

**In the Matter Of:**

DEU - Application to Change Infrastructure Rate Adjustment

**HEARING, DOCKET NO. 18-057-11**

*September 27, 2018*

*Job Number: 496547*

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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|                           |   |                      |
|---------------------------|---|----------------------|
| Application of Dominion   | ) | Docket No. 18-057-11 |
| Energy Utah to Change the | ) |                      |
| Infrastructure Rate       | ) | HEARING              |
| Adjustment                | ) |                      |
|                           | ) |                      |

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September 27, 2018  
9:59 a.m.

Location: Public Service Commission  
160 East 300 South, 4th Floor  
Salt Lake City, UT 84111  
(801) 530-6769

Reporter: Teri Hansen Cronenwett  
Certified Realtime Reporter, Registered Merit Reporter

Job No. 496547

A P P E A R A N C E S

Presiding Officer: Thad LeVar

For the Division of Public Utilities: Patricia E. Schmid  
Assistant Attorney General  
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For Questar Gas Company: Jenniffer Nelson Clark  
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Salt Lake City, Utah 84145  
Jenniffer.Clark@dominionenergy.com

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1 September 27, 2018

9:59 a.m.

2 P R O C E E D I N G S

3 PRESIDING OFFICER LEVAR: Good morning. We're  
4 here in Public Service Commission Docket 18-57-11,  
5 Application of Dominion Energy Utah to Change the  
6 Infrastructure Rate Adjustment. I'm Thad LeVar, and I  
7 will be the presiding officer for today's hearing.

8 Why don't we start with appearances. For  
9 Dominion?

10 MS. CLARK: Thank you. My name is Jennifer  
11 Clark. I'm counsel for Dominion Energy Utah, and with  
12 me I have Jordan Stephenson. He will be serving as the  
13 company's witness today.

14 PRESIDING OFFICER LEVAR: Okay. For the  
15 Division of Public Utilities?

16 MS. SCHMID: Thank you. Patricia E. Schmid  
17 with the Attorney General's Office on behalf of the  
18 Division of Public Utilities. With me as the division's  
19 witness is Eric Orton.

20 PRESIDING OFFICER LEVAR: Okay. Any  
21 preliminary matters anyone is aware of?

22 MS. CLARK: No.

23 PRESIDING OFFICER LEVAR: Okay. Ms. Clark?

24 MS. CLARK: Thank you. The company would call  
25 Mr. Stephenson.

1                   PRESIDING OFFICER LEVAR:   Okay.

2       Mr. Stephenson, do you swear to tell the truth?

3                   THE WITNESS:   Yes.

4                   PRESIDING OFFICER LEVAR:   Okay.   Thank you.

5                               JORDAN STEPHENSON,

6       was called as a witness, and having been first duly

7       sworn to tell the truth, testified as follows:

8                               DIRECT EXAMINATION

9       BY MS. CLARK:

10           Q.    Would you please state your name and business  
11   address for the record.

12           A.    Jordan Stephenson, 333 South State, Salt Lake  
13   City, Utah.

14           Q.    And by whom are you employed?

15           A.    Dominion Energy.

16           Q.    What position do you hold there?

17           A.    Regulatory affairs analyst 3.

18           Q.    Mr. Stephenson, was the application and the  
19   accompanying exhibits in this docket, were they prepared  
20   by you or under your direction?

21           A.    Yes.

22           Q.    And do you have any corrections to any of  
23   those materials?

24           A.    No.

25                   MS. CLARK:   The company would move to admit

1 its application and the accompanying exhibits, 1.1  
2 through 1.5.

3 PRESIDING OFFICER LEVAR: Okay. Ms. Schmid,  
4 do you have any objection to that?

5 MS. SCHMID: No objection.

6 PRESIDING OFFICER LEVAR: Okay. The motion is  
7 granted.

8 MS. CLARK: Thank you.

9 **Q. (By Ms. Clark) Mr. Stephenson, can you**  
10 **summarize the relief the company is seeking in this**  
11 **application?**

12 A. Yes. In this docket the company seeks to  
13 adjust the infrastructure tracker replacement rate to  
14 include investment related to replacement projects that  
15 were in service as of August 31, 2018. The majority of  
16 this additional investment occurred in the Feeder Line  
17 21 project in Davis County.

18 The company is requesting a 3 and a half  
19 million dollar increase in annual revenue related to  
20 this investment, resulting in a total annual revenue  
21 requirement of 25.6 million dollars. If approved, this  
22 would result in an increase of 2 dollars and 45 cents  
23 per year or .39 percent paid by a typical customer using  
24 80 decatherms per year.

