# State of Utah
# Department of Commerce
# Division of Public Utilities

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REDACTED

## ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Technical Consultant

Date: September 17, 2019

Subject: Dominion Energy, Docket Nos.
19-057-18 – 191 Pass- Through Application
19-057-19 - Adjustment to the Daily Transportation Imbalance Charge
19-057-20 – Infrastructure Rate Adjustment
19-057-21 - Conservation Enabling Tariff
19-057-22 – Low Income Assistance

**RECOMMENDATION:**

After a preliminary review of the applications, the Division of Public Utilities (Division) finds the proposed rates to be reasonable for deferral purposes. The Division also recommends the Public Service Commission of Utah (Commission) approve the rates as proposed by Dominion Energy Utah (Dominion or Company), despite their being interim rates of the type addressed in a recent Utah Supreme Court case. Approval should allow future adjustments based on prudence findings. As the Division will explain in future legal comments, approval in this matter is a


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reasonable accommodation to avoid significant negative effects that would result from a sudden change to the treatment of the 191 Account.

This approval applies to the requested rate changes in Docket Nos. 19-057-18 (191 Account), 19-057-19 (Daily Transportation Imbalance Charge), and 19-057-20 (Infrastructure Rate Adjustment) with an effective date of October 1, 2019. The Division also recommends that the Commission approve the requested rate change in Docket Nos. 19-057-21 (Conservation Enabling Tariff) and 19-057-22 (Low Income Assistance). These Dockets do not require an audit and the proposed rates can be made permanent. If all five Dockets are approved, the combined changes will increase a typical GS customer's annual bill by $11.45 or 1.84%.

**INTERIM RATE ISSUE:**

The question of interim rate approval has created a challenge for the Company. The 191 balancing account has been functioning effectively for many years and has been beneficial to both the Company and to ratepayers. The prompt amortization of under-funded cost has been a benefit to the Company and has minimized the interest cost paid by customers. The prompt amortization of over-collected funds has minimized the interest paid by the Company. Delays in the recovery of gas cost will have an impact to the Company's cash flow and could have an impact on rating agency opinions. Additional interest cost and delayed recovery is not in the public interest. Given the Division's historical experience auditing the 191 account, the Division can confidently say the risk of the requested rates being imprudent is far outweighed by the risk of negative effects from stifling commodity-related cash flow before procedures can be adapted to the court's opinion. The Commission should also open a proceeding to establish procedures to bring the 191 Account into compliance with Utah Code Section 54-7-13.5.

**ISSUE:**

On August 30, 2019, Questar Gas Company dba Dominion Energy Utah (Dominion or Company) filed the applications identified above and the Commission subsequently issued an Action Request to the Division. This memo is the Division's response to the Action Request for all five Dockets.

**Docket No. 19-057-18** – The 191 Account Pass-Through filing asks for Commission approval to increase the commodity rate components of the Company's Utah natural gas rates by $32.246 million and decrease the supplier non-gas cost rate components by $22.894 million for a net increase of $11.352 million. Based on current rates, if the proposed increase is approved, a typical GS residential customer using 80 Dth per year (typical GS residential customer) will see an increase of $8.24[1] in their annual bill, which represents an increase of 1.32%, independent of any other increase.

**Docket No. 19-057-19** – The Daily Transportation Imbalance Charge filing is a request to adjust the imbalance charge calculation approved in Docket No. 14-057-31. The transportation imbalance charge began in February 2016 and is required to be recalculated twice each year as part of the 191 pass-through filing. The revised calculation is based on updated volumes through July 31, 2019. If approved, the proposed rate would increase from $0.08323 to the proposed rate of $0.08489. This rate applies to transportation customers with daily imbalance volumes outside the ± 5% tolerance level.

**Docket No. 19-057-20** – The Infrastructure Rate Adjustment asks for a $1.965 million increase in the revenue requirement for additional investment that has been placed in service through August 2019. If approved, a typical GS rate class customer would see an increase in its annual bill of approximately $0.86 or 0.14%.

