

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION  
OF DOMINION ENERGY UTAH FOR  
APPROVAL OF MODIFICATIONS TO  
TARIFF SECTION 2.01, 4.01, AND 5.01

Docket No. 19-057-T05

**DIRECT TESTIMONY OF AUSTIN C. SUMMERS**

**FOR DOMINION ENERGY UTAH**

**DEU Exhibit 1.0**

**NOVEMBER 15, 2019**



1 Q. Please state your name and business address.

2 A. My name is Austin C. Summers. My business address is 333 South State Street, Salt  
3 Lake City, Utah.

4 Q. By whom are you employed and what is your position?

5 A. I am employed by Dominion Energy, Inc. as a Manager of Rates and Regulation. I am  
6 responsible for preparing various regulatory filings including the pass-through and other  
7 regulatory reports and correspondence. I am testifying on behalf of Questar Gas  
8 Company dba Dominion Energy Utah (Dominion Energy or Company).

9 Q. What are your qualifications to testify in this proceeding?

10 A. I have listed my qualifications in DEU Exhibit 1.1.

11 Q. Attached to your written testimony are DEU Exhibits 1.01 through 1.03. Were these  
12 prepared by you or under your direction?

13 A. Yes.

14 Q. What is the purpose of your testimony in this Docket?

15 A. The purpose of my testimony is to explain why changes need to be made to the  
16 Company's Utah Natural Gas Tariff No. 500 (Tariff) prior to the conclusion of the  
17 company's pending general rate case in Docket No. 19-057-02 (General Rate Case).

18 Q. What changes does the Company propose?

19 A. The Company proposes to change some of the deadlines set forth in Sections 2.01, 4.01  
20 and 5.01 of the Tariff. A legislative draft of the proposed Tariff changes is attached as  
21 DEU Exhibit 1.02.

22 Q. Why is the Company proposing to change deadlines in Section 5.01 of the Tariff?

23 A. Section 5.01 of the Company's Tariff, under the heading "Request for Service (TBF, MT,  
24 TSF and TSI)" currently states that "A written request for transportation service from an

25 existing customer must be received by the Company by February 15<sup>th</sup> in any given year.”  
26 It continues, “A fully executed contract and any other requirements must be received by  
27 the Company by February 28<sup>th</sup> of the same year.” February 28<sup>th</sup> is one day before any  
28 changes approved in the General Rate Case would likely become effective. If the dates  
29 set forth in the Tariff do not change, customers will have to make a decision about which  
30 service they would like to receive without the benefit of knowing what rates and other  
31 Tariff requirements will be applicable in 2020. In fact, customers may not know whether  
32 they even *qualify* for a given rate class until after they are required to make a  
33 determination. The Company proposes to extend the Tariff-imposed deadlines to give  
34 these customers the ability to make informed decisions with complete information about  
35 the outcome of the General Rate Case.

36 **Q. Please describe the proposed change.**

37 A. The February 15<sup>th</sup> date will not change. Customers can still notify the Company that they  
38 intend to change to a new class. However, the Company proposes to extend the contract  
39 deadline from February 28<sup>th</sup> to March 7<sup>th</sup> of any given year to give customers more time  
40 to make a decision after the Commission issues its order in the General Rate Case.

41 **Q. Please describe the changes the Company is proposing to make to Sections 2.01 and**  
42 **4.01 of the Tariff.**

43 A, The Company proposes to change similar deadlines in those sections, ensuring that  
44 customers considering a class change can make that decision with complete information.  
45 Section 2.01 of the Tariff provides that if a current TS customer or interruptible sales  
46 service customer wants to change to a sales class, that customer must notify the Company  
47 by February 15<sup>th</sup> in any given year. Similarly, Section 4.01 provides that if an existing  
48 transportation or firm sales service customer wants to change to interruptible sales service  
49 (IS), it must notify the Company by February 15<sup>th</sup>. Again, these customers will not have  
50 complete information about the rates and conditions that will be in effect in 2020 until

51 after the Tariff-imposed deadlines. Therefore, for the reasons set forth above, the  
52 Company proposes to extend that deadline to March 31<sup>st</sup>.

