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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Division Director

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
Eric Orton, Utility Technical Consultant
Jeff Einfeldt, Utility Technical Consultant

Date: July 18, 2022

Re: **Docket No. 19-057-T04**, Dominion Energy Utah's GreenTherm Annual Report for the year ending December 31, 2021: Application of Dominion Energy Utah for the Creation of a Voluntary Renewable Natural Gas Program.

Recommendation (Acknowledge)

The Division of Public Utilities (Division) has reviewed the Dominion Energy Utah's (Dominion or Company) GreenTherm Annual Report for the year ending December 31, 2021, (Report) and has determined that it contains the required information as stated in the Order issued on July 30, 2019 (Order). Therefore, the Division recommends that the Public Service Commission of Utah (Commission) acknowledge the Report.

Background

Dominion submitted an application on March 29, 2019, seeking to create the GreenTherm program and offering its ratepayers the opportunity to purchase Renewable Natural Gas (RNG) credits. The Division was initially opposed to the GreenTherm program as it was designed, but, after working with Dominion and other parties, ultimately supported a settlement agreement. As part of that agreement Dominion agreed to file annual reports showing the statistics of the GreenTherm program. The first Report was submitted June 30,

Division of Public Utilities

Heber M. Wells Building • 160 East 300 South • P.O. Box 146751 Salt Lake City, UT 84114-6741
www.dpu.utah.gov • telephone (801) 530-7622 • toll-free in Utah (877) 874-0904 • fax (801) 530-6512

2021, which summarized the activity of the GreenTherm program from its inception to year-end 2020. On June 30, 2022, Dominion filed its second Report summarizing the activity of the program through year-end 2021. That same date the Commission issued its Action Request directing the Division to evaluate the Report for compliance with a due date of July 29, 2022. On July 12, 2022, the Commission issued a Notice of Filing and Comment Period giving interested parties until August 1, 2022, to provide comments, with reply comments due August 16, 2022. This memorandum is the Division's response to the Commission's Action Request and its comments.

Discussion

The Order approving the Settlement Stipulation was issued on July 30, 2019. As part of that Order, Dominion was required to: "...report annually to the Commission about the GreenTherm program. The Company's annual report to the Commission will contain details about the number of participating customers, the amount of RNG purchased, the number of RNG blocks sold, the total customer contributions, and program expenses. The Company will also provide GreenTherm program participants a link to the Company's annual report to the Commission." As ordered, both the 2020 and the 2021 Reports provide the required information. In addition, the Report contains an update on a renewable natural gas verification standard, results of the Company's annual internal audit, and its program marketing materials.

The Division reviewed the Report and compared it to the appropriate tariff section, the Settlement Stipulation and the Order. Dominion sold in 2020 while In 2021, Dominion sold only 60 percent of the green energy attributes it had purchased compared to 2020 when it sold 75 percent more green energy attributes than it had purchased. For comparison, in 2021 the Company sold over 3.6 times the amount of green energy attributes than in 2020 with only 80 percent more customers which means that each customer is purchasing more RNG credits than they did in 2020. Program expenses have increased over tenfold, while program administration fees have nearly doubled. However, even with these large changes in the first two years, the program appears to be functioning as designed and the Report is submitted as ordered.

The Order also directed Dominion to “provide GreenTherm program participants a link to the Company’s annual report to the Commission.” The report is not only available to “program participants,” but it is available to everyone at the following URL:
<https://www.dominionenergy.com/utah/save-energy/greentherm>. Providing this link fulfills the requirements for this part of the Order.

Conclusion

The Division recommends the Commission acknowledge Dominion’s Report as compliant with tariff section 8.09, the Settlement Stipulation and Commission order. The Division will continue to monitor Dominion’s compliance with its obligations under the Settlement Stipulation and the Commission’s Order. This filing is not requesting any change in the Company’s current rates.

cc: Kelly B. Mendenhall, Dominion Energy Utah
Michele Beck, Office of Consumer Services