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*Attorney for Questar Gas Company
dba Dominion Energy Utah*

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE FORMAL
COMPLAINT OF BRETT ROBINSON
AND BRAD CROOKSTON AGAINST
DOMINION ENERGY UTAH

Docket No. 19-057-09

**DOMINION ENERGY'S RESPONSE
TO COMPLAINT OF BRETT
ROBINSON AND BRAD CROOKSTON**

Respondent, Questar Gas Company dba Dominion Energy Utah (“Dominion Energy” or “Company”), respectfully answers the *Complaint of Brett Robinson and Brad Crookston Against Dominion Energy Utah* (“Complaint”) and responds to the allegations of Brett Robinson and Brad Crookston (“Complainants”) as follows:

FACTS AND PROCEDURAL HISTORY

1. Complainants are developing a subdivision commonly known as Elk Ridge Farms in North Logan City (“Development”).
2. Complainants requested that Company install a natural gas main to extend natural gas distribution service to the Development.
3. The Development is located adjacent to large parcels of undeveloped land to the east.

4. North Logan City required the Development to include a public road with a dead end at the east end for the purpose of future development in the adjacent properties.

5. In August 2018, Dominion Energy provided Complainants with a Main Extension Agreement showing a total amount due of \$8,438.00.

6. On or about August 27, 2018, Complainants filed an Informal Complaint with the Utah Division of Public Utilities requesting i) for the Company to modify the route and placement of the main extension in order to accommodate the existing landscaping of a residential property adjacent to the Development and ii) for the Company to grant an exception to the Company policy requiring main extensions to extend to the furthest end of the property line for new developments that dead end next to property anticipated for future development.

7. On or about October 2, 2018, Complainants filed a formal complaint against the Company under Docket No. 18-057-18 (“Original Complaint”).

8. On or about October 4, 2018, Complainants remitted payment for the installation of the natural gas main line. Following receipt of the executed Main Extension Agreement and payment of costs, the Company installed the natural gas main extension that was the subject of the allegations in the Original Complaint.

9. On November 1, 2018, the Company filed an answer and motion to dismiss (“Motion”) in response to the Original Complaint for failure to state a claim upon which relief can be granted.

10. On January 23, 2019, the Commission issued the Order Dismissing Complaint (“January 23 Order”) in Docket No. 18-057-18, stating “[b]ecause no allegation exists that DEU violated any provision of statute, rule, tariff, or policy and further because the PSC cannot

identify any issue within the jurisdiction of the PSC that remains to be resolved, the PSC grants the Motion without prejudice.”

11. On January 25, 2019, Complainants sent an email to the Commission in protest of the January 23 Order, which the Commission treated as a request for rehearing.

12. On February 6, 2019, the Commission issued the Order Denying Request for Rehearing or Reconsideration (“February 6 Order”) in Docket No. 18-057-18, stating, “[s]pecifically, the [Original] Complaint sought an exception to DEU’s policy regarding gas main extensions, but the installation of the gas line in question forecloses the remedy Complainants sought.”

13. On February 21, 2019, Complainants filed a response to the February 6 Order (“February 21 Filing”) alleging that : i) through the main extension costs paid by Complainant, the Company violated Utah Code Ann. § 54-3-1 requiring all charges to be just and reasonable; ii) through requiring a natural gas main extension to the edge of the Development, the Company violated Utah Code Ann. § 54-3-1 requiring all facilities be furnished in a manner that is “adequate, efficient, just and reasonable;” and, iii) through failing to grant an exception to the Company’s Main Extension Dead End policy applicable to Main Extensions for New Developments, the Company violated internal policies to treat customers fairly and equally..

14. On March 12, 2019, the Commission issued a Notice of Complaint and Comment Period identifying that the February 21 Filing raised new and additional allegations, and, for that reason, the Commission shall treat the February 21 Filing as a new complaint under the subject Docket.

ANSWER

First Allegation

15. Utah Code Ann. § 54-3-1 states:

All charges made, demanded or received by any public utility . . . for any product or commodity furnished or to be furnished, or for any service rendered or to be rendered, shall be just and reasonable.

