| APPLICATION OF DOMINION |) | |
|-------------------------|---|----------------------|
| ENERGY UTAH FOR AN |) | Docket No. 22-057-13 |
| ADJUSTMENT TO THE |) | |
| LOW INCOME ASSISTANCE/ |) | APPLICATION |
| ENERGY ASSISTANCE RATE |) | |

All communications with respect to these documents should be served upon:

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> APPLICATION AND EXHIBITS

September 30, 2022

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH COMPANY FOR AN ADJUSTMENT TO THE LOW INCOME/ ENERGY ASSISTANCE RATE

Docket No. 22-057-13

APPLICATION FOR AN ADJUSTMENT TO THE ENERGY ASSISTANCE PROGRAM RATE

Questar Gas Company dba Dominion Energy Utah (Dominion Energy Utah or the Company) respectfully submits this Application for an adjustment to the Energy Assistance Fund Rate, and a modification to the distribution non-gas (DNG) cost portions of its Utah natural gas rates, pursuant to §8.03 of the Company's Utah Natural Gas Tariff No. 500 (Tariff).

If the Utah Public Service Commission (Commission) grants this Application, typical residential customers using 70 Dth per year will see an increase in their yearly bills of approximately \$0.02. The Company proposes to implement this request by charging the new rates effective November 1, 2022.

In support of this Application, Dominion Energy Utah states:

1. <u>Dominion Energy Utah's Operations</u>. Dominion Energy Utah, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in

the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's rates, charges, and general conditions for natural gas service in Utah are set forth in the Tariff. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Franklin County, Idaho area. Under the terms of an agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

- 2. <u>Background</u>: In the Report and Order dated July 29, 2010 in Docket 10-057-08, approving the Application of Dominion Energy Utah Company for a Tariff Change Implementing a Low-Income Assistance Program (Order), the Commission authorized Dominion Energy Utah to establish a balancing account, Account 191.8 of the Uniform System of Accounts, in which to record the debits and credits associated with the approved Low Income / Energy Assistance Program. This filing is made under the subsection Energy Assistance Fund in section §8.03 of the Tariff, which sets forth procedures for recovering the costs associated with the Low Income / Energy Assistance Fund by means of periodic adjustments to maintain the \$1.5 million target funding level. In its approved application in Docket 10-057-08, the Company stated, "Dominion Energy Utah also respectfully requests that the dollars collected and the costs associated with the Low-Income Assistance Program to be recorded in account number 191.8, and be subject to adjustment at least annually to ensure that the target funding level of \$1.5 million is maintained."
- 3. <u>Adjustment of Account 191.8 Balance</u>. Exhibit 1.1 is a summary of the accounting entries and monthly balances for the low income program. The collections, payouts, administrative charges and interest are shown on a month by month basis in columns B through

E. During the period ending July 2022 (Exhibit 1.1, Line 28) the Company under collected \$77,104 from customers on a cumulative basis since the beginning of the program. Hence, this under collection has been added to the allowed amount of \$1,500,000 so that \$1,577,104 will be collected from customers during the test period (line 30).

In this Application, Dominion Energy Utah is proposing to maintain the \$107 credit for customers in the upcoming heating season. On August 24, 2022 Dominion Energy Utah met with interested parties including representatives from the Utah Division of Public Utilities and the Utah Office of Consumer Services and those in attendance determined it was appropriate to maintain the credit at \$107. The credit is calculated by using an estimated 15,700 participants in the upcoming heating season. This estimation is determined by averaging the actual participants from the prior three years, 2020, 2021 and 2022. The projected payout fund calculation is \$1,679,936 divided by the 15,700 customers to equal the rounded \$107 credit available to qualifying customers.

