

REDACTED

Dominion Energy Utah
1140 West 200 South, Salt Lake City, UT 84104
Mailing Address:
P.O. Box 3194, Salt Lake City, UT 84110
DominionEnergy.com



Nicole McLaughlan Lovato

[REDACTED]

August 30, 2023

Dear Ms. Lovato,

This letter is in response to the complaint filed with the Division of Public Utilities. Thank you for giving me the opportunity to respond to your concerns.

Dominion Energy (DE) is a regulated utility and, as such, adheres to the **Utah Code Title 54, Public Utilities and Public Service Commission Rules**. A summary of rate changes can be found on the Utah Public Service Commission website psc.utah.gov and click on gas information then History of Dominion Energy Utah's Rates.

Your monthly gas bill has two main components: **Gas costs and non-gas costs**. For gas costs, DE purchases gas supplies for customers and passes those costs on **without markup**. The cost of natural gas is going up due to external factors like high demand and international conflicts. To adjust for those cost fluctuations, DE files rate changes with the Utah Public Service Commission regularly. **Non-gas costs** are for operating and maintaining the company's distribution system. It requires a large capital investment to build and maintain a network of pipelines to deliver gas to homes and businesses. This cost reflects on your bill as the Basic Service Fee (BSF) which is a fixed rate of \$6.75 as outlined by the **Utah Rates & Tariff**.

On November 16, 2022, you e-mailed DE asking for average billing. As agreed, your account was set up on the **Budget Plan**. A letter (copy enclosed) confirming this action and explaining budget billing was mailed to you. A copy of **Page 8-14** from the **Utah Natural Gas Tariff, PSCU 600**, covering the **Budget Plan** is also enclosed for your review. As stated in the second paragraph: ***"If at the end of the Budget Plan Year, there is an overpayment or underpayment on an account, the customer's projected monthly budget plan payment amount will be adjusted, spreading the difference over the next 12 months, interest free, unless a customer requests an immediate refund or credit."***

Your Budget Plan balance is displayed on every bill below the Current Charge (Budget Amount) line item. Your Budget Plan balance will help you keep track of how much you are underpaying/overpaying while on the Budget Plan.

Our Budget Plan Year is from **August through July**. Your total usage for the previous Budget Plan Year was [REDACTED] with a budget deficit balance or underpayment of [REDACTED] on August 1st. To calculate your new Budget Plan payment, we take your total

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usage and divide by 12 months and add your budget deficit divided by 12 months, then adjust for any rate changes (two rate changes totaling 15% since you setup budget). This makes your new budget installment [REDACTED] for the next 12 months.

Higher gas rates and colder temperatures made it more expensive to heat our homes this last winter. Those on the Budget Plan saw an increase in their monthly installments due to large debit balances at the end of winter.

If you have any questions, feel free to contact me directly at 801-324-3557.

Sincerely,



Elia Lopez

Lead-Customer Relations & Energy Assistance Specialist
Western Gas Distribution

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Enclosures

cc: Division of Public Utilities