

Before the Public Service Commission of Utah

Docket No. 17-057-20

**IN THE MATTER OF THE
PASS-THROUGH APPLICATION OF DOMINION ENERGY UTAH FOR AN
ADJUSTMENT IN RATES AND CHARGES FOR NATURAL GAS SERVICE IN
UTAH**

Surrebuttal Testimony of

Frank T. DiPalma

DPU Exhibit 4.0 SR

On Behalf of the

Utah Division of Public Utilities

May 31, 2018

Introduction and Background

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2 **Q. Mr. DiPalma, please state your name and business address.**

3 A. My name is Frank DiPalma. I am with Williams Consulting Inc. My business address is
4 702 Pinegrove Ave., Jupiter, FL 33458.

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6 **Q. Have you previously filed testimony in this Case?**

7 A. Yes. I filed written direct testimony on behalf of the Staff of the Utah Division of Public
8 Utilities on April 23, 2018. A summary of my educational background and professional
9 qualifications were provided in my direct testimony.

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11 **Q. What is the purpose of your surrebuttal testimony?**

12 A. I have been asked by the Utah Division of Public Utilities to respond to the rebuttal
13 testimony of several Applicant witnesses supporting the pass-through application of
14 Dominion Energy Utah (DEU or Company) for an adjustment in rates and charges for
15 natural gas service in Utah. Specifically, I will respond to the rebuttal testimony of Mr.
16 Platt and Mr. Schwarzenbach.

17

18 **Summary of Surrebuttal Testimony**

19 **Q. Could you summarize your surrebuttal testimony?**

20 A. In response to my direct testimony, the Applicant's witnesses do not take issue with any
21 particular aspect of my testimony. Consequently, my surrebuttal testimony is limited to
22 addressing what appears to be a mischaracterization of my direct testimony in Mr.
23 Schwarzenbach's rebuttal testimony; and to summarizing and reinforcing certain
24 concerns identified in my direct testimony.

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26 **Q. Please discuss what appears to be a mischaracterization of your direct testimony in**
27 **Mr. Schwarzenbach's rebuttal testimony.**

28 A. In lines 135-143 of his direct testimony, Division witness Mr. Orton suggests that Dominion
29 Energy Questar Pipeline does not need to do “anything” in order to provide Firm Peaking
30 Service. In an effort to refute Mr. Orton’s direct testimony, at line 123 in Mr. Schwarzenbach’s
31 rebuttal testimony, he quotes from my direct testimony at lines 591-602, where I respond to the
32 question “What resources does Dominion Energy Questar Pipeline and Kern River Pipeline use
33 to provide their Firm Peaking Services?” In replying to this question, I referred to several DEU
34 responses to document requests (DPU Data Request No 2.14, DPU Data Request No 3.16 and
35 DPU Data Request No.1.50) and to Mr. Schwarzenbach’s Direct Testimony at lines 207-215. So, I
36 was stating what DEU said regarding the resources Dominion Energy Questar Pipeline and Kern
37 River used to provide their respective Firm Peaking Services. In effect Mr. Schwarzenbach was
38 citing his own Company’s document request responses to refute Mr. Orton, not my response.
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40 **Q. Please identify concerns expressed in your direct testimony and summarize their**
41 **implication.**

42 A. My concerns result from a simple comparison of DEU actual and forecasted load growth
43 as enumerated in Table DPU-FTD-1 of my direct testimony. By comparing System Sales
44 (weather normalized), Firm Sales Peak Design Day and Peak Hour Demand, a number of
45 concerns were raised, which DEU has yet to respond to at this time.

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47 These concerns include:

- 48 • Firm Sales Peak Design Day – appears to be projected too high. As the firm sales
49 Peak Design Day forecasted for the 2017/2018 winter is 1.4 times greater than the
50 actual highest firm send out on the coldest day in 2016/2017 and 1.5 times greater
51 than the previous five-year average.
- 52 • Forecasted Peak Hour Growth is projected to increase 1.3 times greater than what
53 was experienced in the last five winter seasons and 1.3 times greater than the
54 previous five-year average.
- 55 • Forecasted Peak Hour Growth relative to Firm Sales Peak Day Growth – appears to
56 be projected too high as the forecasted growth rate for Firm Sales Peak Day is
57 projected to increase .71% per year, while the forecasted Peak Hour Growth

58 rate is projected to increase 1.7% per year, over 2.4 times faster.

59

60 These concerns have a direct implication for the unsteady state flow models. Because
61 the Design Peak Day flow estimate is input into the unsteady state flow models, the
62 models' results would then underestimate the actual system pressures and overestimate
63 the need for system capacity to meet the forecasted Peak Hour demand.

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65 **Q. Does this conclude your surrebuttal testimony?**

66 A. Yes, it does.

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