Docket No 19-057-02

Office of Consumer Services (OCS) Exhibit No. 2.7S (As referenced in OCS 2S - Donna Ramas)

Table of Contents

P.S.C.U. Docket No. 19-057-02
DPU Data Request No. 7.04
Requested by Division of Public Utilities
Date of DEU Response September 3, 2019

DPU 7.04: Please provide the proposed capital expenditures for 2020 by the categories shown in the Merger Integration Reports as listed below.

Description
Distribution Measure & Regulation
Feeder Lines
Distribution Compressor Plant
Distribution Mains
Distribution Services
Meters
Land
Office Buildings & Residences
Furniture & Office Equipment
Transportation Equipment
Tools & Work Equipment
Communication & Telemetering
Filling Stations & Plants
Computer System Software
Computer Equipment
Mains - Other
Services - Other
Meters - Conversions
Telecom Non Construction
Expansion - HP
Retirement Projects
UDOT Accounts Receivable
Accounts Receivable Projects
Accounting Purposes
Total Capital Expenditure

Answer: Please see DPU 7.04 Attachment 1.

Prepared by: Damir Sabanovic, Regulatory Analyst II

Class	2020 Budget
22-Distribution M&R	11,079,008
23-Feeder Lines	92,445,867
24-Distribution Compressors	250,000
25-Distribution Mains - New	10,440,650
26-Distribution Services - New	9,169,440
27-Distribution Meters - New	65,007,157
30-Land	-
31-Offices, Buildings, Residences	2,610,109
32-Furniture & Office Equipment	600,000
33-Transportation Equipment	3,800,000
36-Tools & Work Equipment	2,000,000
42-Filling Stations & Plants	500,000
43-Computer System Software	3,250,000
44-Computer Equipment	1,300,000
52-Distribution Mains	55,000,000
53-Distribution Services	6,000,000
54-Distribution Meters	8,400,000
57-Infrastructure	850,000
080 - Retirement Projects	1,000,000
85-UDOT Receivable	1,500,000
86-Accounts Receivable	2,500,000
Total	**277,702,231**

P.S.C.U. Docket No. 19-057-02
DPU Data Request No. 10.03
Requested by Division of Public Utilities
Date of DEU Response September 5, 2019

DPU 10.03: Please explain the reason for the projected increase in capital spending from \$212.1 million in 2018 to \$277.7 million forecast for 2020.

Answer: The increase in capital spending is primarily due to the following:

Southern System Expansion	\$20.0M
Proposed Tracker Increase to the Infrastructure rate adjustment tracker	\$10.0M
Valve Replacements	\$10.0M
Rose Park Gate Station	\$10.0M
Nibley Tapline	\$ 5.0M
Feederline 55 Extension	\$ 2.0M
Cathodic Protection & AC	\$ 1.5M
Pipeline Mod to support ILI	\$ 1.5M

Prepared by: Damir Sabanovic, Regulatory Analyst II
Keith Taggart, Financial Consultant

DPU 10.04: Please provide additional information and explain the forecast increase in capital expenditures identified in Exhibit 3.05 for Meters and Meter Installations in 2020.

Answer: The Meter capital spend is made up of the following:

Measuring & Regulator Stations	$10,000,000
New Small Meter Blanket for Entire System	11,230,000
IHP Meter Replacements	8,000,000
Transponder Replacements	6,000,000
New Large Meter Blanket for Entire System	4,470,000
Bucket funds for HP Customer meter installation/replacement	400,001
Replace (300) 2G/3G Modems at customer telemetry sites with 4G	229,483

The $10 million in measurement and regulator stations should not have been placed in meters and meter installations, it should have been categorized in M&R Stations.

Prepared by: Damir Sabanovic, Regulatory Analyst II
Keith Taggart, Financial Consultant

P.S.C.U. Docket No. 19-057-02
DPU Data Request No. 10.07
Requested by Division of Public Utilities
Date of DEU Response September 5, 2019

DPU 10.07: Please identify the specific projects and estimated cost for each that has been included in the $203 million cost estimate for Mains in 2020.

