The Public Service Commission (PSC) approves the five applications Dominion Energy Utah (DEU) filed in these dockets. The combined effect of these applications increases the annual bill of a typical GS residential customer, using 80 decatherms (Dth) of natural gas, by approximately $11.45 or 1.84 percent.

The PSC approves the following applications on an interim basis, subject to audit, effective October 1, 2019:

i. Pass-Through Application of DEU for an Adjustment in Rates and Charges for Natural Gas Service in Utah (Docket No. 19-057-18);
ii. Application of DEU for an Adjustment to the Daily Transportation Imbalance Charge (Docket No. 19-057-19); and
iii. Application of DEU to Change the Infrastructure Rate Adjustment (Docket No. 19-057-20).

Additionally, the PSC approves the following applications on a final basis, effective October 1, 2019:

iv. Application of DEU to Amortize the Conservation Enabling Tariff Balancing Account (Docket No. 19-057-21); and
v. Application of DEU for an Adjustment to the Low Income Assistance/Energy Assistance Rate (Docket No. 19-057-22).

PROCEDURAL BACKGROUND

DEU filed these applications on August 30, 2019. Each application proposes discrete rate changes to be effective October 1, 2019.

On September 9, 2019, the PSC held a consolidated scheduling conference for these dockets. During the conference, the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) took the position that the Utah Supreme Court’s ruling in Utah Office of Consumer Services and Utah Association of Energy Users v. Public Service Commission et al., 2019 UT 26, 445 P.3d 464 (the “Opinion”) does not preclude the PSC from granting the interim rates DEU seeks in several of these dockets.

On September 10, 2019, the PSC issued a Scheduling Order and Notice of (Consolidated) Hearing (“Scheduling Order”). The Scheduling Order asked the DPU and the OCS to explain in initial comments how they distinguish the interim rates DEU seeks in these dockets from those the Opinion declared the PSC did not have the authority to approve.

On September 17, 2019, the DPU filed comments and recommendations regarding the five applications, saving its comments regarding the applicability of the Opinion for a later filing. On September 20, 2019, DEU, the OCS, and the DPU (collectively, the “Parties”) each filed legal briefing concerning the Opinion. The OCS also filed separately its reply comments and recommendations concerning the factual merit of DEU’s applications. On September 23, 2019,
the OCS and DEU filed reply briefs concerning the Opinion. No other party petitioned to intervene or filed comments in any of these dockets.

On September 24, 2019, the PSC held a hearing to consider the applications, during which DEU, the OCS, and the DPU provided testimony.

FACTUAL BACKGROUND

**Docket No. 19-057-18: 191 Account Application**

DEU’s Pass-Through, 191 Account Application in Docket No. 19-057-18 (“191 Account Application”) proposes adjustments in rates and charges for natural gas service related to DEU’s Account 191.1 of the Uniform System of Accounts, Unrecovered Purchased Gas Costs (“191 Account”). \(^1\) Page three of this application states the request is based on projected Utah gas-related costs of $444.036 million for the forecast test year ending September 30, 2020 (“Test Year”). This represents an overall increase of $11.352 million, reflecting a projected $34.246 million increase in commodity costs and a projected $22.894 million decrease in supplier non-gas (SNG) costs. In addition, consistent with the PSC’s May 9, 2019 Order Approving Dominion Energy Utah’s Modifications to Tariff Section 2.06 in Docket No. 19-057-T01, DEU’s present application included updated Tariff Pages 2-9 through 2-14 with an effective date consistent with the proposed effective date of this 191 Account filing.

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\(^1\) See DEU’s Utah Natural Gas Tariff PSCU 500 at 2-1 to 2-9. As the PSC recognized in an earlier docket, “[t]he 191 Account’s purpose is to allow [DEU] to recover, on a dollar-for-dollar basis, the difference between projected gas costs and the actual costs [DEU] incurs to purchase gas. In addition to commodity gas costs, the 191 Account also tracks certain ‘supplier non-gas costs’ . . . which are costs associated with gathering, processing, transporting and storing gas.” *In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah*, Docket No. 16-057-05, Order Memorializing Bench Rulings at 2 (issued July 11, 2016).
The 191 Account Application Seeks an Approximate $0.30 Increase per Dth in the Commodity Component of Rates.

