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Application of Dominion Energy Utah for the Creation of a Voluntary Renewable Natural Gas Program	<u>DOCKET NO. 19-057-T04</u> <u>ORDER APPROVING SETTLEMENT</u> <u>STIPULATION</u>
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ISSUED: July 30, 2019

**SYNOPSIS**

The Public Service Commission approves a settlement stipulation, dated July 9, 2019, authorizing Dominion Energy Utah to implement the GreenTherm™ Voluntary Renewable Natural Gas Program.

**BACKGROUND AND PROCEDURAL HISTORY**

On March 29, 2019, Dominion Energy Utah (DEU) filed an application (“Application”) with the Public Service Commission (PSC) requesting approval to implement a new voluntary renewable natural gas program. In support, DEU offered written direct testimony,<sup>1</sup> an illustrative customer billing exhibit and an illustrative cost tracking exhibit,<sup>2</sup> and a proposed new Utah Natural Gas Tariff No. 500 (“Tariff”) Section 8.09 – GreenTherm™ Voluntary Renewable Natural (RNG) Gas Program (“GreenTherm Program” or “Program”).<sup>3</sup> The Application also requests the PSC authorize DEU to record as a regulatory asset the various costs incurred for the GreenTherm Program and grant DEU an accounting order to establish GreenTherm Account 191.4.

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<sup>1</sup> DEU Exhibit 1.0, Direct Testimony of Travis S. Willey, and DEU Exhibit 2.0, Direct Testimony of Ted C. Peterson.

<sup>2</sup> DEU Exhibit 2.0, Direct Testimony of Ted C. Peterson, attached DEU Exhibits 2.3 and 2.4.

<sup>3</sup> *Id.*, attached DEU Exhibit 2.2, Tariff Pages 8-20 and 8-21.

On June 5, 2019, the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) filed comments. On July 1, 2019, the PSC granted intervention to the Utah Association of Energy Users (UAE).

On July 9, 2019, DEU, DPU, OCS, and UAE jointly filed a settlement stipulation (“Settlement”). The filing included revised GreenTherm Tariff Pages 8-20 and 8-21, effective November 1, 2019.

On July 16, 2019, the PSC’s designated Presiding Officer conducted a hearing to consider the Settlement during which DEU, DPU, and OCS testified in support of its approval.

**DISCUSSION, FINDINGS, AND CONCLUSIONS**

**A. The Settlement**

Paragraphs 7(a) through 7(c) of the Settlement describe the modifications it makes to DEU’s initially proposed Tariff Section 8.09. These paragraphs (1) define a block of RNG as five therms; (2) set the surcharge for one block at \$5; (3) specify that one block, or \$5, shall be the minimum monthly voluntary customer surcharge; (4) limit the use of funds from voluntary customer contributions to the purchase of RNG green attributes and to cover administrative costs of the Program; and (5) specify objectives related to the GreenTherm Program’s administration and regulatory accounting. Other paragraphs of the Settlement contain language relating to (1) the acquisition, certification, and retirement of RNG green attributes and associated reporting; (2) promotional activities and materials; (3) annual reporting to participants and the PSC; and (4) DEU’s requirements related to RNG attribute verification. At hearing, DEU clarified that its first annual report to the PSC will be filed by the end of the second quarter of 2021.

**B. Parties' Testimony at Hearing**

DEU represented the Settlement's modifications to its proposed GreenTherm Program provide guidance and clarity. DEU further represented that the changes improve the Program and that approval of the Settlement is just, reasonable, and in the public interest. The DPU similarly testified the Settlement is an acceptable compromise, a fair and reasonable outcome, and in the public interest. Finally, the OCS testified the Program will not shift costs to non-participating customers and that the terms of the Settlement will help ensure DEU's communications with GreenTherm Program participants are transparent. The OCS testified the Settlement is just and reasonable in result and is in the public interest.

**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 Program should not result in cost shifting to non-participating customers but will benefit those who wish to voluntarily support RNG by giving them the option to do so. We further find the Settlement's reporting requirements are important and necessary to ensure transparency and appropriate monitoring of the Program.

Accordingly, we find and conclude the Settlement is just and reasonable in result and in the public interest.

**ORDER**

- 1) We approve the Settlement; and
- 2) We approve Tariff Pages 8-20 and 8-21 as filed with the Settlement on July 9, 2019, effective November 1, 2019.

DATED at Salt Lake City, Utah, July 30, 2019.

/s/ Michael J. Hammer  
Presiding Officer

Approved and Confirmed July 30, 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#309367

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 July 30, 2019, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Electronic-Mail:

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