

Dominion Energy Utah
Law Department
333 South State Street, Salt Lake City, UT 84111
DominionEnergy.com



October 29, 2019

Mr. Gary Widerburg
Public Service Commission of Utah
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84110

Re: Docket No. 17-057-26

Dear Mr. Widerburg:

Questar Gas Company dba Dominion Energy Utah (Dominion Energy or the Company) respectfully submits this update regarding the removal of the tax sur-credit 2 related to tax rate treatment signed into law as part of the Federal tax legislation titled: "An act to provide for reconciliation pursuant to titles II and V of the concurrent resolution of the budget for fiscal year 2018 or Tax Cuts and Jobs Act" (TCJA).

On May 16, 2018, the Company filed a Settlement Stipulation that provided, in part, that "Beginning effective August 1, 2018 and continuing through July 31, 2019, the Parties agree that Dominion Energy shall provide an additional tax-related surcredit, to be applied as twelve monthly credits to customer bills, to return to customers the excess income taxes collected by Dominion Energy from the effective date of the TCJA tax rates . . . up to implementation of the first surcredit identified above" Settlement Stipulation dated May 16, 2018, Docket No. 17-057-26 (Settlement Stipulation), approved by Order Memorializing Bench Ruling Approving Settlement Stipulation issued on June 1, 2018, Docket No. 17-057-26 (Order). The Company applied the surcredit, as contemplated by the Settlement Stipulation, and pursuant to the terms of the Settlement Stipulation, and the surcredit was removed beginning August 1, 2019 after twelve months.

Dominion Energy has agreed to true-up the Tax Reform Surcredit 2 amount that was to be credited to customers and the actual amount credited to customers over the twelve-month effective period of the surcredit. Any difference between these two amounts will be

accounted for using the balance in the integrity management expense rider in the 2019 general rate case. Dominion Energy has performed this true-up, summarized as follows:

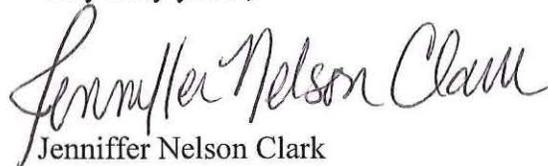
Total Beginning Balance (August 1, 2018) = \$9,621,640.71

Total Tax Reform Surcredit 2 Issued = \$9,622,385.67

Difference to Integrity Management Account = \$744.96

A more detailed schedule of the monthly balance and entries is attached as Attachment 1 to this letter. Pursuant to the Settlement Stipulation in this Docket, the Company will make an adjustment moving the \$744.96 credit to the pipeline integrity management balance in the 2019 general rate case. This will result in a debit of \$744.96 being added to the current balance. Over three years, this would add an additional \$248 in integrity management amortization expense.

Very truly yours,



Jennifer Nelson Clark

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CERTIFICATE OF SERVICE

This is to certify that on October 29, 2019, a true and correct copy of the foregoing letter was served upon the following by electronic mail:

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DEU Attachment 1.0
Tax Sur-credit 2 True-Up

	A	B
		TOTAL
1	Beginning Balance	(9,621,640.71)
2	August 2018	165,948.03
3	September 2018	179,745.20
4	October 2018	409,331.45
5	November 2018	996,396.98
6	December 2018	1,570,908.20
1	January 2019	1,719,823.66
2	February 2019	1,466,300.73
3	March 2019	1,199,107.55
4	April 2019	612,383.93
5	May 2019	379,578.76
6	June 2019	229,570.21
7	July 2019	207,537.28
9	Customer Billing True-up	485,753.69
10	Total	9,622,385.67
11	Remaining Balance	744.96