

PUBLIC SERVICE COMMISSION

Docket No. 21-057-30

HEARING

January 25, 2022

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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Application of Dominion)	
Energy Utah to Change the)	Docket No: 21-057-30
Rural Expansion Rate)	Hearing Officer:
Adjustment Tracker)	Yvonne Hogle
)	
)	
)	

PUBLIC SERVICE COMMISSION HEARING

Taken via Webex

On Tuesday, January 25, 2022

At 1:31 p.m. MDT

Reported by: Brooke Simms, RPR, CCR, CSR

A P P E A R A N C E S

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Yvonne Hogle

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Also Present:

Austin Summers
Eric Orton
Alex Ware
Doug Wheelwright
Jacob Richardson
Kelly Mendenhall
Melissa Paschal
Russ Cazier

* * *

I N D E X

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AUSTIN SUMMERS

Direct Examination By Ms. Clark

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ERIC ORTON

Direct Examination By Ms. Schmid

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P R O C E E D I N G S

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HEARING OFFICER HOGLE: Good afternoon, everybody. It is about 1:30 in the afternoon on January 25, 2022, and this is the time and date to consider the application of Dominion Energy Utah to change the rural expansion rate adjustment tracker in Docket Number 21-057-30.

Let's take appearances for the record, please, starting with the applicant.

MS. CLARK: Thank you. My name is Jennifer Clark. I'm counsel for Dominion Energy Utah. I have with me Austin Summers who will serve as the company's witness in this matter.

HEARING OFFICER HOGLE: Thank you.

For the Division of the Public Utilities, please?

MS. SCHMID: Patricia E. Schmid with the Utah Attorney General's Office. With me today is Eric Orton, the division's witness.

HEARING OFFICER HOGLE: Okay. Ms. Clark, you can call your first witness or your witness, please.

MS. CLARK: Thank you. The company calls Austin Summers.

1 AUSTIN SUMMERS

2 was sworn and testified as follows:

3 HEARING OFFICER HOGLE: Okay. Thank you.

4 DIRECT EXAMINATION

5 BY MS. CLARK:

6 Q. Thank you. Mr. Summers, please state your
7 full name and business address for the record.

8 A. My name is Austin Summers, and my business
9 address is 333 South State Street, Salt Lake City,
10 Utah.

11 Q. And what position do you hold with the
12 company?

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

14 Q. Mr. Summers, was the application and the
15 accompanying Exhibits 1.1 through 1.7 prepared under
16 your direction or prepared by you?

17 A. Yes.

18 Q. And did you also prepare or cause to be
19 prepared the reply comment that the company filed in
20 this matter?

21 A. Yes, I did.

22 MS. CLARK: The company moves for the
23 admission of the application and the company exhibits
24 1.1 through 1.7 and the reply comments the company
25 submitted in this matter.

1 HEARING OFFICER HOGLE: Any objection,
2 Mrs. Schmid?

3 MS. SCHMID: No objection.

4 HEARING OFFICER HOGLE: Okay. They are in.
5 Thank you.

6 MS. CLARK: Thank you.

7 BY MS. CLARK:

8 Q. Mr. -- Mr. Summers, would you please
9 summarize the relief the company seeks in this
10 docket.

11 A. Yes. In Docket Number 21-057-30, Dominion
12 Energy is requesting a -- is requesting rate recovery
13 for investment made in the rural expansion project to
14 the city of Eureka. This investment was made through
15 November 30, 2021, and includes the cost of the high
16 pressure and intermediate high pressure mains that
17 were installed to serve Eureka. It also includes the
18 cost of the first service lines that were installed
19 for new customers.

20 This is the company's first request under
21 the rural expansion tracker model that was approved
22 by the commission in Docket Number 19-057-31. The
23 company anticipates that there will be other
24 investments in Eureka that will be brought to the
25 commission in future applications.

1 The investment in this docket provides the
2 requested incremental revenue requirement of
3 \$2,459,499. A typical GS residential customer using
4 80 dekatherms per year will see an increase in their
5 annual bills of \$1.73 or 0.22 percent.

