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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Eric Orton, Utility Technical Consultant

Date: October 19, 2021

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 represents the Step 3 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 for 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 October 1, 2021, Dominion filed a request for the Commission to issue an order approving the implementation of Step 3 rates. In its Order the Commission directed Dominion to file the Step 3 increase “consistent with DEU’s Fall Infrastructure Tracker filing”, accordingly, Dominion submitted the Infrastructure Tracker application on the same date.

On October 4, 2021 the Commission issued its Action Request to the Division directing it to review the motion and make recommendations which were due to the Commission on November 1, 2021. Also on October 4, 2021 the Commission gave “notice it’s designated Presiding Officer will conduct a consolidated scheduling conference...October 5, 2021. The result of this scheduling conference changed the due date for the Division’s Action Request Response to October 19, 2021. This memorandum is the Division’s response to the Action Request.

Discussion

In this current filing, Dominion provided its revised tariff for Step 3 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 0.31% decrease, or a decrease of \$2.15 per year for a typical GS residential customer as is shown in Exhibit 1.03. Dominion also filed, seven concurrent applications and the Division is reviewing these applications separately. The cumulative effect of all these applications and the proposed Step 3 rates are shown in its proposed tariff sheets in legislative form in Dominion's Exhibit 1.04 and in final form in Exhibit 1.05.

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 October 1, 2021, with an effective date of November 1, 2021, and make them available for public inspection.

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