

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Dominion Energy Utah for an Adjustment to the Low Income/Energy Assistance Rate	<u>DOCKET NO. 22-057-13</u>
Application of Dominion Energy Utah to Amortize the Energy Efficiency Deferred Account Balance	<u>DOCKET NO. 22-057-14</u>
Application of Dominion Energy Utah to Amortize the Conservation Enabling Tariff Balancing Account	<u>DOCKET NO. 22-057-15</u>
Pass-Through Application of Dominion Energy Utah for an Adjustment in Rates and Charges for Natural Gas Service in Utah	<u>DOCKET NO. 22-057-16</u>
Application of Dominion Energy Utah for an Adjustment to the Daily Transportation Imbalance Charge	<u>DOCKET NO. 22-057-17</u>
	<u>ORDER</u>

ISSUED: October 31, 2022

**SYNOPSIS**

The Public Service Commission (PSC) approves the five applications (“Applications”) Dominion Energy Utah (DEU) filed in the referenced dockets (“Dockets”). Our approval results in a total average net increase of \$6.15 or 9.72 percent to the monthly bill of a typical GS residential customer using 70 decatherms (Dth) of natural gas per year.

The PSC approves the following applications on an interim basis (collectively, “Interim Rate Applications”), subject to audit, effective November 1, 2022:

- i. Application of DEU to Amortize the Energy Efficiency Deferred Account Balance (Docket No. 22-057-14);
- ii. Pass-Through Application of DEU for an Adjustment in Rates and Charges for Natural Gas Service in Utah (Docket No. 22-057-16); and
- iii. Application of DEU for an Adjustment to the Daily Transportation Imbalance Charge (Docket No. 22-057-17).

In addition, the PSC approves final rates and tariff modifications as requested in the following applications (collectively, “Final Rate Applications”), effective November 1, 2022:

- i. Application of DEU for an Adjustment to the Low-Income Assistance/Energy Assistance Rate (Docket No. 22-057-13); and

- ii. Application of DEU to Amortize the Conservation Enabling Tariff Balancing Account (Docket No. 22-057-15).

### **PROCEDURAL BACKGROUND**

DEU filed the Applications on September 30, 2022. Each application proposes discrete rate changes and modifications to DEU's PSCU Tariff No. 500, effective November 1, 2022.

On October 6, 2022, the PSC held a consolidated scheduling conference. On October 7, 2022, the PSC issued a Scheduling Order and Notice of Hearing for the Dockets. On October 19, 2022, the Division of Public Utilities (DPU) filed comments and recommendations regarding the Applications and the Office of Consumer Services (OCS) filed comments regarding Docket No. 22-057-13. No other party petitioned to intervene or filed comments.

On October 24, 2022, the PSC held a consolidated hearing in the Dockets to consider the Applications, during which DEU and DPU provided witness testimony.<sup>1</sup>

### **FACTUAL BACKGROUND**

#### **Docket No. 22-057-13: Low Income Assistance/Energy Assistance Rate Application**

In its application in Docket No. 22-057-13 ("Energy Assistance Rate Application"), DEU proposes an Energy Assistance credit of \$107.<sup>2</sup> The Energy Assistance credit provides bill credits to qualifying low-income customers under the Low-Income Assistance/Energy Assistance Program ("Energy Assistance Program") approved by the PSC in Docket No. 10-057-08. The program is funded through allocations to the distribution non-gas (DNG) rates of the GS, FS, NGV, IS, TBF, TSF, TSI, and MT rate classes and collected in the Low Income/Energy

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<sup>1</sup> Reference herein to "Virtual Hearing" is to the audio recording of the hearing in this matter and is located at <https://www.youtube.com/watch?v=0nLw5He6Tg0>.

<sup>2</sup> Energy Assistance Rate Application at 3.

Assistance Fund's 191.8 balancing account ("Balancing Account"), with a target amount of \$1.5 million. DEU is allowed to collect \$1.5 million annually to fund the Energy Assistance Program, and the Energy Assistance Rate Application seeks an adjustment to the Balancing Account to ensure that the target amount of \$1.5 million is maintained.

