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## State of Utah

### Department of Commerce Division of Public Utilities

FRANCINE GIANI    CHRIS PARKER  
*Executive Director    Director, Division of Public Utilities*

## Action Request Response

**To:** Utah Public Service Commission

**From:** Utah Division of Public Utilities

Chris Parker, Director

Doug Wheelwright, Utility Technical Consultant

Eric Orton, Utility Technical Consultant

**Date:** October 10, 2019

**Re:** **Docket No. 19-057-23**, Application of Dominion Energy of Utah for Approval of Special Agreement with Rawhide Leasing, LLC for CNG Service.

### Recommendation (Approval)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the Settlement Stipulation (Stipulation) filed on October 4, 2019. Dominion Energy Utah (Gas Utility), the Office of Consumer Services (Office), and the Division (collectively the Parties) finalized the language of the stipulation shortly after the Division filed a request for an extension of time informing the Commission that the Division expected that the stipulation would be filed soon.

### Issue

In settling this matter, the Parties submitted a Stipulation for the Commission to approve and adopt that recommends approving the contract and waiving certain language in the Gas Utility's tariff.

As part of the stipulation, two months prior to the expiration of the initial contract with Rawhide Leasing, LLC (Rawhide) the Gas Utility will notify Parties of any intent to extend the contract.

The Gas Utility will also submit a report to the Commission with specific information as outlined in the Stipulation. It was also agreed that any Party may challenge the continuation of the contract, should that be proposed.

## **Background**

On September 3, 2019, the Gas Utility filed an application seeking Commission approval of a special contract with Rawhide and a waiver of certain provisions within its tariff to allow other use of its CNG station in Hurricane other than “refueling natural gas-powered vehicles”. On September 11, 2019, the Commission issued a Scheduling Order and Notice of Hearing stating that comments would be due October 3, 2019, with reply comments due October 16, 2019 and a hearing to be held on October 21, 2019. These are the Division’s Comments and Action Request Response.

## **Discussion**

Given the resolution of issues contained in the Stipulation, the Division concludes that neither the Gas Utility’s CNG customers (either in Hurricane or generally) nor its regular ratepayers will be harmed by the adoption of this stipulation. The re-evaluation after the initial one year of the contract additionally gives the Division comfort that any adjustments or abandonment of the Stipulation will not result in an unrepairable situation for either the Gas Utility or its customers.

## **Conclusion**

The Division recommends that the Commission approve the Stipulation filed on October 4, 2019 in this docket. Additionally, the Division does not plan on submitting any other comments unless warranted by the remarks of others. Finally, the Division suggests that the scheduled hearing in this matter is unnecessary and recommends that it be cancelled.

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