53 **Q. Why is the Company proposing to give customers switching from transportation to**  
54 **sales more time than customers switching from sales to transportation?**

55 A. Current TS customers have an annual contract with the Company that requires them to  
56 provide 90 days of notice to the Company if they want to switch to a sales class. The  
57 change to March 31 makes the Tariff consistent with the contract.

58 **Q. Is the Company proposing to make this change only for 2020 to coincide with the**  
59 **proposed changes in the general rate case?**

60 A. No. The Company is proposing that these changes would be ongoing, even after 2020.

61 **Q. Has the Company prepared Tariff sheets that incorporate these changes?**

62 A. Yes. The legislative Tariff sheets are attached as DEU Exhibit 1.02 and the proposed  
63 final Tariff sheets are attached as DEU Exhibit 1.03.

64 **Q. Are the proposed Tariff changes just, reasonable, and in the public interest?**

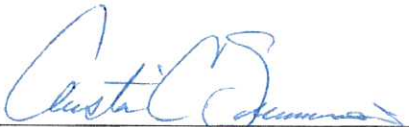
65 A. Yes. The proposed changes give customers enough time to contemplate the approved  
66 rates from the General Rate Case before selecting which class of customers they want to  
67 join. Accordingly, the Company believes the proposal is just, reasonable and in the  
68 public interest and requests that the Commission approve the proposed Tariff changes.

69 **Q. Does this conclude your testimony?**

70 A. Yes.


State of Utah            )  
                                  ) ss.  
County of Salt Lake    )

I, Austin C. Summers, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. Except as stated in the testimony, the exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.

  
\_\_\_\_\_  
Austin C. Summers

SUBSCRIBED AND SWORN TO this 15<sup>th</sup> day of November, 2019.



  
\_\_\_\_\_  
Notary Public

## **Qualifications of Austin C. Summers**

### **Educational Background**

I received a Bachelor of Science degree in Accounting from Westminster College in 2006 and a Masters of Business Administration from Westminster College in 2009. I am a Certified Public Accountant (CPA) in the state of Utah and belong to the American Institute of Certified Public Accountants (AICPA).

### **Current Responsibilities**

I am currently employed as a Manager of Regulatory Affairs. I am responsible for cost allocation, rate design, gas cost adjustments, and forecasting.

### **Prior Experience**

I was hired by Questar Gas Company in 1999 and have worked in various departments including Customer Service, Technical Operations, Dispatch, Accounting, and Budget/Planning. In 2009 I began working in the Regulatory Affairs department. I have assisted in the preparation of testimony and exhibits in several rate cases and other tariff filings. In addition, I have previously presented testimony before the Utah Public Service Commission and the Wyoming Public Service Commission.

Dominion Energy Utah  
Docket No. 19-057-T05  
DEU Exhibit 1.02  
Tariff Legislative

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## 2. FIRM SALES SERVICE

### 2.01 CONDITIONS OF SERVICE

The Company provides firm service for residential, commercial and industrial customers qualifying under the classification provisions of each firm sales rate schedule listed in Article 2. Customers initiating or increasing firm sales service must also meet the requirements of § 9.02.

#### FIRM SALES SERVICE RATE SCHEDULE RECLASSIFICATION

Changes in rate schedules may be allowed upon written approval of the Company when requested by the customer in writing. A change may be allowed after a customer has been on the current rate schedule for at least one full year, and if the customer demonstrates that a change in the use of natural gas has occurred that will cause the existing schedule to no longer be appropriate. A customer will be allowed to change rate schedules only on the first day of that customer's next billing cycle.

A request for firm sales service from an existing transportation service or interruptible sales service customer must be received by the Company by ~~March 31st~~<sup>February 15<sup>th</sup></sup> in any given year, except in 2014, when the date has been extended to March 30<sup>th</sup>. If approved, such a request will be effective on the first day of the customer's billing cycle which occurs on or after July 1<sup>st</sup>. Approval will be conditioned upon execution of a minimum two-year service agreement.

Issued by <del>C. L. Bell, VP &amp; General Manager</del> <u>C. C. Wagstaff, VP &amp; General Manager</u>	Advice No.	Section Revision No.	Effective Date
	<del>17-0419-11</del>	<del>12</del>	<del>June 1, January 1, 2017</del> <sup>20</sup>



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## 4. INTERRUPTIBLE SALES SERVICE

### 4.01 CONDITIONS OF SERVICE

#### SERVICE ARRANGEMENTS

Each interruptible sales customer will be required to enter into a service agreement with the Company and apply for interruptible sales service on a service. The Company may reject applications if, in its sole discretion, the Company is not able to contract for or it does not have adequate gas supplies or acceptance of the customer would not provide benefit to firm sales customers. Applications providing the greatest benefit to firm sales customers will be accepted first.