Exhibit 1.1 line 33 also shows a payout amount of \$751,147 for a contribution to the Utah Department of Workforce Services Housing and Community Development Weatherization Assistance Program (the Weatherization Program). Utah Code Ann. § 54-7-13.6 (6)(a) provides that low income funding may be utilized for "replacement of an appliance with a more efficient appliance" and/or "other energy efficiency improvements to the eligible customer's residence." The Weatherization Program provides energy-efficient replacement appliances to low-income households, as well as weatherization improvements and other energy-efficiency home improvements. The Company proposes to contribute \$250,000 to the Weatherization Program within 30 days of the approval of this Application. The Company will then assess participation in the Company's energy-assistance program over the first few winter months and determine

whether further contributions are appropriate. If projected participation in the Company's energy-assistance program is as expected, the Company will pay the remaining \$501,147 to the Weatherization Program over the course of the next year. If participation in the Company's energy-assistance program is higher than expected, then the Company will seek Commission approval to adjust the funding to provide greater funding to the Company's energy-assisstance program, and less funding will be provided to the Weatherization Program. Over the last few years, the Company has accumulated a \$853,979 balance in the Low Income balancing account 191800 (see Exhibit 1.1, column F, line 23). This contribution, as well as the ongoing credits to low-income customers' bills, will help reduce the low income account balance during the test period.

Exhibit 1.2 shows a breakdown and proposal to collect those rates by the applicable class. Column D illustrates the revenue responsibility by class. This revenue responsibility is divided by the test period volumes to calculate a rate. Pursuant to Utah Code Ann. § 54-7-13.6, those customers qualifying for program benefits are not charged the surcharge and, therefore, volumes attributable to program participants have been removed from the calculation. The rate calculation also takes into account the program and statutory requirement that no individual customer will be assessed more than \$50 per month for the program (Columns G and H). The total projected revenue by class is shown in column I.

- 4. <u>Proposed Tariff Sheets</u>. Exhibit 1.3 shows the proposed Tariff sheets. The program will continue to provide eligible customers with a one-time credit on their monthly bill after the Company receives notification of the customer's qualification.
- 5. <u>Change in Typical Customer's Bill.</u> The annualized change in rates calculated in this Application results in a \$0.02 increase for a typical GS residential customer using 70

decatherms per year. The projected month-by-month bills for a typical GS residential customer are shown in Exhibit 1.4.

- 6. <u>Final Tariff Sheet</u>. In addition to this Low Income Assistance/Energy Assistance Application, the Company is also concurrently filing a pass-through application in Docket No. 22-057-16, an application for an adjustment to the Daily Transportation Imbalance Charge in Docket No. 22-057-17, an application to adjust the Conservation Enabling Tariff in Docket No. 22-057-15, and an application to adjust the Energy Efficiency Rate in Docket No. 22-057-14, The Company has requested that these applications be approved effective November 1, 2022. Exhibit 1.5 shows the proposed GS rate schedule that reflects the final Tariff sheet that would be effective if the Commission approved all of the applications.
- 7. <u>Exhibits</u>. Dominion Energy Utah submits the following Exhibits in support of its request to adjust the Low Income balancing account:
 - Exhibit 1.1 Account 191800 UT/ID Low Income Credit/Charge
 - Exhibit 1.2 Energy Assistance Allocation and Rate Design
 - Exhibit 1.3 Legislative and Proposed Rate Schedules
 - Exhibit 1.4 Effect on GS Typical Customer
 - Exhibit 1.5 Combined Legislative and Proposed Rate Schedules

WHEREFORE, Dominion Energy Utah respectfully requests the Commission, in accordance with the Order approving the implementation of a Low-Income Assistance and the Company's Tariff:

1. Enter an order authorizing Dominion Energy Utah to implement rates and charges applicable to its Utah natural gas service that reflect an adjustment for each rate class, as more fully described in this Application; and

2. Authorize Dominion Energy Utah to implement its rates effective November 1, 2022.

DATED this 30th day of September, 2022.

Respectfully submitted,

DOMINION ENERGY UTAH

Jenniffer N. Clark (7947)

Attorney for Dominion Energy Utah

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Application was served upon the

following persons by e-mail on September 30, 2022:

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