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*Attorneys for Questar Gas Company  
dba Dominion Energy Utah*

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

IN THE MATTER OF THE REQUEST  
FOR AGENCY ACTION AND  
COMPLAINT OF US MAGNESIUM, LLC  
AGAINST DOMINION ENERGY UTAH

Docket No. 17-057-13

**ANSWER OF DOMINION ENERGY  
UTAH TO COMPLAINT OF US  
MAGNESIUM, LLC**

Respondent, Questar Gas Company dba Dominion Energy Utah (“Dominion Energy” or “Company”), respectfully answers the *Complaint of US Magnesium, LLC Against Dominion Energy Utah* (“Complaint”) and responds to the allegations of US Magnesium, LLC (“US Magnesium”) as follows:

1. Dominion Energy admits that US Magnesium is a long-time customer and states that, at all times relevant to the events at issue in the Complaint, US Magnesium was an interruptible customer of the Company. Dominion Energy affirmatively alleges that, under Section 3.01 of the Company’s Utah Natural Gas Tariff No. 500 (“Tariff”), “Interruptible

Service is available only to the extent that in the Company's judgment the service can be provided. . . . Interruptible service is subject to interruption at any time." Further, under Sections 3.01 and 3.02 of the Tariff, where an interruptible customer fails to interrupt after notification by Dominion Energy to do so, that customer is obligated to pay penalties and to pay firm demand charges for three years for the interruptible volumes used during the interruption. Dominion Energy denies any remaining allegations in Paragraph 1 of the Complaint.

2. In response to the allegations in Paragraph 2 of the Complaint, Dominion Energy admits that US Magnesium operates a facility near the Great Salt Lake that extracts magnesium. Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the remaining allegations in Paragraph 2 of the Complaint and, on that basis, denies the same.

3. In response to the allegations in Paragraph 3 of the Complaint, Dominion Energy admits that US Magnesium has purchased firm and interruptible services from the Company over the years. Dominion Energy further admits that, in the past, it has notified US Magnesium of interruptions, using contact information provided by US Magnesium, including notifying US Magnesium on January 6, 2017, of the need to interrupt all interruptible volumes. Dominion Energy also admits that, during past interruptions, it has spoken with US Magnesium employees to notify them of the need to interrupt usage, including speaking with US Magnesium employees on January 6, 2017, for this purpose. Dominion Energy lacks knowledge or information sufficient to form a belief as to the truth of US Magnesium's claim that it can "quickly shed certain turbine operations at the plant to drop its usage below its firm contract quantity" and, on that basis, denies the same. Dominion Energy denies the remaining allegations in Paragraph 3 of the Complaint.

4. In response to the allegations in Paragraph 4 of the Complaint, Dominion Energy admits that, on January 6, 2017, due to failure of upstream supplies to be delivered at the Company's city gates, it initiated an interruption of non-firm service and provided notice to all of its interruptible sales and interruptible (non-firm) transportation customers to interrupt their usage. Dominion Energy further admits that US Magnesium did not interrupt its non-firm usage despite having been notified of the interruption. Dominion Energy affirmatively alleges that it complied with its notification procedures and attempted to notify US Magnesium that it must interrupt via voice mail, email, and through a personal conversation with Roger Swenson, an individual identified as an Interruption Contact. A copy of the Customer Information sheet provided by US Magnesium less than a month prior to the January 6<sup>th</sup> event, and that identifies Mr. Swenson as an Interruption Contact is attached hereto as Exhibit A. Copies of emails showing US Magnesium's receipt of the email communications and voice messages are attached hereto as Exhibit B. Dominion Energy denies the remaining allegations in Paragraph 4 of the Complaint.