Answer:

Feeder Line Tracker	68,000,000
Main Replace Blanket	21,900,000
Southern System Expansion	21,000,000
Belt Line Tracker	12,000,000
New Mains	10,400,000
New Service Lines	10,200,000
IHP Service Line Replacement	8,700,000
TG0007-Tapline for station	8,000,000
Valve Installation (12 locations)	7,900,000
Engineering Mains for system Reinforcement	5,000,000
Main Relocations	5,000,000
SY0002-Tapline for station	4,750,000
LG0012-Nibley Station Tapline	4,500,000
Misc Feeder Line Replace/Relocate Funds	2,500,000
FL36 Tap AC Mitigation Phase I	2,300,000
Continental Riser Replacement	2,000,000
MAOP verification projects	2,000,000
FL6 AC Mitigation Phase I	2,000,000
FL10-Receiver/Launcher Facilities	1,400,000
Cathodic Protection	1,250,000
FL7 AC Mitigation Phase I	1,200,000
Other	1,000,000

Prepared by: Damir Sabanovic, Regulatory Analyst II
Keith Taggart, Financial Consultant

OCS 4.24: Rate Base. In response to OCS 3.01 in the recent depreciation docket, Docket No. 19-057-03, the Company indicated that with the implementation of a new fixed asset accounting system during 2018, no retirements were booked for account 381.21 in 2018, and that the 2019 retirements will include both 2018 and 2019 numbers. The response also indicated that 2018 was "…an anomaly because of the change in accounting systems…"

a. Was Account 381.21 the only account impacted by the implementation? If no, identify all other plant accounts that were impacted.

b. Since retirements that would have been booked in 2018 will now be booked in 2019, please identify specifically where in the rate case model provided in DEU Exhibit 4.18 the additional retirements are included. If not included, please provide all adjustments that should be made to the Company's filing to reflect the additional retirements that the Company was unable to book during 2018. Include all workpapers, calculations and assumptions used in determining the adjustment amounts.

Answer: a. Yes.

b. Retirements that will be booked in 2019 related to transponders have been included in the 101_106 Projection tab. The specific amount is included in cell K20. This reduces the 101 account. This amount is also included in the 108_111 projection tab in cell F8 as a reduction to accumulated depreciation.

Prepared by: Grumnesh A. Gizaw, Senior Accountant
Jordan Stephenson, Manager

OCS 10.02: Projected Plant in Service. Refer to DEU Exhibit 3.1R, which provides the individual projects included in the capital budget for 2020.

a. Please identify when the information identifying the individual projects contained in the capital budget for 2020 was completed by the Company.

b. Please explain, in detail, why the information provided on DEU Exhibit 3.1R was not provided in response to OCS Data Request No. 4.21, which asked for a more detailed capital budget in support of the projected 2020 capital expenditures.

Answer: a. The capital budget finalization for 2020 occurred during the second half of the 2019. This is consistent with the typical capital budget process used by Dominion Energy. The information shown in DEU Exhibit 3.1R was finalized in late October of 2019. The Company had a preliminary list of projects that were under review when it filed this general rate case but a completed list was not finalized within the 2020 capital budget at that time.

b. At the time OCS Data Request No. 4.21 was issued, the Company had a preliminary list of projects for 2020 that had not yet been finalized and as such were not included in its response to the data request. Please see responses to DPU 10.3, 10.4, and 10.7 for an example of some of the projects that were included on the preliminary list prior to finalization.

Prepared by: Scott B. Chandler, Manager, Financial & Business Services

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 10.05
Requested by the Office of Consumer Services
Date of DEU Response November 25, 2019

OCS 10.05: Accumulated Depreciation – Transponder Retirements. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 4, lines 83 – 85, which states: "The Company will record dismantling costs related to transponder replacements from 2016-2019 in 2019."

a. Since the costs to dismantle the transponders being replaced from 2016 to 2018 were actually incurred by the Company from 2016 through 2018, and those costs would have impacted the Company's books and records in some way during the period the costs were incurred, please explain, in detail, how the costs associated with dismantling the transponders that were replaced from 2016 to 2018 was recorded on the Company's books and records from 2016 to 2018? As part of the response, please identify the FERC accounts the dismantling costs were recorded in during 2016 to 2018.

b. Please provide the actual transponder replacement dismantling costs incurred by the Company, for each year, 2016 through 2018, and identify the FERC account(s) these costs were recorded in on the Company's books during that period. This response should include the amount by year and by FERC account.