A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by ~~March 31<sup>st</sup>~~ ~~February 15<sup>th</sup>~~ in any given year. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1st of that same year. Any requests received after February 15th may be approved in the Company's sole discretion.

Additionally, by September 15th of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

- (a) Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that the customer can and will interrupt when called upon to do so by the Company, and
- (b) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

#### DAILY CONTRACT LIMIT

The Company will, at its discretion, allow an interruptible sales customer to use natural gas in excess of its daily contract limit to be charged at the customer's contracted rate schedule. If the Company notifies the customer to limit usage to its contract amount, any usage beyond that limit will incur a penalty as described in § 3.02. The Company reserves the right to limit usage to the daily contract limit.

#### FACILITY MODIFICATIONS

Any cost to modify existing Company facilities or to install new Company facilities required to provide this service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe and efficient service and to ensure that proper billing and accounting can be performed.



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**SERVICE FOR NEWLY INSTALLED FACILITIES**

Customers installing new facilities in the Company's service territory and requesting interruptible sales service may be served as an IS customer on a reasonable-efforts basis.

**MINIMUM YEARLY CHARGE FOR IS CUSTOMERS**

For billing purposes, at the end of each contract year, IS customer's annual bills will be adjusted in order to satisfy the minimum of a 15% load factor requirement as defined in § 4.02. If a customer terminates service or if in the judgment of the Company the customer will not meet its minimum load factor requirement, the Company may assess the minimum yearly charge. The payment necessary to satisfy the minimum yearly charge will be calculated as follows:

Greater of \$3,000 or [(Peak Winter Day x 55 days) - (Annual Historical Use)] x Distribution Non-Gas Rates

Issued by <del>C. L. Bell, VP &amp; General Manager</del> C. C. Wagstaff, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	<del>18-0719-</del> 11	<del>2</del> 3	<del>January 1, 2020</del> November 1, 2018

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## **5. TRANSPORTATION SERVICE**

TRANSPORTATION BYPASS FIRM (TBF), MUNICIPAL TRANSPORTATION (MT), TRANSPORTATION SERVICE FIRM (TSF) AND TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)

### **5.01 CONDITIONS OF SERVICE**

#### **APPLICABILITY**

This service applies to the transportation of customer's gas through the Company's distribution system to a meter at the customer's end-use site, including services provided under TBF, MT, TSF, and TSI rate schedules.

#### **TRANSPORTATION BYPASS FIRM (TBF)**

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.02. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

#### **MUNICIPAL TRANSPORTATION SERVICE (MT)**

The Company provides MT firm service only for municipalities as defined in Utah Code Ann. § 10-1-104(5) or successor statute and under the classification provisions of § 5.03. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing MT firm service must also meet the requirements of § 9.02.

#### **TRANSPORTATION SERVICE FIRM (TSF)**

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

#### **TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)**

The Company provides interruptible transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing interruptible transportation service must also meet the requirements of § 9.02. Customers can take TSI service combined with TSF service or independently. Volumes under TSI service are subject to interruptible provisions as detailed in § 3.01-§ 3.02.

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Additionally, by September 15th of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

(A) Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that service required, and the customer can and will interrupt when called upon to do so by the Company, and

(B) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

### **REQUEST FOR SERVICE (TBF, MT, TSF AND TSI)**

#### Existing Customers

A written request for transportation service from an existing customer must be received by the Company by ~~March 7th~~ ~~February 15<sup>th</sup>~~ in any given year. The request must contain account and specific meter numbers. A fully executed contract and any other requirements must be received by the Company by February 28<sup>th</sup> of the same year. The customer must meet with Dominion Energy Utah's telemetry gas technician by April 15<sup>th</sup> of the same year. Any customer facilities required by the Company to facilitate telemetry, which may include AC power or other equipment, must be installed by the customer and operational by May 15<sup>th</sup> of the same year. QuestLine Access Agreements must be received by the Company by May 31<sup>st</sup> of the same year. If a customer fails to meet any of these deadlines, then the customer will not be permitted to receive TBF, MT, TSF or TSI service during that year. If approved, such a request will be effective on July 1<sup>st</sup> of the same year.

