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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

APPLICATION FOR APPROVAL OF THE)	
2022 YEAR BUDGET FOR ENERGY)	Docket No. 21-057-25
EFFICIENCY PROGRAMS AND MARKET)	DOMINION ENERGY UTAH'S
TRANSFORMATION INITIATIVE)	REPLY COMMENTS

Questar Gas Company dba Dominion Energy Utah (DEU or Company) respectfully submits these Reply Comments to the Action Request Response issued by the Division of Public Utilities (Division) on November 24, 2021 and the Memorandum issued by the Office of Consumer Services (Office) on November 26, 2021.

I. BACKGROUND

On October 26, 2021 Dominion Energy Utah filed an Application for Approval of the 2022 Year Budget for Energy Efficiency Programs and Market Transformation Initiative (Application). On October 27, 2021 the Utah Public Service Commission (Commission) issued an Action Request to the Division seeking feedback on the Company's Application. On October 28, 2021 the Commission issued a Notice of Filing and Comment Period allowing interested parties to file comments on or before Monday, November 26, 2021, with reply

comments due by December 13, 2021. On November 24, 2021, the Division filed its Action Request Response. On November 26, 2021, the Office filed its Memorandum in this docket.

II. REPLY TO THE DIVISION'S ACTION REQUEST RESPONSE

The Division's Action Request Response summarized the proposed program changes and generally supported the approval of the Application. The Division did note that the Company's projected 2022 overall budget increase of 12% mainly attributable to greater expected participation in the 2022 Appliance and Builder programs, 14% increase in overall dekatherm (Dth) savings, and 3% increase in overall program participation. The Division also made note that program or administrative costs account for 21% of all projected program expenditures and that, if market transformation program expenditures are excluded, administrative costs are reduced to 17% of the requested \$30.2 million 2022 ThermWise® budget.

Additionally, the Division continued to urge the Company to "always look for ways to implement administrative cost reduction steps in order to improve overall program efficiencies" (Division's Action Request Response at p. 13). The Company agrees with this recommendation and will continue to look for ways to reduce non-incentive costs.

In its conclusion, the Division recognized that the Company has, in 2021, submitted program reports within 45 calendar days after the quarter ends as was ordered in Docket No. 20-057-20 and recommended that the Commission approve the Application and proposed changes to the Company's Utah Natural Gas Tariff No. 500 (Tariff) as filed. The Company appreciates the Division's analysis and agrees with the recommendation that the Commission approve the 2022 Application and proposed Tariff changes as filed.

III. REPLY TO THE OFFICE'S MEMORANDUM

The Office's Memorandum focused, in large part, on the Company's proposed 2022 addition of rebates for heating, ventilation, and cooling (HVAC) monitoring and diagnostic systems, rigid foam exterior insulation, and linkageless and O² trim controls. Additionally, the Office provided discussion on the cost effectiveness results of the HVAC monitoring and diagnostic systems and noted that the measure does not achieve a utility cost test (UCT) benefit/cost ratio over 1.00 for existing multifamily dwellings or in the Builder Program. A benefit/cost ratio greater than 1.00 is indicative of benefits exceeding costs and therefore "passes" the test. However, the Office noted that they do not oppose inclusion of HVAC rebates at this time "...since the overall EE and MT program results in a greater than one score" (Office's Memorandum at p. 3). The Office recommended that the Commission approve the Company's proposed 2022 ThermWise[®] budget.

The Company appreciates the Office's analysis and engagement on these issues. The Company proposes to keep the Office and other program stakeholders informed on the uptake of HVAC monitoring and diagnostic systems and other measures through regular Advisory Group meetings in 2022. The Company also supports the Office's recommendation that the Commission approve the proposed 2022 ThermWise[®] budget.

V. CONCLUSION

The Company appreciates the input of the Division and the Office. Based on the foregoing, and the contents of the Application and accompanying exhibits, the Company respectfully requests that the Commission approve the Company's Application as filed with an effective date of January 1, 2022.

DATED this 13th day of December 2021.

Respectfully submitted,

DOMINION ENERGY UTAH

A handwritten signature in blue ink that reads "Jenniffer Nelson Clark". The signature is written in a cursive style and is positioned above a horizontal line.

Jenniffer Nelson Clark

Attorney for Dominion Energy Utah

CERTIFICATE OF SERVICE

I certify that a true and correct copy of Dominion Energy Utah’s Reply Comments was served upon the following by electronic mail on December 13, 2021:

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