

PUBLIC SERVICE COMMISSION OF UTAH

Docket No. 21-057-06

HEARING ON SETTLEMENT STIPULATION

August 05, 2021

ADVANCED REPORTING SOLUTIONS

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Hearing on Settlement Stipulation
August 05, 2021

1 BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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4 In the matter of the)
application of Dominion)
5 Energy Utah to extend)
service to Goshen and)
6 Elberta, Utah)
) Docket No. 21-057-06
7 _____)

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11 HEARING ON SETTLEMENT STIPULATION

12 August 5, 2021

13 9:00 a.m. to 9:11 a.m.

14
15 Held at the Heber M. Wells Building
16 160 East 300 South, Room 403
17 Salt Lake City, Utah 84111

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23 Reported by: Michelle Mallonee, RPR, CCR
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25

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1 P R O C E E D I N G S

2 -o0o-

3 PRESIDING OFFICER HOGLE: Good morning,
4 everyone. It is 9:00 on August 5th, 2021. And this is
5 the time and place scheduled to consider the request of
6 Dominion Energy Utah, or DEU, to extend natural gas
7 service to Goshen and Elberta, Utah, in Docket No.
8 21-057-06.

9 My name is Yvonne Hogle, and I'm the Public
10 Service Commission's designated presiding officer for
11 this hearing.

12 And we are here to consider the settlement
13 stipulation that was reached in this case by DEU, the
14 Office of Consumer Services, and the Division of Public
15 Utilities.

16 Let's take appearances for the record, please,
17 beginning with the applicant.

18 MS. CLARK: Thank you. It's nice to be here.

19 My name is Jenniffer Nelson Clark. I am here as
20 counsel for Dominion Energy Utah. And Cameron Sabin is
21 here as my co-counsel.

22 We have with us Austin Summers, who will be the
23 Company's -- Mr. Summers provided prefiled direct
24 testimony. He will also present the settlement
25 stipulation on behalf of the company. And then we have

1 with us in the hearing room Michael Gill, who also
2 provided prefiled direct testimony. And by telephone, we
3 have Jeffrey Bybee, Mayor Kevin [sic] Staheli, both of
4 whom also provided testimony. And they're all here to
5 answer any questions that you have today.

6 PRESIDING OFFICER HOGLE: Okay. Thank you.

7 The Division of Public Utilities, please.

8 MS. SCHMID: Good morning. Patricia E. Schmid
9 for the Division of Public Utilities. With me is Eric
10 Orton. He has filed testimony in this docket in both
11 direct and redacted -- sorry, redacted and unredacted
12 confidential form. And that's it.

13 PRESIDING OFFICER HOGLE: Okay. Welcome back,
14 everybody.

15 The Office of Consumer Services.

16 MR. MOORE: Yes. I'm Robert Moore of the
17 Attorney General's office representing the Office of
18 Consumer Services. The Office won't have a witness
19 today, but Alex Ware of the Office is here to answer any
20 questions that might arise.

21 PRESIDING OFFICER HOGLE: Okay. Thank you. And
22 Ms. Clark, I believe you have something that you'd like
23 us to consider.

24 MS. CLARK: I do. First, I wanted to let you
25 know that the two witnesses that are appearing by phone

1 can't hear you. I think they can hear the rest of us.

2 PRESIDING OFFICER HOGLE: Can they hear me now?

3 MS. CLARK: We'll check.

4 PRESIDING OFFICER HOGLE: Okay.

5 MS. CLARK: And while we're checking on that,
6 paragraph 14 of the settlement stipulation provides that
7 the application and prefiled testimony will be admitted.
8 And so based on that paragraph, the Company would move
9 for the admission of the application and all exhibits,
10 including the prefiled testimony of the witnesses we have
11 with us today and the accompanying exhibits.

