

Jennifer Nelson Clark (7947)  
Dominion Energy Utah  
333 South State Street  
P.O. Box 45433  
Salt Lake City, Utah 84145-0433  
(801) 324-5392  
(801) 324-5935 (fax)  
jennifer.clark@dominionenergy.com

Cameron L. Sabin (9437)  
Stoel Rives LLP  
201 South Main Street, Suite 1100  
Salt Lake City, Utah 84111  
Phone: (801)578-6985  
Fax: (801)578-6999  
Cameron.sabin@stoel.com

*Attorneys for Dominion Energy Utah*

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Investigation of Dominion Energy's Gas Line Coverage Letter	Docket No. 18-057-07  SUBMISSION OF SETTLEMENT STIPULATION AND REQUEST TO REINSTATE TARIFF SECTION 8.08 WITH MODIFICATIONS
--	---

On August 8, 2019, the Utah Public Service Commission issued a Notice of Comment Period inviting interested parties to submit comments “on whether the PSC should revoke, or otherwise modify, the suspension of DEU’s Tariff Section 8.08.” Notice of Comment Period, August 8, 2019.

The parties in this docket have engaged in settlement discussions and reached agreement that Section 8.08 of the Company’s Utah Natural Gas Tariff No 500 (“Tariff”) should be reinstated with certain modifications. DEU Exhibit 1 is the written Settlement Stipulation detailing the agreement among the Company, the Utah Division of Public Utilities (“Division”) and the Utah Office of Consumer Services (“Office”) (collectively

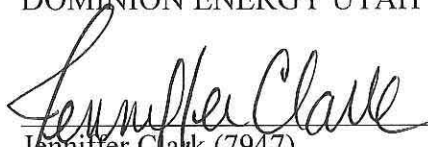
“the Parties”). The Settlement Stipulation addressed both the language proposed in the rulemaking in Docket No. 18-R460-01, 18-057-19, 18-035-40 (“Rulemaking Docket”) and the reinstatement of Section 8.08 of the Tariff. The Settlement Stipulation provides, among other things, that “[t]he Parties agree for purposes of settlement that upon completion of the rulemaking contemplated in the aforementioned dockets, and implementation of a final rule in a form substantially similar to the Proposed Rule, the Company will seek the Commission’s approval to reinstate the third-party billing services, and modify other portions of Tariff Section 8.08 . . . .” Settlement Stipulation at paragraph 5. The Parties also agree that the Settlement is “just and reasonable in result in the public interest.” Settlement Stipulation at paragraph 6. The implementation of a final rule in a form substantially similar to the Proposed Rule referenced in the Settlement Stipulation has occurred.

Therefore, pursuant to the Notice of Comment Period and the Settlement Stipulation, Questar Gas Company dba Dominion Energy Utah (“DEU” or “the Company”) respectfully submits this Submission of Settlement Stipulation and Request to Reinstate Tariff Section 8.08 with Modifications.

The Company hereby requests that the Commission approve the reinstatement of Section 8.08 of the Tariff with modifications and language shown in Exhibit A to the Settlement Stipulation (DEU Exhibit 1). The Company has conferred with the Parties and is authorized to represent that although the Parties do not believe a hearing on the matter is necessary, all Parties stand ready to participate in a hearing if the Commission deems it useful or appropriate.

RESPECTFULLY SUBMITTED this 14<sup>th</sup> day of August, 2018.

DOMINION ENERGY UTAH



---

Jennifer Clark (7947)  
Dominion Energy Utah  
333 S. State Street  
PO Box 45433  
Salt Lake City, Utah 84145-0433  
(801) 324-5392  
Jennifer.clark@dominionenergy.com

Cameron L. Sabin (9437)  
Stoel Rives LLP  
201 S. Main Street, Suite 1100  
Salt Lake City, Utah 84111  
(801) 328-3131  
Cameron.sabin@stoel.com

*Attorneys for Dominion Energy Utah*

## CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of Submission of Settlement Stipulation and Request to Reinstate Tariff Section 8.08 with Modifications was served upon the following persons by e-mail on August 14, 2018:

