#### - BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Dominion Energy Utah for Approval of Funding for the Intermountain Industrial Assessment Center

### DOCKET NO. 22-057-24

# ORDER APPROVING SETTLEMENT STIPULATION

ISSUED: February 6, 2023

### **SYNOPSIS**

The Public Service Commission (PSC) approves the Settlement Stipulation in this docket that resolves the Application of Dominion Energy Utah (DEU) for Approval of Funding for the Intermountain Industrial Assessment Center ("Settlement Stipulation").

## PROCEDURAL BACKGROUND

On December 21, 2022, DEU filed the Settlement Stipulation and supporting documents seeking to extend the Intermountain Industrial Assessment Center (IIAC) program for one year.

On December 21, 2022, the PSC issued an Action Request to the Division of Public Utilities (DPU). On December 29, 2022, the PSC issued a Notice of Filing and Comment Period providing that any person or party could submit comments by January 18, 2022. DPU and the Office of Consumer Services (OCS) filed comments on January 18, 2023. No other comments were filed and there was no opposition to the Settlement Stipulation.

### FACTUAL BACKGROUND

Under previous PSC orders in Docket Nos. 19-057-33<sup>1</sup> ("2020 Stipulation") and 20-057-19,<sup>2</sup> DEU is authorized to collect \$500,000 annually through surcharges to fund certain projects, including for the IIAC, under the Sustainable Transportation and Energy Plan (STEP) from all

<sup>&</sup>lt;sup>1</sup> Application of Dominion Energy Utah for Approval of a Natural Gas Clean Air Project and Funding for the Intermountain Industrial Assessment Center, Docket No. 19-057-33, Order Approving Settlement Stipulation issued August 31, 2020.

<sup>&</sup>lt;sup>2</sup> Application of Dominion Energy Utah to Implement a Sustainable Transportation and Energy Plan Surcharge, Docket No. 20-057-19, Order issued October 30, 2020 at 12-13.

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customer classes based on the currently-approved cost-of-service allocation in Docket Nos. 21-057-22<sup>3</sup> and 23-057-01.<sup>4</sup> Funding for the IIAC was initially approved for a two year pilot program that was to start in October 2020 and end in September 2022. However, due to the COVID-19 pandemic, DEU requested a temporary suspension of the IIAC program and proposed to have the program restart in March 2021 and end in February 2023. The PSC acknowledged the temporary suspension and DEU's new proposed timeline, but required that the IIAC program remain subject to the conditions outlined in the 2020 Stipulation.<sup>5</sup> DEU, DPU, and OCS (collectively "the Parties") have met to discuss the IIAC program and its future, and the Settlement Stipulation is the result of those discussions.<sup>6</sup>

## **SETTLEMENT**

The Settlement Stipulation outlines numerous topics upon which the Parties agree in order to continue the IIAC program, including without limitation: (1) the IIAC program will continue for one more year, beginning in March 2023, and maintain the existing funding level of \$500,000; (2) the IIAC will complete 20 assessments, including clear air analysis, and an additional 20 assessments on IIAC United States Department of Energy related projects during the extension; (3) DEU will not seek another IIAC program extension when this one-year extension is completed; (4) DEU will not make any additional funding requests under Utah Code Ann. § 54-20-105(3)(a)(vii) through the end of the STEP legislation on July 1, 2024; (5) IIAC

<sup>&</sup>lt;sup>3</sup> Application of Dominion Energy Utah to Modify the Sustainable Transportation and Energy Plan Surcharge, Docket No. 21-057-22, Order issued October 29, 2021 at 15.

<sup>&</sup>lt;sup>4</sup> Application of Dominion Energy Utah to Modify the Sustainable Transportation and Energy Plan Surcharge, Docket No. 23-057-01, Order issued January 31, 2023.

<sup>&</sup>lt;sup>5</sup> See Acknowledgment Letter from the Public Service Commission, Docket No. 19-057-33, issued April 2, 2021.

<sup>&</sup>lt;sup>6</sup> See, e.g., Settlement Stipulation at 2, DPU Action Request Response at 1, and OCS Comments at 2.

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and DEU will conduct the same level of pre-screening as outlined in the 2020 Stipulation for any project before conducting an assessment; and (6) DEU will follow certain reporting requirements.

## **COMMENTS**

DPU states that it reviewed the Settlement Stipulation along with the supporting documents and concludes that DEU's filing accurately represents the agreement among the Parties during settlement discussions. Among other things, DPU highlights that DEU agreed to (1) not seek PSC approval for additional funding for the IIAC program, and (2) not make any additional funding requests under Utah Code Ann. § 54-20-105(3)(a)(vii) through the end of the STEP legislation on July 1, 2024. DPU also states that the Settlement Stipulation is just, reasonable, and in the public interest, and therefore recommends the PSC approve it. 8

In its comments, OCS states that between October and December of 2022 the Parties held discussions about the future of the IIAC program and the results of those discussions are reflected in the Settlement Stipulation. OCS also highlights that DEU agreed to not request another extension for the IIAC program from the PSC nor make any additional funding requests for its STEP program through the sunset of the STEP Act on July 1, 2024. OCS also states that the Settlement Stipulation is just and reasonable in result and in the public interest, and therefore recommends that the PSC approve it. 10

<sup>&</sup>lt;sup>7</sup> See DPU Action Request Response at 2.

<sup>8</sup> See id at 3

<sup>&</sup>lt;sup>9</sup> See OCS Comments at 2.

<sup>&</sup>lt;sup>10</sup> See id.

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## DISCUSSION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

As set forth in Utah Code Ann. § 54-7-1, settlements of matters before the PSC are encouraged at any stage of a proceeding. The PSC may adopt a settlement after considering the interests of the public and other affected persons, if the PSC finds it just and reasonable in result and is in the public interest.

Having reviewed the Settlement Stipulation and the Parties' written submissions and comments, we find that the Settlement Stipulation is just and reasonable in result. We also find the Settlement Stipulation's reporting requirements serve the public's interest in transparency and should operate to protect ratepayers' interests.

Having found and concluded the Settlement Stipulation is just and reasonable in result and in the public interest, and absent any opposition, we approve the Settlement Stipulation.

## <u>ORDER</u>

Based upon the foregoing findings and conclusions, the Settlement Stipulation is approved.

DATED at Salt Lake City, Utah, February 6, 2023.

/s/ John Delaney
Presiding Officer

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Approved and Confirmed February 6, 2023 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#326929

## Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the PSC within 30 days after the issuance of this 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 does not grant a request for review or rehearing within 30 days after the filing of the request, 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 §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

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### CERTIFICATE OF SERVICE

I CERTIFY that on February 6, 2023, a true and correct copy of the foregoing was delivered upon the following as indicated below:

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