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Application of Dominion Energy Utah to Amortize the Energy Efficiency Deferred Account Balance	<u>DOCKET NO. 18-057-16</u> <u>ORDER SETTING FINAL RATE</u>
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ISSUED: July 1, 2019

**BACKGROUND AND PROCEDURAL HISTORY**

On October 1, 2018, Dominion Energy Utah (DEU) filed an application (“Application”) with the Public Service Commission of Utah (PSC) requesting approval to amortize the balance of its Energy Efficiency (EE) Account No. 182.4. The Application proposed an EE amortization rate of \$0.25373 per decatherm applicable to the General Service (GS) rate schedule. The Application was based on DEU’s EE accounting entries for the period August 2017 through July 2018. On October 31, 2018, the PSC issued an order approving DEU’s proposed EE amortization rate on an interim basis pending the final results of the Division of Public Utilities’ (DPU) audit of DEU’s EE program expenditures.

On May 8, 2019, the DPU filed the results of its audit (“Audit Report”) of DEU’s EE program expenditures for the period August 1, 2017 through July 31, 2018. On May 10, 2019, the PSC issued a notice of filing and comment period. On May 31, 2019, DEU filed comments responding to the DPU’s Audit Report. No other comments were filed.

**THE DPU’S AUDIT REPORT**

In the Audit Report, the DPU explains its audit process and concludes as follows:  
“Except for those [two] items [explained further below], the actual energy efficiency

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expenditures through July 31, 2018, as presented in [DEU] Docket No. 18-057-16, Exhibit 1.2, page 2 of 2 appear to be correct as stated.”<sup>1</sup>

1. Removal of \$251.21:<sup>2</sup> The DPU identified a duplicate payment in the amount of \$251.21 applied to the EE account;
2. Removal of \$16,853.08: The DPU identified additional duplicate payments in the amount of \$16,853.08 applied to the EE account.

According to the DPU, DEU changed accounting programs beginning January 1, 2018, and the change resulted in duplicate invoice payments. The DPU has since reviewed copies of refund checks received by DEU for the duplicate payments. Based on the foregoing analysis, the DPU recommends the PSC approve the EE interim amortization rate currently in place on a permanent basis, given that DEU provide the PSC verification of the removal of the two duplicate invoice amounts listed above.

**COMMENTS**

On May 31, 2019, DEU filed reply comments stating it has made the recommended adjusting accounting entries. According to DEU, it “also recalculated the impact of the return of these funds. The recalculation found that the [EE] account balance would increase slightly but that there was no measurable effect on the proposed amortization rate of \$0.25373.”<sup>3</sup>

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<sup>1</sup> DPU’s Audit of Dominion Energy’s Energy Efficiency Program Expenditures at 3, filed May 8, 2019.

<sup>2</sup> We note the DPU’s Memo references a value of \$271.21 for this duplicate payment. We conclude the correct amount should be \$251.21 for the following reasons: 1) DEU’s reply comments twice reference a value of \$251.21 rather than \$271.21; and 2) both DEU and the DPU reference the same amount for the combined duplicate payments of \$17,104.29 (*i.e.*, \$17,104.29 – 16,853.08 = \$251.21).

<sup>3</sup> DEU’s Reply Comments at 1, filed May 31, 2019.

**DISCUSSION, FINDINGS, AND CONCLUSIONS**

Based on our review of the DPU's compliance review findings, DEU's comments and accounting entry adjustments, there being no objection to the DPU's findings and recommendation regarding the prudence of any EE program expense during the period under review, we find the EE amortization rate of \$0.25373 per decatherm is just and reasonable, and conclude it is in the public interest.

**ORDER**

We approve the interim rate of \$0.25373 per decatherm as final.

DATED at Salt Lake City, Utah, July 1, 2019.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#308971

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on July 1, 2019, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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