12 PRESIDING OFFICER HOGLE: Okay. I assume there
13 are no objections to that. They're admitted. Thank you.

14 MS. CLARK: Thank you. I don't have anything
15 further.

16 PRESIDING OFFICER HOGLE: Okay. Are you ready
17 to call your witness?

18 MS. CLARK: I am.

19 PRESIDING OFFICER HOGLE: Okay. Please proceed.

20 MS. CLARK: The Company calls Mr. Austin
21 Summers.

22 PRESIDING OFFICER HOGLE: Good morning.

23 THE WITNESS: Good morning.

24 PRESIDING OFFICER HOGLE: Do you swear to tell
25 the truth?

1 THE WITNESS: Yes.

2 PRESIDING OFFICER HOGLE: Okay. Thank you.

3

4 AUSTIN SUMMERS,

5 was called as a witness, and having been first duly
6 sworn to tell the truth, the whole truth, and nothing
7 but the truth, testified as follows:

8

9 DIRECT EXAMINATION

10 BY MS. CLARK:

11 Q. Mr. Summers, will you please state your full
12 name and business address for the record.

13 A. Yes. My name is Austin Summers. My business
14 address is 333 South State Street in Salt Lake City,
15 Utah.

16 Q. And what position do you hold with the Company?

17 A. I'm the manager of rates and regulation.

18 Q. Mr. Summers, can you please summarize the relief
19 the Company sought in the application in this matter as
20 well as the settlement stipulation?

21 A. Yes.

22 Good morning, and thank you for your time today.
23 Before I begin, I want to thank the Division and the
24 Office for their help in this docket and, perhaps more
25 importantly, in the last rural extension docket when the

1 Company was granted approval to extend natural gas
2 service to Eureka in Docket 19-057-31. Their input in
3 that docket helped address the necessary aspects of the
4 initial expansion program to Eureka and helped to make
5 settlement in this docket a straightforward process.

6 In this docket, Dominion Energy now seeks
7 Commission approval to extend to the rural communities of
8 Goshen and Elberta. Though this would be new
9 infrastructure in new rural communities, the resource
10 decision is nothing more than a continuation of the
11 program that was approved in the Eureka docket. The
12 application and accompanying testimony provided all of
13 the evidence required to support approval of the resource
14 decision.

15 In my prefiled direct testimony, I addressed the
16 evidentiary requirements for the resource decision,
17 discussed how and why the Company chose Goshen and
18 Elberta as the next expansion locations, explained how
19 many customers are expected participate, how costs would
20 be recovered, and also provided other relevant financial
21 and operational information.

22 Mr. Gill's testimony explains the scope of the
23 project, the construction schedule, the cost of the
24 project, and the geographic results of the Company's
25 interest -- or, sorry, of the community's interest in

1 natural gas.

2 Mr. Bybee's testimony discussed the process of
3 converting appliances to natural gas, the disposal of
4 propane equipment, and the safety benefits of being a
5 Dominion Energy customer.

6 Finally, Mayor Staheli discussed community
7 growth in Goshen, the benefits natural gas would bring to
8 his community, and explained his support of the project.

9 Taken together, the evidence provided shows that
10 the resource decision is just and reasonable in result
11 and that approval of the application is in the public
12 interest.

13 The settlement stipulation largely accepts the
14 Company's proposal as filed. There are a few additional
15 provisions, and so I'll draw your attention to paragraphs
16 6 through 8 -- sorry, 6 through 9 of the settlement
17 stipulation.

18 Paragraph 6 states that Dominion Energy should
19 be authorized to construct the facilities proposed in the
20 application to serve the communities of Goshen and
21 Elberta.

22 Paragraph 7 then explains that the cost of the
23 expansion will be collected through the rural extension
24 rate adjustment tracker that is contained in Section 9.02
25 of the tariff.

1 Paragraph 8 provides that the Company will file
2 a copy of the franchise agreement with the Commission
3 once they are finalized and executed. I'm pleased to
4 report that Dominion Energy and Goshen have entered into
5 a franchise agreement and that the Company will file a
6 copy of that agreement later today.

7 Finally, paragraph 9 states if the costs of the
8 resource decision exceed the estimates provided in the
9 testimony of Mr. Gill, the Company will seek Commission
10 approval of the excess costs prior to and including those
11 costs in the tracker. Approval of any increase will be
12 subject to the statutory spending tabs that were
13 discussed in my direct testimony.

14 Based on the evidence in the record and the
15 stipulation of the parties in this docket, the Company
16 requests approval of the settlement stipulation. And
17 that concludes my summary.

18 MS. CLARK: Mr. Summers is available for
19 Commission questions or cross-examination. And the
20 remainder of the Company's witnesses are also available
21 to answer any questions you may have.

