Dominion Energy Utah's Annual Calculation of the Third-Party Billing Rate and Request for Tariff Change

DOCKET NO. 22-057-T03

ORDER

<u>ISSUED: March 30, 2022</u>

BACKGROUND

On March 1, 2022, Dominion Energy Utah (DEU) filed an application ("Application") with the Public Service Commission (PSC) to revise its Utah Natural Gas Tariff No. 500 ("Tariff") Section 8.08 to update its third-party billing ("TPB") rates, including the minimum charge per bill and charge per line, effective April 1, 2022. DEU seeks to increase the minimum charge from \$0.14705 to \$0.15202 per bill, and increase the charge per line above 11 lines from \$0.01337 to \$0.01382, each an increase of approximately 3 percent.

DEU filed the Application consistent with the PSC's order approving TPB rates in Docket No. 17-057-T04 ("Order Establishing Third-Party Billing"). Section 8.08 provides a formula for calculating the TPB rate, stating that an "eligible third party seeking to utilize [DEU's] utility bill to charge customers must pay a per-line rate based on the total cost to produce a bill divided by the minimum number of lines on a bill," where the "total cost to produce a bill includes depreciation, operation and maintenance, supplies, postage, and return on investment." In addition, Section 8.08 requires DEU to calculate the rate using the formula and file a letter with the PSC reflecting the rate to be effective on April 1 of each year.²

¹ See In the Matter of the Application of Dominion Energy Utah for Approval of a Third-Party Billing Rate, Docket No. 17-057-T04, Order issued July 28, 2017.

² DEU Tariff at 8-18 (emphasis added). A current copy of DEU's Tariff is available at: https://psc.utah.gov/gas/gas-information/.

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On March 3, 2022, the PSC issued a Notice of Filing and Comment Period, and the Division of Public Utilities (DPU) filed comments on the same day in support of the Application. No other party filed comments before the March 16 or March 23, 2022 comment and reply deadlines, respectively.

DPU comments that it reviewed DEU's calculations of the per bill and per line TPB rates, and provides an overview of increases and decreases in certain costs that are included in the TPB rate calculations since DEU's last TPB rate adjustment filing. DPU indicates the TPB rates DEU included in the revised Tariff sheets are accurate and that its review of the Application detected no burden, financial risk, or other cost to ratepayers as a result of third-party billing.

Accordingly, DPU recommends the PSC approve the revised Tariff sheets as filed, effective April 1, 2022.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The PSC finds that, consistent with DPU's comments, DEU correctly calculated the TPB rates in accordance with the Section 8.08 formula approved in the Order Establishing Third-Party Billing. In addition, nothing in DPU's overview of the cost components of the TPB rates demonstrates that the costs of the TPB program outweigh benefits for ratepayers.

Based on those findings, the PSC's review of the Application, DPU's comments and recommendations, and there being no opposition to DEU's request, the PSC concludes the updated Tariff is consistent with the Order Establishing Third-Party Billing, and that the proposed TPB rates are just and reasonable.

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ORDER

The revised pages 8-17 and 8-18 of Section 8.08 of DEU's Tariff are approved as filed, effective April 1, 2022.

DATED at Salt Lake City, Utah, March 30, 2022.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg PSC Secretary DW#323214

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.

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CERTIFICATE OF SERVICE

I CERTIFY that on March 30, 2022, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

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