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SURREBUTTAL TESTIMONY OF

LEAH J. WELLBORN

ON BEHALF OF

THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF

DOCKET NO. 2023-9-E

Q. STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Leah J. Wellborn, and I am a Manager of Consulting at J. Kennedy and Associates, Inc. ("Kennedy"). My business address is 570 Colonial Park Drive, Suite 305, Roswell, Georgia, 30075.

Q. DID YOU PREVIOUSLY FILE DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes. I previously provided Direct Testimony on behalf of the South Carolina Office of Regulatory Staff ("ORS") on, June 27, 2023. My Direct Testimony was in support of portions of the ORS report entitled, "Review of Dominion Energy South Carolina, Inc. 2023 Integrated Resource Plan" (the "Report") that Kennedy and Associates assisted ORS to prepare.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. I am responding to the Rebuttal Testimony of DESC witnesses Bradley Perricelli, James Neely, and Elizabeth Best regarding the Company's load and energy forecasting, Electric Vehicle ("EV") forecast and rate design, Demand Side Management ("DSM") Sensitivities, Renewable Energy Integration Costs, and PLEXOS Benchmarking.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS MADE BY ORS IN RELATION TO THE LOAD AND ENERGY FORECAST.

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A. Section I of the Report (Executive Summary) contains a list of all of ORS's recommendations for DESC for this IRP. Recommendation B1 relates to the load and energy forecast:

> B1. DESC should perform more detailed analyses to assess the reasonableness of its Residential and Commercial class peak load forecasts in future IRPs, and in particular, the Company should provide support for the assumption that the average peak load per residential and commercial customer will remain essentially constant over the forecast horizon.

Q. DID DESC ADDRESS THE ORS RECOMMENDATIONS IN REBUTTAL?

A. Yes. Witness Best addresses the Company's intention to discuss with stakeholders a detailed analyses of its residential and commercial class peak load forecast.[1] Witness Perricelli explains the adjustments appear small due to the offsetting nature of the increase due to EV growth and decreases due to energy efficiency.[2] Additionally, Witness Perricelli noted a mistake on ORS Report Table 6, noting the units designated as kW should be MW. I agree with Witness Perricelli that Table 6 of the ORS Report, as corrected by Witness Perricelli, shows that the average kW/customer would increase approximately 4% by 2037 for the residential class and by 1% for the commercial class.[3]

Q. HOW DOES THIS CORRECTION IMPACT THE ORS LOAD FORECAST CONCLUSIONS AND RECOMMENDATIONS?

A. ORS's position and recommendation on load forecasting does not change after correction of Table 6. ORS did not object to the Company's load forecast and recommended additional analysis and discussion regarding the load forecast. ORS

[1] Rebuttal Testimony of E. Elizabeth Best, Docket No. 2023-9-E ("Best Rebuttal"), p. 4, l. 3.
[2] Rebuttal Testimony of Bradley Perricelli, Docket No. 2023-9-E ("Perricelli Rebuttal"), p. 2, l. 21-p.3, l. 3.
[3] *Id.* at 3, ll. 10-13.

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continues to recommend the load forecast be addressed in more detail during the stakeholder process, especially in light of an industry shift towards statistically adjusted end-use forecasting methodology, incorporating factors that are assumed to impact energy usage of the residential and commercial class, such as electric price, appliance saturation, building efficiency, or economic activity.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS MADE BY ORS IN RELATION TO THE COMPANY'S EV FORECAST.

A. ORS Recommendation B2 relates to the EV forecast:

> B2. DESC should provide details in Rebuttal Testimony on the Electric Vehicle ("EV") rate designs and load management programs the Company considers to mitigate EV impacts on peak demand and capacity need.

Q. DID DESC ADDRESS THESE RECOMMENDATIONS IN REBUTTAL?

A. Yes. Witness Perricelli notes the Guidehouse study was comprehensive, and Witness Best explains that DESC retained Guidehouse "to support modernizing the Company's time of use ("TOU") rates portfolio and to align its pricing strategies to DESC's future system needs."[4] Witness Best also notes DESC anticipates these issues to be "a matter for consultation with stakeholders as more information becomes available."[5]

Q. ARE YOU SATISFIED WITH THE COMPANY'S RESPONSE?

A. Yes.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS MADE BY ORS IN RELATION TO DSM?

A. ORS Recommendation C1 relates to the DSM sensitivities:

[4] Best Rebuttal, p 5, ll. 9-11.
[5] *Id* at 5, ll. 19-20.

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C1. DESC should file results of corrected High and Low DSM Sensitivity Cases in Rebuttal Testimony.

Q. DID DESC ADDRESS THIS RECOMMENDATION IN REBUTTAL?

A. Yes. Witness Neely explains the modeling error occurred with the Low DSM case and provides a revised analysis. Exhibit __ (JWN-1), which contains the revised Table 56 shows the Levelized Net Present Value ("LNPV") with the correction to the Low DSM case, as well as the corrected High DSM case. A side-by-side comparison of the original Table 56 results and the revised Table 56 as provided in the Company's Errata Sheet filed on August 4, 2023, is provided below.

Table 1: DSM Sensitivity Build Plan
LNPV ($M)

DSM SENSITIVITY	2023 IRP FILING	REBUTTAL ERATTA
HIGH DSM	1,863	1,877
REFERENCE	1,884	1,884
LOW DSM	1,868	1,889

Q. ARE YOU SATISFIED WITH THE COMPANY'S RESPONSE AND WITNESS NEELY'S FILED CORRECTION?

A. Yes. The Company's results are consistent with my expectations. The Low DSM case is the most expensive, and the High DSM is the least expensive, though the Company explained it does not believe the High DSM case is technically achievable. ORS further concludes that the evaluation of the DSM sensitivities in the context of expansion planning have been sufficiently addressed.

Q. PLEASE SUMMARIZE THE RECOMMENDATIONS MADE BY ORS IN RELATION TO RENEWABLE INTEGRATION COSTS AND PLEXOS BENCHMARKING.

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A. ORS Recommendations E1 and G1 related to the renewable integration costs and PLEXOS benchmarking:

E1. DESC should discuss the appropriate modeling of integration costs for renewable resources in the Stakeholder Working Group; and

G1. DESC should be required to conduct production cost model benchmark studies on an on-going basis, such as once every three years ahead of Comprehensive IRP proceedings, and the Company should discuss benchmarking results in the Stakeholder Working Group.

Q. DID DESC ADDRESS THESE RECOMMENDATIONS IN REBUTTAL?

A. Yes. Witness Best agreed with ORS's recommendations to address these issues in the stakeholder group.[6] Witness Neely described DESC's willingness to conduct regular benchmarking against historic data.[7] ORS continues to recommend this exercise be conducted every three (3) years in conjunction with the comprehensive IRP filings.

Q. ARE YOU SATISFIED WITH DESC'S RESPONSE REGARDING THE RECOMMENDED TOPICS FOR THE STAKEHOLDER PROCESS?

A. Yes.

Q. WILL YOU UPDATE YOUR SURREBUTTAL TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?

A. Yes. ORS fully reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources, become available.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes.

[6] Best Rebuttal, p. 3, l. 18-p. 4, l. 12.
[7] Rebuttal Testimony of James Neely, Docket No. 2023-9-E, p. 5 ll. 3-5.