**Docket No. 19-057-21** – The Conservation Enabling Tariff (CET) filing is a request to amortize the July 2019 under-collected balance of $41.5 thousand. The previous filing was a credit amortization for an over-collected balance of $2.867 million. Reducing the over-collected amortization amount or customer credit results in an increase in the rate. If this CET amortization request is approved, a typical GS residential customer will see an increase of approximately $2.34 or 0.38% in their annual bill, independent of any other increase or decrease.

**Docket No. 19-057-22** – The Low Income Energy Assistance filing is a request to adjust the collection rate in order to collect the approved $1.5 million minus an over collected balance. In

[1] Exhibit 1.7, Column F, Line 13.

addition to adjusting the rate, the proposed customer credit to low income customers will decrease from $77 to $75. If these changes are approved, a typical GS residential customer will see an increase of approximately $0.01 in their annual bill, independent of any other increase.

If all five of the requested changes are approved, a typical GS customer will see an increase of approximately $11.43 or 1.83% in their annual bill.

## DOCKET NO. 19-057-18 COMMODITY GAS COST AND SUPPLIER NON-GAS COSTS (191 Account Semi-Annual Pass-Through)

This filing is based on projected Utah gas costs of $444.036 million[2] for the forecast test year ending September 30, 2020. The commodity portion of the gas cost represents an increase of $34.246 million and the supplier non-gas cost portion (SNG) represents a decrease of $22.894 million for a combined net increase of $11.352 million.[3] The projected increase in the commodity cost is due primarily to the amortization of the under-collected balance in the 191 account. The actual price of purchased gas was higher than forecast at the end of the winter heating season, which caused the balance to be under-collected. The proposed rates include changes in the definitions of commodity and SNG costs approved by the Commission in Docket No. 19-057-T01.

The test-year cost of gas consists of cost-of-service gas from Wexpro, contract and market purchases as well as storage and transportation costs. The forecast price for cost-of-service production is $3.83 per Dth[4] compared to $3.98 per Dth[5] in the previous filing. Market and contract purchases for natural gas are projected to be lower at $2.11[6] per Dth compared to $2.40[7] per Dth in the previous filing. Due to the large volume of cost of service gas from Wexpro, market purchases are planned only during the winter months.

[2] Exhibit 1.1, Page 2, Line 17, Column E.
[3] Pass-Through Model, Utah Summary by Class.
[4] Exhibit 1.2, Page 3, Column D, Line 20.
[5] Docket No. 19-057-04, Exhibit 1.4, Page 1, Column D, Line 12.
[6] Exhibit 1.2, Page 4, Column D, Line 6.
[7] Docket No. 19-057-04, Exhibit 1.4, Page 1, Column D, Line 13.

In the previous filings, the 191 balancing account was under-collected by $7.691 million and the Company established a debit amortization of $0.06922 per Dth. As of July 31, 2019, the commodity portion of the 191 Account was $49.754 million under-collected and the Company is proposing to establish a debit amortization of $0.43865 per Dth to recover the under-collection. The combination of the change in gas cost and the change in the amortization rate results in an increase in the commodity cost. The net impact is a change from $3.28557 to the proposed rate of $3.58750 per Dth or an increase of $0.30193[8] per Dth. The Division will continue to monitor the balance in the 191 account on a monthly basis.

**Supplier Non-Gas Costs (SNG)**

In contrast to the price volatility that can occur with the market price of natural gas, the SNG costs have historically been relatively stable and predictable since these costs are set by contractual transportation and storage agreements and tariffs. These costs are associated with transporting market and Wexpro gas from market hubs to city gates and storing the gas in available facilities for later withdrawal during the winter months. While the contract amounts are relatively stable, the estimation and collection of these costs occur through volumetric rates, which are set assuming normal weather conditions. Variations in the actual volumetric sales due to changing weather conditions will impact the collection of these costs and will result in the over or under collection of SNG costs.

