



State of Utah

Department of Commerce
Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Bob Davis, Utility Technical Consultant

Date: March 24, 2021

Re: **Docket No. 19-057-33, Approve with Previous Conditions**, DEU's Application for Approval of Natural Gas Clean Air Project and Funding for Intermountain Industrial Assessment Center.

Recommendation (Approve with Previous Conditions)

The Division of Public Utilities ("Division") recommends the Public Service Commission of Utah ("Commission") approve Dominion Energy of Utah ("DEU")'s Notice of Temporary Suspension of Program for the first year and its plan to commence the program retroactively as of March 1, 2021. The Division recommends the Commission hold DEU accountable to the conditions the Commission approved in its August 31, 2020, Order.

Issue

On March 1, 2021, DEU filed with the Commission its Notice of Temporary Suspension of Program. On March 1, 2021, the Commission issued an Action Request to the Division to review for compliance and make recommendations. The Commission asked the Division to report back by March 31, 2021. On March 2, 2021, DEU filed its Corrected Notice of Temporary Suspension of Program to correct some incorrect dates.

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Background and Discussion

On July 16, 2020, DEU, the Division, and the Utah Office of Consumer Services (“OCS”), entered into a settlement stipulation (“Stipulation”) that created DEU’s Natural Gas Clean Air Project and Funding for Intermountain Industrial Assessment Center (“Program”).¹ The Stipulation provided, among other things, that “*If necessary, funding assessments, and pilot program period may be temporarily suspended due to COVID-19 restrictions.*”² [emphasis added]

Since the entry of the Commission’s Order, the COVID-19 pandemic has persisted impacting DEU’s and the University of Utah’s Intermountain Industrial Assessment Center’s (“IIAC”) ability to perform any energy efficiency assessments or clean air analyses. IIAC has experienced difficulties and setbacks related to contracting for and performing the assessments contemplated in the Settlement Stipulation.³ As a result, the Company and the IIAC agreed to temporarily suspend the Program from March 1, 2020 to February 28, 2021. DEU and the IIAC now believe the COVID-19 pandemic has diminished to a point where IIAC can fully advance the activities contemplated in the Settlement Stipulation. Accordingly, DEU gives the Commission notice of DEU’s and IIAC’s intent to temporarily suspend the Program contemplated in the Settlement Stipulation that began March 1, 2020 and continued through February 28, 2021 and instead retroactively commence the Program again as of March 1, 2021.⁴

The Division understands that this delay will not impact the assessments going forward and that IIAC has not received any payment.⁵ DEU anticipates the Program will continue the contemplated schedule retroactively from March 1, 2021 through February 28, 2023.⁶ The

¹ See Settlement Stipulation, Docket No. 19-057-33, July 16, 2020, <https://pscdocs.utah.gov/gas/19docs/1905733/314715SettlementStipulation7-16-2020.pdf>.

² *Id.*, pages 3-4, ¶ 9.

³ Dominion Energy of Utah, Corrected Notice of Temporary Suspension of Program, Docket No. 19-057-33, March 2, 2021, page 2, ¶ 1.

⁴ *Id.*, page 2, ¶ 2.

⁵ *Id.*

⁶ *Supra*, n4.

Division recommends the Commission remind DEU of its obligation to report quarterly to the Division and OCS.⁷

Conclusion

The Division recommends the Commission approve DEU's Notice of Temporary Suspension of Program for the period of March 1, 2020 through February 28, 2021 with the condition that the DEU and IIAC retroactively commence the Program as of March 1, 2021 under the settlement terms approved by the Commission in its August 31, 2020, Order.

cc: Jennifer Nelson Clark, DEU
Michele Beck, OCS

⁷ *Supra*, n1, page 6, ¶ 15(B).