

October 20, 2020

## RE: Commercial and Industrial Customer Comments on Dominion Energy's Proposed 2020 IRP (Case No. PUR-2020-00035)

Dear State Corporation Commissioners:

As a group of commercial and industrial customers operating across Virginia and within Dominion Energy's electric service territory, we write today to provide comments regarding Dominion Energy's proposed 2020 Integrated Resource Plan (IRP) and share our commitment to the costcompetitive decarbonization of Virginia's electricity grid.

Our companies have made ambitious commitments to reduce our emissions footprint and power our operations with clean, renewable energy. As such, we applaud Dominion Energy's commitment to achieve net-zero emissions by 2050, as outlined in its 2020 IRP, as well as the utility's support of a 2045 statutory deadline for Virginia's transition to 100% carbon-free electricity.

The deployment of cost-effective clean energy resources can help our businesses stay competitive and meet the expectation of our employees, customers, and shareholders. While Dominion Energy's proposed 2020 IRP better prioritizes decarbonization compared with previous years, we would like to see Dominion and the Commission a) place greater emphasis on energy efficiency, b) better rely on innovative clean technologies to meet and shave peak demand, and c) prioritize the costeffectiveness of clean energy resources by increasing transparency and enabling more competition.

Energy efficiency is our least expensive energy resource. Utility energy efficiency programs can help customers save money on their energy bills and reduce overall energy demand—thereby necessitating fewer investments in additional energy capacity.<sup>1</sup> Energy efficiency investments should be prioritized and should continue well beyond 2028. We look forward to working with utilities and regulators to develop best-in-class energy efficiency programs to maximize ratepayer cost savings.

Energy efficiency, battery storage, distributed energy resources and other advanced technologies can cost-effectively meet peak demand and achieve reliability without needing to rely on natural gas in the medium- and long-term. We are working to increase the efficiency of our operations, adopt on-site resources, and reduce our total and peak demand for electricity.

<sup>&</sup>lt;sup>1</sup> A recent <u>analysis</u> from Advanced Energy Economy found that utility energy efficiency savings of 1.5%-2% annually by Dominion Energy would avoid net costs of \$790 million to over \$1 billion in 2035—counteracting virtually all costs associated by the utility to the Virginia Clean Economy Act. The analysis demonstrates that Dominion's current energy efficiency performance is weak in comparison to the majority of investor-owned utilities across the country.

These efforts can and should be complemented by the deployment of battery storage and advanced metering technologies that can give ratepayers control over their electricity use and help shave peak demand even further. Maintaining or making unnecessary investments in natural gas plants or other costly projects that, through testimony on this proposed IRP, have been demonstrated to lack ratepayer value risk overburdening ratepayers with the costs of underutilized assets. Recently issued FERC Order 2222 seeks to facilitate and accelerate investments in advanced distributed technologies, which may help to mitigate these investments.

Finally, transitioning to clean energy resources is most cost-effective when it can be procured competitively—both in regard to utility energy procurement as well as choices for customers. Major energy infrastructure projects should be undertaken transparently and with an eye toward competition and an openness to third-party ownership. Customers should be given ample choices and should be empowered to access renewable energy on their own if they so choose. A growing number of businesses have committed to power their operations with 100% renewable energy. Providing more options for customers to procure renewable energy will help these companies achieve their goals while also making it easier for utilities to meet their requirements under the Virginia Clean Economy Act.

As Virginia embarks on its laudable journey to transition to a 100% carbon-free electricity grid, we encourage Dominion Energy and the Commission to embrace technological innovations and to prioritize the strategies outlined above will help Virginia transition to carbon-free energy in the most cost-effective way possible. We look forward to collaborating with stakeholders to work toward a clean, flexible, affordable, and modern electricity system in the Commonwealth.

Signed,

Adobe Akamai Technologies JLL Kaiser Permanente Microsoft Corporation Schneider Electric Unilever Workday

CC: Governor Ralph Northam Members of the Virginia General Assembly