DEU states that it under-collected \$77,104 from customers during the period ending July 2022, and on a cumulative basis since the beginning of the Energy Assistance Program.<sup>3</sup> DEU proposes to collect that amount along with the \$1.5 million target amount, for a total of \$1,577,104 during the test period. DEU also states that over the last few years, it has accumulated an \$853,979 balance in the Balancing Account based on the historical utilization rates by qualifying low-income participants in the Energy Assistance Program. DEU proposes to contribute \$751,147 of that amount to the Utah Department of Workforce Services Housing and Community Development Weatherization Assistance Program (the "DWS Program"). Specifically, DEU proposes to contribute \$250,000 to the DWS Program within 30 days from the approval date of the Energy Assistance Rate Application. DEU will then assess participation in its energy-assistance program over the first few winter months and determine whether additional contributions are appropriate. If participation in its energy-assistance program is as expected, DEU will contribute the remaining \$501,147 to the DWS Program over the course of the next year. If not, DEU will seek PSC approval to adjust the funding to provide more funding to DEU's energy-assistance program.<sup>4</sup>

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<sup>3</sup> See Energy Assistance Rate Application, Ex. 1.1.

<sup>4</sup> Combining the collection amount of \$1,577,104 and the Balancing Account amount of \$853,979 and subtracting DEU's proposed contribution of \$751,147, results in \$1,679,936. DEU estimates there will be 15,700 participants in the Energy Assistance Program this upcoming heating season and, dividing \$1,679,936 by 15,700, results in DEU's estimate of \$107 for the Energy Assistance credit. See Energy Assistance Rate Application, Ex. 1.1.

On August 24, 2022, DEU met with interested parties, including representatives from DPU and OCS, and those in attendance determined the proposed Energy Assistance credit is appropriate.

*DPU and OCS Support the Low Income/Energy Assistance Rate Application, and No Party Opposed the Application.*

In its written comments,<sup>5</sup> OCS states it supports DEU's contribution component of the Energy Assistance credit and noted that the contribution is for this current year only and will not recur annually.<sup>6</sup>

In its written comments and at the hearing, DPU confirmed its support for DEU's Energy Assistance credit of \$107.00 in its Energy Assistance Rate Application. Based on the information presented in the Energy Assistance Rate Application, DPU calculates that approval of the Energy Assistance Rate Application will result in a \$0.02 increase to the annual bill of a typical GS residential customer using 70 Dth per year. DPU testified the rates proposed are just and reasonable, and in the public interest, and recommends approval as a final rate, effective November 1, 2022.<sup>7</sup> No party opposed the Energy Assistance Rate Application.

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<sup>5</sup> OCS did not have witness testimony at the hearing, but counsel for OCS read into the record an authorized statement providing, "consistent with its comments filed in this docket, [OCS] recommends the PSC approve DEU's proposal to transfer the surplus energy assistance program funds to the low-income weatherization [program's] funds for the reasons contained in the application [of DEU]." Virtual Hearing, 5:55-6:25.

<sup>6</sup> OCS's October 19, 2022 comments at 2.

<sup>7</sup> Virtual Hearing, 8:59-9:35.

**Docket No. 22-057-14: Amortization of Energy Efficiency Account Balance Application**

In its application in Docket No. 22-057-14 (“Energy Efficiency Application”), DEU proposes to decrease the Energy Efficiency amortization rate component of the DNG Rate for all GS Rate Schedule usage blocks to \$0.20321 per Dth from the \$0.27767 per Dth rate approved in Docket No. 21-057-21.<sup>8</sup> The proposed rate reflects an August 31, 2022 Energy Efficiency Account balance of \$(1,356,478) and a projected 2023 Energy Efficiency budget of approximately \$30.213 million, resulting in a decrease in the amount amortized of \$8.030 million.<sup>9</sup> DEU states that based on forecasted 2023 budgeted expenditures and projected volumes for the 2022-2023 test year, it will be able to collect the necessary revenue while at the same time minimizing interest expense.<sup>10</sup> DEU estimates that a residential customer using 70 Dths per year will see an annual bill decrease of \$5.23 or 0.69 percent due to the decreased amortization rate.