16. To ensure that the costs charged by a public utility are just and reasonable, as set forth in Utah Code Ann. § 54-3-2 and the Commission rules promulgated thereunder, the public utilities are required to file schedules of all rates for Commission approval and such schedules are made available for public inspection in the form of a tariff specific to each public utility.

17. Costs related to main extensions estimated to cost less than \$200,000 and installed by the Company are governed by Section 9.03, "Main Extension Costs," of the Dominion Energy Utah Natural Gas Tariff, PSCU 500 ("Tariff") and approved by the Commission in Docket No. 13-057-005, stating:

The costs for extending a main shall include, but are not limited to the following: pipe; trenching; asphalt and cement cuts; asphalt and cement replacement; fill and compaction; permit fees; use of special equipment and facilities; accelerated work schedules, special crews or overtime wages to meet the applicant's request; or difficult construction due to rock, frost, etc.. The customer shall be given written notice of the main extension costs, which shall be due and payable prior to the commencement of construction.

18. In accordance with Section 9.03 of the Tariff, Dominion Energy provided written notice of the main extension costs to the Complainants in the form of a Main Extension Agreement in August 2018. The cost for the main extension was comprised of 900 ft. of two-inch pipe, 900 ft. of fill and compaction, two special facilities in the form of curb buttons, and a North Logan City permit for a total of \$8,438.00. Each component of the main extension cost is expressly allowed by the Tariff, and therefore, Dominion Energy has not violated any Tariff provision or Commission rule or regulation in determining the cost of the main extension.

Second Allegation

19. Utah Code Ann. § 54-3-1 states:

Every public utility shall furnish, provide and maintain such service, instrumentalities, equipment and facilities as will be in all respects adequate, efficient, just, and reasonable.

20. Facilities furnished to provide natural gas service are governed by Sections 9.03, 9.04, and 9.05 of the Tariff, with Section 9.03 governing the instant case. In addition, Dominion Energy implements internal policies to ensure uniform practices and procedures for Company employees located throughout the state of Utah, including multiple regional offices.

21. The Company policy, entitled Main Line Installation Guideline, further states, “[t]he purpose of this guideline is to make sure that the interpretation of Dominion Energy’s Main Line Guideline, as laid out in the applicable Tariff, is consistent throughout the company system.”

22. Section 11.1 of the Main Line Installation Guideline governs main extensions for new residential and commercial developments that dead end next to property where future development is anticipated. Section 11.1 sets forth for the employee to “[p]ropose and contract [intermediate high pressure] dead ends to the furthest property line of each property to be served.”

23. In determining whether a Company furnishes facilities in a manner that is “adequate, efficient, just, and reasonable,” the Company evaluates the policy governing such furnishing of facilities in light of its effects upon all stakeholders, including but not limited to economic, environmental, safety, and public impacts.

24. In the case where a mainline is being extended from an existing property to a new development where the adjacent property is anticipated for future development, the Company considers factors affecting stakeholders such as, but not limited to, the existing property owners

adjacent to the development, the developer of the new subdivision, future owners of the lots within the development, the future developer of the adjacent property, and the public generally.

25. By implementing and following Section 11.1, the Company enacted a uniform allocation of costs, providing a just and consistent method of distributing costs between developers rather than allowing each regional office to exercise discretion in determining cost allocation.

26. For example, in the instant case, the costs associated with the extension to the edge of the Development were paid by the Complainants. In the alternative, had the Company granted an exception to Section 11.1, the costs associated with that section of the extension would increase the costs and create an unfair burden to the future developer of the adjacent property to pay for costs not charged to other similarly situated developers. Moreover, the unfair burden on the future developer would be exacerbated by the need to then replace the existing sidewalks, driveways, curbs, landscaping etc. that were installed between the time of the first development and the second development. Without a Company policy in place, the Company would be at risk of unfair treatment in the allocation of costs between the developer of the first subdivision and developer of the adjacent property.

27. In addition to economic costs, the Company also evaluates environmental, safety, and public impacts. Section 11.1 currently contemplates that the main extension crossing the new development will be installed prior to completion of the new development. This allows the Company to limit the ground disturbing activity to a period of time when the development is under construction.

