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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE Executive Director CHRIS PARKER Division Director

Action Request Response

- To: Public Service Commission of Utah
- From: Utah Division of Public Utilities

Chris Parker, Director Doug Wheelwright, Utility Technical Consultant Supervisor Bob Davis, Utility Technical Consultant

- Date: January 18, 2023
- **Re: Docket No. 22-057-24,** Application of Dominion Energy Utah for Approval of Funding for the Intermountain Industrial Assessment Center

Recommendation (Approval)

The Division of Public Utilities (Division) has reviewed Dominion Energy Utah's (DEU) Application for Approval of Funding for the Intermountain Industrial Assessment Center (IIAC). The Division supports the settlement stipulation (Settlement) reached between DEU, the Division, and the Office of Consumer Services (OCS). The Division finds the Settlement just, reasonable, and in the public interest. Therefore, the Division recommends the Public Service Commission of Utah (Commission) approve DEU's application.

lssue

On December 21, 2022, DEU filed its Application for Approval of Funding for the Intermountain Industrial Assessment Center with the Commission.¹ On the same day, the Commission issued an Action Request to the Division asking it to review the application and make recommendations. The Commission asked the Division to report back by January 20, 2023. On December 29, 2022, the Commission issued its Notice of Filing and Comment

¹ Dominion Energy Utah, Application, Docket No. 22-057-24, December 21, 2022, https://pscdocs.utah.gov/gas/22docs/2205724/326475StlmntStpltn12-21-2022.pdf.

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Period asking any interested person to submit comments on the Settlement on or before January 18, 2023, and reply comments on or before January 25, 2023.²

Background

The Commission's Report and Order in Docket No. 19-057-33 (Order), dated August 31, 2020, approved a Settlement Stipulation between DEU and other parties to provide funding of \$500,000 per year to the IIAC for a two-year pilot period. The Stipulation permitted DEU to implement a balancing account to track the costs associated with the funding of IIAC and recover those costs from DEU's customers. DEU proposed to commence the funding on October 1, 2020, and conclude the funding on September 30, 2022.

On March 2, 2021, DEU filed with the Commission its notice of the temporary suspension of the IIAC assessment program (Notice) due to pandemic-related setbacks.³ DEU indicated in its notice that the new two-year assessment schedule would begin on March 1, 2021, and end on February 28, 2023. The Commission acknowledged the Notice on April 2, 2021, and indicated the program would progress on the new schedule but would remain subject to the conditions of its August 31, 2020 Order.⁴

Discussion

The Division has reviewed the terms of the Settlement Stipulation along with Confidential DEU Exhibit A – IIAC Budget, and DEU Exhibit B – IIAC Sustainable Transportation and Energy Plan (STEP) Guidelines. The Division concludes DEU's filing complies with the Parties' settlement discussions.

The modified term of the IIAC assessment program will conclude on February 28, 2023. The Parties agree in this Settlement that DEU may extend funding to the IIAC for an

² See Commission, Notice of Filing and Comment Period, Docket No. 22-057-24, December 29, 2022, https://pscdocs.utah.gov/gas/22docs/2205724/3265092205724nofacp12-29-2022.pdf.

³ Dominion Energy Utah, Corrected Notice of Temporary Suspension of Program, Docket No. 19-057-33, March 1, 2021, <u>https://pscdocs.utah.gov/gas/19docs/1905733/317586CrctdDEUNtcTmprSpnsnPrgrm3-2-2021.pdf</u>.

⁴ Commission Correspondence, Docket No. 19-057-33, April 2, 2021, <u>https://pscdocs.utah.gov/gas/19docs/1905733/318057AckLtrfromPSC4-2-2021.pdf</u>.

additional year beginning on March 1, 2023, and proceed through February 28, 2024, with the same terms and conditions approved in the Commission's original Order.

DEU agrees to not seek Commission approval for any additional funding for the IIAC at the conclusion of the extended program on February 28, 2024, under Utah Code § 54-20-105(3)(a)(vii) through the sunset of the STEP legislation on July 1, 2024. The Parties also agree that DEU will not make any additional funding requests under Utah Code § 54-20-105(3)(a)(vii) through the sunset of the STEP legislation on July 1, 2024.

Conclusion

The Division's review of DEU's filing concludes that its proposed Settlement is just, reasonable, and in the public interest and complies with the Commission's Order in Docket No. 19-057-33. Based on its review, the Division recommends the Commission approve DEU's application.

cc: Jenniffer Clark, DEU Michele Beck, OCS