6 These changes are just, reasonable, and in
7 the public interest, and the company requests
8 commission of approval -- requests commission
9 approval of these interim rates with an effective
10 date of February 1, 2022.

11 And that concludes my summary.

12 MS. CLARK: Mr. Summers is available for
13 cross-examination and commission questions.

14 HEARING OFFICER HOGLE: Any questions for
15 Mr. Summers by the Division of Public Utilities?

16 MS. SCHMID: No questions. Thank you.

17 HEARING OFFICER HOGLE: Okay. Thank you.

18 Mr. Summers, I just have one question. Are
19 there any other permits, consents, any other
20 requirements from Eureka City or any other agency or
21 entity that has jurisdiction over this project that
22 DEU has not filed?

23 THE WITNESS: I am not aware of anything.
24 The company filed in Docket 19-057-31 just recently
25 the last of the -- of the permits, and to my

1 knowledge, that is everything that -- that needed to
2 be filed.

3 HEARING OFFICER HOGLE: Okay. Thank you.
4 That is the only question I have.

5 THE WITNESS: Thank you.

6 HEARING OFFICER HOGLE: Thank you for your
7 time.

8 The division, please?

9 MS. CLARK: Yeah. The company has nothing
10 further.

11 HEARING OFFICER HOGLE: Oh, thank you. I
12 apologize.

13 The division, please.

14 MS. SCHMID: Thank you. The division would
15 like to call Mr. Eric Orton as its witness.

16 HEARING OFFICER HOGLE: Hello, Mr. Orton.

17 ERIC ORTON

18 was sworn and testified as follows:

19 HEARING OFFICER HOGLE: Okay. Thank you.

20 DIRECT EXAMINATION

21 BY MS. SCHMID:

22 Q. Hello. Could you please state your full
23 name for the record.

24 A. My name is Eric Orton, O-r-t-o-n.

25 Q. Your business address, please.

1 A. 160 East 300 South in Salt Lake City. I'm
2 here in the Heber Wells building.

3 Q. By whom are you employed and in what
4 capacity?

5 A. I'm employed by the Utah Division of Public
6 Utilities as a utility technical consultant.

7 Q. In conjunction with your employment by the
8 division, have you participated on behalf of the
9 division in this docket?

10 A. I did.

11 Q. Did you prepare or cause to be prepared and
12 filed the division's action request response filed on
13 January 18th of this year?

14 A. Yes, I did.

15 Q. Do you have any changes or corrections to
16 that document?

17 A. No. It's accurate to the best of my
18 knowledge.

19 MS. SCHMID: With that, the division
20 requests the admission of its action request
21 response.

22 HEARING OFFICER HOGLE: Any objection,
23 Ms. Clark?

24 MS. CLARK: No. No objection.

25 HEARING OFFICER HOGLE: Okay. The comments

1 are admitted. Thank you.

2 MS. SCHMID: Thank you.

3 BY MS. SCHMID:

4 Q. Mr. Orton, do you have a summary of your
5 comments to present to -- oh, do you adopt -- I can't
6 remember if I asked this.

7 Do you adopt those comments as your
8 testimony here today?

9 A. I do.

10 Q. And do you have a summary to present today?

11 A. Yes.

12 Q. Please proceed.

13 A. Thank you. In this filing, Dominion is
14 seeking to collect \$2.459 million in the rural
15 expansion tracker by increasing the distribution
16 non-gas cost portion of several rate schedules as
17 contemplated in Section 9.02 of its tariff. It
18 proposes to implement these new rates effective
19 February 1, 2022.

20 This proposal is the first time Dominion is
21 requesting recovery within its rural expansion
22 tracker mechanism, which was approved in Docket
23 Number 19-057-31. Dominion now proposes to collect
24 in rates the revenue requirement associated with this
25 investment closed through November 2021.

1 In this filing, Dominion provided the
2 amounts and dates of when this specific rural
3 infrastructure investment in mains as well as service
4 lines were completed and placed into service and also
5 provided the cost of service allocation, the
6 calculation showing the division of the new charge
7 between demand and volume, as well as the tariff
8 sheets.