5. In response to the allegations in Paragraph 5 of the Complaint, Dominion Energy affirmatively alleges that, on January 6, 2017, it provided notice of an interruption to US Magnesium—using five separate methods of notice to telephone numbers and email addresses provided by US Magnesium—informing US Magnesium that it needed to interrupt all interruptible volumes. *See* Exhibits A and B. US Magnesium has confirmed that it received four of the five notices provided by Dominion Energy on January 6, 2017, but nevertheless failed to interrupt its usage. *Id.* Dominion Energy admits that a call was made to a general number provided by US Magnesium that apparently requires the entry of an extension number to reach the identified contact person. Because Dominion Energy's automated system did not enter an

extension number, it is unknown to Dominion Energy whether that call reached a specific individual's extension. Dominion Energy denies the remaining allegations in Paragraph 5 of the Complaint.

6. Dominion Energy admits that it requested that US Magnesium provide a "Customer Information" sheet, one purpose of which was to provide Dominion Energy with the names, email addresses and telephone numbers for the individuals US Magnesium wanted Dominion Energy to contact in the event of an emergency or interruptions. Dominion Energy admits that it received the Customer Information sheet on or about December 12, 2016. Exhibit A. Dominion Energy further admits that US Magnesium identified two contact individuals as its designated contacts, Mike Tucker and Roger Swenson, and provided email addresses, cellphone numbers and office numbers for Mr. Tucker and Mr. Swenson. Dominion Energy also admits that Mr. Tucker's office number includes an extension number. Dominion Energy denies that Mr. Tucker is identified as the "primary contact person for emergencies requiring interruption." Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the allegation that US Magnesium uses an automated switchboard system that prompts the caller to enter a desired extension and, on that basis, denies the same. The Company denies any remaining allegations in Paragraph 6 of the Complaint.

7. In response to the allegations in Paragraph 7 of the Complaint, Dominion Energy admits that, after January 6, 2017, US Magnesium notified the Company of a new telephone number for its control room at the plant, and the Company, at US Magnesium's request, has tested the effectiveness of that number. Dominion Energy further admits that it implemented a new automated notification system prior to the January 6, 2017, interruption and denies that it was obligated to notify customers of a change in its notification system. The Company further

denies that US Magnesium did not receive notification of the January 6, 2017 interruption, and denies the remaining allegations in Paragraph 7 of the Complaint. In this regard, Dominion Energy affirmatively alleges that, prior to the interruption on January 6, 2017, the Company notified US Magnesium of the need to interrupt by text message, email, and telephone calls. Exhibit B. US Magnesium admits that it received all but one of these notices on January 6, 2017. Dominion Energy denies the remaining allegations in Paragraph 7 of the Complaint.

8. Dominion Energy admits that, on January 6, 2017, it initiated an interruption at approximately 11:15 a.m. and, prior to that interruption, notified US Magnesium—using the contact information provided by US. Magnesium—that it would need to interrupt all of its interruptible volumes by 2:00 pm. Dominion Energy denies that Mr. Tucker did not receive notice of the interruption. Dominion Energy notified Mr. Tucker by email, text message and telephone calls to his office and cellphone numbers. Exhibit B. US Magnesium has admitted that Mr. Tucker received the email, text message and cellphone message from Dominion Energy. Dominion Energy affirmatively alleges that, as an interruptible customer, US Magnesium has an obligation to interrupt usage when properly called upon to do so. Tariff Sections 3.01 and 3.02. Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the remaining allegations in Paragraph 8 of the Complaint and, on that basis, denies the same.

