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Attorneys for Dominion Energy Utah

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH TO INCREASE DISTRIBUTION RATES AND CHARGES AND MAKE TARIFF MODIFICATIONS	Docket No. 19-057-02 SETTLEMENT STIPULATION REGARDING PRUDENCY REVIEW FOR THE INFRASTRUCTURE TRACKER PROGRAM
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Pursuant to Utah Code Ann. § 54-7-1, Dominion Energy Utah (Dominion Energy or Company), the Utah Division of Public Utilities (Division), and the Utah Office of Consumer Services (Office) (collectively the Parties) submit this Settlement Stipulation in resolution of the issues raised in response to the Utah Public Service Commission's (Commission) January 13, 2021 Request for Comments in this docket.

PROCEDURAL HISTORY

1. On February 25, 2020, the Utah Public Service Commission (Commission) issued a Report and Order in the above-referenced docket. In that Order the Commission noted that “OCS requests we clarify the intent and timing of the prudence review of ITP-related investments and monitor the size and scope of the ITP going forward. We find this request reasonable since the only guidance related to this subject was included in the Stipulation we approved in our June 3, 2010 order in Docket No. 09-057-16. Accordingly, we will soon invite comments in this docket to help refine ITP prudence review and procedures.” Report and Order issued February 25, 2020 at p. 14, Docket No. 19-057-02.

2. On January 13, 2021, the Commission issued a Request for Comments in this docket, seeking “comments regarding the prudence review of investments related to Dominion Energy Utah’s Infrastructure Tracker Program.” Request for Comments issued January 13, 2021, Docket No. 19-057-02.

3. On March 15, 2021, the Office, Division and Company each submitted comments. On April 12, 2021 the Office and the Company submitted reply comments. No other parties submitted comments or took a position in this Docket.

4. In its March 15, 2021 memorandum, the Office recommended that Dominion Energy update its Utah Natural Gas Tariff No. 500 (Tariff) to include a more detailed description and timeline of all Infrastructure-Rate-Adjustment-Tracker-related filings either in its Tariff or as an exhibit in its annual infrastructure replacement budget filings. The Office also requested that the Commission provide guidance as to the proper timing and filings for the Division to review the prudence of such expenditures.

5. Since that time, the Parties have engaged in settlement discussions. The Parties have reached a settlement agreement, as set forth below.

TERMS AND CONDITIONS

6. In settlement of the matters arising as a result of the Commission's Request for Comments issued on January 13, 2021, the Parties submit this Settlement Stipulation for the Commission's approval and adoption.

7. The Parties agree for purposes of settlement that when Dominion Energy files its annual budget for the Infrastructure Rate Adjustment Tracker replacement work, it will include a detailed description and timeline of anticipated filings. The form of that description and timeline is attached hereto in a spreadsheet as Settlement Stipulation Exhibit A. Column B of the spreadsheet will be populated with the anticipated filing date of each referenced document.

8. The Parties agree for purposes of settlement that the Division will act on each pleading, interested parties may comment, and the Company will request that the Commission provide relief, as set forth more fully in Columns C, D and E of Settlement Stipulation Exhibit A, respectively.

GENERAL

9. The Parties agree that settlement, taken as a whole, is just and reasonable in result and in the public interest.

10. The Parties have reached a full and final resolution of those issues identified in the Commission's January 13, 2021 Request for Comments issued in this docket.

11. 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 confidential and subject to the applicable rules of evidence, including Utah R. Evid. 408, and no Party shall be bound by any position asserted in negotiations not specifically identified and settled herein. Neither the execution of this Settlement Stipulation nor an 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.

12. Dominion Energy will, and the Division and the Office may, each 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 the Settlement Stipulation. As applied to the Division and the Office, the explanation and support shall be consistent with their statutory authority and responsibility. So that the record in this docket is complete, the Parties agree to recommend that comments and reply comments submitted in response to the Commission's January 13, 2021 Requests for Comments issued in this docket be admitted as evidence.

13. 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. 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 their 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.

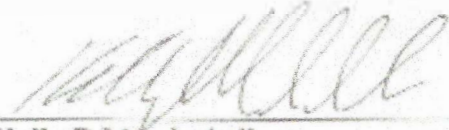
14. Except with regard to the obligations of the Parties under Paragraphs 11, 12 and 13 of this Settlement Stipulation, this Settlement Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission. This Settlement Stipulation is an integrated whole, and either 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, 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.

15. 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.

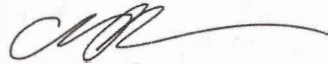
RELIEF REQUESTED

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: June 15, 2021.



Kelly B Mendenhall
Dominion Energy Utah
Director Regulatory and Pricing



Chris Parker
Division of Public Utilities
Director



Michele Beck
Office of Consumer Services
Director

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the Settlement Stipulation Regarding Prudency Review for the Infrastructure Rate Adjustment Tracker was served upon the following persons by e-mail on June 16, 2021:

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/s/ Ginger Johnson

Filing	Due Date	Division Action	Opportunity for Interested Party Comments	Action Requested of PSC
Replacement Infrastructure Tracker Annual Plan and Budget	November 15 of each year.	Division Review and Action Request Response	Parties can file comments consistent with PSC notice	Acknowledge Plan and Budget
1st Quarter Tracker Variance Report	June 30 of each year.	Division Review		
Replacement Infrastructure Tracker Technical Conference	June of each year.	No Action	Parties can attend public portion of Technical Conference and confidential portion subject to meeting confidentiality requirements	Schedules Technical Conference
Replacement Infrastructure Tracker Master List Update	June 30 of each year.	Division Review		
2nd Quarter Tracker Variance Report	September 30 of each year.	Division Review		
Replacement Infrastructure Tracker Rate Adjustment Filing 1	At least once annually.	Division Review and Filed Comments	Parties can raise concerns regarding the prudence review of the plan. Parties can request additional process if short turnaround for interim rates is insufficient for issues to be addressed.	Approve interim rates; initial prudence review of the plan (i.e. which lines to replace and when); prudence of how DEU carried out the plan (i.e. accuracy of costs, prudence in carrying out construction) not yet final.
3rd Quarter Tracker Variance Report	December 31 of each year.	Division Review		
Replacement Infrastructure Tracker Rate Adjustment Filing 2	At Dominion Energys Option.	Division Review and Filed Comments	Parties can raise concerns regarding the prudence review of the plan. Parties can request additional process if short turnaround for interim rates is insufficient for issues to be addressed.	Approve interim rates
4th Quarter Tracker Variance Report	March 31 of each year.	Division Review		
Multi Year Accounting Audit	Before filing of General Rate Case	Division Report to Commission. Division completes audit, determines final prudence of plan but reserves the right for	Parties can file comments on the DPU Audit and final prudence of plan but have the right to comment in the future	Commission to establish a comment period and consider any additional processes to determine final prudence of

Filing	Due Date	Division Action	Opportunity for Interested Party Comments	Action Requested of PSC
		out of cycle period adjustments or changes until next general rate case.	on out of cycle period adjustments or changes until next general rate case.	plan based on parties recommendations.
General Rate Case	No less than once every three years.	Division raises any final issues before resources are in base rates	Parties can challenge prudence of how the Company carried out the plan (i.e. accuracy of costs, prudence in carrying out construction).	Final approval of prudence of accuracy of costs (i.e. accuracy of costs, prudence in carrying out construction).

Additional Notes:

DEU will include an updated version of this schedule in its Annual Plan and Budget through the remaining life of the ITP
DEU will include in its procedural background of the rate adjustment filings, a listing of the dockets which have addressed the projects included in the updated rates