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DEPARTMENT OF COMMERCE  
Office of Consumer Services

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To: The Public Service Commission of Utah

From: The Office of Consumer Services

Michele Beck, Director  
Alyson Anderson, Utility Analyst

Date: July 16, 2021

Subject: Docket 19-057-02 Comments

**In the Matter of:** Settlement Stipulation Regarding Prudence Review of Investments Related to Dominion Energy Utah's Infrastructure Program

## INTRODUCTION

In Docket No. 19-057-02, the Office of Consumer Services ("OCS") asked the Utah Public Service Commission ("PSC") to clarify the intent and timing of the prudence review of investments related to Dominion Energy Utah's ("DEU") Infrastructure Tracker Program ("ITP"). In the February 25, 2020 Report and Order, the PSC found this request reasonable as the only guidance on the subject had been part of an approved Stipulation in Docket No. 09-057-16. On January 13, 2021 the PSC issued a Request for Comments regarding the prudence review of investments related to DEU's ITP. The OCS, DEU and the Division of Public Utilities ("DPU") submitted comments and recommendations regarding the prudence review of investments related to DEU's Infrastructure Tracker Program. The OCS and DEU also submitted reply comments.

On June 16, 2021, the OCS, the DPU and DEU submitted a Settlement Stipulation Regarding Prudency Review for the Infrastructure Tracker Program ("Settlement") for approval by the PSC, and on June 17, 2021 the PSC issued a Notice of Filing and Comment Period. In accordance with the PSC's June 17, 2021 Request for Comments, the OCS submits these comments regarding that Settlement.

The ITP was designed to allow DEU to track and recover costs, outside of a general rate case, directly related with the replacement of aging infrastructure investment through an incremental surcharge. The investment is then included in base rates in the next general rate case. During the last DEU rate case, the OCS became concerned about when and to what extent a prudence review was conducted on the infrastructure investment included in the ITP and ultimately base rates. In comments, the OCS sought a process that provided transparency into the prudence reviews that are being conducted as well as sufficient oversight to justify the large amount of investments coming into rates through a tracker rather than in a general rate case. The Settlement established a detailed matrix outlining the timeline of anticipated ITP filings by DEU. The matrix also describes the timing of the DPU analysis and requested PSC action for each filing, specifically identifying points in the process during which other stakeholders can participate. This will allow all interested parties to easily track the ITP investment from budget to completion providing greater transparency of the overall process and associated review. The OCS supports this settlement and believes that the evidence in the record establishes that the settlement is just and reasonable in result and in the public interest. The OCS recommends that the PSC approve the settlement.

cc: Docket 19-057-02 Service List