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Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah
From: Utah Division of Public Utilities
Artie Powell, Director
Doug Wheelwright, Utility Technical Consultant Supervisor
Eric Orton, Utility Technical Consultant
Date: December 4, 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 sheets. The updated tariff represent the Step 2 rate changes that the Commission ordered in its February 25, 2020 Report and Order (Order) concluding the General Rate Case (GRC) of Dominion Energy Utah (Dominion or DEU).

Background

On July 1, 2019, Dominion submitted its GRC Application to the Commission. In its Order, 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.”

On March 10, 2020 Dominion submitted the proposed tariff sheets representing the implementation of the Commission’s Order for the phase 1 rate increase. On March 11, 2020 the

Commission issued its Action Request to the Division stating that it was due “ASAP”. Two days later, on March 13, 2020 the Division submitted its recommendation to the Commission validating the accuracy of the tariff rates representing the phase 1 rate schedules. The Division also stated that “the revised Tariff sheets for Step 2 and Step 3 rate changes were not provided as required by the Order because the effective dates for these changes have not yet been determined and that the intent of the Order is that the Step 2 and Step 3 rate changes be included in the Tariff at the stated dates: Fall of 2020 for Step 2 and Fall of 2021 for Step 3, as identified in Table 6”.

On March 17, 2020, the Commission approved these Tariff sheets with an effective date of March 1, 2020, and concurred with the Division regarding its “interpretation of the filing dates for the Step 2 and Step 3 rate changes.”

On March 24, 2020, Dominion filed a letter with the Commission stating that following the filing of the Step 1 tariff sheets it discovered an error which referred “to a 30-year timeframe for the calculation of Cycle Degree Day Variance instead of a 20-year timeframe required”. The filing proposed to correct the error by including corrected tariff sheets for Section 2.05. On March 27, 2020 the Commission approved the proposed modifications to Tariff Section 2.05 as filed, effective March 1, 2020.

On November 25, 2020 Dominion filed a request for the Commission to issue an order approving the implementation of Step 2 rates. In its Order the Commission directed Dominion to file the Step 2 increase “consistent with DEU’s Fall Infrastructure Tracker filing, but no later than December 31, 2020.” Accordingly, Dominion submitted the Infrastructure Tracker application on the same date.

On November 25, 2020 the Commission issued its Action Request to the Division directing it to review the tariff for compliance and make recommendations which were due to the Commission on December 24, 2020. Then on December 2, 2020 the Commission issued an Amended Action Request changing the due date to December 10, 2020. This memorandum is the Division’s response to the Amended Action Request.

Discussion

In this current filing, Dominion provided its revised tariff for Step 2 in both legislative and final format included as Exhibit 1.01 and 1.02, respectively. The Division has reviewed the filed tariff sheets as directed. The Division checked the rates in the applicable tariff sheets with the Commission's figures in tables 8, and 9 in its Order and have found the rates and charges from the Commission's tables match the filed tariff sheets. Dominion's tariff sheets accurately reflect the Commission's directives. The result of these proposed changes in rates is a 0.32% decrease, or a decrease of \$2.16 per year for a typical GS residential customer as is shown in Exhibit 1.03.

Dominion also filed, concurrent applications to "implement the infrastructure replacement tracker surcharge in Docket No. 20-057-21 and modify the Sustainable Transportation and Energy Plan (STEP) surcharge to reflect the Step 2 cost-of-service allocations in Docket No. 20-057-23." The Division is reviewing these applications separately.

Conclusion

The Division reviewed Dominion's revised tariff filing and has determined that it is in line with the Commission's Order and accurately reflect the figures of that Order. The Division, therefore, recommends the Commission approve the updated tariff sheets filed on November 25, 2020, with an effective date of December 31, 2020, and make them available for public inspection.

Cc: Kelly Mendenhall, Dominion Energy Utah
Michele Beck, Office of Consumer Services