#### New Customers

New Customers must provide a fully executed contract for Transportation service before the Company will install telemetering equipment. Any customer facilities required by the Company to facilitate telemetry, which may include AC power or other equipment, must be installed by the customer and operational by the 15<sup>th</sup> of any given month. Transportation service will commence on the 1<sup>st</sup> of the following month. If service is needed before the Transportation service begins, the customer may take service on the GS rate schedule until the 1<sup>st</sup> of the following month.

### **TRANSPORTATION SERVICE AGREEMENT (TBF, MT, TSF AND TSI)**

Each TBF, MT, TSF and TSI customer must enter into a service agreement with the Company. The service address is the location of the end-use meter(s). The primary end-use site is the first meter site at the service address. Other meter sites on the same contiguous property are defined as secondary end-use sites.

The service agreement will also identify a primary receipt point where the customer's gas can enter the Company's distribution system (Approved Receipt Point). The Company may also, in its sole discretion, accept the customer's gas at alternate receipt points (Alternate Receipt Points). The Company reserves the right to require each customer to utilize the Approved Receipt Point when, in the Company's sole discretion, its operational needs support such a change from any Alternate Receipt Point(s).

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**CONTRACT TERM AND ACKNOWLEDGEMENTS**

All contracts will have an end date of June 30<sup>th</sup>. At least annually the customer must provide to the Company current contact information.

**FACILITY MODIFICATIONS**

Any costs to modify existing Company facilities or to install new Company facilities required in order to provide service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe service and to ensure that proper billing and accounting can be performed. The Company will require telemetering equipment as a prerequisite to providing transportation service. Customers may increase the daily contract limit if additional equipment is added or if operational changes necessitate firm service backup. All service is subject to the availability of new or additional service requirements shown in § 9.02.

**FEES, COSTS AND CHARGES**

In the event that the Company incurs fees, charges or costs as a result of the transportation of a customer's gas to the Company's distribution system by an upstream pipeline the Company will provide a statement of such charges or costs. The customer will reimburse the Company for all fees, charges or costs associated with such transportation.

**FIRM DEMAND CHARGE**

Customers taking service on the TSF or TBF rate schedules will be billed, in equal monthly amounts, an annual firm demand charge for each Dth of contracted firm transportation. Contracted firm transportation volumes are not subject to the interruption provisions outlined in § 3.02. A customer will be required to pay the firm demand charge for each month during a temporary discontinuance of service.

**ADMINISTRATIVE CHARGE**

Customers taking service on rate schedules TBF, MT, and TSF and TSI will be billed an annual administrative charge of \$4,500 for each end-use site in equal monthly amounts. If a customer has more than one end-use site on contiguous property covered by a single gas purchase contract, a \$4,500 annual administrative charge will be billed to one end-use site. Other end-use sites for that customer will be billed a \$2,250 annual administrative charge. A customer will be required to pay the administrative charge for each month during a temporary discontinuance of service. A customer taking service on multiple rate schedules at the same end use site will be charged one administrative charge.

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**TRANSPORTATION IMBALANCE CHARGE**

Customers taking service on rate schedules TBF, MT, TSF and TSI will be assessed a charge for the services used each day to manage the difference between the customer's scheduled quantities, less fuel, and the customer's actual usage on any given day that are outside of a 5% tolerance. This charge will include storage, no-notice transportation and other related costs incurred by the Company to manage imbalances on a daily basis. The charge will be assessed based on the daily quantities exceeding the 5% tolerance rounded to the nearest tenth. The charge is set forth on the transportation rate schedules and will be recalculated in each pass through filing. The amounts collected will be credited to sales customers in each pass through filing. A customer taking service on multiple rate schedules at the same end use site will have one imbalance for the aggregate activity related to that end use site.

**FUEL REIMBURSEMENT**

A fuel reimbursement of 1.5% will apply to all volumes transported on the MT, TBF, TSF and TSI rate schedules. The reimbursement will be collected by redelivering 1.5% less volume than is received into the Company's distribution system for transportation.