Answer: a. Dismantling costs were booked to the 107 account, Construction Work in Progress.

b. The estimated dismantling costs, using the 9.09% factor discussed the Rebuttal Testimony of Jordan K. Stephenson, amount to $1,178,727 in 2016, $1,590,455 in 2017, and $936,364 in 2018.These amounts total $3,705,545, as shown on line 12 of DEU Exhibit 3.2R. These dismantling costs were booked to the 107 account.

Prepared by: Damir Sabanovic, Regulatory Analyst II

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 10.07
Requested by the Office of Consumer Services
Date of DEU Response November 25, 2019

OCS 10.07: Accumulated Depreciation – Transponder Retirements. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 4, lines 83 – 85, which states: "The Company will record dismantling costs related to transponder replacements from 2016-2019 in 2019."

a. Were the costs associated with dismantling the transponders that were replaced from 2016-2019 booked to either Construction Work in Progress or Plant in Service as part of the cost of the new transponders that replaced the transponders being replaced? If yes, please provide the amount included in the average plant in service balance in the base year and in the adjusted test year for the dismantling costs that were booked as part of the cost of the new transponders.

b. If the response to part (a), above is yes, does the Company agree that the amounts booked to plant in service for the new transponders should be reduced by the dismantling costs associated with removing the old transponders to avoid a double-counting of the costs in the Company's filing since the dismantling costs are being considered in the Company's dismantling cost factor in the filing? If no, explain, in detail, why not.

Answer: a. Yes. Refer to OCS 10.05. The estimated dismantling costs included in the 107/101 accounts are those provided in DEU Exhibit 3.2R.

b. The Company agrees and anticipates making an adjustment to the 108 (Accumulated Depreciation) and the 101 (Plant in Service) balances.

Prepared by: Damir Sabanovic, Regulatory Analyst II

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 10.13
Requested by the Office of Consumer Services
Date of DEU Response November 25, 2019

OCS 10.13: O&M Expense. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 9, lines 228 – 232 in which the Company indicates, in part, that the updated budget for 2020 includes $151.6 million in total O&M. In response to OCS DR 4.06, filed on September 6, 2019, the Company provided an updated 2020 budget that included O&M expenses of $131.7 million for 2020. Please explain, in detail, what specific factors caused the budgeted 2020 O&M expense to increase by approximately $20 million between the 2020 budget provided in this case on September 6, 2019 and the 2020 budget referenced in the rebuttal filing.

Answer: The difference between the $131.7 million and the $151.6 million is approximately $20 million. About half of this difference is made up of higher insurance, corporate, salary, pension & benefits, contracted labor, IT related, and outside services costs. The other half is primarily from a refinement of expected O&M savings.

Prepared by: Scott B. Chandler, Manager, Financial & Business Services
Mike Rawlins, Senior Financial Analyst

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 10.14
Requested by the Office of Consumer Services
Date of DEU Response November 25, 2019

OCS 10.14: O&M Expense. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 8, lines 190 – 193 and DEU Exhibit 3.4R. The testimony indicates that in preparing DEU Exhibit 3.4R "normal regulatory adjustments" were made to the O&M expenses and the pension expense or credits were removed.

a. For each year presented in DEU Exhibit 3.4R, please provide the beginning total actual O&M expense amounts and an itemization of all "normal regulatory adjustments" that were made to the total actual O&M expense amounts.

b. For each year presented in DEU Exhibit 3.4R, please provide the amount removed for "pension expense or credit".

c. Please provide the severance expense amounts included in DEU Exhibit 3.4R in lines 1 – 6, if any is included.

d. Please provide the amounts included in DEU Exhibit 3.4R, line 16 for 2018 and 2019 for energy efficiency expenses.