*DPU Supports the Energy Efficiency Application, Subject to an Audit, and No Party Opposed the Application.*

DPU states approval of the Energy Efficiency Application will result in a \$5.23 or 0.69 percent decrease to the annual bill of a typical GS residential customer using 70 Dth per year.<sup>11</sup> DPU testified the rates proposed are just and reasonable for Utah customers, and approval of the changes proposed in the Energy Efficiency Application are in the public interest.<sup>12</sup> DPU thus recommended the PSC approve the requested rate change on an interim basis, effective

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<sup>8</sup> See *Application of Dominion Energy Utah to Amortize the Energy Efficiency Deferred Account Balance*, Docket No. 21-057-21, Order issued October 29, 2021.

<sup>9</sup> See Energy Efficiency Application, Ex. 1.3.

<sup>10</sup> Energy Efficiency Application at 3, ¶ 1.

<sup>11</sup> Docket No. 22-057-14, DPU’s October 19, 2022 Action Request Response at 8.

<sup>12</sup> Virtual Hearing, 17:15-17:20.

November 1, 2022, subject to audit and review.<sup>13</sup> No party opposed the Energy Efficiency Application.

**Docket No. 22-057-15: Conservation Enabling Tariff Application**

In its application in Docket No. 22-057-15 (“CET Application”), DEU requests approval to amortize the Conservation Enabling Tariff (“CET”) Account balance and adjust the DNG portion of its GS rate schedule. According to DEU, as of August 31, 2022, the CET account has an under-collected balance of \$4.112 million.<sup>14</sup> DEU proposes to amortize this balance by allocating the total CET account balance to each summer and winter block comprising GS DNG rates proportionate to estimated test-year DNG revenues for each block.<sup>15</sup> DEU states that approval of the application will result in a \$0.81 or 0.11 percent increase to the annual bill of a typical GS customer using 70 Dth per year.<sup>16</sup>

<b>GS Rate Schedule</b>	<b><u>Current CET Rate per Dth</u></b>	<b><u>Proposed CET Rate per Dth</u></b>	<b><u>Difference in CET Rates per Dth</u></b>
Summer Block 1	\$0.02274	\$0.03221	\$0.00946
Summer Block 2	\$0.00888	\$0.01231	\$0.00343
Winter Block 1	\$0.03083	\$0.04382	\$0.01299
Winter Block 2	\$0.01697	\$0.02392	\$0.00695

*DPU Supports the Proposed Conservation Enabling Tariff Rates, and No Party Opposed the Application.*

DPU testimony agreed with DEU that approval of the CET Application will result in a \$0.81, or 0.11 percent increase to the annual bill of a typical GS residential customer using 70

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<sup>13</sup> Virtual Hearing, 17:05-17:15.

<sup>14</sup> CET Application at 2, ¶ 4.

<sup>15</sup> See CET Application, Ex. 1.2.

<sup>16</sup> *Id.* at 1.

Dth per year.<sup>17</sup> DPU testified that the rates proposed in the CET Application are just and reasonable, and in the public interest, and recommended the PSC approve them as final, effective November 1, 2022.<sup>18</sup> No party opposed the CET Application.

**Docket No. 22-057-16: 191 Account Application**

DEU's Pass-Through 191 Account Application in Docket No. 22-057-16 ("191 Account Application") proposes an increase of \$128,167,379 in DEU's Utah natural gas rates<sup>19</sup> related to DEU's Account 191.1 of the Uniform System of Accounts, Unrecovered Purchased Gas Costs ("191 Account").<sup>20</sup> The 191 Account Application is based on projected Utah gas-related costs of approximately \$845.083 million for the forecast test year ending October 31, 2023 ("Test Year").<sup>21</sup> This represents an overall increase of approximately \$128.167 million, reflecting a projected \$128.046 million increase in commodity costs and a projected \$0.121 million increase in supplier non-gas ("SNG") costs.

*The 191 Account Application Seeks an Increase in the Commodity Rate.*

The 191 Account Application proposes to increase DEU's total commodity rate for all rate classes. The net total commodity rate increase is due to an increase in the Base Gas Cost

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<sup>17</sup> Virtual Hearing, 22:45-23:06.

<sup>18</sup> Virtual Hearing, 23:10-23:30.

