

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

Attorney for Dominion Energy Utah

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH TO MAKE TARIFF MODIFICATIONS RELATING TO TRANSPORTATION SERVICE	Docket No. 18-057-T04 SETTLEMENT STIPULATION
--	---

Pursuant to Utah Code Ann. § 54-7-1, Questar Gas Company dba Dominion Energy Utah (Dominion Energy Utah or Company); the Utah Association of Energy Users (UAE); the American Natural Gas Council, Inc. (ANGA); and the Utah Division of Public Utilities (Division) (collectively Parties or singly Party) submit this Settlement Stipulation. This Settlement Stipulation shall be effective upon the entry of a final order of approval by the Utah Public Service Commission (Commission).

PROCEDURAL HISTORY

On August 1, 2018, the Company filed the Application in this matter seeking to modify certain portions of its Utah Natural Gas Tariff No. 500 (Tariff). On August 14, 2018, the Commission held a Scheduling Conference in this matter and on August 17, 2018, the Commission issued a Scheduling Order, Notice of Technical Conference, Notice of Hearing and Order Suspending Tariff. On August 29, 2018, the Commission held a

technical conference wherein Company representatives provided information and answered questions relating to the proposed Tariff provisions. On August 22, 2018 the UAE filed a Petition to Intervene in this matter, and on August 23, 2018, the ANGC also petitioned to intervene. The Commission subsequently granted intervention to both. On September 12, 2018, the Division, UAE and ANGC all submitted testimony in this matter. On September 26, 2018, the Division, ANGC and the Company submitted rebuttal testimony in this matter. Since that time, the Parties have engaged in settlement discussions and propose the following terms of settlement.

TERMS AND CONDITIONS

The Parties agree for purposes of settlement that the Commission should approve the proposed Tariff, attached to the Application in this matter, with the following modifications:

1. The penalty for violating a Hold Burn to Scheduled Quantity restriction will be \$5/Dth, plus the Gas Daily Market Index Price gas cost, applied to the lesser of 10% of the customer's usage during the restriction period or the customer's gas usage in excess of the customer's confirmed scheduled quantity of gas received into the DEU system. For all additional usage in excess of the customer's confirmed scheduled quantity, the penalty will be \$25/Dth, plus the Gas Daily Market Index Price gas cost.
2. Hold Burn to Scheduled Quantity imbalances may be aggregated by nominating party within a given receipt point group (as defined in Settlement Exhibit A, attached hereto and incorporated herein by reference) in order to avoid or mitigate penalties for Hold Burn to Scheduled Quantity restrictions. Penalties incurred during Hold Burn to Scheduled Quantity restrictions that are

not totally avoided by aggregation shall be borne by the customer or prorated among the customers causing the penalty as directed by the nominating party. If no direction is received, the Company will assign the imbalance to each of the nominating party's accounts on a pro-rata basis for all such accounts that are contributing to a negative imbalance.

3. DEU will allow positive imbalances (packing) during Hold Burn to Scheduled Quantity restrictions and incorporate Tariff language stating "Positive daily imbalances (packing) will be allowed during a Hold Burn to Scheduled Quantity restriction. If there is a limit to allowable positive daily imbalances, the Company will detail that limit in the communication surrounding the restriction." The language from Section 5.06 of the proposed Tariff dealing with Hold Burn to Scheduled Quantities will be amended as provided in Settlement Exhibit B.
4. DEU's proposed new language for a portion of the first paragraph of Section 3.02 under "Periods of Interruption" will be modified to remove the phrase "in its sole discretion."
5. A clean draft of the agreed-upon Tariff language is attached as Settlement Exhibit B. A legislative draft of the Tariff, incorporating the changes set forth above, is attached hereto as Settlement Exhibit C, and incorporated herein by reference.

GENERAL

6. The Parties agree that settlement of those issues identified above is in the public interest and that the results are just and reasonable.
7. 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. All negotiations related to this Settlement Stipulation are privileged and confidential, and no 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 any 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 any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Settlement Stipulation.

8. Dominion Energy Utah will, and the Division, UAE and ANGC may, make one or more witnesses available to explain and support this Settlement Stipulation to the Commission. Such witnesses will be available for examination. So that the record in this docket is complete, all Parties' filed testimony, exhibits, and the Application and its exhibits shall be submitted as evidence.
9. The Parties agree that if any person challenges the approval of this Settlement Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Settlement Stipulation, each Party will use its best efforts to support the terms and conditions of the Settlement Stipulation. 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. As applied to the Division, any

obligations hereunder shall be consistent with its statutory authorities and responsibilities and nothing in this Settlement Stipulation shall abrogate the authority and responsibilities of the Division under Utah Code Ann. § 54-4-4.


10. Except with regard to the obligations of the Parties under Paragraphs 7, 8 and 9, of this Settlement Stipulation, this Settlement Stipulation shall not be final and binding on the Parties until it has 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 it is 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 this Settlement Stipulation or imposes any material change or condition on approval of this Settlement Stipulation, or if the Commission's approval of this Settlement Stipulation is 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 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, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Settlement Stipulation, and no Party shall be bound or prejudiced by the terms and conditions of the Settlement Stipulation.

11. 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.

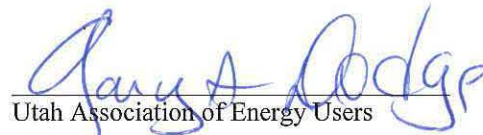
RELIEF REQUESTED

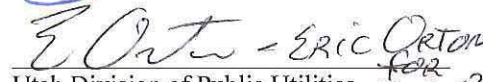
Based on the foregoing, the Parties request that the Commission issue an order approving this Settlement Stipulation and adopting its terms and conditions.

RESPECTFULLY SUBMITTED: October 15, 2018.


Questar Gas Company dba Dominion Energy Utah


American Natural Gas Council, Inc.


Utah Association of Energy Users


Eric Orton - ERIC ORTON
Utah Division of Public Utilities for Chris Parker

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing Settlement Stipulation was served upon the following persons by e-mail on October 15, 2018:

Patricia E. Schmid
Justin C. Jetter
Assistant Attorney Generals
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
cparker@utah.gov
wpowell@utah.gov

Robert J. Moore
Steven Snarr
Assistant Attorney General
160 East 300 South
P.O. Box 140857
Salt Lake City, UT 84114-0857
rmoore@agutah.gov
ssnar@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

Gary Dodge
Phillip J. Russell
10 West Broadway, Suite 400
Salt Lake City, UT 84101
gdodge@hjdllaw.com
prussell@hjdllaw.com
Counsel for Utah Association of Energy Users

Stephen F. Mecham
10 W. 100 S., Suite 323
Salt Lake City, Utah 84101
sfmecham@gmail.com
Attorney for American Natural
Gas Council, Inc.