**LIABILITY AND LEGAL REMEDIES (TBF, MT, TSF AND TSI)**

When the Company has identified unsafe conditions at the customer's premises, the Company may take any and all steps necessary to eliminate such conditions at the customer's premises, including but not limited to shutting off gas service, excavating, and evacuating gas from the ground. The Company may also, but is not required to, monitor conditions at the Customer's premises to ensure safe operation while maintaining service to customer during system maintenance and/or repair. Customer will cooperate with Company, and permit Company to access customer's premises, to ensure that unsafe conditions are eliminated. Customer will pay Company any and all costs, fees, and expenses incurred in eliminating such unsafe conditions, and monitoring Customer's premises during maintenance and repair work. The Customer will indemnify the Company against all claims, demands, cost or expense for loss, damage, or injury to persons or property in any manner directly or indirectly connected with growing out of the activities referenced in this Section, the serving or use of gas service by Customer, at or on the Customer's side of the point of delivery.

**INTERRUPTION (TSI)**

Should interruptions be required for TSI service, customers will be interrupted as described in § 3.02.

**GAS PURCHASE ARRANGEMENT DURING PERIODS OF INTERRUPTION (TSI)**

Customers may offer to sell their gas supplies to the Company, and the Company may agree to purchase such gas supplies, for its use during periods of interruption in serving firm sales customers. If a customer opts to sell its gas supply to the Company, and the Company agrees to buy it, such sale shall be made upon the following conditions.

- (1) The customer's gas purchase contract may not preclude continued deliveries by its supplier during periods of interruption of the Company's transportation service.

- (2) Customer agrees that its gas purchase contracts will not allow, during a period of interruption, for the sale, exchange, transportation or beneficial use of Company- requested gas supplies for the benefit of anyone other than: (a) the Company, or (b) parties holding a pre-existing higher contractual priority to the gas supplies.

In no event will customer sell or exchange its gas supplies or otherwise interfere with the Company's ability to purchase customer's gas supplies during a period of interruption.

- (3) Upon notification of interruption of service by the Company, the customer agrees to immediately begin nominating the Company requested amount of gas and will continue such nomination during the period of interruption unless instructed otherwise by the Company.
- (4) The Company will require volumes equal to the average of the three most recently confirmed gas day nominations (less imbalance payback to customers) up to the amount of gas under contract to be available for purchase during an interruption, but will not require volumes in excess of the customer's representative daily use. Volumes not delivered upon request will be subject to the penalty described in (7) below.
- (5) All gas purchased by the Company under this provision shall be at the point where deliveries are made to the upstream pipeline system upon which the Company has contracted for transportation service or delivered directly to the facilities of the Company. The Company will make arrangements for transportation of these purchases during periods of interruption to its own distribution system. The Company's planned gas purchases under the provisions of this section shall be used to meet the requirements of firm sales customers, and all gas purchased is considered necessary to meet the needs of firm customers.
- (6) If the customer agrees to sell and the Company agrees to purchase the price will agreed upon by the parties.
- (7) For volumes that the Company requests to be nominated but which are not available to the Company because of the customer's unexcused failure to nominate (see § 7.02 or because customer has sold, exchanged, transported or otherwise used said gas for the benefit of anyone other than the Company in violation of subsection (2) above), the Company shall impose a penalty equal to the highest purchased gas cost during the period of interruption plus \$15/Dth for the volume of gas requested but not delivered.

Issued by <del>C. L. Bell, VP &amp; General Manager</del> <u>C. C. Wagstaff, VP &amp; General Manager</u>	Advice No. <u>18-0719-11</u>	Section Revision No. <u>23</u>	Effective Date <del>November 1, 2018</del> <u>January 1, 2020</u>
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Dominion Energy Utah  
Docket No. 19-057-T05  
DEU Exhibit 1.03  
Tariff Proposed



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## 2. FIRM SALES SERVICE

### 2.01 CONDITIONS OF SERVICE

The Company provides firm service for residential, commercial and industrial customers qualifying under the classification provisions of each firm sales rate schedule listed in Article 2. Customers initiating or increasing firm sales service must also meet the requirements of § 9.02.

#### FIRM SALES SERVICE RATE SCHEDULE RECLASSIFICATION

Changes in rate schedules may be allowed upon written approval of the Company when requested by the customer in writing. A change may be allowed after a customer has been on the current rate schedule for at least one full year, and if the customer demonstrates that a change in the use of natural gas has occurred that will cause the existing schedule to no longer be appropriate. A customer will be allowed to change rate schedules only on the first day of that customer's next billing cycle.

