supplemental Information was served upon the following persons by e-mail on September 14, 2021:

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