9. Dominion Energy admits that the Customer Information sheet references Mr. Tucker's cellphone number as one of the contact numbers to be used in case of an interruption or other emergency. Dominion Energy denies that the cellphone number was designated on the Customer Information sheet as a "weekend or nighttime" number. Indeed, under the "Night Phone" section of the sheet, US Magnesium did not list any number for Mr. Tucker. Moreover, there is no category for a weekend number. Dominion Energy further admits that, on January 6,

2017, it sent text and email messages to Mr. Tucker, and called Mr. Tucker's cellphone number, to notify him of the interruption. Dominion Energy denies that these notices were not timely or proper due to US Magnesium's purported claim that it does not allow cellphones in the plant. US Magnesium never informed Dominion Energy that Mr. Tucker was not allowed to have his cellphone in the plant, nor did Dominion Energy know that Mr. Tucker was in the plant at the time it sent notice of the interruption. Dominion Energy further denies that Mr. Tucker had not been instructed to curtail US Magnesium's usage or that it would have been reasonable for him to assume that the message from Dominion Energy was not an instruction to curtail usage. Dominion Energy affirmatively alleges that Mr. Tucker was informed that US Magnesium's "allowable usage for each hour will be equal to the *lesser* of your *firm contract* divided by 24, or your scheduled quantity divided by 24, for each hour of interruption." Exhibit B (emphasis added). Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the remaining allegations in Paragraph 9 of the Complaint and, on that basis, denies the same.

10. In response to the allegations in Paragraph 10 of the Complaint, Dominion Energy denies that Mr. Tucker acted reasonably in failing to interrupt usage and in taking no other action. Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the remaining allegations in Paragraph 10 of the Complaint and, on that basis, denies the same.

11. Dominion Energy admits that the Customer Information sheet identifies Roger Swenson, an employee of US Magnesium, as another contact point for interruptions and other emergencies, and provides Mr. Swenson's email address, cellphone number and office number. The Company denies that Mr. Swenson is designated as a "backup contact person" on the sheet. Dominion Energy further admits that, on January 6, 2017, it notified Mr. Swenson of the

interruption by text message, email message and telephone calls to his cellphone and office numbers, and that Mr. Swenson received the messages sent by Dominion Energy that day. Indeed, Dominion Energy specifically alleges that Bruce Rickenbach, a Dominion Energy employee, spoke directly with Mr. Swenson on January 6, 2017, and alerted him to US Magnesium's need to interrupt all interruptible volumes. Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the remaining allegations in Paragraph 11 of the Complaint and, on that basis, denies the same.

12. Dominion Energy denies the allegations in Paragraph 12 of the Complaint.

13. Dominion Energy denies the allegations in Paragraph 13 of the Complaint.

14. Dominion Energy denies the allegations in Paragraph 14 of the Complaint. In particular, Dominion Energy denies that it did not provide proper notice of the January 6, 2017 interruption or that US Magnesium did not receive notice of that interruption. In fact, Dominion Energy affirmatively alleges that it properly provided notice to US Magnesium and its other interruptible customers in the same fashion and by the same means that it had done so in the past.

15. Dominion Energy denies the allegations in Paragraph 15 of the Complaint.

16. Dominion Energy admits that Section 3.02 of its Tariff authorizes a penalty to be charged to any customer that fails to interrupt after having been given notice of an interruption. Dominion Energy denies the remaining allegation in Paragraph 16 of the Complaint. Dominion Energy affirmatively alleges that it properly notified US Magnesium that it must interrupt its usage, and that US Magnesium failed to do so.

17. In response to the allegations in Paragraph 17 of the Complaint, Dominion Energy admits that it has invoiced US Magnesium for its failure to interrupt on January 6, 2017, in accordance with the terms of Section 3.01 and 3.02 of the Company's Tariff, and that US

Magnesium has refused to pay the penalty amounts properly invoiced by the Company.

Dominion Energy also admits that it has charged US Magnesium firm transportation rates for the interrupted volumes US Magnesium used during the January 6th interruption in accordance with the terms of Section 3.01 and 3.02 of the Company's Tariff. Dominion Energy denies that the amounts it has charged US Magnesium are improper in any way, maintains that US Magnesium's remaining allegations assert legal conclusions and argument to which no response is required, and, to the extent a response is required, denies the remaining allegations in Paragraph 17 of the Complaint.

