



Public Service Commission

THAD LeVAR
Chair

DAVID R. CLARK
Commissioner

JORDAN A. WHITE
Commissioner

State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

December 18, 2018

Mr. Kelly Mendenhall
Dominion Energy Utah
P.O. Box 45433
Salt Lake City, UT 84145-0433

Re: *Dominion Energy Utah's Replacement Infrastructure 2019 Annual Plan and Budget;*
Docket No. 18-057-22

Dear Mr. Mendenhall:

The Public Service Commission of Utah ("PSC") reviewed Dominion Energy Utah's ("DEU") Replacement Infrastructure Annual Plan and Budget for calendar year 2019 ("2019 Plan") filed on November 15, 2018, the Division of Public Utilities' ("DPU") comments filed on December 11, 2018, and DEU's reply comments filed on December 18, 2018.

The DPU concludes the 2019 Plan complies with the reporting requirements stipulated to and approved by PSC order in Docket No. 13-057-05. Accordingly, the DPU recommends the PSC acknowledge the 2019 Plan as complying with relevant reporting requirements. The DPU notes the proposed budget is \$70.937 million for the 2019 Plan, consisting of the following projects:

1. \$16.535 million for Feeder Line 21;
2. \$34.352 million for Feeder Line 22 and Feeder Line 23;¹
3. \$3.0 million for Feeder Line 47;
4. \$16.5 million for the intermediate high pressure belt line replacement program in Salt Lake and Davis Counties;² and
5. \$0.550 million for pre-engineering work for future projects.

¹ See DPU December 11, 2018 Comments at 1-2.

² \$4.5 million budget for Salt Lake County IHP replacements plus \$12.0 million budget for Davis County.

The DPU also notes its concerns regarding including pipe smaller than 8 inches in diameter and pipe newer than 1970 in the infrastructure tracker. The DPU states it will examine this pipe more closely when DEU requests recovery of the associated capital expenses.

DEU replies that it will work collaboratively in the next general rate case to address the DPU's concerns, as well as the appropriate level of infrastructure replacement spending going forward. DEU also argues that in order to achieve the objective of the infrastructure replacement program it would be imprudent to ignore all high-pressure pipe smaller than 8 inches. DEU requests the PSC acknowledge the proposed budget as meeting the relevant reporting requirements.

Based on the PSC's review of the 2019 Plan, the DPU's comments and recommendations, DEU's reply comments, and there being no opposition to the 2019 Plan as filed, the PSC acknowledges the 2019 Plan as complying with the reporting requirements approved by the PSC in Docket No. 13-057-05.

Sincerely,

/s/ Gary L. Widerburg

PSC Secretary

DW#305910