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Department of Commerce Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Artie Powell, Director

Doug Wheelwright, Utility Technical Consultant Supervisor

Bob Davis, Utility Technical Consultant

Bhavana Venjimuri, Utility Analyst

Date: October 19, 2020

Re: **Docket No. 20-057-19**, Recommendation (Approval with Recommendation),
Application of Dominion Energy Utah Company to Implement a Sustainable
Transportation and Energy Plan (STEP) Surcharge.

Recommendation (Approval with Recommendation)

The Division of Public Utilities (“Division”) has reviewed Dominion Energy Utah (“DEU”) STEP Surcharge filing. The Division’s review of Dominion’s filing concludes that DEU’s proposed tariff sheets comply with the Public Service Commission of Utah’s (“Commission”) Order approving the parties’ settlement in Docket No. 19-057-33 dated August 31, 2020. Based on its review, the Division recommends the Commission approve DEU’s surcharge and tariff sheets.

Issue

On September 30, 2020, DEU filed with the Commission its Sustainable Transportation and Energy Plan Surcharge and tariff sheets. On October 1, 2020, the Commission issued an Action Request to the Division asking it to review the application and make recommendations. The

Commission asked the Division to report back by October 30, 2020. On October 1, 2020, the Commission issued its Notice of Telephonic Consolidated Scheduling Conference for October 8, 2020 for this and other concurrent dockets filed by DEU. On October 14, 2020, the Commission issued its Scheduling Conference Order for the concurrent Dockets with comments due on or before October 19, 2020 and reply comments on or before October 23, 2020. The hearing is set for October 27, 2020. This memorandum is the Division's response to that request.

Background

The Commission's Report and Order ("Order") in Docket No. 19-057-33, dated August 31, 2020, approved a Settlement Stipulation between DEU and other parties to provide funding of \$500,000 per year to the Intermountain Industrial Assessment Center ("IIAC") for a two-year pilot period. The Commission determined that in light of the Signatories' agreement at hearing, that the Sustainable Transportation Energy Plan ("STEP") balancing account, carrying charge, and associated tariff changes, should be resolved in a future proceeding.¹ If approved, this Application establishes a STEP surcharge to collect \$500,000 allocated annually to all customer classes, and establishes a STEP balancing account in section 2.18. Section 8.07, Calculation of Carrying Charge, has also been updated to include the STEP balancing account in the carrying charge calculations.

Discussion

The Division reviewed DEU's Application and attached tariff changes 1.4 and 1.5, DEU Exhibits 1.1 – 1.3, and Utah Total Bill Change Calc-Fall 2020. The Division concludes DEU's filing complies with the Commission's Order to establish the STEP surcharge with associated balancing account, carrying charge, and associated tariff changes.

The Commission's Order in Docket No. 19-057-33 requires DEU to report the progress of the STEP program to the parties quarterly.

¹ Order at page 6. <https://pscdocs.utah.gov/gas/19docs/1905733/3152031905733oass8-31-2020.pdf>.

Conclusion

The Division's review of Dominion's filing concludes that DEU's proposed tariff sheets are just and reasonable and in the public interest and comply with the Commission's Order approving the parties' settlement in Docket No. 19-057-33 dated August 31, 2020. Based on its review, the Division recommends the Commission approve DEU's surcharge and tariff sheets.

Cc: Jenniffer Clark, DEU
Michele Beck, OCS