

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah	<u>DOCKET NO. 13-057-07</u>
In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah	<u>DOCKET NO. 14-057-09</u> <u>ORDER SETTING FINAL RATES</u>

ISSUED: November 21, 2018

BACKGROUND

A. Docket No. 13-057-07

On September 3, 2013, Questar Gas Company, now doing business as Dominion Energy Utah (DEU), filed a 191 Pass-Through Account (191-Account) application in Docket No. 13-057-07, requesting an annualized gas cost-related rate decrease of \$34.19 million, consisting of a decrease in commodity costs of \$37.16 million and an increase in supplier non-gas (SNG) costs of \$2.97 million, effective October 1, 2013. In an order issued October 11, 2013, the Public Service Commission of Utah (PSC) approved this application on an interim basis pending the completion of an audit by the Division of Public Utilities (DPU).

B. Docket No. 14-057-09

On May 5, 2014, DEU filed a 191-Account application in Docket No. 14-057-09, requesting an annualized gas cost-related rate increase of \$83.85 million, consisting of an increase in commodity costs of \$88.12 million and a decrease of \$4.27 million in SNG costs, effective June 1, 2014. In an order issued July 7, 2014, the PSC approved this application on an interim basis pending the completion of an audit by the DPU.

C. The DPU's Audits in Docket Nos. 13-057-07 and 14-057-09

On October 3, 2018, the DPU filed a memorandum informing the PSC it had completed its audit of DEU's 191-Account, including a Summary of 191 Account Audit Procedures and Results for CY 2014 (collectively, the Audit Report), in the instant dockets. Thereafter, the PSC issued a notice of filing and comment period. No comments were filed and the opportunity to do so has since elapsed.

THE AUDIT REPORT

The Audit Report concludes the costs included in the 191-Account comply with PSC-approved calculations and are just, reasonable, and in the public interest. The Audit Report presents a detailed review of the various cost elements included in the 191-Account, with the exception of those costs incurred under the Wexpro Stipulation and Agreement (Wexpro Agreement). According to the DPU, the costs incurred under the Wexpro Agreement are currently examined and reported upon by an independent certified public accountant. The Audit Report included proprietary 2014 audit reports of the Wexpro Accounting and the Wexpro Hydrocarbon Monitors, both of whom monitor DEU's and Wexpro's performance under the Wexpro Agreement.

The audit focused on the net costs (costs offset by revenues) included in the 191-Account. While conducting the audit, the DPU compared the costs and revenues included in the 191-Account filing with the tariff and evaluated the 191-Account balances. The DPU also reviewed DEU's adjustments to the 191-Account.

Based on the DPU's audit, and in conjunction with the Accounting and Hydrocarbon Monitors' reports, the DPU concludes the costs included in the 191-Account for the period under

evaluation are just, reasonable, and in the public interest, and DEU's procedures are in conformance with prior PSC orders. The DPU proposes no adjustments to the 191-Account for 2014. The DPU recommends the interim rates become final in the instant dockets.

DISCUSSION, FINDINGS, AND CONCLUSIONS

Based on the reasons provided above in the DPU's comments, and in the absence of any opposition, we accept and adopt the DPU's recommendation. Similarly, and based on reasons set forth above, we find the previously-ordered interim rates in the instant dockets are just, reasonable, and in the public interest. Accordingly, we approve the interim rates in Docket Nos. 13-057-07 and 14-057-09 as final.

ORDER

The interim rate changes previously ordered by the PSC in Docket Nos. 13-057-07 and 14-057-09 are final.

DATED at Salt Lake City, Utah, November 21, 2018.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#305612

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on November 21, 2018, a true and correct copy of the foregoing was served upon the following as indicated below:

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