18. In response to the allegations in Paragraph 18 of the Complaint, Dominion Energy denies that the amounts it has charged US Magnesium are improper in any way, maintains that US Magnesium's allegations assert legal conclusions and argument to which no response is required, and, to the extent a response is required, denies the allegations in Paragraph 18 of the Complaint.

19. In response to the allegations in Paragraph 19 of the Complaint, Dominion Energy lacks knowledge or information sufficient to form a belief as to truth of the allegation that US Magnesium asked the Division of Public Utilities ("Division") to review this dispute and, if so, how the Division responded, and, on the basis denies the same. Dominion Energy denies that the amounts it has charged US Magnesium are improper in any way, maintains that US Magnesium's remaining allegations in Paragraph 19 of the Complaint assert legal conclusions and argument to which no response is required, and, to the extent a response is required, denies the remaining allegations in Paragraph 19 of the Complaint.

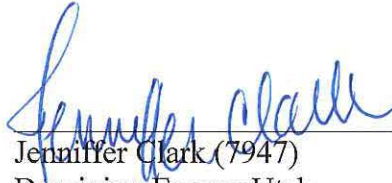
Dominion Energy denies each and every allegation of the Complaint that is not expressly admitted above and denies that US Magnesium is entitled to the relief it seeks.



WHEREFORE, Dominion Energy requests the following:

1. An order denying and dismissing US Magnesium's Complaint;
2. An order determining that Dominion Energy's charges to US Magnesium are consistent with the Company's Tariff; and
3. Such other relief as the Commission deems just and appropriate.

DATED: September 29, 2017



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Jennifer Clark (7947)  
Dominion Energy Utah

Cameron L. Sabin (*pro hac vice*)  
Stoel Rives LLP

*Attorneys for Respondent Dominion Energy  
Utah*

**CERTIFICATE OF SERVICE**

This is to certify that on September 29, 2017 a true and exact copy of the foregoing

**ANSWER OF DOMINION ENERGY UTAH TO COMPLAINT OF US MAGNESIUM,**

**LLC** was emailed to the following:

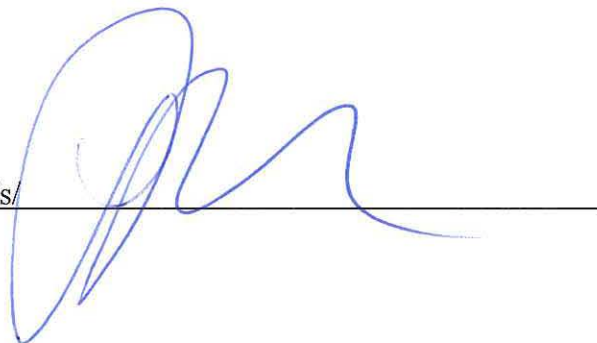
Gary A. Dodge  
Phillip R. Russell  
HATCH, JAMES & DODGE  
[gdodge@hjdllaw.com](mailto:gdodge@hjdllaw.com)  
[prussell@hjdllaw.com](mailto:prussell@hjdllaw.com)

Division of Public Utilities

Patricia Schmid  
[pschmid@agutah.gov](mailto:pschmid@agutah.gov)  
Justin Jetter  
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Chris Parker  
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William Powell  
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Office of Consumer Services

Steven Snarr  
[stevensnarr@agutah.gov](mailto:stevensnarr@agutah.gov)  
Robert Moore  
[rmoore@agutah.gov](mailto:rmoore@agutah.gov)  
Michele Beck  
[mbeck@utah.gov](mailto:mbeck@utah.gov)  
Cheryl Murray  
[cmurray@utah.gov](mailto:cmurray@utah.gov)

/s/ 

**DEU ANSWER**

**EXHIBIT 'A'**

**Bruce Rickenbach (Questar)**

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**From:** ROGER SWENSON <roger.swenson@prodigy.net>  
**Sent:** Monday, December 12, 2016 12:58 PM  
**To:** Bruce Rickenbach (Questar)  
**Subject:** Customer Info Sheet you sent on 11/29  
**Attachments:** USMag\_CustInfo\_2016.pdf

Hi Bruce,

Here is the Cust info sheet back that you sent at the end of Nov.