The 191 Account Application proposes to increase DEU’s total commodity rate from $3.29 per Dth to $3.59 per Dth.² DEU’s proposed commodity rate constitutes the sum of the “Base Gas Cost” rate and the “191 Amortization Rate” as shown below:

<table>
<thead>
<tr>
<th>Current Commodity Rate per Dth</th>
<th>Proposed Commodity Rate per Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Gas Cost</td>
<td>$3.21635</td>
</tr>
<tr>
<td>191 Amortization Rate</td>
<td>$0.06922</td>
</tr>
<tr>
<td><strong>Total Commodity Rate</strong></td>
<td><strong>$3.28557</strong></td>
</tr>
</tbody>
</table>

² The 191 Account Application, Ex. 1.5 p.1.


The total commodity rate increase reflects a decrease in Base Gas Costs in concert with an increase in the amortization portion of the 191 Account balance. The amortization reflects a 191 Account commodity balance of $49.754 million (owed to DEU) as of July 2019. DEU proposes to amortize this balance by establishing a 191 Amortization Rate of $0.43865 per Dth.

The 191 Account Application Seeks a $22.894 Million Decrease in Total Revenue Collections Tied to SNG Rates During the Test Year.

DEU’s Total SNG Costs are the sum of the forecast SNG costs and the current 191 SNG Account balance. In this case, the forecast SNG costs are $86.880 million and current SNG rates are estimated to recover $112.214 million. DEU proposes to apply a uniform percentage decrease of 20.41 percent to the firm SNG rates. DEU also proposes maintaining the SNG amortization amount of $2.440 million approved in Docket No. 19-057-04 in order to keep the
SNG Account balance within the +/-$14 million\(^4\) as described on page 8, paragraph 17(b) of the 191 Account Application. DEU proposes the following changes to the SNG Base Rate and the SNG Amortization Rate:\(^5\)

<table>
<thead>
<tr>
<th>Rate Schedule</th>
<th>Current SNG Rate per Dth</th>
<th>Proposed SNG Rate per Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>GS Rate Schedule</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer Blocks 1 and 2(^6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$0.53482</td>
<td>$0.42320</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>$0.01216</td>
<td>$0.01216</td>
</tr>
<tr>
<td>Total</td>
<td>$0.54698</td>
<td>$0.43536</td>
</tr>
<tr>
<td>Winter Blocks 1 and 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$1.13909</td>
<td>$0.90136</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>$0.02590</td>
<td>$0.02590</td>
</tr>
<tr>
<td>Total</td>
<td>$1.16499</td>
<td>$0.92726</td>
</tr>
<tr>
<td>FS Rate Schedule</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer Blocks 1, 2, and 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$0.53482</td>
<td>$0.42320</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>$0.01216</td>
<td>$0.01216</td>
</tr>
<tr>
<td>Total</td>
<td>$0.54698</td>
<td>$0.43536</td>
</tr>
<tr>
<td>Winter Blocks 1, 2, and 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$1.10943</td>
<td>$0.87789</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>$0.02523</td>
<td>$0.02523</td>
</tr>
<tr>
<td>Total</td>
<td>$1.13466</td>
<td>$0.90312</td>
</tr>
<tr>
<td>NGV Rate Schedule</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$0.82198</td>
<td>$0.65043</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>$0.01870</td>
<td>$0.01870</td>
</tr>
<tr>
<td>Total</td>
<td>$0.84068</td>
<td>$0.66913</td>
</tr>
<tr>
<td>IS Rate Schedule</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SNG Base Rate</td>
<td>$0.17907</td>
<td>$0.17907(^7)</td>
</tr>
<tr>
<td>SNG Amortization Rate</td>
<td>not applicable</td>
<td>not applicable</td>
</tr>
<tr>
<td>Total</td>
<td>$0.17907</td>
<td>$0.17907</td>
</tr>
</tbody>
</table>

\(^4\) This amount is changed from the +/-$20 million variation previously utilized by DEU due to changes in the definitions of SNG costs, which the PSC approved in Application of Dominion Energy Utah for Approval of Modifications to Tariff Section 2.06, Docket No. 19-057-T01, Order Approving Dominion Energy Utah’s Modifications to Tariff Section 2.06 (issued May 9, 2019).

