



August 11, 2017

Chris Parker
Utah Division of Public Utilities
Heber M. Wells Building, 4th Floor
P. O. Box 146751
Salt Lake City, UT 84114-6751

Re: Replacement Infrastructure Annual Plan and Budget, Second Quarter Variance Report
Docket No. 16-057-17

Dear Chris,

Dominion Energy Utah (Dominion Energy or the Company) respectfully submits this report and its accompanying exhibit to the Utah Division of Public Utilities (Division) in accordance with the Report and Order issued February 21, 2014 in Docket No. 13-057-05 (Order). In the Order, the Utah Public Service Commission (Commission) approved a Partial Settlement Stipulation (attached to the Order as Appendix A). Paragraph 22(C) of the Partial Settlement Stipulation indicates that the Company will file quarterly variance reports showing the actual expenditures in the infrastructure replacement program, as compared to the budget, and describing any material variances from the most current replacement schedule.

On November 15, 2016, the Company submitted a Replacement Infrastructure Annual Plan and Budget in Docket No. 16-057-17 (2017 Budget) replacement plan to the Commission. The 2017 Budget included a budget for high pressure feeder line (HP) and intermediate high pressure belt main (IHP) replacement projects during 2017.

The attached Exhibit 1 provides budgeted amounts for both HP and IHP projects to be replaced in 2017, as well as the amount spent for each replacement project for the second quarter of 2017. Column B of Exhibit 1 shows the budget by project. Column C shows the costs through the second quarter. Column D shows the remaining budget for 2017 for each of these projects. The Company notes that on July 13, 2017 it sent a letter to the Commission regarding the replacement of Feeder Line 51 in 2017. The Company is currently coordinating with Weber County officials and gathering information and will provide cost estimates when available.

Dominion Energy will continue to provide quarterly feederline progress updates on an ongoing basis. If you or your staff has additional questions concerning these reports, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "Barrie L. McKay".

Barrie L. McKay
Director
Customer Rates and Regulation

cc: Public Service Commission
Office of Consumer Services

2017 Infrastructure Replacement Budget
For the Second Quarter Ending June 30, 2017

A	B	C	D
Feeder Line	2017 Budget	Actual Costs as of June 30, 2017	Variance
High Pressure			
1 FL21	46,106,000	23,815,555	22,290,445
2 FL26	400,000	-	400,000
3 Total High Pressure	46,506,000	23,815,555	22,690,445
Intermediate High Pressure			
4 Salt Lake County Total	6,970,000	1,536,967	5,433,033
5 Utah County Total	1,100,000	-	1,100,000
6 Davis County Total	9,024,000	1,394,424	7,629,576
7 Total Intermediate High Pressure	17,094,000	2,931,391	6,533,033
8 Pre-engineering (Future Projects)	550,000	134,078	415,922
9 Total	64,150,000	26,881,024	29,639,400