

March 5, 2020

Testimony before the Connecticut General Assembly's
Energy & Technology Committee

Co-chairs Arconti and Needleman and Ranking members Formica and Ferraro and members of the Energy & Technology Committee, thank you for the opportunity to testify. My name is Kevin Hennessy and I am Senior Policy Director for Dominion Energy. I am here today to express Dominion's support for House Bill No. 5351, *AN ACT CONCERNING CERTAIN PROGRAMS AND TO INCENTIVIZE AND IMPLEMENT ELECTRIC ENERGY STORAGE RESOURCES*.

I. Support for HB 5351

It is an exciting time in the energy industry and Dominion Energy and Connecticut are on the forefront. Dominion Energy *supports Connecticut's efforts to increase battery storage* via state authorized competitive procurements.

Competitive procurements are a tested and proven method and it gives us the opportunity to compete and invest in Connecticut and help the state meet its goals while we strive to meet our goals, too. Large-scale, commercial energy storage is a technology that will have immense value as states meet their carbon-reduction goals and maintain electric reliability.

II. Dominion Energy

Dominion Energy serves more than 7 million customers in 18 states. Dominion Energy is committed to sustainable, reliable, affordable and safe energy and is one of the nation's largest producers and transporters of energy with more than \$100 billion of assets providing electric generation, transmission and distribution, as well as natural gas storage, transmission, distribution and import/export services.

Like Connecticut, Dominion Energy has robust carbon reduction goals. In February, Dominion Energy announced that it is committed to being carbon neutral across its electric generation and gas infrastructure business units by 2050. We are going to achieve this largely by investing in zero-carbon resources. For instance, we are planning on extending the licenses of our nuclear power stations in Virginia and can explore the same in Connecticut. We are committed to building the nation's largest offshore wind project off the coast of Virginia. We are currently the 4th largest utility holding company owner of solar facilities with plans to bring on thousands of more megawatts of solar this decade. We are partnering with large agricultural leaders in capturing methane from their production and utilizing it in our natural gas systems. This practice is carbon negative given methane's approximately 25 times stronger potency than carbon as a greenhouse gas. We are investing in new technologies including small modular reactors and battery storage.

a. Millstone Power Station

Dominion Energy is the owner and operator of the Millstone Power Station in Waterford, CT. Millstone is the largest (2,111 MWs) and one of the most reliable and important power stations in New England. It is also greenhouse gas emissions free.

Dominion purchased the Millstone Power Station in 2001 for \$1.3 billion via a state-sanctioned auction. Since then, Dominion has invested more than \$1.2 billion in capital toward safety, environmental, efficiency and reliability upgrades. Today, Millstone's typical annual output is greater with two operational units than it was the decade before Dominion purchased the plant when the prior owner operated three units. This increased, efficient output is the equivalent of building a virtual 650 MW carbon-free, around-the-clock power station.

Last year, Dominion began selling more than 50% of Millstone's output directly to Connecticut's utilities under a ten-year power purchase agreement. The contract was the result of a competitive procurement for zero-carbon facilities that the General Assembly authorized in 2017 and DEEP conducted in 2017-2018. At its conclusion, and after thoroughly examining Millstone's books, DEEP, PURA and the Office of Consumer Counsel each determined that Dominion Energy's offer of zero-carbon power from Millstone was in the best interest of ratepayers. In fact, Dominion Energy's offer was lower than any of the offshore wind or large-scale hydro offers that have been submitted to any New England states in any procurement to date.

b. Somers Solar Center

Dominion acquired the Somers Solar Center in October 2013. The Somers Solar Center, built by Prime Solutions Inc., a Connecticut contractor, occupies 50 acres. It consists of 23,150 Kyocera solar panels that generates roughly 5 megawatts of alternating current, or enough to power approximately 1,400 homes. The electricity is sold to Eversource customers under a 20-year power purchase agreement.

III. Conclusion

Millstone is the largest zero-carbon energy facility in New England. It can be more. It can be the hub of multiple types of zero-carbon energy for Connecticut. That includes zero-carbon nuclear, the potential interconnection point for offshore wind, utility scale solar and battery storage.

Dominion Energy is Connecticut's partner. We both have aggressive long-term carbon reduction goals. With smart policy like this, Connecticut authorizes competitive procurements that could foster that partnership and establish Connecticut as a carbon-free energy leader. We commend you for what you have done and what you plan to do, and we are dedicated to achieving our shared vision for the future.