\(^5\) 191 Account Application, Ex. 1.5 p.3.

\(^6\) The GS Block 1 rate is applicable to the first 45 Dth; Block 2 is applicable to usage greater than 45 Dth.

\(^7\) See 191 Account Application, Ex. 1.5 p.3, n.4 for calculation.
The DPU Supports the 191 Account Application, Subject to an Audit, and No Party Opposes the Application.

The DPU testified the rates proposed in the 191 Account Application are just and reasonable, and in the public interest, and recommended their approval on an interim basis, effective October 1, 2019, subject to audit and review. Given approval, the DPU calculates a typical8 GS residential customer will realize an annual bill increase of $8.24, or 1.32 percent. No party opposes the 191 Account Application.

Docket No. 19-057-19: Daily Transportation Imbalance Charge Application

The PSC approved a Daily Transportation Imbalance Charge (“TIC”) in Docket No. 14-057-31.9,10 This rate is applicable to transportation customers taking service under DEU’s MT, TS, and TBF rate schedules.11 Since February 2016, DEU has assessed this charge, which is required to be recalculated as part of the 191 Account pass-through process. In the application it filed in Docket No. 19-057-19 (“TIC Application”), DEU proposes to increase the TIC from $0.08323 to $0.08489 per Dth for daily imbalance volumes outside of a 5 percent tolerance for transportation customers,12 using historical data for the twelve months ended July 31, 2019.

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8 The assumption is that a typical GS residential customer uses 80 Dth per year.
9 See In the Matter of the Application of Questar Gas Company to Make Tariff Modifications to Charge Transportation Customers for Use of Supplier-Non-Gas Services, Docket No. 14-057-31, Order (Issued November 9, 2015).
10 DEU and Questar Gas Company are used synonymously throughout this order.
11 The FT-1 rate schedule was renamed TBF (Transportation Bypass Firm) in Docket No. 18-057-T04. In addition, the TS schedule now includes both Transportation Service Firm (TSF) and Transportation Service Interruptible (TSI) customer classes.
12 DEU Tariff, Section 5.01, Transportation Service, defines “‘Daily imbalance’ . . . as the difference between the customer’s nominated volumes, less fuel, and the actual usage on any given day.”
The DPU Supports the TIC Application on an Interim Basis, and DEU proposes the TIC rates be approved as final.

The DPU testified the current TIC has only been in place since February 2016. While it does appear the nominations have become more accurate since this rate was imposed, a number of individual customers with gas nominations still fall outside the acceptable range, and there is also a large variation in the size of customers using the transportation rate. According to the DPU, while 80 percent of the transportation volumes are attributed to the 97 largest DEU customers, these large customers represent just 56 percent of the total Dth outside of the tolerance limit. Conversely, the 899 transportation customers representing the remaining 20 percent of total transportation volumes account for 44 percent of the Dths outside the tolerance limit. The DPU adds that most of the daily nominations are made through third-party marketing companies and not all of the marketing companies have the same level of accuracy with the daily nomination process. The DPU commits it will continue to monitor the TIC and usage for broader issues.

The DPU states it has reviewed the calculation and this application, but has not completed an audit of the individual entries and the credits to the 191 Account. The DPU testified the requested changes are just and reasonable, and in the public interest. Accordingly, the DPU recommends the proposed rate be approved on an interim basis, effective October 1, 2019, until the DPU can complete its audit. The OCS states it takes no position with this application; no party opposes this application.

13 DPU September 17, 2019 Comments at 11.
Docket No. 19-057-20: Application of Dominion Energy Utah to Change the Infrastructure Rate Adjustment

In 2010, the PSC approved the Infrastructure Tracker Pilot Program (“Tracker”) as a means to allow DEU to track and recover, through incremental natural gas rate surcharges, costs directly associated with the replacement of aging gas distribution infrastructure. Subsequently, in DEU’s 2013 general rate case, the PSC authorized DEU to continue the Tracker provided that DEU must first complete and place into service $84 million in infrastructure investment. This docket addresses the 11th Infrastructure Rate Adjustment (IRA) application filed since that 2013 general rate case.

