

APPLICATION OF DOMINION)
ENERGY UTAH FOR AN)
ADJUSTMENT TO THE) Docket No. 18-057-17
LOW INCOME ASSISTANCE/) APPLICATION
ENERGY ASSISTANCE RATE)

All communications with respect to
these documents should be served upon:

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APPLICATION
AND
EXHIBITS

October 1, 2018

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH COMPANY FOR AN ADJUSTMENT TO THE LOW INCOME/ ENERGY ASSISTANCE RATE</p>	<p>Docket No. 18-057-17</p> <p>APPLICATION FOR AN ADJUSTMENT TO THE ENERGY ASSISTANCE PROGRAM RATE</p>
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Questar Gas Company dba Dominion Energy Utah (Dominion Energy Utah or the Company) respectfully submits this Application for an adjustment to the Energy Assistance Program Rate Application, and a modification to the distribution non-gas (DNG) cost portions of its Utah natural gas rates, pursuant to §8.03 of the Company's Utah Natural Gas Tariff No. 500 (Tariff).

If the Utah Public Service Commission (Commission) grants this Application, typical residential customers using 80 Dth per year will see a decrease in their yearly bills of approximately \$0.06. The Company proposes to implement this request by charging the new rates effective November 1, 2018.

In support of this Application, Dominion Energy Utah states:

1. Dominion Energy Utah's Operations. Dominion Energy Utah, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's rates, charges, and general conditions for natural gas service in Utah are set forth in the Tariff. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Franklin County, Idaho area. Under the terms of an agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

2. Background: In the Report and Order dated July 29, 2010 in Docket 10-057-08, approving the Application of Dominion Energy Utah Company for a Tariff Change Implementing a Low-Income Assistance Program (Order), the Commission authorized Dominion Energy Utah to establish a balancing account, Account 191.8 of the Uniform System of Accounts, in which to record the debits and credits associated with the approved Low Income / Energy Assistance Program. This filing is made under the subsection Energy Assistance Fund in section §8.03 of the Tariff, which sets forth procedures for recovering the costs associated with the Low Income / Energy Assistance Fund by means of periodic adjustments to maintain the \$1.5 million target funding level. In its approved application in Docket 10-057-08, the Company stated, "Dominion Energy Utah also respectfully requests that the dollars collected and the costs associated with the Low-Income Assistance Program to be recorded in account number 191.8, and be subject

to adjustment at least annually to ensure that the target funding level of \$1.5 million is maintained.”

3. Adjustment of Account 191.8 Balance. Exhibit 1.1 is a summary of the accounting entries and monthly balances for the low income program. The collections, payouts, administrative charges and interest are shown on a month by month basis in columns B through E. During the period ending July 2018 (Exhibit 1.1, Line 23) the Company over collected \$84,808 from customers on a cumulative basis since the beginning of the program. Hence, this over collection has been subtracted from the allowed amount of \$1,500,000 so that \$1,415,192 will be collected from customers during the test period (line 25).

In this Application, Dominion Energy Utah is proposing to increase the credit from \$72.50 to \$77 for customers in the upcoming heating season¹. On August 29, 2018 Dominion Energy Utah met with interested parties including representatives from the Division of Public Utilities and the Office of Consumer Services, and those in attendance determined it was appropriate to increase the credit to \$77. The credit is calculated by using an estimated 22,443 participants in the upcoming heating season. This estimation is determined by averaging the actual participants from the prior three years, 2016, 2017 and 2018. The projected payout fund calculation is \$1,735,174 divided by the 22,443 customers to equal the rounded \$77 credit available to qualifying customers.

Exhibit 1.2 shows a breakdown and proposal to collect those rates by the applicable class. Column D illustrates the revenue responsibility by class. This revenue responsibility is divided by the test period volumes to calculate a rate. Pursuant to Utah

¹ Dominion Energy Utah’s participation level in the Low Income Program has been declining since 2013, this decline in participants results in a higher credit amount available to participants in the upcoming heating year.

Code Ann. § 54-7-13.6, those customers qualifying for program benefits are not charged the surcharge and, therefore, volumes attributable to program participants have been removed from the calculation. The rate calculation also takes into account the program and statutory requirement that no individual customer will be assessed more than \$50 per month for the program (Columns G and H). The total projected revenue by class is shown in column I.

4. Proposed Tariff Sheets. Exhibit 1.3 shows the proposed Tariff sheets. The program will continue to provide eligible customers with a one-time credit on their monthly bill after the Company receives notification of the customer's qualification.

5. Change in Typical Customer's Bill. The annualized change in rates calculated in this application results in a \$0.06 or 0.01% decrease for a typical GS residential customer using 80 decatherms per year. The projected month-by-month bills for a typical GS residential customer are shown in Exhibit 1.4.

6. Final Tariff Sheet. In addition to this Low Income Assistance/Energy Assistance Application, the Company is also concurrently filing an Application to amortize the Energy Efficiency deferred account balance in Docket No. 18-057-16, a Pass-Through application in Docket No. 18-057-14, an application for an adjustment to the Daily Transportation Imbalance Charge in Docket No. 18-057-13, and an application to adjust the Conservation Enabling Tariff in Docket No. 18-057-15. The Company has requested that these applications be made effective November 1, 2018. Exhibit 1.5 shows the proposed GS rate schedule that reflects the final Tariff sheet that would be effective if the Commission approved all of the applications.

7. Exhibits. Dominion Energy Utah submits the following Exhibits in support of its request to adjust the Low Income balancing account:

- Exhibit 1.1 Account 191800 UT/ID Low Income Credit/Charge
- Exhibit 1.2 Energy Assistance Allocation and Rate Design
- Exhibit 1.3 Legislative and Proposed Rate Schedules
- Exhibit 1.4 Effect on GS Typical Customer
- Exhibit 1.5 Combined Legislative and Proposed Rate Schedules

WHEREFORE, Dominion Energy Utah respectfully requests the Commission, in accordance with the Order approving the implementation of a Low-Income Assistance and the Company's Tariff:

1. Enter an order authorizing Dominion Energy Utah to implement rates and charges applicable to its Utah natural gas service that reflect an adjustment for each rate class, as more fully described in this Application; and

2. Authorize Dominion Energy Utah to implement its rates effective November 1, 2018.

DATED this 1st day of October, 2018.

Respectfully submitted,

DOMINION ENERGY UTAH



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LEGISLATIVE/PROPOSED RATE SCHEDULES

P.S.C. Utah No. 400
Affecting All Firm Sales Rate Schedules
and Classes of Service in
Dominion Energy Utah's
Utah Service Area

Date Issued: October 1, 2018
To Become Effective: November 1, 2018
Low Income Assistance/Energy Assistance Only

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COMBINED LEGISLATIVE/PROPOSED RATE SCHEDULES

P.S.C. Utah No. 400
Affecting All Firm Sales Rate Schedules
and Classes of Service in
Dominion Energy Utah Company's
Utah Service Area

Date Issued: October 1, 2018
To Become Effective: November 1, 2018
Low Income Assistance/Energy Assistance, Energy Efficiency, Pass Through and an adjustment to the
Daily Transportation Imbalance Charge.