Answer:

a. See OCS 10.14 attachment 1
b. See OCS 10.14 attachment 1
c. There are no severance expense amounts included.
d. See OCS 10.14 attachment 1

Prepared by: Jesse D. Jackson, Regulatory Analyst III

O&M Expense Comparisons

		A	B	C	D	E	F	G
		2014	2015	2016	Average Pre-Merger	2018	2019 Forecasted	2020 Forecasted
	O&M Expenses Adjusted							
1	Production	(1,407,406)	(497,459)	(950,343)	(951,736)	(886,887)	(878,018)	(869,238)
2	Distribution	56,919,847	58,606,964	58,448,083	57,991,631	57,001,306	58,722,792	58,275,927
3	Customer Accounts	23,203,905	25,184,307	23,397,570	23,928,594	13,094,990	13,149,173	12,946,300
4	Customer Service & Information	4,811,896	5,159,033	5,018,702	4,996,544	3,160,142	3,177,797	3,117,526
5	Administrative & General	52,777,456	55,075,499	50,911,069	52,921,341	49,229,179	47,948,422	50,838,590
6	Pension	(4,544,849)	(5,307,329)	(3,215,687)	(4,355,955)	2,841,402		
9	Total O&M Expense	131,760,848	138,221,016	133,609,396	134,530,420	124,440,132	122,120,167	124,309,104
10	Forecasted Percentage Change						-1.86%	1.79%

		2018	2019	
11	January	$ 16,410,966	$ 17,164,806	
12	February	$ 16,361,817	$ 14,099,701	
13	March	$ 12,876,243	$ 13,292,261	
14	April	$ 12,641,493	$ 12,367,183	
15	May	$ 9,659,978	$ 11,682,000	
16	June	$ 10,460,449	$ 26,836,242	
17	**Total**	$ 78,410,946	$ 95,442,193	
18	Remove Energy Efficiency	$ (13,778,494)	$ (16,573,110)	
19	Remove Severence		$ (15,300,000)	2/
20	Total	$ 64,632,452	$ 63,569,083	
21	% Change		-1.65%	

2/ Severence payments in 2019 will not be collected from customers. Anticipated 2020 labor expense savings of $7.2M have been included in the proposed test period.

OCS 10.17: O&M Expense. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 9, lines 210 – 213, which indicates that a cost savings initiative was conducted by a third-party consulting firm during the third quarter of 2018 and that the estimated savings were allocated down to the business unit budgets.

a. Please identify the third-party that conducted the cost savings initiative.

b. Please provide the amount included in base year O&M expense, by FERC account, for costs charged by the third-party consulting firm for the cost savings initiative work. This should include costs directly incurred by DEU and costs charged to DEU from affiliated entities. Provide the amounts on a total DEU basis and on a DEU Utah jurisdictional basis.

c. Please provide a copy of any reports, studies and recommendations prepared by the third-party consulting firm associated with the cost savings initiative. Sections of such reports, studies and recommendations that do not impact costs that are incurred by DEU or charges that are direct charged or allocate to DEU from affiliates may be excluded from the information being provided in the response.

Answer:

a. Please see the response to OCS 4.11.
b. The consultant performed their work in 2019 and the Company incurred no expenses in the 2018 base year.
c. Please see the response to OCS 4.11.

Prepared by: Scott B. Chandler, Manager, Financial & Business Services

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 10.19
Requested by the Office of Consumer Services
Date of DEU Response November 25, 2019

OCS 10.19: Expenses – Accrual True-up. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 11, lines 274 – 284 and DEU Exhibit 3.6R. The testimony indicates that DEU Exhibit 3.6R shows that "…2018 accruals were understated by $369,031." It appears from a review of DEU Exhibit 3.6R that the items listed are capital in nature and not costs that would be charged to O&M expense. DEU Exhibit 3.6R identifies the "G/L Acct", but not the FERC account in which the costs were recorded in.

a. For each of the 34 costs listed on DEU Exhibit 3.6R, please identify the FERC account the accruals and the subsequent true-ups were recorded in.

b. For each of the 34 costs listed, please indicate if the cost was capitalized as part of CWIP and/or plant in service or expensed to an O&M expense account.

c. For each of the costs listed that were charged to O&M expense, please explain, in detail, why the costs were considered to be O&M expenses and not capital costs.

d. For each of the costs listed that were charged to O&M expense, please provide a copy of the invoice received from the vendor.