In previous filings, the forecast rates were structured so that the SNG balance was intended to have an over-collected balance of $20.0 million in the spring and a $20.0 million under-collected balance in the fall. The process of under and over collection during the year is intended to minimize the amount of interest paid or collected by the Company on the SNG costs included in the 191 balance. The amortization of the over or under collection is established annually in the spring pass-through filing and was set to collect the under-collected balance of $2.440 million. The amortization of the previous under-collection will remain in place until the spring filing.

In the current filing, the Company has implemented the changes to the SNG and Commodity cost allocation approved by the Commission in Docket No. 19-057-T01. With these changes, the

[8] Exhibit 1.6, Page 1, Column F, Line 9.

Company now estimates that the SNG balance will swing between $14.0 million under-collected to $14.0 million over-collected. The Company is projecting total SNG costs for the test period of $86.880 million[9] for the forecast test-year plus a $2.440 million amortization of the under collected amount from the previous period for a total of $89.320 million.[10] If the current rates are not adjusted, the SNG revenue is projected to collect $112.214 million[11] resulting in an estimated over collected balance of $22.893 million.[12] In this filing, the Company is requesting a 20.41%[13] decrease in the total SNG rates in order to collect the forecast SNG cost and the adjusted amortization amount. The majority of the decrease is due to the change in the definition of Commodity and SNG cost.

**Gas Supply**

For the test year, October 2019 through September 2020, the Company is projecting a total system requirement of 122.574186 million Dth.[14] From the total requirement amount, 117.353 million Dths[15] will be used to meet the projected sales requirement with 5.521 million Dths used for gas volume reimbursement due to gathering, transportation, distribution fuel and shrinkage. Of the total gas requirement, 49.7%[16] will be satisfied from the Wexpro cost-of-service production, 18.7%[17] will be satisfied under current purchase contracts and 31.8%[18] will be purchased with future contracts and spot market transactions. The total expected fuel cost for the test period is $444.036 million.[19]

The cost-of-service gas from all Wexpro production is projected to cost $233.159 million at an average cost of $3.83 per Dth,[20] which is $0.15 lower than the previous filing. Cost-of-service production is reported separately as Wexpro I and Wexpro II. The separation of the cost allows

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9 Exhibit 1.5, page 2, Column D, Line 1.
10 Exhibit 1.5, page 2, Column D, Line 3.
11 Exhibit 1.5, page 2, Column D, Line 6.
12 Exhibit 1.5, page 2, Column D, Line 7.
13 Exhibit 1.5, page 2, Column D, Line 10.
14 Exhibit 1.2, Page 3, Column C, Line 20 + Page 4, Column C, Line 6.
15 Exhibit 1.5, Page 1, Column E, Line 6.
16 Exhibit 1.2, Page 3, Column C / Exhibit 1.2, Page 3, Column C, Line 20 + Page 4, Column C, Line 6.
17 Exhibit 1.2, Page 4, Column C, Line 3 / Exhibit 1.2, Page 3, Column C, Line 20 + Page 4, Column C, Line 6.
18 Exhibit 1.2, Page 4, Column C, Line 4 & 5 / Exhibit 1.2, Page 3, Column C, Line 20 + Page 4, Column C, Line 6.
19 Exhibit 1.1, Page 2, Column C, Line 17.
20 Exhibit 1.2, Page 3, Column D, Line 20.

the Company and the Division to monitor and compare the total cost and production volume under the separate agreements. Wexpro I production has a projected cost of $194.045 million at an average cost of $3.96 per Dth[21] including gathering costs. The volume from Wexpro I wells represents approximately 80% of the total cost-of-service production. Wexpro II production has a projected cost of $39.114 million at an average cost of $3.28 per Dth[22] including gathering and represents approximately 20% of total production.

While the average price of Cost-of-Service gas from Wexpro has come down, the price of gas produced by Wexpro remains significantly higher than the projected market price. Wexpro has reported that the new drilling in the Wexpro II properties is producing gas at below market prices; however with only 20% of the total volume coming from Wexpro II wells, the total cost-of-service price remains well above the projected market price.

The cost-of-service gas production includes the operator service fee (OSF) payable to Wexpro of $203.684 million.[23] As part of its audit and review of the 191 account, the Division is reviewing the calculations and costs associated with the OSF in this filing as well as previous pass-through filings.