Patricia E. Schmid  
Justin C. Jetter  
Assistant Attorneys General  
160 East 300 South  
P.O. Box 140857  
Salt Lake City, UT 84114-0857  
pschmid@agutah.gov  
jjetter@agutah.gov  
Counsel for the Division of Public Utilities

Chris Parker  
William Powell  
Utah Division of Public Utilities  
160 East 300 South  
PO Box 146751  
Salt Lake City, Utah 84114-6751  
chrisparker@utah.gov  
wpowell@utah.gov

Robert J. Moore  
Steven Snarr  
Assistant Attorneys General  
160 East 300 South  
P.O. Box 140857  
Salt Lake City, UT 84114-0857  
rmoore@agutah.gov  
stevensnarr@agutah.gov  
Counsel for the Office of Consumer Services

Michele Beck  
Director  
Office of Consumer Services  
160 East 300 South  
PO Box 146782  
Salt Lake City, UT 84114-6782  
mbeck@utah.gov

A handwritten signature in black ink, appearing to read 'Michele Beck', is written over a horizontal line. The signature is stylized and cursive.

## SETTLEMENT STIPULATION

Dominion Energy Utah (Dominion Energy Utah or Company), the Utah Division of Public Utilities (Division), and the Utah Office of Consumer Services (Office) enter into this Settlement Stipulation regarding the modification of Section 8.08 of the Company's Utah Natural Gas Tariff No. 500 (Tariff) and the reinstatement of third party billing services thereunder. Dominion Energy Utah, the Division, and the Office shall be referred to herein, collectively, as the "Parties."

## BACKGROUND

1. In late April to early May 2018, utility regulatory agencies in Utah began receiving inquiries regarding a solicitation letter offering third-party gas line coverage, the cost for which may be included on the recipient's utility bill pursuant to Section 8.08 of the Company's Tariff. In response to those inquiries, the Utah Public Service Commission (Commission) commenced Docket No. 18-057-07 by issuing an action request to the Division to investigate whether the service offering complied with all applicable statutes, regulations, tariffs, and prior Commission orders. At the conclusion of that Docket, the Commission issued an Order suspending Section 8.08 prospectively, "in that new customers who are not receiving third-party billing under Section 8.08 on the date of this order may not begin to receive third-party billing under Section 8.08 unless or until the PSC revokes or modifies this suspension." Report and Order issued October 4, 2018, Docket No. 18-057-07. The Commission also indicated that it would initiate a rulemaking "that can address proper use of utility customer lists, appropriate utility-related solicitation communications, use of monopoly utility branding, and other issues that may arise . . . ." *Id.* at p. 15.

2. On October 12, 2018, the Commission commenced Docket Nos. 18-R460-01, 18-057-19, and 18-035-40 by issuing a Notice of Proposed Rulemaking and Notice of Scheduling Conference to address the issues identified in the October 4<sup>th</sup> Order. During the course of that proceeding, the Office, the Division, the Company, and Rocky Mountain Power all submitted comments, participated in a technical conference, and collaborated to propose a draft rule to address those issues.

3. During the course of those discussions, the Parties discussed the reinstatement of Section 8.08 of the Tariff. For purposes of settlement, the Parties and Rocky Mountain Power agreed to language for a proposed rule and submitted that language to the Commission on May 31, 2019 (Proposed Rule). The Parties also agreed that the Company may seek reinstatement of Section 8.08 of the Tariff, as more fully set forth below.

#### **TERMS AND CONDITIONS**

4. The Parties stipulate and agree that the adoption and implementation of the Proposed Rule as submitted on May 31, 2019 in Docket Nos. 18-R460-01, 18-057-19, and 18-035-40 (Proposed Rule), and the Tariff language shown in DEU Exhibit A, which is attached hereto and incorporated herein, are just, reasonable and in the public interest.

5. The Parties agree for purposes of settlement that they will support adoption of the Proposed Rule. The Parties further agree for purposes of settlement that upon completion of the rulemaking contemplated in the aforementioned dockets, and implementation of a final rule in a form substantially similar to the Proposed Rule, the Company will seek the Commission's approval to reinstate the third-party billing services, and modify other portions of Tariff Section 8.08 of the Tariff. Specifically, the Parties agree for purposes of settlement that Section 8.08 of the Tariff should be amended as shown in DEU Exhibit A.