A request for firm sales service from an existing transportation service or interruptible sales service customer must be received by the Company by March 31<sup>st</sup> in any given year, except in 2014, when the date has been extended to March 30<sup>th</sup>. If approved, such a request will be effective on the first day of the customer's billing cycle which occurs on or after July 1<sup>st</sup>. Approval will be conditioned upon execution of a minimum two-year service agreement.

Issued by C. C. Wagstaff, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	19-11	2	January 1, 2020

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## 4. INTERRUPTIBLE SALES SERVICE

### 4.01 CONDITIONS OF SERVICE

#### SERVICE ARRANGEMENTS

Each interruptible sales customer will be required to enter into a service agreement with the Company and apply for interruptible sales service on a service. The Company may reject applications if, in its sole discretion, the Company is not able to contract for or it does not have adequate gas supplies or acceptance of the customer would not provide benefit to firm sales customers. Applications providing the greatest benefit to firm sales customers will be accepted first.

A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by March 31<sup>st</sup> in any given year. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1st of that same year. Any requests received after February 15th may be approved in the Company's sole discretion.

Additionally, by September 15th of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

- (a) Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that the customer can and will interrupt when called upon to do so by the Company, and
- (b) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

#### DAILY CONTRACT LIMIT

The Company will, at its discretion, allow an interruptible sales customer to use natural gas in excess of its daily contract limit to be charged at the customer's contracted rate schedule. If the Company notifies the customer to limit usage to its contract amount, any usage beyond that limit will incur a penalty as described in § 3.02. The Company reserves the right to limit usage to the daily contract limit.

#### FACILITY MODIFICATIONS

Any cost to modify existing Company facilities or to install new Company facilities required to provide this service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe and efficient service and to ensure that proper billing and accounting can be performed.



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**SERVICE FOR NEWLY INSTALLED FACILITIES**

Customers installing new facilities in the Company's service territory and requesting interruptible sales service may be served as an IS customer on a reasonable-efforts basis.

**MINIMUM YEARLY CHARGE FOR IS CUSTOMERS**

For billing purposes, at the end of each contract year, IS customer's annual bills will be adjusted in order to satisfy the minimum of a 15% load factor requirement as defined in § 4.02. If a customer terminates service or if in the judgment of the Company the customer will not meet its minimum load factor requirement, the Company may assess the minimum yearly charge. The payment necessary to satisfy the minimum yearly charge will be calculated as follows:

Greater of \$3,000 or [(Peak Winter Day x 55 days) - (Annual Historical Use)] x Distribution Non-Gas Rates

Issued by C. C. Wagstaff, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	19-11	3	January 1, 2020

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## **5. TRANSPORTATION SERVICE**

### **TRANSPORTATION BYPASS FIRM (TBF), MUNICIPAL TRANSPORTATION (MT), TRANSPORTATION SERVICE FIRM (TSF) AND TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)**

#### **5.01 CONDITIONS OF SERVICE**

##### **APPLICABILITY**

This service applies to the transportation of customer's gas through the Company's distribution system to a meter at the customer's end-use site, including services provided under TBF, MT, TSF, and TSI rate schedules.

##### **TRANSPORTATION BYPASS FIRM (TBF)**

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.02. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

##### **MUNICIPAL TRANSPORTATION SERVICE (MT)**

The Company provides MT firm service only for municipalities as defined in Utah Code Ann. § 10-1-104(5) or successor statute and under the classification provisions of § 5.03. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing MT firm service must also meet the requirements of § 9.02.

##### **TRANSPORTATION SERVICE FIRM (TSF)**

The Company provides firm transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

##### **TRANSPORTATION SERVICE INTERRUPTIBLE (TSI)**

The Company provides interruptible transportation service for customers qualifying under the classification provisions of § 5.04. Service is subject to provisions of § 5.05 and § 5.06. Customers initiating or increasing interruptible transportation service must also meet the requirements of § 9.02. Customers can take TSI service combined with TSF service or independently. Volumes under TSI service are subject to interruptible provisions as detailed in § 3.01-§ 3.02.