9 If this application is approved, the typical
10 GS customer will see an annual increase of \$1.73 or
11 0.22 percent.

12 In our comments, the division pointed out
13 that for this Eureka project, one, Dominion is close
14 to its budget cap and, two, it is seeking cost
15 recovery prior to being technically complete with the
16 project as was contemplated originally -- both of
17 these which are noteworthy, but neither of them is a
18 concern to the division.

19 Given that, this application complies with
20 commission directives, and the proposed tariff
21 sheets, which were attached, accurately reflect the
22 proposed changes filed by Dominion. The division
23 recommends the commission approve the proposed rates
24 on an interim basis until we can complete an audit
25 review. At that time we will make a final

1 recommendation to the commission.

2 That concludes my summary. Thank you.

3 Q. Thank you.

4 MS. SCHMID: Mr. Orton is now available for
5 questions from the applicant or from the commission.

6 HEARING OFFICER HOGLE: Thank you.

7 Does DEU have any questions for Mr. Orton?

8 MS. CLARK: I do not. Thank you.

9 HEARING OFFICER HOGLE: Thank you,
10 Mr. Orton. Just maybe one question.

11 THE WITNESS: Sure.

12 HEARING OFFICER HOGLE: In the comments that
13 were filed by the division, division stated that it
14 expected the Eureka project to still be completed
15 under budget as the remaining work is not the
16 expensive part of the project.

17 What is your understanding of what is left
18 for the project to be completed?

19 THE WITNESS: My understanding is that there
20 are just mainly service lines running to homes. So
21 the mains in the streets and the big part of the
22 project is completed. So they're just hooking up
23 customers -- remaining customers to the street.

24 HEARING OFFICER HOGLE: And so your
25 understanding is that whatever the cost would be for

1 that would not be more than what's left in the budget
2 under the --

3 THE WITNESS: That's --

4 HEARING OFFICER HOGLE: -- approved amounts?

5 THE WITNESS: That's what we expect, yes.

6 HEARING OFFICER HOGLE: Okay. And the basis
7 for your understanding, then, is -- did you ask for
8 that information in data requests or in communication
9 with DEU? Is that what you were told or --

10 THE WITNESS: It was just communication with
11 the company, yes.

12 HEARING OFFICER HOGLE: Okay.

13 THE WITNESS: Because of that concern, I
14 contacted them, and they -- they assured me that they
15 expected to still come in under budget, and with
16 that, I have no reason to disagree with that
17 statement.

18 HEARING OFFICER HOGLE: Okay. Okay. Thank
19 you. That is all I have. Mr. Orton, thank you very
20 much for your time this afternoon.

21 THE WITNESS: Thank you.

22 MS. SCHMID: The division has nothing
23 further.

24 HEARING OFFICER HOGLE: Okay. And I don't
25 think we have any other person that will testify in

1 this hearing.

2 Does anybody have any questions or anything
3 to add?

4 MS. CLARK: No. Thank you.

5 HEARING OFFICER HOGLE: Okay. We are aware
6 that the request is for rates effective February 1,
7 and we will do everything we can to meet that
8 deadline, and thank you again.

9 We're adjourned.

10
11 (End of Proceedings at 1:42 p.m. MDT.)

12 * * * * *

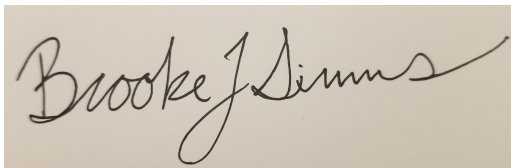
REPORTER'S CERTIFICATE

STATE OF UTAH)
)
COUNTY OF UTAH)

I, BROOKE SIMMS, a State Certified Court
Reporter and Registered Professional Reporter, hereby
certify:

THAT the foregoing proceedings were taken
before me at the time and place set forth in the
caption hereof; that the proceedings were taken down
by me in shorthand and thereafter my notes were
transcribed through computer-aided transcription; and
the foregoing transcript constitutes a full, true,
and accurate record of such oral proceedings had, and
of the whole thereof.

I have subscribed my name on this 3rd
day of February, 2022.

A handwritten signature in black ink on a light beige rectangular background. The signature reads "Brooke J. Simms" in a cursive script.

Brooke Simms, RPR, CCR, CSR

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