On January 22, 2019, Dominion Energy Utah (DEU) filed an application and supporting testimony and exhibits (Application) with the Public Service Commission of Utah (PSC) proposing to change the way certain costs are classified between commodity and supplier non-gas (SNG) categories in its semi-annual Pass-Through filings (Application).\(^1\) To this end, DEU requests approval to modify gas commodity and non-gas cost definitions in Section 2.06 of its Utah Natural Gas Tariff No. 500 (Tariff). On January 29, 2019, the PSC issued a Scheduling Order and Notice of Hearing. On January 31, 2019, the PSC issued a supplemental action request to the Division of Public Utilities (DPU) requesting clarification of several items concerning the Application. On February 8, 2019, the DPU filed comments (February Comments).

Based on the DPU’s February Comments, the PSC requests DEU come to the hearing noticed for February 15, 2019 prepared to address the following:

(1) In its February Comments recommending approval of DEU’s application, the DPU states, “[DEU] has not asked for approval to reallocate the cost[s] between SNG and Commodity and approval of the Tariff change does not include approval to move or reallocate costs between SNG and Commodity.”\(^2\) In light of this statement, is it still DEU’s intent to implement the changes proposed in the Application in the

\(^1\) Application at 1.
\(^2\) DPU February Comments at 5.
forthcoming semi-annual 191 Pass-Through filing, as indicated at page 6, lines 132-136 of DEU’s direct testimony.3

(2) Please identify how each 191 Pass-Through account or subaccount will be classified under DEU’s Application (i.e., Commodity or SNG).

(3) Referring to DEU’s Exhibit 1.3, Proposed Pass-Through Rate Classification, it appears that costs associated with storage will be considered SNG costs under the proposed Tariff changes. Please explain how DEU intends to treat storage-related Account 164, Working Gas Charges, under the Application.

(4) In its February Comments, the DPU states that “[DEU] has estimated that the total amount collected from all IS customers would increase by approximately $41,000 during the year.” The DPU also states that “TS Customers would also be impacted … as the [proposed] reallocation would impact the calculation of the Transportation Imbalance Charge. … If the proposed SNG and Commodity changes had been in place in the last filing, the imbalance charge would have increased from $0.08122 to $0.08273 per Dth.” a) Does DEU agree with the DPU’s statements? b) If yes, what actions has DEU taken to inform these customers of the estimated impacts?

DATED at Salt Lake City, Utah, February 11, 2019.

/s/ Gary L. Widerburg
PSC Secretary
DW#306635

3 See DEU Exhibit 1.0.
I CERTIFY that on February 11, 2019, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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________________________________________
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