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Additionally, by September 15th of each year, a representative with authority to sign on behalf of the interruptible customer will warrant that the customer:

(A) Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that service required, and the customer can and will interrupt when called upon to do so by the Company, and

(B) Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so, in accordance with § 3.02.

### **REQUEST FOR SERVICE (TBF, MT, TSF AND TSI)**

#### Existing Customers

A written request for transportation service from an existing customer must be received by the Company by March 7<sup>th</sup> in any given year. The request must contain account and specific meter numbers. A fully executed contract and any other requirements must be received by the Company by February 28<sup>th</sup> of the same year. The customer must meet with Dominion Energy Utah's telemetry gas technician by April 15<sup>th</sup> of the same year. Any customer facilities required by the Company to facilitate telemetry, which may include AC power or other equipment, must be installed by the customer and operational by May 15<sup>th</sup> of the same year. QuestLine Access Agreements must be received by the Company by May 31<sup>st</sup> of the same year. If a customer fails to meet any of these deadlines, then the customer will not be permitted to receive TBF, MT, TSF or TSI service during that year. If approved, such a request will be effective on July 1<sup>st</sup> of the same year.

#### New Customers

New Customers must provide a fully executed contract for Transportation service before the Company will install telemetering equipment. Any customer facilities required by the Company to facilitate telemetry, which may include AC power or other equipment, must be installed by the customer and operational by the 15<sup>th</sup> of any given month. Transportation service will commence on the 1<sup>st</sup> of the following month. If service is needed before the Transportation service begins, the customer may take service on the GS rate schedule until the 1<sup>st</sup> of the following month.

### **TRANSPORTATION SERVICE AGREEMENT (TBF, MT, TSF AND TSI)**

Each TBF, MT, TSF and TSI customer must enter into a service agreement with the Company. The service address is the location of the end-use meter(s). The primary end-use site is the first meter site at the service address. Other meter sites on the same contiguous property are defined as secondary end-use sites.

The service agreement will also identify a primary receipt point where the customer's gas can enter the Company's distribution system (Approved Receipt Point). The Company may also, in its sole discretion, accept the customer's gas at alternate receipt points (Alternate Receipt Points). The Company reserves the right to require each customer to utilize the Approved Receipt Point when, in the Company's sole discretion, its operational needs support such a change from any Alternate Receipt Point(s).

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**CONTRACT TERM AND ACKNOWLEDGEMENTS**

All contracts will have an end date of June 30<sup>th</sup>. At least annually the customer must provide to the Company current contact information.

**FACILITY MODIFICATIONS**

Any costs to modify existing Company facilities or to install new Company facilities required in order to provide service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe service and to ensure that proper billing and accounting can be performed. The Company will require telemetering equipment as a prerequisite to providing transportation service. Customers may increase the daily contract limit if additional equipment is added or if operational changes necessitate firm service backup. All service is subject to the availability of new or additional service requirements shown in § 9.02.

**FEES, COSTS AND CHARGES**

In the event that the Company incurs fees, charges or costs as a result of the transportation of a customer's gas to the Company's distribution system by an upstream pipeline the Company will provide a statement of such charges or costs. The customer will reimburse the Company for all fees, charges or costs associated with such transportation.

**FIRM DEMAND CHARGE**

Customers taking service on the TSF or TBF rate schedules will be billed, in equal monthly amounts, an annual firm demand charge for each Dth of contracted firm transportation. Contracted firm transportation volumes are not subject to the interruption provisions outlined in § 3.02. A customer will be required to pay the firm demand charge for each month during a temporary discontinuance of service.

**ADMINISTRATIVE CHARGE**

Customers taking service on rate schedules TBF, MT, and TSF and TSI will be billed an annual administrative charge of \$4,500 for each end-use site in equal monthly amounts. If a customer has more than one end-use site on contiguous property covered by a single gas purchase contract, a \$4,500 annual administrative charge will be billed to one end-use site. Other end-use sites for that customer will be billed a \$2,250 annual administrative charge. A customer will be required to pay the administrative charge for each month during a temporary discontinuance of service. A customer taking service on multiple rate schedules at the same end use site will be charged one administrative charge.