22 PRESIDING OFFICER HOGLE: Thank you.

23 Does anybody have any questions? No? Okay. I
24 don't either. Thank you.

25 Ms. Schmid.

1 MS. SCHMID: Thank you. The Division would like
2 to call Mr. Eric Orton. May he please be sworn.

3 PRESIDING OFFICER HOGLE: Do you swear to tell
4 the truth?

5 THE WITNESS: I do.

6 PRESIDING OFFICER HOGLE: Okay.

7
8 ERIC ORTON,
9 was called as a witness, and having been first duly
10 sworn to tell the truth, the whole truth, and nothing
11 but the truth, testified as follows:

12

13 EXAMINATION

14 BY MS. SCHMID:

15 Q. Good morning.

16 A. Good morning.

17 Q. Your prefiled testimony has already been
18 admitted. Do you adopt that prefiled testimony as part
19 of your testimony before the Hearing Officer and
20 Commission today?

21 A. I do.

22 Q. Thank you. Do you have a summary that you would
23 like to present?

24 A. I do.

25 Q. Please proceed.

1 A. Thank you.

2 On August 27th, 2020, the Commission approved
3 the Eureka application. This application and the
4 associated gas system are essentially add-ons to the
5 Eureka project. The deficiencies the Division identified
6 in that application were adequately addressed and
7 rectified, and boundaries were set before that project
8 proceeded.

9 In the current docket, Dominion has addressed
10 the Division's similar concerns in its testimony and data
11 request responses such that it provided the information
12 necessary for the Division, which enabled us to analyze
13 the merits of the application and offer our
14 recommendation and approval.

15 As with any project such as this, public safety
16 is primary. Proper information dissemination will be
17 critical, with particular efforts focused to help the
18 do-it-yourselfers receive reliable information. This
19 help and support should be provided and should be
20 coordinated effort -- a coordinated effort from qualified
21 building inspectors, HVAC contractors, propane providers,
22 and primarily Dominion, which Dominion has agreed to.

23 Also, it agreed to stay within budget or apply
24 to the Commission for the Commission to expend more and
25 to provide copies of the franchise agreements.

1 The Division supports the extension of natural
2 gas service to rural communities in principle. Dominion
3 still carries the burden of proof of just and reasonable
4 rates based on substantial evidence, complete
5 information, well-supported documentation, and
6 substantially justified assumptions, safeguards, and
7 commitments.

8 From its review of the application and responses
9 to data requests, the Division is satisfied that these
10 conditions have been met; and therefore, on July 28th,
11 2021, we signed the settlement stipulation which was
12 filed in this docket.

13 The Division affirms that this stipulation
14 fulfills the statutory requirements, and approval of the
15 application should proceed as it is in the public
16 interest.

17 The Division supports the settlement stipulation
18 which allows extending natural gas service to Goshen and
19 Elberta as just and reasonable in result and fulfills the
20 legislative intent. Thank you.

21 MS. SCHMID: Mr. Orton is now available for
22 questions from the Hearing Officer or from the parties.

23 PRESIDING OFFICER HOGLE: Any questions from the
24 parties?

25 MS. CLARK: None, thank you.

1 MR. MOORE: No questions, thank you.

2 PRESIDING OFFICER HOGLE: And none for me.
3 Thank you.

4 THE WITNESS: Thank you.

5 PRESIDING OFFICER HOGLE: Mr. Moore.

6 MR. MOORE: Again, the Office does not have a
7 witness in this case, but I will represent that
8 pursuant -- consistent with the settlement stipulation,
9 the Office believes the settlement is just and reasonable
10 in result and is in the public interest. Thank you.

11 PRESIDING OFFICER HOGLE: Okay. I believe that
12 I don't have any other questions -- or any questions at
13 all, actually.

14 Does anybody have anything else that is pending?
15 No. Okay.

16 Well, thank you for your time, and we're
17 adjourned. Thank you.

18 (The matter concluded at 9:11 a.m.)

19

20

21

22

23

24

25

CERTIFICATE

1
2
3 State of Utah)
 ss.
4 County of Salt Lake)

5 I, Michelle Mallonee, a Registered
6 Professional Reporter in and for the State of Utah, do
hereby certify:

7 That the proceedings of said matter was
8 reported by me in stenotype and thereafter transcribed
into typewritten form;

9 That the same constitutes a true and correct
10 transcription of said proceedings so taken and
transcribed;

11 I further certify that I am not of kin or
12 otherwise associated with any of the parties of said
cause of action, and that I am not interested in the
13 event thereof.

14 WITNESS MY HAND at Salt Lake City, Utah,
this 11th day of August, 2021.

15
16 

17 _____
18 Michelle Mallonee, RPR, CCR
19 Utah CCR #267114-7801
20 Expires May 31, 2022
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