**Forecast Natural Gas Prices**

The market price forecast anticipates average natural gas price of [redacted] per Dth during the summer months and [redacted] per Dth in the winter months and is based on an average of future price projection from two different forecasting entities, CERA and PIRA. The two price forecasts along with the average of the two forecasts is displayed in Chart 1 below.

Chart 1 – CONFIDENTIAL

[21] Exhibit 1.2, Page 3, Column D, Line 8.
[22] Exhibit 1.2, Page 3, Column D, Line 13.
[23] Exhibit 1.2, Page 1, Line 4 + Line 9.

[redacted]

The forecast price for natural gas in the test period is slightly lower than the previous forecast for both the winter and summer months. Since market purchases are anticipated only during the winter months, the Company model uses the price for spot purchases during only the winter months. In the current filing, the Company uses an average forecast price of $2.10 per Dth[24] for spot and contract purchases. Chart 2 below provides a comparison of the forecast market prices used in the current and the two previous pass-through applications (Docket Nos. 19-057-04 and 18-057-14) and has been included to show how the forecast price has changed over the past 12 months. The solid line included in the graph is the historical first of month spot price for natural gas at Opal, Wyoming. (Opal FOM) The historical price has been included to show the fluctuation in the market price and to provide a comparison of the forecast price used to establish rates in previous filings compared to the actual FOM market price. The chart also shows how actual market prices can deviate from the anticipated price. It should be noted that actual market price during the previous heating season was significantly higher than the forecast market price.

Chart 2 CONFIDENTIAL

[redacted]

[24] Exhibit 1.2, Page 4, Column D, Line 6.

A comparison of the forecast price used to set rates compared to the actual first of the month price is also helpful to understand the reasons for the over and under collection of gas costs in the 191 balancing account. As shown in the graph, the actual first of the month price for natural gas was significantly higher than the forecast price during the last heating season and is the primary reason for the under-collected balance.

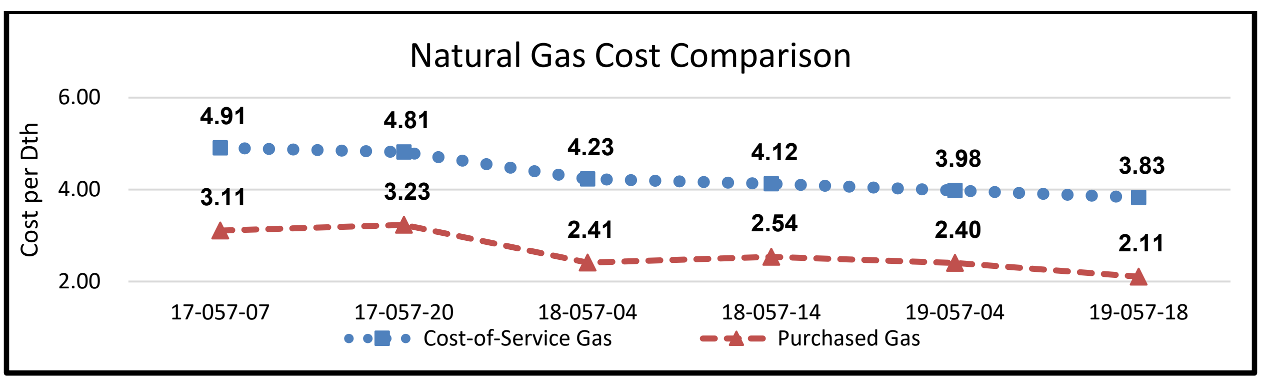
**Pricing Hedges**

The Wexpro production and the Company's gas storage facilities play an important role in the Company's plan to "hedge" against natural gas price volatility while meeting its total supply requirement. The current practices generally allow the Wexpro production to flow during the summer months to satisfy the summer demand in addition to allowing the Company to inject gas into storage for later use. Gas that has been injected into storage is withdrawn during the high demand winter heating season. The use of storage gas reduces but does not eliminate the need to purchase gas during the high demand winter months.