Answer:

a. All costs were recorded in 107-Construction work in Capital
b. All of the costs were capitalized.
c. All the 34 costs listed were capital not O&M expenses.
d. All the cost listed were charged to Capital not O&M expenses.

Prepared by: Cynthia Partey, Regulatory Analyst II

	A	B	C	D	E
	G/L Acct	Contractor/Vendor Name	Item Text (Description of Service)	Accrual	Invoiced Amount
1	5303030	Whitaker Construction	4100 South Relocation	50,000	
2	5303030	Tempest Enterprises	UDOT 7200 S Relocation (50% Reim)	79,749	79,749
3	5303030	Niels Fugal Sons CO LLC	CS206 - FL 125 Ogden Groundbed	17,237	17,237
4	5303030	Niels Fugal Sons CO LLC	CS208 - FL 97 Moab Groundbed	18,000	22,157
5	5303030	WHITAKER CONSTRUCTION	RIVERTON ODORANT FACILITY CONSTRUCTION	55,912	
6	5303030	ENSIGN ENGINEERING	RIVERTON ODORANT FACILITY SURVEY AS-BUILT	5,700	3,920
7	5303030	GATEWAY PAINTING	PAINTED PV0010 STATION YARD PIPING	6,180	
8	5399065	KERN RIVER (CREDIT)	RIVERTON ODORANT FACILITY CONSTRUCTION	(413,708)	(357,797)
9	5399065	UPS (CREDIT)	UPS SLC Distribution Service Line	(35,907)	(35,763)
10	5399065	UPS (CREDIT)	UPS SLC Distribution Meter Set	(429,747)	(298,086)
11	5399065	B. Jackson Costruction and Engineering	New Service Line Installations	94,293	101,129
12	5399065	Diamond S Company	New Service Line Installations	112,438	115,412
13	5399065	Niels Fugal Sons CO LLC	New Service Line Installations	109,462	91,039
14	5399065	Niels Fugal Sons CO LLC	New Service Line Installations	168,998	103,061
15	5399065	Tempest Enterprises	New Service Line Installations	81,830	145,859
16	5399065	Tempest Enterprises	New Service Line Installations	80,310	87,529
17	5399065	Whitaker Construction	New Service Line Installations	102,318	133,086
18	5399065	Whitaker Construction	New Service Line Installations	79,470	98,542
19	5399065	B. Jackson Costruction and Engineering	New Main Installations	45,858	45,939
20	5399065	Diamond S Company	New Main Installations	286,127	257,347
21	5399065	Niels Fugal Sons CO LLC	New Main Installations	235,269	240,317
22	5399065	Tempest Enterprises	New Main Installations	45,177	74,066
23	5399065	Tempest Enterprises	New Main Installations	318,543	186,647
24	5399065	Whitaker Construction	New Main Installations	130,069	119,746
25	5399065	Whitaker Construction	New Main Installations	119,802	224,872
26	5399065	Flare Construction	New Main Installations	57,366	59,623
27	5399065	Niels Fugal Sons CO LLC	IHP Main Replacement	140,508	186,354
28	5399065	B. Jackson Costruction and Engineering	IHP Main Replacement	73,851	70,444
29	5399065	Canyon Pipeline	IHP Main Replacement	46,146	
30	5399065	Niels Fugal Sons CO LLC	IHP Main Replacement	137,256	794,916
31	5399065	Niels Fugal Sons CO LLC	IHP Main Replacement	200,860	143,000
32	5399065	Whitaker Construction	IHP Main Replacement	285,266	32,642
33	5399065	Flare Construction	IHP Main Relocation	28,512	28,551
34	5399065	Whitaker Construction	IHP Main Relocation	69,361	
35				2,402,505	2,771,537
36				Difference	369,031
37				Audit Accrual Difference	(673,367)
38				**Total Accrual True-Up**	**(304,336)**

OCS 10.20: Expenses – Accrual True-up. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 11, lines 274 – 284 and DEU Exhibit 3.6R. The testimony indicates that DEU Exhibit 3.6R shows that "…2018 accruals were understated by $369,031." It appears from a review of DEU Exhibit 3.6R that the items listed are capital in nature and not costs that would be charged to O&M expense. If any of the 34 costs itemized on DEU Exhibit 3.6R are costs that were capitalized and not charged to O&M expense, explain, in detail, why the difference between the accrual and the invoiced amount should be used to increase O&M expense.

