



GARY HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

State of Utah  
Department of Commerce  
Division of Public Utilities

FRANCINE GIANI  
*Executive Director*

CHRIS PARKER  
*Director, Division of Public Utilities*

## SUPPLEMENTAL ACTION REQUEST RESPONSE 2

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director  
Artie Powell, Energy Section Manager  
Jeff Einfeldt, Utility Analyst

Date: October 16, 2019

Re: **Docket Nos. 15-057-11 and 16-057-05**

DPU Second Response to PSC Inquiry of Status of Audit Findings related to the DEU 191 Pass-Through Account.

### RECOMMENDATION

The Division of Public Utilities (“Division”) recommended Dominion Energy Utah (“DEU”) provide documentation evidencing the actual recording of the five adjustments identified by the Division and the Wexpro Accounting Monitor related to the 191 Pass-Through account for the calendar years ended 2015 and 2016. The Division recommends the Public Service Commission of Utah (“Commission”) take no further action subsequent to the verification by DEU of the remaining two adjustments.

### ISSUE

The Division filed its 191 Account Audit Report on July 17, 2019 that included the Wexpro Accounting Monitor reports for the Wexpro and Wexpro II agreements as exhibits. DPU and the Accounting Monitor identified five adjustments affecting the DEU 191 account for the calendar years 2015 and 2016.

## ANALYSIS

The five adjustments are as follows.

1. The Division recommended a reduction to expenses of \$15,022.74 related to the misapplication of the demand percentage lag.
2. The Wexpro Accounting Monitor identified an overbilling by Wexpro to DEU of \$278 related to AFUDC calculation for the year ending 2015. The correction is a reduction to DEU expenses.
3. The Wexpro Accounting Monitor identified an overbilling by Wexpro to DEU of \$1,041 related to AFUDC calculation for the year ending 2016. This correction is also a reduction to DEU expenses.
4. The Wexpro Accounting Monitor identified additional expenses of \$46,589 related to the Sugarloaf well (dry hole balances) for 2016 that need to be billed to DEU, increasing DEU expenses.
5. The Wexpro Accounting Monitor identified a discrepancy in depreciation related to the Wexpro II agreement resulting in a credit due DEU of \$17 (reduction to expenses).

DEU and Wexpro provided evidence to DPU of accounting entries addressing adjustments 1, 3 and 4 above. See attached exhibits 1 and 2. Adjustments 2 and 5 listed above were overlooked by Wexpro during the closing of its September accounting. Dominion has represented the entries for \$278 and \$17 will be made during the October 2019 closing. The Division will forward the supporting documentation for the remaining two entries once the documentation is received.

cc: Michele Beck, Office of Consumer Services  
Kelly Mendenhall, Dominion Energy Utah