25 **Q. Does that conclude your summary?**

1           A.     Yes.

2                   MS. CLARK: Mr. Stephenson is available for  
3 questions.

4                   PRESIDING OFFICER LEVAR: Okay. Ms. Schmid,  
5 do you have any questions for him?

6                   MS. SCHMID: No questions from the division.

7                   PRESIDING OFFICER LEVAR: Okay. And I don't  
8 have any questions. So thank you, Mr. Stephenson.

9                   MS. CLARK: The company doesn't have anything  
10 further.

11                   PRESIDING OFFICER LEVAR: Okay. Thank you.  
12 Miss Schmid?

13                   MS. SCHMID: The division would like to call  
14 Mr. Eric Orton. Could he please be sworn?

15                   PRESIDING OFFICER LEVAR: Sure. Mr. Orton, do  
16 you swear to tell the truth?

17                   THE WITNESS: Yes, sir.

18                   PRESIDING OFFICER LEVAR: Thank you.

19                               ERIC ORTON,  
20 was called as a witness, and having been first duly  
21 sworn to tell the truth, testified as follows:

22                               DIRECT EXAMINATION

23 BY MS. SCHMID:

24           **Q.     Please state your full name, employer, title**  
25 **and business address for the record.**

1           A.    My name is Eric Orton.  I work for the  
2   Division of Public Utilities.

3           **Q.    As a?**

4           A.    As a technical consultant here in the Heber  
5   Wells Building, 160 East 300 South, Salt Lake.

6           **Q.    In connection with your employment at the**  
7   **division, did you participate in the preparation and**  
8   **filing of the division's memorandum dated September**  
9   **19th, 2018, with the subject Approve Docket No.**  
10   **18-057-11, comma, Application of Dominion Energy Utah to**  
11   **Change the Infrastructure Rate Adjustment?**

12          A.    I did.

13          **Q.    Do you have any exchanges or corrections to**  
14   **that memo?**

15          A.    I do not.

16          **Q.    Do you adopt the identified memo as your**  
17   **testimony today?**

18          A.    I do.

19          **Q.    Do you also have a --**

20                MS. SCHMID:  The division would like to  
21   request the admission of the identified memo.

22                PRESIDING OFFICER LEVAR:  Any objection from  
23   you, Ms. Clark?

24                MS. CLARK:  No, no objection.

25                PRESIDING OFFICER LEVAR:  Okay.  The motion is



1 granted.

2 MS. SCHMID: Thank you.

3 Q. (By Ms. Schmid) Mr. Orton, do you also have a  
4 summary to provide today?

5 A. I do.

6 Q. Please proceed.

7 A. Thank you. In summary, the gas utility's  
8 proposal is a total revenue requirement in the  
9 infrastructure tracker of 25.62 million dollars or an  
10 incremental revenue requirement increase of 3.515  
11 million dollars from the current interim revenue  
12 requirement of 22.105 million dollars.

13 If approved, a typical GS customer would see  
14 an annual increase of 2 dollars and 45 cents or 0.39  
15 percent. This application complies with past commission  
16 orders, and proposed tariff sheets reflect the changes  
17 as filed by the gas utility.

18 The division has reviewed the filing, along  
19 with the respective exhibits, and tentatively agrees  
20 with the methods used. Therefore, the division  
21 recommends the commission approve the proposed rates on  
22 an interim basis until the division can complete its  
23 audit, at which time it will make a final recommendation  
24 to the commission. That's all I have. Thank you.

25 PRESIDING OFFICER LEVAR: Okay.

1 MS. SCHMID: Thank you very much, Mr. Orton.

2 Mr. Orton is now available for questions from counsel  
3 and the commission.

4 PRESIDING OFFICER LEVAR: Do you have any  
5 questions, Ms. Clark?

6 MS. CLARK: We have no questions, thanks.

7 PRESIDING OFFICER LEVAR: And I don't either.  
8 So thank you, Mr. Orton.

9 MS. SCHMID: The division has nothing further.

10 PRESIDING OFFICER LEVAR: Okay. Anything  
11 further from anyone?

12 MS. CLARK: Yes. The company would  
13 respectfully move for a bench order approving the rates  
14 on an interim basis pending the division's completion of  
15 its audit.

16 PRESIDING OFFICER LEVAR: How about if I  
17 commit to a written order today?

18 MS. CLARK: That would be even better.

19 PRESIDING OFFICER LEVAR: Okay.

20 MS. CLARK: Thank you.

21 PRESIDING OFFICER LEVAR: You have that verbal  
22 commitment.

23 MS. CLARK: Thank you.

24 PRESIDING OFFICER LEVAR: Anything further  
25 from anyone?

1 MS. SCHMID: Nothing further from the  
2 division.

3 PRESIDING OFFICER LEVAR: Okay. We're  
4 adjourned. Thank you.

5 MS. SCHMID: Thank you.

6 (The hearing concluded at 10:05 a.m.)

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1 C E R T I F I C A T E

2 STATE OF UTAH )

3 COUNTY OF SALT LAKE )

4 THIS IS TO CERTIFY that the foregoing proceedings  
5 were taken before me, Teri Hansen Cronenwett, Certified  
6 Realtime Reporter, Registered Merit Reporter and Notary  
7 Public in and for the State of Utah.

8 That the proceedings were reported by me in  
9 Stenotype, and thereafter transcribed by computer under  
10 my supervision, and that a full, true, and correct  
11 transcription is set forth in the foregoing pages,  
12 numbered 3 through 10 inclusive.

13 I further certify that I am not of kin or otherwise  
14 associated with any of the parties to said cause of  
15 action, and that I am not interested in the event  
16 thereof.

17 WITNESS MY HAND and official seal at Salt Lake  
18 City, Utah, this 3rd day of October, 2018.

19  
20   
21 Teri Hansen Cronenwett, CRR, RMR  
License No. 91-109812-7801

22 My commission expires:  
23 January 19, 2019  
24  
25

|                             |                     |   |   |                              |
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