Jenniffer Nelson Clark (7947)
Dominion Energy Utah
333 South State Street
P.O. Box 45433
Salt Lake City, Utah 84145-0433
(801) 324-5392
(801) 324-5935 (fax)
jenniffer.clark@dominionenergy.com

Attorney for Dominion Energy Utah

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

APPLICATION OF DOMINION ENERGY UTAH TO CHANGE THE RURAL EXPANSION RATE ADJUSTMENT TRACKER Docket No. 21-057-30

DOMINION ENERGY UTAH'S REPLY COMMENTS

Pursuant to the Scheduling Order and Notice of Virtual Hearing issued on January 6, 2022 (Scheduling Order) in the above-referenced docket, Questar Gas Company dba Dominion Energy Utah (Dominion Energy or Company) respectfully submits these reply comments in response to the Utah Division of Public Utilities' (Division) Action Request Response, filed on January 18, 2022 (Division's Comments).

BACKGROUND

On August 27, 2020 the Utah Public Service Commission (Commission) issued an Order in Docket No. 19-057-31 (Eureka Docket) approving the Company's voluntary resource request to build natural gas mains and service lines to residents and businesses in Eureka, Utah. The Commission's Order also approved the Company's request to implement the Rural Expansion Tracker Mechanism (RETM).

On December 27, 2021, Dominion Energy filed an Application in this docket to use the RETM to collect revenue for assets that were installed to serve customers in Eureka, and that are currently used and useful. On January 6, 2022, the Commission

issued the Scheduling Order requiring that initial comments be filed by January 18, 2022, and reply comments be filed by January 21, 2022. The Division filed its Comments January 18, 2022. The Company submits these reply comments to clarify one issue mentioned in the Division's Comments.

DISCUSSION

The Division's Comments recognize that the Company has not yet completed construction of *all* of the facilities required to serve every resident seeking service in Eureka. However, the Company *has* completed construction of the high-pressure and intermediate-high-pressure main pipelines required to serve Eureka customers. Those main lines are in-service. The Company has also completed some service lines to some customer premises and those customers are receiving natural gas. The Company has not completed installation of *all* of the service lines to all of the customers who have requested, or will request, natural gas service.

Indeed, the Order in the Eureka Docket provides that prospective customers in Eureka would have two years from the date gas is available to decide if they want to sign an agreement for service; and another two years after that to have their meter and service line installed and to commence service. Since customers could conceivably wait up to four years to take advantage of the benefit of a service line and meter funded under the Eureka Docket, the Company will continue to add costs of the Eureka system to future RETM applications through those four years as those costs are incurred. The Company will only seek recovery of those costs as the service lines become used and useful. Due to the time frame in which these customers can seek service, the Eureka expansion will be completed when those four years have lapsed.

CONCLUSION

With the clarification offered herein, the Company agrees with the Division's recommendation for approval of the Company's Application on an interim basis to allow additional time for the Division to complete its audit of the RETM program.

RESPECTFULLY SUBMITTED this 20th day of January, 2022.

DOMINION ENERGY UTAH

Jenniffer Clark (7947) Dominion Energy Utah 333 S. State Street

PO Box 45433

Salt Lake City, Utah 84145-0433

(801) 324-5392

Jenniffer.clark@dominionenergy.com

Attorney for Dominion Energy Utah

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of Dominion Energy Utah's Reply

Comments was served upon the following persons by e-mail on January 20, 2022:

Patricia E. Schmid Chris Parker William Powell Justin C. Jetter Utah Division of Public Utilities **Assistant Attorney Generals** 160 East 300 South 160 East 300 South P.O. Box 140857 PO Box 146751 Salt Lake City, UT 84114-0857 Salt Lake City, Utah 84114-6751 chrisparker@utah.gov pschmid@agutah.gov jjetter@agutah.gov wpowell@utah.gov Counsel for the Division of Public Utilities

Robert J. Moore
Assistant Attorney General
Director
Gffice of Consumer Services
P.O. Box 140857
Director
Office of Consumer Services
160 East 300 South
PO Box 140782
rmoore@agutah.gov
Counsel for the Office of Consumer Services
Director
Office of Consumer Services
Salt Lake City, UT 84114-0857
Box 146782
Salt Lake City, UT 84114-6782
mbeck@utah.gov

/s/ Ginger Johnson