<sup>19</sup> The driving force behind the requested increase is higher forecasted gas costs, which is based on estimates from two independent agencies. See 191 Application at 1 and Docket No. 22-057-16, DPU's October 19, 2022 Action Request Response at 4.

<sup>20</sup> See DEU's Utah Natural Gas Tariff PSCU 500 at 2-1 to 2-9. As the PSC recognized in an earlier docket, "[t]he 191 Account's purpose is to allow [DEU] to recover, on a dollar-for-dollar basis, the difference between projected gas costs and the actual costs [DEU] incurs to purchase gas. In addition to commodity gas costs, the 191 Account also tracks certain 'supplier non-gas costs' ... which are costs associated with gathering, processing, transporting[,] and storing gas." *In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah*, Docket No. 16-057-05, Order Memorializing Bench Rulings issued July 11, 2016 at 2.

<sup>21</sup> 191 Account Application at 2, ¶ 4.

portion of the 191 Account balance, which includes the allocation of liquefied natural gas (“LNG”) related costs to the FS and GS rate classes,<sup>22</sup> and DEU’s proposed decrease in the 191 Amortization Rate. That decrease is proposed to go from \$0.57020 to \$0.53231 per Dth due to the \$61.127 million under-collected portion of the 191 Account.<sup>23</sup>

DEU’s proposed Base Gas Cost and Amortization rates for the GS, FS, IS, and NGV rate classes are shown below:

**Table 1**

	<b><u>Current Commodity Rate per Dth</u></b>	<b><u>Proposed Commodity Rate per Dth</u></b>
<b>GS &amp; FS Rate Schedule</b>		
Base Gas Cost	\$5.43597	\$6.58934
191 Amortization Rate	<u>\$0.57020</u>	<u>\$0.53231</u>
<b>Total Commodity Rate</b>	<b>\$6.00617</b>	<b>\$7.12165</b>
<b>IS Rate Schedule</b>		
Base Gas Cost	\$5.42485	\$6.57313
191 Amortization Rate	<u>\$0.57020</u>	<u>\$0.53231</u>
<b>Total Commodity Rate</b>	<b>\$5.99505</b>	<b>\$7.10544</b>
<b>NGV Rate Schedule</b>		
Base Gas Cost	\$5.42485	\$6.57313
191 Amortization Rate	\$0.57020	\$0.53231
RIN Credit	<u>(\$0.33195)</u>	<u>(\$0.48096)</u>
<b>Total Commodity Rate</b>	<b>\$5.66310</b>	<b>\$6.62448</b>

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<sup>22</sup> Because the intended use of DEU’s LNG facility is to help prevent supply disruptions for DEU’s firm sales customers (see *Request of Dominion Energy Utah for Approval of a Voluntary Resource Decision to Construct a Liquefied Natural Gas Facility*, Docket No. 19-057-13, Order issued October 25, 2019 at 15), the GS and FS rate classes are assigned the commodity costs related to the LNG facility. See 191 Account Application at 8, ¶ 16.

<sup>23</sup> *Id.*, ¶ 17.



*The 191 Account Application Seeks a Credit of \$0.48096 per Dth Applicable to the Natural Gas Vehicle (“NGV”) Commodity Rate.*

In response to our October 30, 2020 Order in Docket No. 20-057-14,<sup>24</sup> DEU states it is now accounting for Renewable Information Number (RIN) proceeds by amortizing the proceeds and returning them to NGV customers as a credit, rather than recognizing the credit through the 191 Account commodity rate component.<sup>25</sup> DEU proposes to amortize total RIN proceeds of \$139,370 over the Test Year through a credit against the commodity rate for NGV customers of \$0.48096 per Dth.<sup>26</sup> The proposed changes to the NGV rate can be found above in Table 1.

