

*Note: This report was written to consolidate the discussion held during the small group meeting on the date and time below as part of Dominion Energy's 2024 Virginia and North Carolina IRP stakeholder process. It does not necessarily represent consensus viewpoints or unanimously held positions of all participating organizations.*

## **Summary Report Small Group Meeting**

**5/16/2024**

**1:00 – 3:00 PM**

### **Initial Questions or Follow-Ups:**

- How will the IRP stakeholder process change the IRP?
- How are electric service agreements made and in-service dates determined [for data centers]?
- What access will stakeholders, particularly intervenors, have to the IRP ahead of the filing?
- What changes have been made since the 2023 IRP filing regarding intervenor concerns?
- Why were there no incremental energy efficiency targets past 2025 in the 2023 IRP filing?
- Are Dominion Energy's data center customers opting into energy efficiency programs through the company?
- What is a "fair" plan in terms of cost and regulatory compliance for Dominion Energy?

### **Initial Feedback Received:**

- Reliability and Affordability
  - Data center load growth is part of the reliability and affordability problem.
  - Data center customers should pay additional transmission and generation costs.
  - Fuel diversity should be considered a risk. Least cost in fuel is not always least risk, and that should be considered with regard to the ratepayer.
- Technologies / Programs
  - Long duration storage
  - Incremental energy efficiency targets past 2025 and prioritization of demand side management
    - More robust outreach to drive up energy efficiency participation.
    - Energy efficiency participation to provide affordable, reliable energy instead of new generation (renewable or otherwise).
    - Would like to see energy efficiency projections match other similar situated utilities who have state-mandated energy efficiency targets.
    - Would like to specifically see how energy efficiency for data centers is built into the model (i.e. liquid cooling, data management).
  - Virtual power plants
- Modeling
  - Potential scenarios:
    - Deviations in data center load growth, including different levels of cost allocation to ratepayer.

- Least cost and compliant with RGGI and VCEA without the fossil fuel exception
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  - “Flexibility” plan which includes more variation.
- Allow stakeholders to review full list of inputs and assumptions prior to modeling.
- Consider delaying connection to large load users like data centers and allowing on-site non-utility generation.
- Social cost of carbon should be included in the modeling for every plan, and a cost-benefit analysis should accompany it.
  - Incorporate social cost of carbon from out-of-state generation.
- Would like to see only 2-3 scenarios in final IRP although there could be more sensitivities.
- Identify company’s preferred plan in IRP filing.

**Post-Meeting Feedback Received by One or More Stakeholders:**

- What level of access will stakeholders, particularly intervenors, have to the IRP modeling and technical assumptions ahead of the filing?
- Reliability and Affordability
  - Data center customers should pay a fair share of additional transmission and generation costs triggered by that industry. 7
  - Fuel diversity should be considered a risk. Least cost in fuel is not always least risk, and that should be considered with regard to the ratepayer.
  - Modeling realistic and yet ambitious energy efficiency targets is critical for affordability, since efficiency investments are generally cheaper than new generation units.
  - Energy efficiency is an untapped resource in Virginia with room for growth. The inclusion of energy efficiency should not be limited to what’s in the statute.
  - Energy efficiency offers tangible savings for residential and commercial customers thus it should be given serious consideration in the IRP.
- Technologies / Programs
  - Short and long duration storage (4-, 8-, and 12- hour storage)
- Modeling
  - Potential scenarios:
    - Consider a wider range of ~~Deviations~~ in data center load growth
    - including ~~;~~ different levels of cost allocation to ratepayer.
    - Least cost plan that is ~~and-~~ compliant with RGGI and VCEA provisions without the fossil fuel exception.
  - Allow stakeholders to review full list of inputs and assumptions prior to modeling is critical for a productive IRP stakeholder process. 7
  - With transparent access to the full set of inputs and assumptions, experts representing stakeholders would be better positioned to provide wholistic, instead of isolated suggestions. Collecting isolated and decontextualized suggestions is superfluous since a proposed plan depends on a myriad of variables.
  - The process should incorporate an opportunity for dialogue between stakeholder experts and utility experts to address the suggestions offered.

- The utility team should give stakeholders clarity on what suggestions will be adopted and which ones are not going to be adopted and the logic behind those decisions.
- After the model runs, stakeholders should have access to the results and a second opportunity to offer feedback before the utility drafts the narrative and prepares for filing.
- Through this process, stakeholders expect to:
  - Have a meaningful and clearly identifiable impact on the final modeling results and alternatives presented to the Commission.
  - Reduce the issues in dispute during the litigated proceeding
  - Produce a planning document that is trusted by stakeholders and truly reflects stakeholder consensus.
  - Honor the effort, time, and resources invested by stakeholders, legislators, the commission staff and the utility in this stakeholder process and the litigated proceeding.
- Including a robust analysis of environmental justice is not only required by law but would also offer regulators and stakeholders a complete picture of the impacts of each plan.
  - Plans that result in increased carbon emissions in the short and long term should, at the very least, include an analysis of the local impacts of such harmful emissions.
  - There should be a methodology to quantify the costs associated with harmful emissions and include such costs in the net present value calculation for each plan.
  - Customers directly harmed by carbon emissions will face medical and other long-term costs. These extra costs borne by affected communities should be incorporated in an affordability and justice analysis.
- Would like to see only 2-3 scenarios in final IRP although there could be more sensitivities.
  - Presenting identical plans with small variations is not useful.
  - It would be more useful to have fewer alternative plans that are feasible and that incorporate substantial differences.
- Although the stakeholder process is new in Virginia, there are plenty of positive examples to replicate, where utilities have facilitated transparent access to modeling assumptions during IRP stakeholder processes. Some utilities use non-disclosure agreements to give access to more sensitive information.
- The 2023 extensive litigated proceeding offered plenty of technical suggestions. The utility should seriously consider the technical feedback filed by experts in that case to reduce the litigated issues in the next filing.