In this application (“Tracker Application”), DEU is requesting to modify the Tracker-related distribution non-gas (DNG) portions of GS, FS, Natural Gas Vehicle (NGV), IS, TBF, Municipal Transportation (MT), and Transportation Service (TSF and TSI) rate schedules. The application proposes the rate adjustments be made effective October 1, 2019.

The uncontested application and supporting evidence are briefly summarized as follows. Exhibit 1.1 of the Application represents that approximately $408.296 million in cumulative infrastructure investment was placed in service from January 2013 through August 2019. The application reflects a revenue requirement of $34.590 million on the investment in excess of

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16 This amount includes a $2,490 revenue requirement adjustment associated with interruptible penalties in accordance with Section 3.02 (Periods of Interruption) of DEU’s Utah Natural Gas Tariff PSCU 500.
$84 million at the time of filing, and is an incremental revenue requirement increase of $1.965 million since the previous IRA filing in Docket No. 18-057-21.\(^\text{17}\)

In support of this application, DEU filed exhibits presenting the amount of infrastructure investments, calculations showing the compensation amount of revenue required by DEU for its tracked investments, and revised tariff sheets reflecting the proposed rate adjustments. DEU calculates the Tracker revenue requirement as follows:

**Revenue Requirement Calculation**\(^\text{18}\)

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Revised Revenue Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Total Net Investment</td>
<td>$408,296,289</td>
</tr>
<tr>
<td>2.</td>
<td>Less: Amount currently in rates</td>
<td>($84,000,000)</td>
</tr>
<tr>
<td>3.</td>
<td>Replacement Infrastructure Tracker</td>
<td>$324,296,289</td>
</tr>
<tr>
<td>4.</td>
<td>Less: Accumulated Depreciation</td>
<td>($18,237,464)</td>
</tr>
<tr>
<td>5.</td>
<td>Accumulated Deferred Income Tax</td>
<td>($43,497,709)</td>
</tr>
<tr>
<td>6.</td>
<td>Net Rate Base</td>
<td>$262,561,116</td>
</tr>
<tr>
<td>7.</td>
<td>Current PSC-Allowed Pre-Tax Rate of Return</td>
<td>x 9.33%</td>
</tr>
<tr>
<td>8.</td>
<td>Allowed Pre-Tax Return</td>
<td>$24,496,952</td>
</tr>
<tr>
<td>9.</td>
<td>Plus: Net Depreciation Expense</td>
<td>$6,939,941</td>
</tr>
<tr>
<td>10.</td>
<td>Net Tax Other Than Income</td>
<td>$3,150,733</td>
</tr>
<tr>
<td>11.</td>
<td>Total Revenue Requirement</td>
<td>$34,587,626</td>
</tr>
<tr>
<td>12.</td>
<td>Plus: Adjustment for Interruptible Penalty</td>
<td>$2,490</td>
</tr>
<tr>
<td>13.</td>
<td>Remaining Revenue Requirement</td>
<td>$34,590,116</td>
</tr>
<tr>
<td>14.</td>
<td>Previous Revenue Requirement</td>
<td>$32,625,315</td>
</tr>
<tr>
<td>15.</td>
<td>Incremental Revenue Requirement</td>
<td>$ 1,964,801</td>
</tr>
</tbody>
</table>

*The DPU Supports the Tracker Application, and No Party Opposes It.*

If approved, the Tracker Application will result in an increase in a typical residential customer’s annual bill by approximately $0.86, or 0.14 percent. The DPU testified the rates

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\(^{17}\) See Application of Dominion Energy Utah to Change the Infrastructure Rate Adjustment, Docket No. 18-057-21.

\(^{18}\) See Tracker Application, Ex. 1.1 at 4, filed August 30, 2019.
proposed in the Tracker Application are just and reasonable, and in the public interest. At hearing, the DPU recommended the PSC approve the requested rate change on an interim basis effective October 1, 2019, subject to audit and review.

