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Department of Commerce Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Eric Orton, Utility Technical Consultant

Date: March 13, 2020

Re: **Docket No. 19-057-02**, In the Matter of the Dominion Energy Utah to Increase Distribution Rates and Charges and Make Tariff Modifications.

Recommendation (Approval)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the updated tariff which supersedes Dominion Energy Utah Tariff for Natural Gas Service in the State of Utah 400. This represents the Step 1 rate changes and “all other Tariff changes” which the Commission ordered in its February 25, 2020 Report and Order concluding the General Rate Case (GRC) of Dominion Energy Utah (Gas Utility).

Background

On July 1, 2019, the Gas Utility submitted its GRC Application to the Commission. In its order on February 25, 2020 the Commission approved a Distribution Non-Gas (DNG) revenue requirement rate increase specifying that “the total increase will be implemented in a series of three steps: the first step will occur on March 1, 2020; the second and third steps will each occur in the early fall of 2020 and 2021, respectively.”

The Commission also approved “DEU’s proposed administrative tariff modifications.

On March 10, 2020 the Gas Utility submitted its compliance filing providing the proposed tariff sheets representing the Commission's Report and Order of February 25, 2020.

The next day, the Commission issued an Action Request to the Division directing it to review the tariff for compliance and make recommendations ASAP. This memorandum is the Division's response to the Action Request.

Discussion

In its order the Commission directed the Gas Utility to "file appropriate Tariff revisions reflecting the Step 1 through Step 3 rate changes and all other Tariff changes approved herein within 14 days after the date of this Report and Order. The Tariff revisions shall reflect the determinations and the decisions contained in this Report and Order." Additionally, it directed the Division to "promptly review the Tariff revisions for compliance with this Report and Order."

Although the strict language of the Commission's Report and Order states that Step 1 through Step 3 be reflected in the tariff, the Division, in concurrence with the Gas Utility, believe that the intent is that these Step 2 and Step 3 rate changes be included in the tariff at the stated dates. Namely: Fall of 2020 for Step 2 and Fall of 2021 for Step 3 as outlined in table 6. Revised tariff sheets for Step 2 and Step 3 have not been provided since the effective date for these changes have not been determined.

The Gas Utility provided its revised tariff for Step 1 in both in the final proposed format and legislative formats, which the Division has reviewed as directed. The Division checked the rates in the applicable tariff sheets with the Commission's tables 7, 8, and 9 in its Report and Order and have found the rates and charges from the Commission's tables match the filed tariff sheets. Therefore, the Gas Utility's tariff 500 accurately reflects the Commission's directives in its Report and Order of February 25, 2020.

Conclusion

The Division reviewed the revised tariff of the Gas Utility and has determined that it is in line with the Commission's order and accurately reflect the results of that order. The Division, therefore, recommends the Commission approve the updated tariff (500) filed on March 10, 2020 and make it available for public inspection.

Cc: Maria Wright, Division of Public Utilities
Kelly Mendenhall, Dominion Energy Utah
Michele Beck, Office of Consumer Services