I mentioned that the nat gas usage will be dropping a bit after January. They are telling me that production will be down about 35%. It will be a gradual drop starting in Jan and they should be down to the reduced level by Feb.

Roger

**Customer Information**

Wed October 19, 2016

Company: **US MAGNESIUM**  
 SAID: 7677760339 Magnesium Corporation of America  
 Address: Rowley  
 City, State, Zip: Rowley, UT 84029  
 SIC Code: 3339 PRIMARY NONFERROUS METALS, NEC  
 Account Rep: Bruce Rickenbach

Contact Name	e-Mail	Day Phone	Night Phone	FAX	Mobile Phone
Roger Swenson	roger.swenson@prodigy.net	801 532-1522 529		801 534-1407	801 541-2272
Thomas Tripp		801 532-1522 259		801 532-1622	
Mike Tucker	mtucker@usmagnesium.com	801 532-2043 1337			801 597-6834

Interruption Contacts	Title	Day Phone	Night Phone	FAX	Mobile Phone
1ST: Mike Tucker	Utility Supervisor	801 532-2043 1337			801 597-6834
2ND: Roger Swenson	Energy Consultant	801 532-1522 529		801 534-1407	801 541-2272

SAID#	Account Name	Type	Meter #	DCL	FIRM	RDU	Tax Xmpt	Agent Company
7677760339	Magnesium Corporation of America	UTTS	31000005 31000013	21,000	15,000	20,035	Y	CIMA

Code	Equip Description	Count	Input Rating	Total Input	Fuel Type	Alt Fuel	Comments
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Do you anticipate any significant changes in your natural gas requirements this winter? Yes  No   
 If Yes, explain: Less usage beginning in January 35% drop in average demand

I certify that the information listed above regarding our interruptible natural gas service on Questar Gas is correct. I understand that interruptible service is subject to periods of interruption. Our staff and alternate fuel system(s) will be prepared to interrupt natural gas service as soon as operationally possible within two hours of receiving notification from Questar Gas.

Signed: Roger Swenson Date: 12/12/2016

**DEU ANSWER**

**EXHIBIT 'B'**

## **Bruce Rickenbach (Questar)**

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**From:** ROGER SWENSON <roger.swenson@prodigy.net>  
**Sent:** Thursday, January 19, 2017 5:13 PM  
**To:** Mike Tucker  
**Cc:** Bruce Rickenbach (Questar); Ron Thayer  
**Subject:** Fw: Message from Dominion Questar Corporation, UT

Hi Mike,

I got an email today from CIMA asking why we had not dropped our usage down when we got this notice on the 6th. I was wondering if you got the notice on the 6th to drop down to our 15,000 per day (625 per hour rate). I was traveling that day and I didn't see the email until I got computer service but I had some calls. If we don't go down when we are curtailed the cost can be \$45/Dth.

Did we not drop down at all?

Roger  
(801) 541-2272

On Friday, January 6, 2017 11:11 AM, "[no-reply@ecnalert.com](mailto:no-reply@ecnalert.com)" <[no-reply@ecnalert.com](mailto:no-reply@ecnalert.com)> wrote:

The Questar Gas service territory is experiencing extreme cold temperatures and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

Your allowable usage for each hour will be equal to the lesser of your firm contract amount divided by 24, or your scheduled quantity divided by 24, for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

If necessary please restrict your usage as soon as possible, but in no case more than two hours from this notice.

You will be notified by Questar Gas when the interruption is lifted.

Please call your nominating party (Marketing Agent) if you have any questions regarding your scheduled quantity or your Questar Gas representative with any questions regarding your firm contract limit.