*The 191 Account Application Seeks a \$0.133 Million Increase in Total Revenue Collections Tied to SNG Rates During the Test Year.*

DEU’s total forecasted Net SNG cost of \$91.634 million is the sum of the forecast SNG costs (\$88.411 million to be recovered in the SNG Base rate) and the current 191 SNG Account balance adjusted to maintain the SNG Account balance within the +/- \$14 million range (\$3.223 million under-collected balance to be recovered in the SNG Amortization Rate).<sup>27</sup> This Net SNG cost is a decrease from the \$91.837 million forecast in Docket No. 22-057-08.<sup>28</sup> Current SNG rates are estimated to recover \$91.501 million.<sup>29</sup> DEU proposes the following changes to the SNG Base Rate and the SNG Amortization Rate:<sup>30</sup>

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<sup>24</sup> See *Pass-Through Application of Dominion Energy Utah for an Adjustment in Rates and Charges for Natural Gas Service in Utah*, Docket No. 20-057-14, Order at 15, where we “encourage[d] DEU to continue to evaluate other methods to more transparently account for the NGV RIN credit in the 191 Account model.”

<sup>25</sup> See 191 Account Application at 8-9, ¶ 19.

<sup>26</sup> See *id.*

<sup>27</sup> See *id.* at 9, ¶ 20.

<sup>28</sup> *Pass-Through Application of Dominion Energy Utah for an Adjustment in Rates and Charges for Natural Gas Service in Utah*, Docket No. 22-057-08, 191 Application, DEU Ex. 1.5, p.2.

<sup>29</sup> See 191 Account Application at 9, ¶ 20.

<sup>30</sup> 191 Account Application, Ex. 1.5, p.6.

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	<u>Current SNG Rate per Dth</u>	<u>Proposed SNG Rate per Dth</u>	<u>Difference</u>
<b>GS Rate Schedule</b>			
Summer Blocks 1 and 2 <sup>31</sup>			
SNG Base Rate	\$0.38263	\$0.38433	\$0.00170
SNG Amortization Rate	<u>\$0.01392</u>	<u>\$0.01392</u>	\$ --
<b>Total</b>	<b>\$0.39655</b>	<b>\$0.39825</b>	<b>\$0.00170</b>
Winter Blocks 1 and 2			
SNG Base Rate	\$0.91267	\$0.91359	\$0.00092
SNG Amortization Rate	<u>\$0.03321</u>	<u>\$0.03321</u>	\$ --
<b>Total</b>	<b>\$0.94588</b>	<b>\$0.94680</b>	<b>\$0.00092</b>
<b>FS Rate Schedule</b>			
Summer Blocks 1, 2, and 3			
SNG Base Rate	\$0.75310	\$0.75121	\$(0.00189)
SNG Amortization Rate	<u>\$0.02741</u>	<u>\$0.02741</u>	\$ --
<b>Total</b>	<b>\$0.78051</b>	<b>\$0.77862</b>	<b>\$(0.00189)</b>
Winter Blocks 1, 2, and 3			
SNG Base Rate	\$0.90210	\$0.90016	\$(0.00194)
SNG Amortization Rate	<u>\$0.03283</u>	<u>\$0.03283</u>	\$ ---
<b>Total</b>	<b>\$0.93493</b>	<b>\$0.93299</b>	<b>\$(0.00194)</b>
<b>NGV Rate Schedule</b>			
SNG Base Rate	\$0.68177	\$0.67962	\$(0.00215)
SNG Amortization Rate	<u>\$0.02481</u>	<u>\$0.02481</u>	\$ --
<b>Total</b>	<b>\$0.70658</b>	<b>\$0.70443</b>	<b>\$(0.00215)</b>
<b>IS Rate Schedule</b>			
SNG Base Rate	\$0.17905	\$0.17938 <sup>32</sup>	\$0.00033
SNG Amortization Rate	<u>not applicable</u>	<u>not applicable</u>	<u>not applicable</u>
<b>Total</b>	<b>\$0.17905</b>	<b>\$0.17938</b>	<b>\$0.00033</b>

DEU also proposes to change the additional SNG monthly demand charge (“SNG Adder”) which allocates peak hour contract costs to transportation customers.<sup>33</sup> This charge is collected from TS and TBF customers through a monthly demand charge per Dth of contracted

<sup>31</sup> The GS Block 1 rate is applicable to the first 45 Dth; Block 2 is applicable to usage greater than 45 Dth.

<sup>32</sup> See 191 Account Application, Ex. 1.5, p.3, n.1 for calculation.