**Comparison to Previous Filing**

The Company's application provides a forecast of anticipated costs and revenue for the test period as Exhibit 1.2. In order to compare the projected costs in the current filing with previous pass-through filings, the Division has prepared Chart 3 below. This chart provides a comparison of projected price per Dth for cost-of-service and purchased gas compared to the previous 5 pass-through filings. The dotted line indicates the forecast cost-of-service price per Dth for gas production and includes both Wexpro I and Wexpro II production. The dashed line indicates the forecast price for purchased gas included in each filing.

Chart 3



In the current filing, the cost-of-service gas has decreased to $3.83 compared to $3.98 per Dth in the previous filing and purchased gas has decreased to $2.11 compared to $2.40 per Dth. While the price of cost-of-service production has come down, the market price continues to be significantly lower than the Wexpro cost-of-service production. The Company has not indicated when it anticipates the cost-of-service price to be comparable with market purchases.

**Effect on a Typical GS Customer**

If the proposed rates are approved independently, a typical GS residential customer would see an estimated increase of $8.24 in their annual bill or an increase of 1.32%.[25] The Division recommends the Commission approve the Application with an effective date of October 1, 2019.

## DOCKET NO. 19-057-19 - TRANSPORTATION IMBALANCE CHARGE

In Docket No. 14-057-31, the Commission approved a supplier non-gas charge to transportation customers for daily nomination imbalance volumes that were outside of a ±5% daily tolerance threshold. This rate applies to transportation customers that were taking service under MT, TS and FT-1 rate schedules and any amount collected under the rate is credited to GS customers through the 191 account. The rate is intended to charge transportation customers for SNG services when used and was implemented in part to improve the daily accuracy of the gas nomination process. The Commission order specified this rate must be reviewed with each pass-through docket and in the next general rate case.

The Company began to impose the imbalance charge as of February 1, 2016. This rate applies to transportation customers only if their individual daily gas nomination amount is outside the ±5% daily tolerance limit. Only customer nominations outside the tolerance limit are assessed this charge and the specific dollar amount paid by all transportation customers is identified as a separate line item in the monthly 191 financial information. For calendar year 2018, transportation customers paid $649,204 or an average of $54,100 per month in imbalance

[25] Exhibit 1.6, Line 14, Column F.

charges and have paid $416,799 for the first six months of 2019. The amount of the imbalance charge is reported in the 191 accounting each month.[26]

The proposed new rate of $0.08489 per Dth is an increase from the current rate of $0.08323 per Dth and is calculated based on the historical imbalance volumes for the previous 12 months ended July 31, 2019. The Division has reviewed Exhibit 1.1, which includes the daily nomination and imbalance information for 996 transportation customers and includes 354,233 lines of information. The accuracy of the nomination process and the impact of transportation customers on the Company's distribution system continues to be a concern.

While it does appear the nominations have become more accurate since this rate was imposed, a number of individual customers with gas nominations still fall outside the acceptable range. There is also a large variation in the size of customers using the transportation rate. In response to a data request, the Company provided additional information to include the marketing agents for each contract number. In reviewing the information from Exhibit 1.1, the Division noted the following;

1. The 15 largest customers account for 50% of the total transportation volume. The 97 largest customers account for 80% of the total transportation volume. While these large customers account for 80% of the total volume, they represent only 56% of the total Dth outside the tolerance limit. The majority of the large use customers continue to be more accurate with the daily nomination process. These large customers could potentially have the most impact on the distribution system if their nominations are not accurate.
2. The remaining 899 customers represent only 20% of the total volume and individually will have a lesser impact on the distribution system. While these smaller customers represent only 20% of the total volume, they have paid a larger portion of the penalty and represent 44% of the total Dth outside the tolerance limit which is similar to previous filings. In general, smaller transportation customers appear to be using natural gas primarily for seasonal heating, are less accurate in the nomination process, and pay a greater portion of the imbalance rate.

[26] 191000 Calculation for Utah, Actual 2018 and YTD 2019 through July 2019.

