
Application of Dominion Energy Utah to Increase Distribution Rates and Charges and Make Tariff Modifications	<u>DOCKET NO. 22-057-03</u>
	<u>ORDER</u>

ISSUED: November 10, 2022

BACKGROUND

On October 4, 2022, Dominion Energy Utah (DEU) filed a Motion to Strike Portions of Phase II Direct Testimony of Brian C. Collins (the “Motion”). Mr. Collins’ Phase II direct testimony (the “Contested Testimony”) was submitted on September 15, 2022 on behalf of Federal Executive Agencies (FEA). We issued a notice dated October 12, 2022, providing briefing deadlines on the Motion (the “Notice”). On October 12, 2022, FEA filed its Response to Dominion Energy Utah’s Motion to Strike Portions of Phase II Direct Testimony of Brian C. Collins (“FEA’s Response”). DEU did not file a reply in support of the Motion or otherwise address FEA’s Response.

In its Motion, DEU explains that the Public Service Commission (PSC) established a schedule that “provides for two phases [...] and designates the dates by which each participating party can submit direct, rebuttal, and surrebuttal testimony prior to the hearing for each phase.”¹ DEU states the scheduling order (the “Scheduling Order”) provides deadlines for each phase and that the order is clear that all revenue requirement and capital structure issues were to be raised and addressed in Phase I,² which was due August 26, 2022. DEU asserts the Contested Testimony relates to revenue requirement and quotes the following from it:

¹ Motion at 4.

² *Id.* at 4-5.

Regarding the Company's proposal for renewal of the Infrastructure Rate Adjustment Tracker ("IRAT") by the Commission, I propose that the tracker be modified to track changes in total net plant investment in high pressure mains and should not track only incremental investments. ***The tracker should account for not only incremental rate base resulting from investments made under the rider, but should also account for the change in legacy net rate base.***³

In its Response, FEA directly represents that the Contested Testimony "concerns only Phase II cost of service and rate design issues."⁴ FEA explains that the Contested Testimony addresses the Infrastructure Rate Adjustment Tracker (IRAT) tariff.⁵ Specifically, it addresses the IRAT tariff formula components used to calculate the IRAT surcharge.⁶ According to FEA's representations, Mr. Collins proposes to change the calculation of the surcharge by including the accumulated depreciation of the legacy investments similar to the investments that are subject to the IRAT tariff.⁷ Mr. Collins does not, however, propose to make any adjustments to rate base.⁸ He instead suggests that the PSC consider an additional component in the rate design of the IRAT surcharge that will take effect in the future and does not impact the revenue requirement in this docket.⁹

DISCUSSIONS, FINDINGS, AND CONCLUSIONS

Based on our review and understanding of the Contested Testimony, we find it only relates to the rate design of the IRAT tariff by proposing to add a component to the calculation of

³ Motion at 5 (emphasis in original). DEU has other contentions, including that pages 32 to 35 of the Contested Testimony "addresses rate base and revenue requirement, both Phase I issues." *Id.*

⁴ FEA's Response at 3.

⁵ *See id.*

⁶ *See id.* at 4.

⁷ *See id.* at 5.

⁸ *See id.*

⁹ *See id.*

the IRAT surcharge.¹⁰ Phase II in this docket deals with the cost of service and rate design issues. The Contested Testimony does not impact the requested revenue requirement and would be applied to the IRAT surcharge in the future. Finally, FEA's Response was not challenged. Therefore, we conclude that the Contested Testimony is properly before us.

ORDER

DEU's Motion to Strike is denied.

DATED at Salt Lake City, Utah, November 10, 2022.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#326090

¹⁰ If our understanding is incorrect, then the Contested Testimony was untimely for Phase I and will not be considered.

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on November 10, 2022, a true and correct copy of the foregoing was delivered upon the following as indicated below:

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