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**TRANSPORTATION IMBALANCE CHARGE**

Customers taking service on rate schedules TBF, MT, TSF and TSI will be assessed a charge for the services used each day to manage the difference between the customer's scheduled quantities, less fuel, and the customer's actual usage on any given day that are outside of a 5% tolerance. This charge will include storage, no-notice transportation and other related costs incurred by the Company to manage imbalances on a daily basis. The charge will be assessed based on the daily quantities exceeding the 5% tolerance rounded to the nearest tenth. The charge is set forth on the transportation rate schedules and will be recalculated in each pass through filing. The amounts collected will be credited to sales customers in each pass through filing. A customer taking service on multiple rate schedules at the same end use site will have one imbalance for the aggregate activity related to that end use site.

**FUEL REIMBURSEMENT**

A fuel reimbursement of 1.5% will apply to all volumes transported on the MT, TBF, TSF and TSI rate schedules. The reimbursement will be collected by redelivering 1.5% less volume than is received into the Company's distribution system for transportation.

**LIABILITY AND LEGAL REMEDIES (TBF, MT, TSF AND TSI)**

When the Company has identified unsafe conditions at the customer's premises, the Company may take any and all steps necessary to eliminate such conditions at the customer's premises, including but not limited to shutting off gas service, excavating, and evacuating gas from the ground. The Company may also, but is not required to, monitor conditions at the Customer's premises to ensure safe operation while maintaining service to customer during system maintenance and/or repair. Customer will cooperate with Company, and permit Company to access customer's premises, to ensure that unsafe conditions are eliminated. Customer will pay Company any and all costs, fees, and expenses incurred in eliminating such unsafe conditions, and monitoring Customer's premises during maintenance and repair work. The Customer will indemnify the Company against all claims, demands, cost or expense for loss, damage, or injury to persons or property in any manner directly or indirectly connected with growing out of the activities referenced in this Section, the serving or use of gas service by Customer, at or on the Customer's side of the point of delivery.

**INTERRUPTION (TSI)**

Should interruptions be required for TSI service, customers will be interrupted as described in § 3.02.

**GAS PURCHASE ARRANGEMENT DURING PERIODS OF INTERRUPTION (TSI)**

Customers may offer to sell their gas supplies to the Company, and the Company may agree to purchase such gas supplies, for its use during periods of interruption in serving firm sales customers. If a customer opts to sell its gas supply to the Company, and the Company agrees to buy it, such sale shall be made upon the following conditions.

- (1) The customer's gas purchase contract may not preclude continued deliveries by its supplier during periods of interruption of the Company's transportation service.

- (2) Customer agrees that its gas purchase contracts will not allow, during a period of interruption, for the sale, exchange, transportation or beneficial use of Company- requested gas supplies for the benefit of anyone other than: (a) the Company, or (b) parties holding a pre-existing higher contractual priority to the gas supplies.

In no event will customer sell or exchange its gas supplies or otherwise interfere with the Company's ability to purchase customer's gas supplies during a period of interruption.

- (3) Upon notification of interruption of service by the Company, the customer agrees to immediately begin nominating the Company requested amount of gas and will continue such nomination during the period of interruption unless instructed otherwise by the Company.
- (4) The Company will require volumes equal to the average of the three most recently confirmed gas day nominations (less imbalance payback to customers) up to the amount of gas under contract to be available for purchase during an interruption, but will not require volumes in excess of the customer's representative daily use. Volumes not delivered upon request will be subject to the penalty described in (7) below.
- (5) All gas purchased by the Company under this provision shall be at the point where deliveries are made to the upstream pipeline system upon which the Company has contracted for transportation service or delivered directly to the facilities of the Company. The Company will make arrangements for transportation of these purchases during periods of interruption to its own distribution system. The Company's planned gas purchases under the provisions of this section shall be used to meet the requirements of firm sales customers, and all gas purchased is considered necessary to meet the needs of firm customers.
- (6) If the customer agrees to sell and the Company agrees to purchase the price will agreed upon by the parties.
- (7) For volumes that the Company requests to be nominated but which are not available to the Company because of the customer's unexcused failure to nominate (see § 7.02 or because customer has sold, exchanged, transported or otherwise used said gas for the benefit of anyone other than the Company in violation of subsection (2) above), the Company shall impose a penalty equal to the highest purchased gas cost during the period of interruption plus \$15/Dth for the volume of gas requested but not delivered.

Issued by C. C. Wagstaff, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	19-11	3	January 1, 2020