The OCS takes no position on the Tracker in this proceeding.

**Docket No. 19-057-21: Conservation Enabling Tariff Application**

This application ("CET Application") affects DEU’s Conservation Enabling Tariff (CET) amortization component of the DNG rate of the GS rate schedule. According to DEU, as of July 2019, the CET account has an under-collected balance of $41,456.91. DEU proposes to amortize this balance by applying a percentage change to the GS DNG rate, as set forth in Exhibit 1.2. As a result, a typical GS customer will see an annual bill increase of approximately $2.34 or 0.38 percent. This proposed increase is due to the removal of a prevision credit amortization, according to the DPU.

<table>
<thead>
<tr>
<th>GS Rate Schedule</th>
<th>Current CET Rate per Dth</th>
<th>Proposed CET Rate per Dth</th>
<th>Difference in CET Rates per Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summer Block 1</td>
<td>-$0.02321</td>
<td>$0.00033</td>
<td>+$0.02353</td>
</tr>
<tr>
<td>Summer Block 2</td>
<td>-$0.00977</td>
<td>$0.00014</td>
<td>+$0.00990</td>
</tr>
<tr>
<td>Winter Block 1</td>
<td>-$0.03158</td>
<td>$0.00045</td>
<td>+$0.03202</td>
</tr>
<tr>
<td>Winter Block 2</td>
<td>-$0.01814</td>
<td>$0.00026</td>
<td>+$0.01839</td>
</tr>
</tbody>
</table>

The DPU Supports the Proposed Conservation Enabling Tariff Rates, and No Party Opposes the Application.

The DPU testified the rates proposed in the CET Application are just and reasonable, and in the public interest, and recommended the PSC adopt them as final, effective October 1, 2019. If approved, the DPU calculates a typical GS customer will see an annual rate increase of $2.34, or 0.38%. No party provided comments or testimony opposing the application.
DOCKET NOS. 19-057-18, 19-057-19, 19-057-20, 19-057-21, and 19-057-22

- 11 -

The OCS states it agrees with the DPU’s recommendation in this docket.

**Docket No. 19-057-22: Low Income Assistance/Energy Assistance Rate Application**

In Docket No. 10-057-08, the PSC approved the Low Income Assistance/Energy Assistance Program (“Energy Assistance Program”), affecting the energy assistance component of the DNG rates of the GS, FS, NGV, IS, TBF, TSF, TSI, and MT rate classes, and established a $1.5 million balancing account (Account 191.8) to provide bill credits to qualified low-income customers. In this application (“Energy Assistance Application”), DEU seeks an adjustment to Account 191.8 to ensure that the target funding level of $1.5 million is maintained.

According to DEU, during the period ending July 2019, it over-collected $30,570 from customers on a cumulative basis since the beginning of the Energy Assistance Program. This amount, when subtracted from the $1.5 million allowable balance, yields a sum of $1,469,430 that will be collected from customers during the test period (October 2019 through September 2020).

On August 19, 2019, DEU met with interested parties including representatives from the DPU, the OCS, and AARP; those in attendance determined it was appropriate to adjust the credit from $77.00 down to $75.00. Accordingly, DEU proposes to decrease the per-customer Energy Assistance Program credit amount from $77.00 to $75.00.19

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19 DEU calculates the $75.00 credit by using an estimated 21,863 participants in the upcoming heating season, determined by averaging the actual participants from 2017, 2018, and 2019. The projected payout fund calculation is $1,647,605 divided by the 21,863 customers, to equal the rounded $75.00 credit available to qualifying customers.
The DPU Supports the Energy Assistance Program Rate, and No Party Opposes the Application.

The DPU supports DEU’s Energy Assistance Application to change the annual credit from $77.00 to $75.00. The DPU testified the rates proposed are just and reasonable, and in the public interest, and recommended approval effective October 1, 2019. Based on the information presented in this application, the DPU calculates a typical GS residential customer will see an annual bill increase of $0.01.

The OCS states it agrees with the DPU’s recommendation in this docket.

