



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Public Service Commission

THAD LeVAR
Chair

DAVID R. CLARK
Commissioner

JOHN S. HARVEY, Ph.D.
Commissioner

August 30, 2023

Mr. Kelly Mendenhall
Director, Regulatory and Pricing
Dominion Energy Utah
333 S State Street
Salt Lake City, UT 84145

Re: *Application of Dominion Energy Utah for the Creation of a Voluntary Renewable Natural Gas Program*; Docket No. 19-057-T04

Dear Mr. Mendenhall:

The Public Service Commission (PSC) reviewed Dominion Energy Utah's (DEU) GreenThermSM Annual Report for the year ending December 31, 2022 ("Report") filed on June 30, 2023. The Report, filed pursuant to the Partial Settlement Stipulation ("Stipulation") approved by the PSC on July 30, 2019 ("2019 Order"), contains information about DEU's GreenThermSM Program's 2022 transactions including the number of GreenThermSM participating customers, the amount of renewable natural gas (RNG) purchased, the number of RNG blocks sold, total customer contributions, and program expenses. DEU states that it has met with the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) about adopting the Midwest Renewable Energy Tracking System (M-RETS) verification platform for future RNG green attribute purchases, and will begin using the M-RETS system in 2023.

The PSC also reviewed the July 20, 2023 comments filed by DPU, and the August 4, 2023 comments filed by OCS. DPU recommends the PSC acknowledge the Report as complying with DEU's Utah Natural Gas Tariff PSCU No. 600 ("Tariff") Section 8.09. According to DPU, DEU's GreenTherm Program ended 2022 with 255,500 green attribute blocks, which is enough to support the current number of customers for nearly four years. DPU states that the Report contained all the information DEU agreed to provide in the Stipulation and is compliant with the 2019 Order. OCS states that it has reviewed the Report and a confidential internal audit report that was provided to DPU and OCS. OCS concludes that the Report contains all the required

Acknowledgment Letter from the PSC

Docket No. 19-057-T04

August 30, 2023

Page 2

information outlined in the Stipulation, and found no concerns related to program transactions during 2022. OCS also states that it believes the M-RETS verification system, and the associated costs, are a reasonable choice for DEU. OCS notes that DEU's purchase of 300,000 blocks of RNG green attributes seems large when comparing it to the annual usage of participating customers and cost of the program of \$15,906 in interest expenses for 2022. OCS recommends that the PSC approve the Report, but also requests DEU provide greater detail surrounding the 300,000 block purchase.

The PSC also reviewed the August 21, 2023 reply comments filed by DEU in response to OCS' concerns. DEU explains that it began negotiations with a bidder from a previous RFP in order to try to secure more favorable pricing. DEU was able to secure better pricing, with the condition that it make a 300,000 block purchase. DEU decided to make the purchase since, even with the additional interest expense, it would likely save participating customers money over the long-term.

The PSC appreciates DPU's and OCS' comments and DEU's additional details regarding the 300,000 block purchase that were appropriately requested by OCS. Based on the PSC's review of the Report, DPU's and OCS' comments, and DEU's reply comments, the PSC acknowledges the Report complies with the PSC's 2019 Order and DEU's Tariff Section 8.09.

Sincerely,

/s/ Gary L. Widerburg

PSC Secretary

DW#329447