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# UTAH DEPARTMENT OF COMMERCE

## Division of Public Utilities

MARGARET W. BUSSE  
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## Comments

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

Chris Parker, Director  
Brenda Salter, Assistant Director  
Doug Wheelwright, Utility Technical Consultant Supervisor  
Bob Davis, Utility Technical Consultant

**Date:** June 30, 2023

**Re:** **Docket No. 19-057-33**, Application of Dominion Energy Utah for Approval of a Natural Gas Clean Air and Funding for the Intermountain Industrial Assessment Center

## Recommendation (No Action Required)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) take no further action in this docket. The Division recommends that Dominion Energy Utah's (DEU) STEP Program (Program) and Funding for the Intermountain Industrial Assessment Center (IIAC) be allowed to sunset on July 1, 2024.

## Issue

On April 5, 2023, the Commission issued a Request for Comments asking any interested party to submit comments under the STEP Act on or before June 30, 2023, and reply comments on or before August 14, 2023.<sup>1</sup>

## Background

The Commission's Report and Order in Docket No. 19-057-33 (Order), dated August 31, 2020, approved a Settlement Stipulation between DEU and other parties to provide funding of \$500,000 per year to the IIAC for a two-year pilot period. The Stipulation permitted DEU to implement a balancing account to track the costs associated with the funding of IIAC and

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<sup>1</sup> Docket No. 19-057-33, Public Service Commission of Utah, *Request for Comments*, April 5, 2023, <https://pscdocs.utah.gov/gas/19docs/1905733/3275041905733rfc4-5-2023.pdf>.

recover those costs from DEU's customers. DEU proposed to commence the funding on October 1, 2020, and conclude the funding on September 30, 2022.<sup>2</sup>

On March 2, 2021, DEU filed with the Commission its notice of the temporary suspension of the IIAC assessment program (Notice) due to pandemic-related setbacks.<sup>3</sup> DEU indicated in its Notice that the new two-year assessment schedule would begin on March 1, 2021, and end on February 28, 2023. The Commission acknowledged the Notice on April 2, 2021, and indicated the program would progress on the new schedule but would remain subject to the conditions of its August 31, 2020, Order.<sup>4</sup>

The Division supported the Settlement Stipulation between the Parties and the modified term of the IIAC assessment program that concluded on February 28, 2023.<sup>5</sup> The Parties agreed that DEU may extend funding to the IIAC for an additional year beginning on March 1, 2023, and proceed through February 28, 2024, with the same terms and conditions approved by the Commission in its original Order.<sup>6</sup>

In the Settlement Stipulation, DEU agreed to not seek Commission approval for any additional funding for the IIAC at the conclusion of the extended program. The Parties also agree that DEU will not make any additional funding requests under Utah Code § 54-20-105(3)(a)(vii) through the sunset of the STEP legislation on July 1, 2024.

## Discussion

The Commission is required to take certain actions under Utah Code § 54-20-106 before the first day of the legislative session in the final year of the pilot program period. The Commission shall submit a report and recommendation to the Legislature regarding

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<sup>2</sup> Docket No. 19-057-33, *Order Approving Settlement Stipulation*, August 31, 2020, <https://pscdocs.utah.gov/gas/19docs/1905733/3152031905733oass8-31-2020.pdf>, and <https://pscdocs.utah.gov/gas/19docs/1905733/314715SettlementStipulation7-16-2020.pdf>.

<sup>3</sup> Docket No. 19-057-33, Dominion Energy Utah, *Corrected Notice of Temporary Suspension of Program* filed March 1, 2021, <https://pscdocs.utah.gov/gas/19docs/1905733/317586CrctdDEUNtcTmprSpnsnPrgrm3-2-2021.pdf>.

<sup>4</sup> Docket No. 19-057-33, *Commission Correspondence*, April 2, 2021, <https://pscdocs.utah.gov/gas/19docs/1905733/318057AckLtrfromPSC4-2-2021.pdf>.

<sup>5</sup> Docket No. 22-057-24, *Comments from the Division of Public Utilities* filed January 18, 2023, <https://pscdocs.utah.gov/gas/22docs/2205724/326625DPUCmnts1-18-2023.pdf>.

<sup>6</sup> Docket No. 19-057-33, *supra* note 2.

whether, at the discretion of the Commission, the Legislature should, for the sustainable transportation and energy plan:

- (1) extend the plan or a portion of the plan as a ratepayer-funded program;
- (2) implement the plan or a portion of the plan as a state-funded program; or
- (3) discontinue the plan or a portion of the plan.<sup>7</sup>

The Parties agreed that DEU's STEP Program and funding of the IIAC end on February 28, 2024, and should be allowed to sunset on July 1, 2024, after the final accounting for the program has been completed.<sup>8</sup> The Division concludes that DEU's STEP Program provided valuable experience to University of Utah staff and students to improve energy efficiency (electric and natural gas) and pollution reduction.

## Conclusion

The Division supported the Settlement reached between the parties and approved by the Commission on February 6, 2023. The Commission should let the program lapse effective July 1, 2024.

cc: Jenniffer Clark, DEU  
Michele Beck, OCS  
Service List

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<sup>7</sup> Utah Code Annotated 54-20-106, [https://le.utah.gov/xcode/Title54/Chapter20/C54-20\\_2016051020160510.pdf](https://le.utah.gov/xcode/Title54/Chapter20/C54-20_2016051020160510.pdf).

<sup>8</sup> Docket No. 22-057-24, *Order Approving Settlement Stipulation*, February 6, 2023, <https://pscdocs.utah.gov/gas/22docs/2205724/3269292205724oass2-6-2023.pdf>.