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July 14, 2022

Re: Updated Benefit-Cost Test Results for the 2021 EE Programs

Docket Nos. 20-057-20, 21-057-02, and 22-057-01

Utah Public Service Commission
Heber M. Wells Building
P. O. Box 45585
Salt Lake City, UT 84145-0585

Dear Commissioners,

Pursuant to the Utah Public Service Commission's (Commission) letter (Letter) dated May 3, 2022, in the above-referenced docket, Questar Gas Company dba Dominion Energy Utah (DEU or Company) respectfully submits the attached updated benefit-cost test results for the 2021 Energy Efficiency (EE) Programs. In its Letter dated May 3, 2022, the Commission directed the Company to file updated benefit-cost test results for the 2021 Energy Efficiency Programs within 60 days of the date of the letter. The Company has attached those results.

The Company acknowledges that it did not submit a response to the Commission within 60 days of the Commission's letter and apologizes for this oversight. The Company has instituted additional data request and document tracking controls to ensure future responses are timely.

The Company notes that on February 14, 2022, it submitted its 2021 Energy Efficiency Report (2021 Report) to both the Utah Division of Public Utilities (DPU or Division) and the Commission. The 2021 Report addressed the year ending December 31, 2021 and included the actual level of participation for each program, as well as a comparison with the forecasted participation as reflected in the Company's 2021 Energy Efficiency Application and Exhibits in Docket No. 20-057-20.

On April 13, 2022, the Company met with the Energy Efficiency Advisory Group and presented the 2021 year-end program participation results. As part of the presentation, the Company discussed 2021 participation levels for each program and the associated positive or negative impacts on the overall energy efficiency portfolio. In addition, the

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Company discussed 2021 cost effectiveness results. A copy of that presentation is attached as DEU Exhibit 1.

I have also attached DEU Exhibit 2, which contains three tables. Table 1 shows the benefit/cost and customer participation projections that were included as part of the Company's 2021 Energy Efficiency Application and Exhibits. The benefit/cost results shown in Table 1 are based on a 38-year forecast of gas costs obtained by the Company in October of 2020. Table 2 shows the actual benefit/cost and customer participation results for 2021. The benefit/cost results shown in Table 2 are based on a 38-year forecast of gas costs obtained by the Company in October of 2021. This gas price forecast was used by the Company to calculate benefit/cost results for the 2021 Report. Table 3 in DEU Exhibit 2, shows the gas price forecasts which were used to calculate the benefit/cost results shown in Tables 1 and 2.

DEU Confidential Exhibit 2 shows the benefit/cost test results for the total resource cost test (TRC), participant test (PT), utility cost test (UCT), and ratepayer impact measure test (RIM). The forecasted benefit/cost results for the 2021 Energy Efficiency Application and Exhibits for the TRC, PT, UCT, and RIM 1.40, 3.73, 1.63, and 0.80 respectively. Actual year-end 2021 program results for the TRC, PT, UCT, and RIM were 1.54, 3.79, 1.82, and 0.87 respectively. A benefit/cost ratio greater than 1 is indicative of benefits exceeding costs and is therefore considered to have "passed" the test. The extent to which forecasted results differ from actual benefit/cost results in a given program year can be impacted by a number of complex factors. In the case of 2021 forecast versus year-end benefit/cost results, the actual measures rebated (measure mix) from the forecasted measures to be rebated, account for the majority of the benefit/cost results for the 2021 program year. Additionally, the Company notes that actual administrative costs were lower than the forecast used in the 2021 Energy Efficiency Application and Exhibits (\$4.9 million as compared to \$5.7 million). The Company has also provided a redacted non-confidential version of DEU Exhibit 2, for the Commission's convenience.

The Company appreciates the opportunity to provide the requested information and respectfully requests that the Commission include the data provided herewith in the record of this Docket.

Respectfully Submitted,

/s/ Michael A. Orton
Michael A. Orton

cc: Division of Public Utilities
Committee of Consumer Services