### **General**

6. The Parties agree that settlement of those issues identified above is just and reasonable in result and in the public interest.

7. The Parties agree that approval by the Commission of this Settlement Stipulation is a full and final resolution of those issues identified above.

8. The Parties agree that no part of this Settlement Stipulation, or the formulae or methods used in developing the same, or a Commission order approving the same, shall in any manner be argued or considered as precedential in any future case. This Settlement Stipulation does not resolve, does not provide any inferences regarding, and the Parties are free to take any position with respect to, any issues not specifically identified and settled herein. All negotiations related to this Settlement Stipulation are privileged and confidential, and neither Party shall be bound by any position asserted in negotiations. Neither the execution of this Settlement Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by either Party of the validity or invalidity of any principle or practice of ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by either Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by either Party except in a proceeding to enforce this Settlement Stipulation.

9. Upon commencement of a docket seeing reinstatement and modification of Section 8.08 of the Tariff, and in accordance with any scheduling order issued therein, Dominion Energy Utah will, and the Division and the Office may, make one or more witnesses available to explain and support this Settlement Stipulation to the Commission. Such witnesses will be

available for examination. The Parties shall support the Commission's approval of both the Proposed Rule and the Tariff modifications shown in DEU Exhibit A. As applied to the Division and the Office, any explanation and support offered shall be consistent with its statutory authority and responsibility.

10. The Parties agree that if any person challenges the approval of the Proposed Rule or the Tariff language attached as DEU Exhibit A, or requests rehearing or reconsideration of any order of the Commission approving the Proposed Rule or Tariff Modification, each Party will use its best efforts to support the terms and conditions of this Settlement Stipulation. As applied to the Division and the Office, the phrase "use its best efforts" means that they shall do so in a manner consistent with its statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Settlement Stipulation, no Party shall take a position in that judicial review opposed to the Settlement Stipulation.

11. Except with regard to the obligations of the Parties under paragraphs 8, 9 and 10 of this Settlement Stipulation, this Settlement Stipulation shall not be final and binding on the Parties until the Proposed Rule and the Tariff Modifications have been approved without material change or condition by the Commission. This Settlement Stipulation is an integrated whole, and any Party may withdraw from it if the Proposed Rule or Tariff Modification are not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of the language proposed by this Settlement Stipulation or imposes any material change or condition on approval of the Proposed Rule or the Tariff Modifications, or if the Commission's approval of the Proposed Rule or Tariff Modifications are rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable

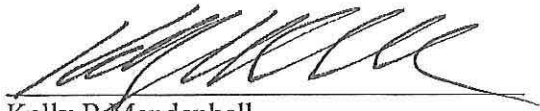


Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Settlement Stipulation and DEU Exhibit A consistent with the order. No Party shall withdraw from the Settlement Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Settlement Stipulation, the remaining Parties retain the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses and no Party shall be bound or prejudiced by the terms and conditions of the Settlement Stipulation.

12. This Settlement Stipulation may be executed by individual Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

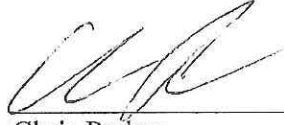
[Remainder of Page Left Intentionally Blank]

Dated this 31<sup>st</sup> day of May, 2019.



Kelly B. Mendenhall  
Dominion Energy Utah

*Director Regulatory and Pricing*



Chris Parker  
Division of Public Utilities

*Director*



Michele Beck  
Office of Consumer Services

*Director*

## **EXHIBIT A**

---

**8.08 BILLING FOR OTHER ENTITIES****ELIGIBILITY**

~~The billing services offered hereunder for Dominion Energy customers who contracted for third party services on or before October 4, 2018 may continue. No third party billings services may be made available to third party billers or their customers who contracted for services after that date.~~

Dominion Energy Utah may contract with other entities to utilize the Dominion Energy Utah utility bill to charge customers for non-utility goods or services, subject to the provisions set forth in this Section 8.08. Only entities that are authorized by and maintain authorization from the Utah Insurance Department (Department) to operate as a “service contract provider” pursuant to Utah Code Ann. § 31A-6a-101 et seq. and the applicable administrative rules in Utah, and that provide service contract programs directly or indirectly related to utility services including electrical service, natural gas service, water service, sewer service, or household appliances (third party services) may be eligible to contract with Dominion Energy Utah for the use of third party billing services. Dominion Energy Utah will only contract with third parties if it determines, in its reasonable discretion that allowing the entity to utilize the Dominion Energy Utah bill is not likely to adversely impact Dominion Energy Utah’s customers.