Summary of the Combined Effect of All the Applications, if Approved

According to the DPU, given approval of all applications in this filing on a consolidated basis, the annual bill of a typical GS residential customer will increase by approximately $11.45 or 1.84 percent:

191 Account Application: $8.24 increase or 1.32%
Transportation Imbalance Charge Application: — Not Applicable —
Infrastructure Tracker Application: $0.86 increase, or 0.14%
Conservation Enabling Tariff Application: $2.34 increase, or 0.38%
Low Income Assistance/Energy Assistance: $0.01 increase, or 0.00%

Combined Impact: $11.45 increase, or 1.84%.

LEGAL BACKGROUND

As an initial matter, we appreciate the Parties’ legal briefing concerning whether the Opinion precludes the PSC from granting interim rates with respect to any of the accounts at issue.

The Parties offer numerous grounds to distinguish the interim rates sought here from those the Court considered in the Opinion. DEU emphasizes that the Court held the PSC erred in
that case by interjecting an interim rate under Utah Code § 54-7-13.5 ("EBA Statute") without requiring the utility to prove by "substantial evidence" that the costs incorporated in the interim rates were "prudently incurred" or "just and reasonable." (DEU Legal Comments at 2-3.)

DEU maintains, by contrast, that here substantial evidence exists to approve the rates it seeks. (Id.) DEU references the simplicity of the underlying contracts, which the PSC has generally already approved as prudent, and the long track record of relative accuracy with respect to interim rates in the 191 Account. DEU asserts that denying the requested rate changes will "reduce cash flows and put pressure on the credit metrics for [DEU], potentially resulting in additional [interest] costs for customers." (Id. at 7.) DEU further notes that failure to approve the rate change now will cost customers more than $500,000 in unnecessary carrying charges. DEU submits, on these facts and circumstances, substantial evidence exists to support its request and that the risk to customers of denying the request significantly outweighs the risk attendant to minor adjustments that may prove to be appropriate after a full audit.

The OCS asserts the Opinion does not apply to the 191 Account because it was established under the PSC’s general jurisdiction statutes, not the EBA Statute. The OCS bases this argument generally on its observation that the 191 Account significantly predates the EBA Statute. The OCS asserts the Legislature did not intend the EBA Statute to operate "retroactively" such that its provisions apply to the pre-existing 191 Account.

The DPU argues the 191 Account is the only account at issue in these dockets to which the EBA Statute applies.20 The DPU asserts the OCS’s argument that the EBA Statute was not

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20 In its Legal Comments, the DPU took the position that the EBA Statute “likely does apply” to the TIC. (DPU Legal Comments at 3.) However, at hearing, the DPU’s counsel conceded DEU had made a “good point” in arguing,
intended to apply to the 191 Account “is not without some merit” but believes this “reading strains the limits of interpretation.” (DPU Legal Comments at 4-5.) The DPU does not address DEU’s contention that it has provided substantial evidence in support of its request.

FINDINGS, CONCLUSION, AND ORDER

The 191 Account Application

As an initial matter, the PSC concludes the 191 Account is plainly a gas balancing account under the EBA Statute. The EBA Statute refers to the PSC’s authority to “establish a gas balancing account for a gas corporation” and defines such an account as an “account to recover on a dollar-for-dollar basis, purchased gas costs, and gas cost-related expenses.” Utah Code Ann. § 54-7-13.5(1)(c). This is a precise description of the 191 Account. The PSC finds unpersuasive the OCS’s contention that the statute does not apply to the 191 Account merely because the PSC first approved it on an earlier date. Applying the statute to dockets that were decided prior to the enactment of the statute would be a retroactive application as the OCS argues; applying it to subsequent dockets adjusting an existing account is straightforward prospective application of the statute.

The PSC further concludes, as the Parties seem to agree, that the 191 Account is the only account at issue that falls within the purview of the EBA Statute. The TIC, Energy Assistance Program, Tracker, and CET are not “gas balancing accounts” under the EBA Statute because

in its reply comments, that the TIC does not recover costs on a dollar-for-dollar basis and, therefore, falls outside the EBA Statute. Because the PSC concurs with this observation and does not find the point controversial, we discuss it no more here.
they do not recover on a dollar-for-dollar basis purchased gas costs and gas cost-related expenses.

