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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director
Artie Powell, Energy Section Manager
Doug Wheelwright, Technical Consultant
Jeff Einfeldt, Utility Analyst

Date: May 15, 2019

Re: **Docket No. 19-057-12**

Dominion Energy Utah - Annual Report Elimination Request. Division's Review and Recommendation – Discontinue Annual Report.

RECOMMENDATION (Discontinue Annual Report)

After a review of the above mentioned report, the Division of Public Utilities ("Division") recommends the Public Service Commission of Utah ("Commission") grant Dominion Energy Utah's ("DEU") request to eliminate the requirement to prepare and file the Annual Report.

ISSUE

On April 15, 2019, DEU filed a request to eliminate its requirement to file an Annual Report with the Division. The Commission issued an Action Request on April 16, 2019 directing the Division to review the request and make recommendations with a due date of May 15, 2019. The Commission seeks specific comments on 1) whether or to what extent DEU's Annual Report satisfies Utah Code Ann. § 54-5-2, or any other Utah Statute, administrative rule, or Commission order; and 2) whether or to what extent Utah Code Ann. § 54-5-2 is satisfied by DEU's monthly

financial or its regulated Results of Operations reports. This memorandum is the Division's response to the Action Request.

ANALYSIS

Utah Administrative Code § 54-5-2 refers to reports filed by public utilities to report gross operating revenues whereby the special regulation fee is assessed. Public utilities, including DEU, currently file the Annual Gross Revenue Report which the Division utilizes to calculate the special regulation fee. The Annual Report for which DEU seeks termination is not used in calculation of the fee and is separate from the Gross Operating Revenues report. DEU will continue to produce the Annual Gross Revenue Report.

Further, Utah Administrative Code § R746-400-4(A) states:

The Division shall design report forms that will provide information from reporting entities useful to the Commission and the Division in performing their statutory duties and to administer Commission supervised or directed programs.

§ R746-400-4(B) then states:

The Division may accept a reporting entity's request that an alternative report form or document...be used in lieu of all or part of a Commission report form.

DEU currently files more robust financial information through its monthly financial statements (greybacks), its regulated Results of Operations filed semi-annually, and its audited annual financial statements provided as part of settlement stipulation executed in the Questar and Dominion Energy merger¹. These reports are used frequently by the Division and contain much more detailed information. The Annual Report for which DEU seeks termination is a very high level summary of its financial activity and is rarely if ever used by the Division.

¹ Docket 16-057-01 Settlement Stipulation, In the Matter of the Joint Notice and Application of Questar Gas Company and Dominion Resources, Inc. of Proposed Merger of Questar Corporation and Dominion Resources, Inc., Terms and Conditions, page 6, paragraph 14 "Dominion Questar Gas, Dominion Questar, and Wexpro will maintain access to a complete set of their books and records, including accounting records, as well as access to affiliate charges to Dominion Questar Gas, at their corporate offices in Salt Lake City, Utah."

CONCLUSION

Based on the Division's review and comparison of a number of financial reports filed by DEU, the Division is in support of DEU's request to terminate the requirement to prepare and file the Annual Report.

cc: Michele Beck, Office of Consumer Services
Kelly Mendenhall, Dominion Energy Utah