



State of Utah
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Division of Public Utilities

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STATUS REPORT UPDATE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Technical Consultant

Date: November 30, 2017

Subject: Status Report Regarding the Findings of the Division's Investigation of the Letter Received on October 4, 2017.

In the Matter of Questar Gas Company's Infrastructure Replacement Infrastructure 2017 Annual Plan and Budget – 16-057-17.

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) take no action as yet regarding the correspondence from an anonymous source received October 4, 2017 (Letter) addressing Dominion Energy Utah's (Company) behavior connected with its Infrastructure Replacement Pilot Program (Tracker).

BACKGROUND

On October 4, 2017, the Commission received the Letter, which made allegations against individuals at the Company and its major contractor working on the Tracker. On October 25,

2017, the PSC provided the Letter to parties and on November 1, 2017, the Division filed a Motion for Temporary Protective Order based on the premise that “the presence of anonymous, uninvestigated claims in the public record threatens reputational harm to the utility, at least one prominent officer, and a third-party. It is in the public interest to maintain the allegations confidentially until the Division reports its investigatory findings.” The Commission determined, based on the Division’s concerns, to treat the Letter as highly confidential and as such the Letter has been removed from the Commission’s website. Included in the Division’s motion for Temporary Protective Order, it made the commitment to “provide a status report every thirty days until it files the report [of its investigation].”(Report) This is the Division’s initial status report.

DISCUSSION

Since its inception, the Division has closely monitored the Tracker. The Division has spent many hours investigating the Tracker and addressing disagreements with the Company. The Division is thoroughly investigating the Letter’s allegations.

On November 7, 2017, the Division issued a set of Data Requests to the Company containing nine questions the purpose of which is to determine the extent of the facts available to substantiate the allegations made in the Letter. The Company has indicated its desire to cooperate. As of this date, the Division has not received any Data Request Responses from the Company in this matter. The Division is likely to have additional data requests after the initial responses are received. In addition to the Division investigation, the Company is conducting its own internal ethics investigation, which the Division will review following its completion.

CONCLUSION

The Letter outlined several allegations against the Company and some against specific individuals. The Division will continue to investigate these allegations and will provide an update to the Commission in 30 days. At the conclusion of its investigation, the Division will

provide a final Report of its findings to the Commission. The Division's investigation is ongoing and the Division recommends that the Commission take no action at this time.

CC: Barrie McKay, Questar Gas Company
 Kelly Mendenhall, Questar Gas Company
 Michele Beck, Office of Consumer Services