While the EBA Statute and the Opinion apply to the 191 Account, the PSC finds substantial evidence exists to support DEU’s request for an adjustment in the rate. “‘Substantial evidence’ is that quantum and quality of relevant evidence that is adequate to convince a reasonable mind to support a conclusion.” *First Nat’l Bank v. County Bd. of Equalization*, 799 P.2d 1163, 1165 (Utah 1990). Additionally, “[s]ubstantial evidence is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.” *Grace Drilling Co. v. Bd. of Review*, 776 P.2d 63, 68 (Utah Ct. App. 1989) (quotation omitted). It is “more than a mere scintilla of evidence … though something less than the weight of the evidence.” *Id.* (quotation omitted).

DEU offered sworn testimony and reasonably detailed documentation and calculations summarizing the gas costs it seeks to recover. The DPU and the OCS both support the requested rate change, and no party offered any evidence in opposition. Further, we note the quality and kind of evidence in this docket is substantially similar to the evidence DEU has submitted in prior years to support its request for these interim rates, which subsequent audits have historically shown to be generally accurate.

We further find that denial of the requested change would harm customers, causing them to incur unnecessary carrying charges in excess of $500,000. Although DEU did not quantify the risk, we also find credible DEU’s concern that denial of the request may negatively impact its
Accordingly, we find substantial evidence supports our conclusion that the rate change DEU seeks with respect to the 191 Account pertains to prudently incurred costs and is just, reasonable, and in the public interest. We grant the request on an interim basis to ensure the purpose of the balancing account is fully realized such that DEU recovers no more from customers (or less) than the costs it actually incurs. The rates may, therefore, be “trued up” after DPU completes its audit, though we anticipate such changes will be minor.

**The TIC Application**

Based on DEU’s TIC Application and the DPU’s comments regarding the TIC Application, we find the requested change is just, reasonable, and in the public interest. Because DPU has not completed an audit of the individual entries and the credits to the 191 Account, we conclude our historical practice of granting this request on an interim basis is appropriate until an audit is complete.

**The Tracker Application**

Based on DEU’s applications and exhibits, the DPU’s comments, and the testimony and evidence presented at hearing, the PSC finds the rates DEU requests in the Tracker Application are just, reasonable, and in the public interest. The PSC grants the request on an interim basis pending completion of the DPU’s audit.
The CET Application and Energy Assistance Program Application

Based on DEU’s applications and exhibits, the DPU’s comments, and the testimony and evidence presented at hearing, the PSC finds the rates DEU requests in the CET Application and Energy Assistance Program Application are just, reasonable, and in the public interest. Based on the DPU’s recommendation and our review of the filings, we find these changes do not require an audit and, therefore, the PSC grants these requests as final rates.

Suggestion to Open a New Proceeding

Both the DPU and the OCS suggest the PSC open “a [new] docket to address conforming the 191 Account … to [the EBA Statute].” (DPU Legal Comments at 7.) As discussed above, the Opinion held the PSC erred by failing to find substantial evidence existed to conclude the interim rates at issue were just, reasonable, and in the public interest. We have expressly found here the evidence supports such a finding with respect to the 191 Account. Accordingly, the PSC declines to open a new proceeding of its own accord at this time. Any party may, of course, file a request for agency action, detailing the relief it seeks, in the event it believes such a proceeding is necessary. Additionally, 191 Account dockets always include a scheduling conference, during which any party may advocate a schedule or process.

Therefore, we order:

1. The rates proposed in Docket Nos. 19-057-18, 19-057-19, and 19-057-20 are approved on an interim basis effective October 1, 2019, pending the results of the DPU’s forthcoming audits;

2. The rates proposed in Docket Nos. 19-057-21 and 19-057-22 are approved as final, effective October 1, 2019.
Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC’s final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.
CERTIFICATE OF SERVICE

I CERTIFY that on September 30, 2019, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

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By Hand Delivery:

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160 East 300 South, 2nd Floor
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________________________________________
Administrative Assistant