**Bruce Rickenbach (Questar)**

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**From:** Bruce Rickenbach (Questar)  
**Sent:** Friday, January 20, 2017 9:56 AM  
**To:** ROGER SWENSON  
**Subject:** FW: SmartNotice - Dominion Questar Corporation, UT

Hi Roger,

The following is the time stamp information you requested.

You will notice that the time is listed under UTC, which is 7 hours ahead of MST (see below for explanation). The phone call went thru at approximately 11:15am on the 6<sup>th</sup> and was delivered to both of your cell phone answering services. Because your office numbers both list extensions, the phone calls to your office numbers could not be connected, and the phone call and voice mail message went straight to both of your cell phones. We also show an email and cell phone text message was delivered to both of you at approximately the same time.

I hope this information helps.

Bruce


FirstName	LastName	Phone1	AttemptTimeUTC	CallLength(sec)	Disposition	Email1
ogger	Swenson	8015321522	01/06/2017 18:15:09	46	DA	<a href="mailto:roger.swenson@questar.com">roger.swenson@questar.com</a>
Mike	Tucker	8015322043	01/06/2017 18:15:04	121	DA	<a href="mailto:mtucker@usma.com">mtucker@usma.com</a>

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**From:** Shelly Foutin (Questar)  
**Sent:** Friday, January 20, 2017 9:09 AM  
**To:** Bruce Rickenbach (Questar)  
**Subject:** FW: SmartNotice - Dominion Questar Corporation, UT

Description of reason for timestamp difference.

*Shelly*

 Studies show trees live longer when they're not cut down.  
Please do not print this email unless you really need to.

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**From:** Loraine Williams [<mailto:lwilliams@ecnetwork.com>]  
**Sent:** Friday, January 20, 2017 8:07 AM  
**To:** Shelly Foutin (Questar) <[Shelly.Foutin@questar.com](mailto:Shelly.Foutin@questar.com)>  
**Subject:** SmartNotice - Dominion Questar Corporation, UT

Good Morning Shelly!

The UTC (Universal Time Coordinated) is what appears on the Quick Notification Reports we sent to you regarding your launches. Please see the conversions below:



**UTC** = Coordinated Universal Time, or **Zulu**  
**PST** = Pacific Standard Time (UTC - 8 hours)  
**ALDT** = Alaskan Daylight Time (UTC - 8 hours)  
**PDT** = Pacific Daylight Time (UTC - 7 hours)  
**MST** = Mountain Standard Time (UTC - 7 hours)  
**MDT** = Mountain Daylight Time (UTC - 6 hours)  
**CST** = Central Standard Time (UTC - 6 hours)  
**CDT** = Central Daylight Time (UTC - 5 hours)  
**EST** = Eastern Standard Time (UTC - 5 hours)  
**EDT** = Eastern Daylight Time (UTC - 4 hours)  
**AST** = Atlantic Standard Time (UTC - 4 hours)  
**ALST** = Alaskan Standard Time (UTC - 9 hours)  
**HST** = Hawaiian Standard Time (UTC - 10 hours)

GREAT EYE FOR DETAIL Shelly!!

Have a GREAT day!

**Lorraine Williams-Strain**  
*Operations Specialist*

**Emergency Communications Network**  
780 W. Granada Boulevard  
Ormond Beach, FL 32174  
[williams@ecnetwork.com](mailto:williams@ecnetwork.com)  
Phone: 386-676-0294 x1117  
Toll Free: 866-939-0911 x1117  
ECN Cares: [Tell my manager how I'm performing](#)

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FirstName	LastName	Phone1	AttemptTimeUTC	CallLength(sec)	Disposition	Email1	SMS1
Roger	Swenson	8015321522	01/06/2017 18:15:09	46	DA	roger.swenson@prodigy.net	8015412272
Mike	Tucker	8015322043	01/06/2017 18:15:04	121	DA	mtucker@usmagnesium.com	8015976834