



March 5, 2020

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, Fourth Quarter Variance Report
Docket No. 18-057-22

Dear Chris,

Questar Gas Company dba Dominion Energy (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 15, 2018, Dominion Energy submitted a Replacement Infrastructure Annual Plan and Budget in Docket No. 18-057-22 (2019 Budget) replacement plan to the Commission. The 2019 Budget included a budget for high pressure feeder line (HP) and intermediate high pressure belt main (IHP) replacement projects during 2019.

The attached Exhibit 1 provides budgeted amounts for both HP and IHP projects to be replaced in 2019, as well as the amount spent for each replacement project through December 31, 2019. Column B of Exhibit 1 shows the budget by project. Column C shows the costs through the fourth quarter. Column D shows the variance for 2019 for each of these projects.

The Company 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 black ink, appearing to read "Kelly Mendenhall", written over a white background.

Kelly Mendenhall
Director
Regulatory and Pricing

cc: Public Service Commission
Office of Consumer Services

2019 Infrastructure Replacement Budget
For the Fourth Quarter Ending December 31, 2019

A	B	C	D
Feeder Line	2019 Budget	Actual Costs as of December 31, 2019	Variance (Over) / Under
High Pressure			
1 FL23/FL22	\$34,351,572	\$32,253,287	\$2,098,285 1/
2 FL21	\$16,535,000	\$23,714,041	(\$7,179,041) 2/
3 FL47	\$3,000,000	\$4,465,850	(\$1,465,850) 3/
4 Total High Pressure	<u>\$53,886,572</u>	<u>\$60,433,177</u>	<u>(\$6,546,605)</u>
Intermediate High Pressure			
5 Salt Lake County Total	\$4,500,000	\$2,757,275	\$1,742,725 4/
6 Davis County Total	\$12,000,000	\$7,443,138	\$4,556,862 2/
7 Total Intermediate High Pressure	<u>\$16,500,000</u>	<u>\$10,200,413</u>	<u>\$6,299,587</u>
8 Pre-engineering (Future Projects)	<u>\$550,000</u>	<u>\$440,503</u>	<u>\$109,497</u>
9 Total	<u>\$70,936,572</u>	<u>\$71,074,093</u>	<u>(\$137,521)</u>

1/ FL23 and FL22 are one continuous line that will be replaced by FL127.

2/ FL21 will be replaced by FL122. Related to the FL21 & Davis County variances, FL21 and the Davis County Belt Line are being replaced concurrently, and for construction are treated as one project. In addition, the Company has invested more time and money dealing with groundwater than it had initially projected, due to a very wet spring and low areas of work in Davis County. Some of the restoration costs that were projected to be part of the Belt Line project ended up being charges that were part of the Feeder Line project.

3/ The Company planned to open dig the on and off ramps of the freeway at night, but UDOT wouldn't allow that and the Company had to auger bore those crossings. Soils in the area contained cable and rock which led to trench collapse and required additional imported backfill and extra concrete removal and replacement. The Company encountered thicker than normal concrete and were required to work at night, which slowed production and required greater costs to support the construction effort.

4/ BL29 (Salt Lake County IHP) was put on hold until early 2020, due to unknown location of utility in Union Pacific Rail Road's Right-of-Way.

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the 4th Quarter 2019 Infrastructure

Tracker Update was served upon the following persons by e-mail on March 10, 2020.

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