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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

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Division Director

Recommendation

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Artie Powell, Manager
Doug Wheelwright, Utility Technical Consultant Supervisor
Russ Cazier, Utility Analyst

Date: December 21, 2022

Re: **Docket No(s). 22-057-20 & 22-057-21, Dominion Utah Energy, Pass-Through Application of Dominion Energy Utah for Adjustment in Rates and Charges for Natural Gas Service in Utah**

Recommendation (Approval)

The Division of Public Utilities (Division) recommends the Utah Public Service Commission (Commission) approve the request from Dominion Energy Utah (Dominion or Company) to withdraw the application to adjust rates and charges to the 191 Pass-Through.

Issue

The Company has informed the Division and the Commission of its intent to withdraw from the above matter citing higher-than-normal system demand usage and higher-than-projected gas costs. Both conditions are a direct result of colder-than-normal weather conditions that Utah has been experiencing since early November.

Background

On November 10, 2022, Dominion filed its application with the Commission requesting approval to adjust rates and charges to the 191 Pass-Through. In initial comments, and at the public hearing, the Division recommended the Commission support the proposed rate

Division of Public Utilities

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based on the forecast of the price of natural gas for the next twelve months. Since that filing, natural gas prices have remained high and have not come down as forecast. Cold temperatures and increased demand have caused prices to remain high and are closer to the previously forecasted gas costs included in the Company's September 30th, 2022, filing in Docket No. 22-057-16.

Dominion has observed the current 191 under-collected balance has been growing and would not benefit from the proposed rate decrease. The Division appreciates the Company's efforts to monitor the current market conditions and inform the Division and the Commission of potential changes that could impact Utah customers. The Division supports the Company's decision to withdraw the current application and maintain the rates as currently approved. The current rates have been approved by the Commission and have been determined to be just and reasonable for Utah Customers. A decrease in rates and charges would not be appropriate at this time.

cc: Kelly Mendenhall, Dominion Energy Utah
Austin Summers, Dominion Energy Utah
Jessica Ipson, Dominion Energy Utah
Michele Beck, Office of Consumer Services