



November 30, 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, Third 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 11, 2016, the Company submitted a Replacement Infrastructure Annual Plan and Budget in Docket No. 16-057-17 (2017 Budget) 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 the amount spent for each replacement project through the third quarter of 2017 as compared to the 2017 Budget. Column B of Exhibit 1 shows the budget by project. Column C shows the costs through the third quarter. Column D shows the remaining budget for 2017 for each of these projects. On November 27, 2017 the Commission approved increasing the budget by \$5.27 million to include the replacement of Feeder Line 51 in 2017 (\$6.74 million expected to replace FL51 LESS \$1.47 million in reductions to the IHP and FL26 budgets). The budget shown on Exhibit 1 has been updated to reflect these changes. The Company notes that through September 30, 2017 it has spent \$476,521 on Feeder Line 51 replacement.

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, appearing to read "Kelly Mendenhall", written over a light blue horizontal line.

Kelly Mendenhall
Director
Regulatory and Pricing

cc: Public Service Commission
Office of Consumer Services