An eligible third party must receive either written or verbal permission from the Dominion Energy Utah customer to include the billing for third party services on the customer’s Dominion Energy Utah utility bill. An eligible third party must retain proof that a customer gave such permission for a minimum of two (2) years. ~~Additionally, t~~The third party must have a toll-free call center to handle customer inquiries related to the third party service. ~~Further, t~~The third party must allow the customer to cancel service at any time, including before the first payment is made.

~~An eligible third party must allow and provide a method for customers to opt-out of receiving any future marketing materials at any time.~~

**THIRD PARTY COMMUNICATIONS WITH DOMINION ENERGY CUSTOMERS**

~~Dominion Energy Utah will provide third-party billing services to a third-party biller only if all of the third-party biller’s promotional materials for such service include a clear and prominent statement that:~~

- ~~(1) The product or service is not being offered by Dominion Energy Utah;~~
- ~~(2) The entity offering the product or service is separate from Dominion Energy Utah;~~
- ~~and~~
- ~~(3) The decision to purchase or not purchase the product or service will not impact natural gas service.~~

~~Failure to comply with this requirement will result in revocation of third party billing services, and future ineligibility for such services.~~

**INITIAL COSTS**

An eligible third party seeking to utilize the Dominion Energy Utah utility bill to charge customers must pay all initial costs required to enable Dominion Energy Utah to conduct such billing including, but not limited to, costs associated with programming for billing and IT system, equipment costs, legal costs, project management costs, and contracting costs. Additionally, if costs are necessary in the future in order to provide this service, the eligible third party seeking to utilize the utility bill will be required to pay for these costs.

**RATE**

An eligible third party seeking to utilize the Dominion Energy Utah utility bill to charge customers must pay a per-line rate based on the total cost to produce a bill divided by the minimum number of lines on a bill to calculate the cost per line. The total cost to produce a bill includes depreciation, operation and maintenance, supplies, postage, and return on investment. Eligible third parties will be charged for a minimum of eleven (11) lines per bill.

The current effective minimum charge per bill is \$0.16414.

The current effective charge per line, above 11 lines, is \$0.01492.

On or before March 1 of each year, ~~the Company~~ Dominion Energy Utah shall calculate the per-line rate and file a letter with the Commission reflecting the rate, to be effective on April 1 of each year.

**APPLICATION OF PAYMENT**

If a payment received from a customer is less than the amount owing for the utility service and the amount owing for the third-party service, then all monies received from the customer will first be applied to pay for the utility service with the remainder applied to the third-party service.

Dominion Energy Utah will not provide any collection services for third party billing charges that are unpaid.

**CUSTOMER RIGHT TO TERMINATE THIRD PARTY BILLING**

A customer may contact Dominion Energy Utah at any time to terminate the billing for third party service on the customer's Dominion Energy Utah utility bill. After such request is made Dominion Energy Utah shall notify the third party of the termination of the third party billing for the customer and will cease billing the customer for the third party as soon as practicable.

**DISPUTE RESOLUTION**

Any customer complaint regarding enrollment in a third party program will be resolved by Dominion Energy Utah based on evidence provided by the customer and the third party. In the event that a customer raises any other complaint, including amounts owed to the third party service provider or payment of claims, Dominion Energy Utah will refer the customer to the third party service provider for resolution based upon the agreement between the customer and the third party service provider.



DOMINION ENERGY UTAH  
UTAH NATURAL GAS TARIFF  
PSCU 500

---

Manager	<del>198-0611</del>	<del>54</del>	<del>May 1, 2019</del>
---------	---------------------	---------------	------------------------