3. Most of the daily nominations are made through third party marketing companies and not all of the marketing companies have the same level of accuracy with the daily nomination process. One marketing company represents the majority of the smaller volume users that have recently moved to transportation service. This company represents [redacted] of the total number of TS customers but has [redacted] of the total nomination volume. Even though this particular marketing company manages [redacted] of the total nomination volume, its nomination and customers are responsible for [redacted] of the Dth outside the tolerance limits. The disparity may be simply due to the nature of the usage by these smaller customers. The DPU will continue to monitor the imbalance charge and usage for broader issues.

The Division has reviewed the calculation and the information provided by the Company in this filing, but has not completed an audit of the individual entries and the credits to the 191 account. The Division will continue to analyze the historical nominations and will make recommendations if necessary.

**Effect on TS Customers**

The proposed change has the potential to affect transportation customers but the affect will not be the same for each customer. As mentioned above, this rate applies to a transportation customer only when its individual daily gas nominations is outside the $\pm$5% tolerance limits. The imbalance charge may apply to some customers on a regular basis while others may occasionally be affected, depending on the accuracy of the customer's daily nomination process. This rate also has a related effect on GS customers as the imbalance charge collected from TS customers is credited to the 191 account. All amounts collected under this rate are credited to the SNG collection amount and would likely have a minor impact on the balance of the over or under collection in the 191 account for GS customers.

The Division recommends the Commission approve the Application with an effective date of October 1, 2019.

**DOCKET NO. 19-057-20 – INFRASTRUCTURE RATE ADJUSTMENT**

In Docket No. 13-057-05, the Commission authorized the Company to continue the infrastructure tracker program and recover costs directly related to its infrastructure replacement through a surcharge. Section 2.07 of the Tariff sets forth the procedures for recovering costs associated with this program and the Company may file semi-annual applications to adjust the surcharge as additional assets are placed in service.

**Rate Details**

In this filing, the Company shows the amounts and dates of when infrastructure investment was completed and placed into service. The Company now proposes to collect in rates the revenue requirement associated with these investment amounts and supports this application with eight exhibits – including a 1.5B and a 1.6B. Also, included in this filing is an increase to the Tracker as a result of the Interruptible Penalty in the amount of $2,490. The application includes the total revenue requirement of $34.590 million or an Incremental Revenue Requirement increase of $1.965 million. The requested increase will be collected from each rate schedule based on the currently allowed cost-of-service and rate design approved in the most recent general rate case.

**Effect on a typical GS Customer**

If approved independently, a typical GS rate class customer would see an increase in its annual bill of approximately $0.86 or 0.14%. The Division recommends the Commission approve the Application with an effective date of October 1, 2019.

## DOCKET NO. 19-057-21 – CONSERVATION ENABLING TARIFF BALANCING ACCOUNT

In Docket No. 09-057-16, the Commission authorized the Company to establish and utilize a CET balancing account 191.9. The CET is a mechanism designed to ensure the Company collects from GS customers only the Commission authorized revenue per customer. Tariff §2.08 sets forth procedures for recovering the allowed distribution non-gas (DNG) revenue per customer by means of periodic adjustments to rates. The rate changes requested in this Docket affect only the CET component of the distribution natural gas (DNG) rates of the GS rate class.

**Rate Details**

In this filing, the Company proposes to amortize the July 2019 under-collected balance of $41.457 thousand. Exhibit 1.1 provides a summary of the accounting entries and monthly balances from January through July 2019. Exhibit 1.2, provides a summary of the changes in the winter and summer usage blocks. The CET amortization rates reflected in the GS Rate Class tariff sheets filed with this application will change both blocks 1 and 2 of the summer and winter rates.

**Effect on a typical GS Customer**

If approved independently, a typical GS rate class customer would see an increase in its annual bill of approximately $2.34 or 0.38%. The increase is due to the removal of the prevision credit amortization. The Division recommends the Commission approve the Application with an effective date of October 1, 2019.