Answer: The costs items listed in Exhibit 3.6R are Capital. The invoice amount related to capital cost should not be included in the O&M expense.

Prepared by: Cynthia Partey, Regulatory Analyst II

OCS 10.21: Expenses – Accrual True-up. Refer to DEU Exhibit 3.6R – 2018 Accruals True-Up. Please explain, in detail, what factors caused the accruals and the invoiced amounts on lines 8, 9 and 10 to be negative amounts. Additionally, please provide a copy of the invoices for the negative amounts on lines 8, 9 and 10.

Answer: These accruals were anticipated payments from Kern River and UPS and the actual amounts were different. The actual amounts paid were capitalized and treated as a CIAC. Because they were capitalized, they should be removed from Mr. Stephenson's adjustment.

Prepared by: Matthew L Vergara, Sr Accountant

OCS 11.03

Could not download from vBulletin

OCS 11.03: Pensions. Please indicate the year in which the Company began accounting for pensions using the accrual method of accounting for financial reporting purposes.

Answer: The Company is not certain which specific year the accrual method of accounting began; however, it has utilized the accrual method of accounting for the pension for the last few decades. It is assumed that it began in 1987 with the passage of SFAS 87.

Prepared by: Mike Rawlins, Financial Planning and Analysis

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 11.04
Requested by the Office of Consumer Services
Date of DEU Response November 26, 2019

OCS 11.04: Pensions. Please identify the first rate case, by docket number, in which the Company included pension costs in rates in its filing based on the accrual method of accounting in Utah.

Answer: It is unclear when the Company first included pension costs in rates in its filing based on the accrual method of accounting in Utah. The first rate case the Company filed after the implementation of FAS 87 was in 1989 in docket 89-057-15. The order in this case is silent on the treatment of pension costs so it is unclear what accounting treatment was used.

The Company can confirm that the pension asset was included in the 1999, 1995, and 1993 general rate cases as part of the 165 account (prepaid expenses). Following the 1999 case, the Company changed the account from 165 to a payable to affiliates account. Following the 1999 case, the account related to the pension changed and it is unclear why the Company excluded the balance from rate base. Following the merger, Dominion Energy noted that the positive pension balance should include in a separate asset account and the Company has included that account in its base period rate base consistent with the 1999 treatment.

Prepared by: Kelly B Mendenhall, Director, Regulatory & Pricing

OCS 11.05: Pensions. For each year since the implementation of the accrual basis of accounting for pension costs, please provide the following information:

a. Amount of cash contributions to the pension plan assets;

b. Minimum pension funding requirement under ERISA;

c. Net periodic pension costs; and

d. Amount of net periodic pension costs charged to expense (i.e., exclude portion charged to capital and other).

Answer: Dominion Energy objects to this Data Request on the grounds that it is substantially overbroad, vague, seeks information that is neither relevant or likely to lead to the discovery of admissible evidence, and seeks information that is not in within the possession or control of Dominion Energy. Specifically, it seeks information "since the implementation of the accrual basis of accounting for pension costs" which dates back decades, without limitation. Moreover, information like that requested in subsection b. is not determined by the Company, particular to the Company, or within the Company's possession or control. Subject to the foregoing objections, the Company responds as follows:

OCS 11.05 Attachment provides the amount of contributions and total pre-capitalized pension expense by year. The post-capital pension expense is not available for each of the years provided. Historically, between 50%-70% of total pension cost has been expensed in any given year depending on booked labor.

