APPLICATION OF DOMINION ENERGY UTAH TO AMORTIZE THE ENERGY EFFICIENCY DEFERRED ACCOUNT BALANCE

Docket No. 23-057-20

VERIFIED APPLICATION

All communications with respect to these documents should be served upon:

Jenniffer Nelson Clark (7947) Attorney for the Applicant

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> APPLICATION AND EXHIBITS

December 1, 2023

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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APPLICATION OF DOMINION ENERGY UTAH TO AMORTIZE THE ENERGY EFFICIENCY DEFERRED ACCOUNT BALANCE

Docket No. 23-057-20

VERIFIED APPLICATION

Questar Gas Company dba Dominion Energy Utah (Dominion Energy Utah or the Company) respectfully submits this Verified Application (Application) to the Utah Public Service Commission (Commission) for approval to adjust the amortization of the Energy Efficiency deferred account balance.

If the Commission grants this Application, typical residential customers using 70 decatherms per year will see a decrease in their yearly bills of \$3.09 or 0.32 %. The Company proposes to implement this request by charging the new rates effective January 1, 2024.

In support of this Application, Dominion Energy Utah states:

1. <u>Dominion Energy Utah's Operations</u>. Dominion Energy Utah, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's rates, charges, and general conditions for natural gas service in Utah are set forth in the Dominion Energy Utah Company Utah Natural Gas Tariff PSCU No. 600 (Tariff). Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Franklin County, Idaho area. Under the terms of agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

2. Energy Efficiency Order. In the Order Approving Settlement Stipulation dated October 5, 2006 in Docket No. 05-057-T01 (2006 Order), the Commission authorized Dominion Energy Utah to establish a deferred expense account, Account 182.4 of the Uniform System of Accounts, in which to record the costs associated with the approved Energy Efficiency programs and market transformation initiative (2006 Order at \P 15). This filing is made under §2.09 of the Tariff, which sets forth procedures for recovering the deferred Energy Efficiency related expenses by means of periodic adjustments to rates and amortizations of this account. The Tariff requires that at least annually, the Company will file with the Commission an application to amortize the balance in Account 182.4. This Application complies with the §2.09 of the Tariff.

3. <u>Amortization of Account No. 182.4 Balance</u>. Attached as DEU Exhibit 1.1 is a summary of the Energy Efficiency deferred expenses accounting entries for the period from September 2022 through September 2023. In the Order dated January 16, 2007, in Docket 05-057-T01 (2007 Order) approving the Energy Efficiency programs, the Commission required that the Company "shall keep detailed records of all DSM expenditures and shall track them by each separate DSM program or marketing initiative, and by expenditure type. Summary statements prepared from these records shall be presented to the Commission as part of the Account 182.4 approval process" (2007 Order at ¶ 9). Attached as DEU Exhibit 1.2 is a summary of the deferred Energy Efficiency related expenditures by Energy Efficiency program (page 1) and by Energy Efficiency expenditure type (page 2) since September 2022. The Energy Efficiency over-collected balance, as of the end of September 2023, is \$2,482,566 (DEU Exhibit 1.1, column F, line 14).

The actual and projected Energy Efficiency balance from September 2023 through December 2024 is shown in DEU Exhibit 1.3. As page 1 of DEU Exhibit 1.3 shows, based on the forecasted 2024 budgeted expenditures and projected volumes for the 2023-2024 test period, the proposed rate is designed to allow the Company to collect the necessary revenue while at the same time minimizing interest expense. Page 2 of DEU Exhibit 1.3 shows that by using a \$0.15907 rate the net interest accrued to the account is projected to be \$0 from December 2023 through November 2024. DEU Exhibit 1.5 shows that if the Commission grants this Application, typical residential customers using 70 decatherms per year will see a decrease of \$3.09 or 0.32% in their annual bills attributable to the amortization of the Energy Efficiency Deferred Account Balance.

4. <u>Final Tariff Sheet</u>. In addition to this Energy Efficiency Application, the Company is also concurrently filing an application seeking approval to adjust the Conservation Enabling Tariff amortization rate in Docket No. 23-057-19, an application seeking approval to adjust the Low Income/Energy Assistance rate in Docket No. 23-057-21, and an application seeking approval to adjust the Infrastructure Tracker Rate in Docket No. 23-057-22. The Company has requested that these applications be made effective January 1, 2024. DEU Exhibit 1.6 shows the legislative and proposed rate schedules, which reflects the final Tariff sheets that would be effective if the Commission approves all of these applications. These proposed Tariff sheets do not constitute a violation of state law or Commission rule, and they are consistent with applicable statutes, rules and orders.

5. <u>Exhibits.</u> Dominion Energy Utah submits the following Exhibits in support of its request to amortize the Energy Efficiency balance:

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DEU Exhibit 1.1	Energy Efficiency Deferred Expense Account Entries in Account 182.4
DEU Exhibit 1.2	Energy Efficiency Program Expenditures Report by Energy Efficiency Program and Expenditure Type
DEU Exhibit 1.3	Projected Energy Efficiency Account 182.4 Balance Graph
DEU Exhibit 1.4	Legislative and Proposed Tariff Sheets
DEU Exhibit 1.5	Effect on GS Typical Customer
DEU Exhibit 1.6	Combined Legislative and Proposed GS Rate Schedule

WHEREFORE, Dominion Energy Utah respectfully requests that the Commission, in accordance with the 2006 Order, the 2007 Order, and the Company's Tariff:

1. Enter an order authorizing Dominion Energy Utah to assess the rates and charges applicable to its Utah natural gas service territory using the amortization for the Energy Efficiency deferred account balance, as more fully set forth in this Application.

DATED this 1st day of December, 2023.

Respectfully submitted,

DOMINION ENERGY UTAH

Jelson Clark

Jenniffer Nelson Clark Attorney for Dominion Energy Utah

VERIFICATION

State of Utah)) ss. County of Salt Lake)

Kelly Mendenhall, being first duly sworn upon oath, deposes and states: he is the Director, Regulatory and Pricing of Dominion Energy, Inc.; he has direct personal knowledge of the matters addressed herein; he has read the foregoing Application; and the statements made in the Application are true and correct to the best of his knowledge, information and belief.

Kelly Mendenhall Director, Regulatory and Pricing

Subscribed and sworn to before me this <u></u>day of December, 2023.

Notary Public



CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Application was served upon the following persons by e-mail on December 1, 2023:

Patricia E. Schmid Patrick Grecu Assistant Attorneys General 160 East 300 South P.O. Box 140857 Salt Lake City, UT 84114-0857 pschmid@agutah.gov pgrecu@agutah.gov Counsel for the Division of Public Utilities

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