## DOCKET NO. 19-057-22 – LOW INCOME ASSISTANCE

The Division has reviewed the filing and exhibits and agrees with the calculations used to estimate the number of participants and the credit per customer. Based on the available balance, the forecast collection amounts in the test period and the estimated number of participants, the proposed $75.00 per customer appears to be appropriate.

**Rate Details**

In Docket No. 10-057-08, the Commission authorized the Company to establish an Energy Assistance Program with a target funding level of $1.5 million per year. QGC Exhibit 1.1 of this filing provides a summary of the annual account balance in the 191.8 account for year 1 through year 8 and monthly accounting entries for year 9 (August 2018 – July 2019). As of July 2019, the Company had over-collected $30,570 since the beginning of the program and has an unpaid balance of $178,175[27] in the 191.8 account. The combination of the unpaid balance and projected collections during the rate effective period will result in $1.648 million[28] available for credit to qualifying accounts.

[27] Exhibit 1.1, Column F, Line 20.
[28] Exhibit 1.1, Column F, Line 29.

The number of participants in this program has been decreasing since its inception. It is unclear if the improving economic conditions or if the mild winter temperatures have caused the reduced participation. There were 21,432 customers that received energy assistance through this program during the last 12 months. The proposed credit assumes 21,863 participants during the next 12 months and will adjust the allowed credit from $77.00 to $75.00 per customer. QGC Exhibit 1.2 column (F) shows the new low income assistance rate per Dth for each customer class.

**Effect on a typical GS Customer**

If approved independently, the effect of this change for a typical GS residential customer is an increase of $0.01 in their annual bill. The Division recommends the Commission approve the Application with an effective date of October 1, 2019.

## SUMMARY AND CONCLUSION

The Company filed five independent dockets with an effective date of October 1, 2019. Each docket has been independently evaluated and the customer impact for each docket has been calculated. Since all of the dockets have the same effective date, the combined change in customer rates has been calculated. Below is a summary of the individual change for each docket and the net customer impact if all five dockets are approved.

| Docket | Title | $ Change | % Change |
|---|---|---|---|
| 19-057-18 | 191 Pass-Through | $8.24 | 1.32% |
| 19-057-19 | Transportation Imbalance | N/A | N/A |
| 19-057-20 | Infrastructure Improvement | $0.86 | 0.14% |
| 19-057-21 | Conservation Tariff (CET) | $2.34 | 0.38% |
| 19-057-22 | Low Income Assistance | $0.01 | 0.00% |
| | COMBINED IMPACT | $11.45 | 1.84% |

The net impact if all five of the dockets are approved is an increase of $11.45 or 1.84% to a typical GS customer's annual bill. The Division supports and recommends the rate changes requested in Docket Nos. 19-057-21 and 19-057-22 be approved by the Commission with an effective date of October 1, 2019. The Division finds the proposed rates to be reasonable for deferral purposes. The Division also recommends the Public Service Commission of Utah (Commission) approve the rates as proposed by Dominion Energy Utah (Dominion or

Company), despite their being interim rates of the type addressed in a recent Utah Supreme Court case. Approval should allow future adjustments based on prudence findings. This is a reasonable accommodation to avoid significant negative effects, which are not in the public interest, that would result from a sudden change to the treatment of the 191 Account.

This applies to the requested rate changes in Docket Nos. 19-057-18 (191 Account), 19-057-19 (Daily Transportation Imbalance Charge), and 19-057-20 (Infrastructure Rate Adjustment) with an effective date of October 1, 2019. The Division also recommends that the Commission approve the requested rate change in Docket Nos. 19-057-21 (Conservation Enabling Tariff) and 19-057-22 (Low Income Assistance). These Dockets do not require an audit and the proposed rates can be made permanent. All five of the Dockets will have an effective date of October 1, 2019. The proposed changes are in the public interest and represent just and reasonable rates for Utah customers.

Cc: Kelly Mendenhall, Dominion Energy Utah
Austin Summers, Dominion Energy Utah
Jessica Ipson, Dominion Energy Utah
Michele Beck, Office of Consumer Services
Maria Wright, Division of Public Utilities