28. By completing the installation of the main line to the edge of the development prior to completion of the development's construction, the Company is able to reduce

environmental impacts and increase efficiency by installing the pipeline following the grading of the property, while the ground is clear of improvements and landscaping. The alternative scenario would decrease efficiency and increase environmental impacts installing only to the service line tap while the property is clear, and then returning at a later date where the company will be required to clear all landscaping and improvements, excavate a trench, install the remaining main extension to the edge of the property, and then pay to restore the property of such landscaping and improvements.

29. By completing the installation of the main line to the edge of the development prior to completion of the development's construction, the Company is able to reduce safety concerns by conducting construction activities at a time where vehicular and pedestrian traffic are often reduced or prohibited. By building only to the service line tap and then returning to install across the property at a later date, the future construction would increase potential safety risks by conducting construction activities in an existing subdivision rather than in a development's construction zone.

30. By completing the installation of the main line to the edge of the development prior to completion of the development's construction, the Company is able to reduce public impacts by completing the construction activities on the subdivision prior to occupancy and use by the landowners of the lots and the general public within the subdivision. By building only to the service line tap and then returning to install across the property at a later date, the second installation would require conducting construction activities across an occupied lot, including but not limited to potentially tearing out landscaping, sidewalks, driveways, mailboxes, parking lots and preventing traffic and pedestrian access to those locations through the completion of construction.

31. The Company policy also allows the efficient use of Company resources by avoiding potential disputes with landowners, modification of routes, and/or increased construction costs due to encroachments within the public utility easements. For example, in the instant case, the adjacent property owner had planted an orchard within the public utility easement, resulting in the Complainants requesting for the Company to select an alternate route to avoid disturbing the existing trees. Such modification of the route led to increased length and costs for the main extension to the Development.

32. For the aforementioned reasons, the Company has determined that Section 11.1 of the Main Line Installation Guide ensures that the Company furnishes facilities in an “adequate, efficient, just, and reasonable” manner, and therefore, Dominion Energy has not violated any Tariff provision or Commission rule or regulation through the implementation of or adherence to Section 11.1 of the Main Line Installation Guide.

Third Allegation

33. Complainants allege that the Company violated its internal policies by failing to treat the Complainants in a fair and equal manner when the Company failed to grant an exception to the applicable Company policy.

34. Upon request for service, the Company presented Complainants with documentation in the same form and manner as is presented to similarly situated developers. The design of the main extension was performed in accordance with the Company’s Main Line Installation Guideline, and the Company calculated the pricing of the main extension pursuant to Section 9.03 of the Tariff.

35. Neither the Main Line Installation Guideline nor Section 9.03 of the Tariff provide any exceptions that the Company is required to give to developers building a new development that dead ends next to property anticipated for future development.

36. In the application of the Company policies to the Complainant's request for a main extension to the Development, Dominion Energy has found no evidence to support a violation of the Company's internal policies, nor any applicable statutes, Commission rules, or provisions of the Tariff.

37. In conclusion, Dominion Energy has not violated any of its Tariff provisions or Commission rules or regulations regarding the main extension necessary to serve the Development.

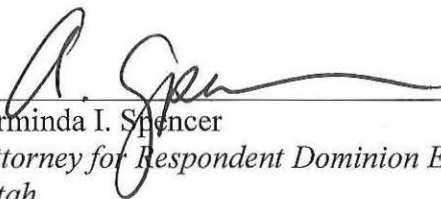
MOTION FOR DISMISSAL

38. Dominion Energy respectfully requests that the complaint of Brett Robinson and Brad Crookston be dismissed because it fails to state a claim upon which relief can be granted.

39. Dominion Energy has established that it has acted in accordance with all applicable Tariff requirements, statutes, and Commission rules through its adherence to the Company policy governing the furnishing of facilities for a natural gas main extension at the Development.

WHEREFORE, Dominion Energy submits its Answer and respectfully moves that the Formal Complaint of Brett Robinson and Brad Crookston be dismissed.

DATED: April 8, 2019



Arminda I. Spencer
*Attorney for Respondent Dominion Energy
Utah*

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing **QUESTAR GAS COMPANY dba DOMINION ENERGY UTAH'S ANSWER AND MOTION TO DISMISS FORMAL COMPLAINT OF BRETT ROBINSON AND BRAD CROOKSTON** was served by email upon the following as set forth below on April 8, 2019:

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