<sup>33</sup> See 191 Account Application at 7, ¶ 15 and Ex. 1.4, p.3.

monthly firm demand, and was approved in the PSC's February 25, 2020 Order in Docket No. 19-057-02.<sup>34</sup> The current and proposed rates are shown below:

	<b><u>Current SNG Rate per Dth</u></b>	<b><u>Proposed SNG Rate per Dth</u></b>	<b>Difference</b>
<b>TSF Rate Schedule</b>			
Base SNG Annual Dem.	\$2.08257	\$2.08116	\$(0.00141)
SNG Amortization Rate	<u>\$0.07578</u>	<u>\$0.07578</u>	<u>\$ --</u>
<b>SNG Adder Annual</b>	<b>\$2.15835</b>	<b>\$2.15694</b>	<b>\$(0.00141)</b>
<b>SNG Adder Monthly</b>	<b>\$0.17986</b>	<b>\$0.17975</b>	<b>\$(0.00011)</b>
<b>TBF Rate Schedule</b>			
Base SNG Annual Dem.	\$1.38744	\$1.38650	\$(0.00094)
SNG Amortization Rate	<u>\$0.05049</u>	<u>\$0.05049</u>	<u>\$ --</u>
<b>SNG Adder Annual</b>	<b>\$1.43793</b>	<b>\$1.43699</b>	<b>\$(0.00094)</b>
<b>SNG Adder Monthly</b>	<b>\$0.11983</b>	<b>\$0.11975</b>	<b>\$(0.00008)</b>

*DPU Supports the 191 Account Application, Subject to an Audit, and No Party Opposed the Application.*

DPU testified that it expressed concerns to DEU about the prudence of fully filling the LNG facility during the upcoming heating season while forecasted natural gas prices are high, and stated that DEU should continue monitoring the market to determine when it should purchase gas to fill the LNG facility.<sup>35</sup> However, DPU and DEU testified that they have agreed that DEU will only partially fill the LNG facility to allow withdrawing from it, if necessary, three to four days for the 2022-2023 heating season.<sup>36</sup> DPU also testified the rates proposed in the 191 Account Application are just and reasonable, and in the public interest, and recommends their approval on an interim basis, effective November 1, 2022, subject to audit and review.<sup>37</sup>

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<sup>34</sup> *Application of Dominion Energy Utah to Increase Distribution Rates and Charges and Make Tariff Modifications*, Docket No. 19-057-02.

<sup>35</sup> Virtual Hearing, 34:30-35:10.

<sup>36</sup> Virtual Hearing, 28:55-29:22, 34:30-34:58, and 36:08-36:40.

<sup>37</sup> Virtual Hearing, 35:35-35:55.

DPU calculates that approval of the 191 Account Application will result in an increase to the annual bill of a typical GS residential customer using 70 Dth per year, of \$78.16, or 10.29 percent. No party opposed the 191 Account Application.

**Docket No. 22-057-17: Daily Transportation Imbalance Charge Application**

In its application filed in Docket No. 22-057-17 (the “Daily TIC Application”), DEU proposes to increase the Daily Transportation Imbalance Charge (“TIC”) from \$0.08592 to \$0.09449 per Dth for daily imbalance volumes outside of a five percent tolerance for transportation customers taking service under DEU’s MT, TSF/TSI, and TBF rate schedules, using historical data for the twelve months ending August 31, 2022.<sup>38</sup> The PSC approved the TIC and provided for its review and recalculation concurrent with the 191 Account pass-through filings in its November 9, 2015 order in Docket No. 14-057-31.<sup>39</sup>

*DPU Supports the TIC Application on an Interim Basis, Subject to an Audit.*

DPU states the current TIC has been in place since February 2016, and while it appears some nominations have become more accurate since the rate was imposed, several customers with gas nominations still fall outside the acceptable range.<sup>40</sup> DPU will continue to monitor the TIC and usage.<sup>41</sup>

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<sup>38</sup> Dominion Energy Utah Natural Gas Tariff PSCU 500, Section 5, Transportation Service, defines “‘Daily imbalance’ . . . [as] the difference between the customer’s scheduled quantities, less fuel, and the customer’s actual usage on any given day[.]”

<sup>39</sup> See *In the Matter of the Application of Questar Gas Company to Make Tariff Modifications to Charge Transportation Customers for use of Supplier-Non-Gas Services*, Docket No. 14-057-31, Order issued November 9, 2015.

