

Informational Filing of Dominion Energy Utah Concerning the Transponder Replacement Program and Request for a Waiver of Applicable Commission Rules	<u>DOCKET NO. 19-057-25</u> <u>ORDER APPROVING SETTLEMENT</u> <u>STIPULATION</u>
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ISSUED: December 10, 2019

**SYNOPSIS**

The Public Service Commission approves a settlement stipulation, dated November 14, 2019, resolving issues related to Dominion Energy Utah’s transponder replacement program.

**BACKGROUND AND PROCEDURAL HISTORY**

On October 1, 2019, Dominion Energy Utah (DEU) filed with the Public Service Commission (PSC) an Informational Filing and Request for Waiver of Commission Rules (“Request”). The Request asks the PSC to temporarily waive certain PSC rules and provisions of DEU’s Utah Natural Gas Tariff No. 500 (“Tariff”) related to billing estimates until the conclusion of DEU’s transponder replacement program.

On October 31, 2019, the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) filed comments. The DPU asserted DEU violated certain PSC rules and provisions of DEU’s Tariff. The DPU recommended the PSC deny DEU’s Request and order DEU to “diligently pursue the meter readings as required by rule and to limit the backbills [sic] consistent with the [PSC]’s rules and [DEU’s Tariff].” (DPU Comments at 7-8). The OCS asserted the need for a waiver because “[DEU] has and will continue to violate [Utah Admin. Code R746-200-4(B)(1)] and is likely to have violated and to continue to violate [Utah Admin. Code R746-320-8(A)(1) and R746-320-8(C)].” (OCS comments at 12).

On November 14, 2019, DEU, the DPU, and the OCS (“Parties”) jointly filed a settlement stipulation (“Settlement”) in resolution of issues raised in this docket. On December 5, 2019, the PSC’s designated Presiding Officer conducted a hearing to consider the Settlement during which DEU, the DPU, and the OCS testified in support of its approval.

**DISCUSSION, FINDINGS, AND CONCLUSIONS**

**A. The Settlement**

Paragraphs 5 through 10 of the Settlement describe the resolution of issues raised in DEU’s Request and the transponder replacement program. In these paragraphs, the Parties agree for the purposes of settlement:

- (1) the PSC should temporarily waive the provisions of Utah Admin. Code R746-200-4(B) and R746-320-8(A) - (C) effective immediately and until September 30, 2020. On October 1, 2020, the waiver should terminate and the PSC need not waive any provision of DEU’s Tariff;
- (2) the transponder replacement program shall be completed on or before September 30, 2020, and DEU must apply to the PSC for permission to extend the deadline, if necessary;
- (3) DEU will review each informal complaint received by the DPU from a customer whose bill has been estimated, including any such complaints received by the DPU prior to the date of the Settlement or thereafter. For estimates exceeding six consecutive months, DEU will calculate the under-billed amount exceeding six months and, at shareholder expense, refund that amount to the customer;
- (4) the PSC should impose a \$500.00 penalty on DEU; and
- (5) DEU will provide to the PSC quarterly update and final status reports pertaining to the transponder replacement program.

Further, “[DEU] commits that in future instances where it becomes aware that it is at risk of violating a [PSC] rule or Tariff provision that it will bring this issue to the [PSC]’s attention as soon as practicable and move for a waiver when appropriate. The Parties agree and request that

this commitment be expressly incorporated into any order approving this settlement.”

(Settlement at 3.)

**B. Parties’ Testimony at Hearing**

All Parties testified the Settlement is just, reasonable, and in the public interest and recommend PSC approval. Specifically, DEU testified the Settlement’s waiver provision is in the public interest because it enables DEU to deploy some meter reading resources to replace transponders, thereby helping to resolve the transponder issue more quickly. The OCS testified on the importance of Settlement Paragraph 10 for earlier disclosure and resolution of this type of event in the future. The OCS specifically endorses the other provisions of the Settlement as being in the public interest, noting they closely match the proposal put forth in its comments in this docket.

**C. Findings of Fact and Conclusions of Law**

Settlement of matters before the PSC is statutorily encouraged. In evaluating a settlement, we consider it as a whole and must find whether the settlement is just and reasonable in result and whether the record evidence supports this finding. Utah Code Ann. § 54-7-1.

The evidence in this docket is uncontested. Based on the testimony at hearing and the Settlement’s representations, we find the Settlement’s resolution of issues related to this docket is reasonable. We further find the Settlement’s waiver provision supports an efficient resolution of the transponder issue, the disclosure provision will help prevent this type of issue going forward, and the reporting requirements are important and necessary to ensure transparency and appropriate monitoring of the transponder replacement program. Consistent with the Settlement,

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we order DEU to pay a civil penalty in the amount of \$500.00, payable to the State of Utah, within 90 days of the date of this order.

Based on the foregoing, we find and conclude the Settlement is just and reasonable in result and in the public interest.

**ORDER**

- 1) We approve the Settlement.
- 2) When DEU becomes aware it is at risk of violating a PSC rule or a provision of DEU's Tariff, DEU shall bring the issue to the PSC's attention as soon as practicable and move for a waiver when appropriate.
- 3) DEU shall pay the \$500.00 penalty within 90 days of this order.

DATED at Salt Lake City, Utah, December 10, 2019.

/s/ Michael J. Hammer  
Presiding Officer

Approved and Confirmed December 10, 2019, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#311416

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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 December 10, 2019, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

Jenniffer Clark ([jenniffer.clark@dominionenergy.com](mailto:jenniffer.clark@dominionenergy.com))  
Kelly Mendenhall ([kelly.mendenhall@dominionenergy.com](mailto:kelly.mendenhall@dominionenergy.com))  
Austin Summers ([austin.summers@dominionenergy.com](mailto:austin.summers@dominionenergy.com))  
Dominion Energy Utah

Patricia Schmid ([pschmid@agutah.gov](mailto:pschmid@agutah.gov))  
Justin Jetter ([jjetter@agutah.gov](mailto:jjetter@agutah.gov))  
Robert Moore ([rmoore@agutah.gov](mailto:rmoore@agutah.gov))  
Steven Snarr ([stevensnarr@agutah.gov](mailto:stevensnarr@agutah.gov))  
Assistant Utah Attorneys General

Madison Galt ([mgalt@utah.gov](mailto:mgalt@utah.gov))  
Division of Public Utilities

Cheryl Murray ([cmurray@utah.gov](mailto:cmurray@utah.gov))  
Office of Consumer Services

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Administrative Assistant