Prepared by: Jordan K. Stephenson, Manager, Regulation
Jenniffer N. Clark, Senior Counsel

Dominion Energy Utah, Wyoming - Pension Contribution and Expense

Year	Contribution	Pre-Cap Expense
1998	2,628,526	4,072,267
1999	2,110,600	1,735,000
2000	1,005,000	9,285,603
2001	5,380,510	3,854,063
2002	5,203,830	3,324,094
2003	5,892,725	4,142,513
2004	5,897,829	4,276,997
2005	10,687,864	9,043,870
2006	12,653,000	12,569,517
2007	10,027,950	7,693,483
2008	7,981,336	7,771,000
2009	10,930,864	10,901,000
2010	14,166,462	13,037,435
2011	25,876,400	12,446,646
2012	38,851,980	17,666,736
2013	29,450,080	15,992,128
2014	21,348,850	6,521,273
2015	33,473,650	8,463,411
2016	9,089,800	3,996,742
2017		(10,345,361)
2018		(5,445,794)
2019		(3,304,772)

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 11.06
Requested by the Office of Consumer Services
Date of DEU Response November 26, 2019

OCS 11.06: Pensions. For each rate case filed by the Company before the Utah Public Service Commission since the implementation of the accrual basis of accounting for pension costs, please provide the following information:

a. The docket number of the proceeding;

b. The base year and test year used in the Company's filing;

c. The amount of pension expense requested by the Company for inclusion in the determination of revenue requirement; and

d. The amount of pension expense included in the Commission's order, if such amount can be derived from the order.

Answer: Dominion Energy objects to this Data Request on the grounds that it is substantially overbroad, vague, seeks information that is neither relevant or likely to lead to the discovery of admissible evidence, and seeks information that is not in within the possession or control of Dominion Energy. Specifically, it seeks information "since the implementation of the accrual basis of accounting for pension costs" which dates back decades, without limitation. Subject to the foregoing objections, the Company responds as follows:

The information in the Company's possession is shown in the table below. Cells that are blank indicates that the Company was not able to find that information.

Docket	Base Year	Test Year	Expense requested	Commission approved expense
Docket 16-057-03	2015	2017	$3,197,681	Withdrawn
Docket 13-057-05	2012	2014	$8,180,535	Pension and OPEB was adjusted down by $3,796,264 in settlement
Docket 09-057-16	2008	2010	$5,915,216	Order is silent on pension expense
Docket 07-057-13	2006	2008	Unavailable	Order is silent on pension expense.
Docket 02-057-02	2001	2002	Unavailable	Order is silent on pension expense.

Docket 99-57-20	1999	1999	Unavailable	Order approves inclusion of $2,166,261 in prepaid pension costs in rate base but is silent on pension expense.

Prepared by: Kelly B Mendenhall, Director, Regulatory & Pricing
Jenniffer N. Clark, Senior Counsel

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 11.17
Requested by the Office of Consumer Services
Date of DEU Response November 26, 2019

OCS 11.17: Pensions. Refer to DEU Exhibit 6.0R – Rebuttal Testimony of Alan Felsenthal, page 11, lines 273 – 276 in which Mr. Felsenthal describes what a prepaid asset is. For each year from the date the Company initially implemented the accrual basis of accounting for pension costs to date, please provide the amount of prepaid pension asset or pension liability on the Company's books as of December 31st of the year and as of the most recent date available.

Answer: Please refer to OCS 11.05.

Prepared by: Jordan K. Stephenson, Manager, Regulation

P.S.C.U. Docket No. 19-057-02
OCS Data Request No. 11.21
Requested by the Office of Consumer Services
Date of DEU Response November 26, 2019

OCS 11.21: Post-retirement Benefits Other Than Pensions. Please provide the average amount of prepaid asset or liability on the Company's books associated with post-retirement benefits other than pension for the base year and as projected for the test year. Additionally, please explain, in detail, why this asset or liability was not included as a component of rate base in the Company's filing.

Answer: The balance is shown below.

DEUIW OPEB Liability Balance			
	Beg Bal	End Bal	Average
2018	(11,679,648)	(8,225,752)	(9,952,700)
2020	(8,225,752)	(5,906,909)	(7,066,331)

Prepared by: Jordan K. Stephenson, Manager, Regulation