<sup>40</sup> See Docket No. 22-057-17, DPU’s October 19, 2022 Action Request Response at 3-4. DPU testified that it will engage DEU in further discussions regarding the accuracy of the nomination process. Virtual Hearing, 44:05-44:52.

<sup>41</sup> See Docket No. 22-057-17, DPU’s October 19, 2022 Action Request Response at 4.

DPU states it has reviewed the calculation and the TIC Application, but has not completed an audit of the individual entries and the credits to the 191 Account. DPU testified the requested charges are just and reasonable, and in the public interest.<sup>42</sup> Accordingly, DPU recommended the proposed TIC be approved on an interim basis, effective November 1, 2022, subject to audit and review.<sup>43</sup> No party opposed the TIC Application.

**FINDINGS, CONCLUSION, AND ORDER**

A. The Interim Rate Applications.

1. *Evidentiary Support for Proposed Interim Rate Changes*

In the Interim Rate Applications and at a hearing before the PSC, DEU offered sworn testimony and accompanying documentation that included detailed accountings of historical costs and revenues and cost and revenue projections, and detailed calculation models and supporting explanations describing the costs it seeks to recover, the rates it seeks to implement, and its methods of allocating costs and revenues to rate classes. DPU's written comments represented, and DPU testified at a hearing before the PSC, that it conducted a preliminary review of the Interim Rate Applications including an analysis of DEU's proposals and supporting documentation. DPU testified that based on this review, the rates proposed in the Interim Rate Applications are just, reasonable, and in the public interest, and recommended that we approve them on an interim basis. No party offered evidence opposing the Interim Rate Applications, DEU's testimony, or DPU's testimony and recommendation.

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<sup>42</sup> Virtual Hearing, 43:35-43:55.

<sup>43</sup> *Id.*

Accordingly, we find substantial evidence supports the conclusion that the rate changes requested by DEU in the Interim Rate Applications are more likely to reflect DEU's actual costs than current base rates, and accordingly are just, reasonable, and in the public interest. Though DPU's preliminary review shows that the proposed rates are just, reasonable, and in the public interest, DPU states that it has not yet conducted a final audit. We approve the proposed rates on an interim basis to ensure that the rates may be "trued-up" after DPU completes its final audit, such that DEU recovers no more or less from customers than the costs it actually incurs.

B. Applications for Final Rates.

In the Final Rate Applications and at a hearing before the PSC, DEU offered sworn testimony and accompanying documentation that included detailed accountings of historical costs and revenues and cost and revenue projections, and detailed calculation models and supporting explanations describing the costs it seeks to recover, the rates it seeks to implement, and its methods of allocating costs and revenues to rate classes. DPU's written comments represented, and DPU testified at a hearing before the PSC, that it reviewed the Final Rate Applications including an analysis of DEU's proposals and supporting documentation. DPU testified that, based on its review, the rates proposed in the Final Rate Applications are just, reasonable, and in the public interest, and recommended approval. OCS's written comments in the Energy Assistance Rate Application state that it participated in conversations regarding the contribution to the low-income weatherization program and supported DEU's proposal. No party offered evidence opposing the Final Rate Applications, DEU's testimony, or DPU's testimony and recommendation.

Accordingly, we find substantial evidence supports the conclusion that the rate changes requested by DEU in the Final Rate Applications<sup>44</sup> are just, reasonable, and in the public interest.

ORDER

Therefore, we order:

1. The rates proposed in Docket Nos. 22-057-14, 22-057-16, and 22-057-17 are approved on an interim basis, effective November 1, 2022, pending the results of DPU's forthcoming audits;
2. The rates proposed in Docket Nos. 22-057-13 and 22-057-15 are approved as final, effective November 1, 2022; and
3. The proposed tariff modifications in the five applications described above are approved, effective November 1, 2022.

DATED at Salt Lake City, Utah, October 31, 2022.

/s/ John Delaney  
Presiding Officer

Approved and confirmed October 31, 2022, as the Order of the Public Service  
Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#326010

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<sup>44</sup> The proposed rates and modifications related to the CET Application and the Energy Assistance Rate Application do not require an audit.

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 written 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 October 31, 2022, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

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Administrative Assistant