

APPLICATION OF DOMINION)
ENERGY UTAH FOR AN) DOCKET No. 23-057-26
ADJUSTMENT TO THE)
DAILY TRANSPORTATION) VERIFIED APPLICATION
IMBALANCE CHARGE)

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

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APPLICATION
AND
EXHIBITS

December 28, 2023

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF DOMINION ENERGY UTAH FOR AN ADJUSTMENT TO THE DAILY TRANSPORTATION IMBALANCE CHARGE	Docket No. 23-057-26 VERIFIED APPLICATION FOR AN ADJUSTMENT TO THE DAILY TRANSPORTATION IMBALANCE CHARGE
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Questar Gas Company dba Dominion Energy Utah (Dominion Energy or Company) respectfully submits this Verified Application (“Application”) for an adjustment to the Daily Transportation Imbalance Charge pursuant to paragraph IV.J. of the Utah Public Service Commission (Commission) Order dated November 9, 2015 in Docket No. 14-057-31 (Order) and §5.01 of the Company’s Utah Natural Gas Tariff No. 600 (Tariff).

In support of this Application, Dominion Energy states:

1. Dominion Energy’s Operations. Dominion Energy, 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 Tariff. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in Franklin County, Idaho. Under the terms of an 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. Background. On December 18, 2014, the Company filed an application with the Commission seeking approval of a supplier non-gas (SNG) reimbursement charge. The charge had two objectives: First, to charge transportation customers for the SNG services they used that were paid for by sales customers, and second, to improve the accuracy of transportation customer nomination practices. In the Order dated November 9, 2015 in Docket No. 14-057-31, the Commission agreed that both of these objectives should be addressed and approved a supplier non-gas charge to be applied to daily imbalance volumes outside of a 5 percent tolerance for transportation customers taking service under the MT, TS and FT-1 (currently TBF, MT, and TSS, TSM, TSL and TSI) rate schedules. In the referenced order, the Commission stated that the rate will be reviewed in future 191 account pass-through filings to determine if the Daily Transportation Imbalance Charge is achieving the intended objectives and whether changes should be implemented (Docket No. 14-057-31, paragraph IV.J, page 37). The rate has subsequently been reviewed and modified concurrently with each pass-through filing from 2016-2023. A 191 account pass-through application is being filed concurrently with this Application in Docket No. 23-057-25. The transportation imbalance rate continues to achieve its intended objective of ensuring that those who utilize SNG services pay for the cost of those services. Based on updated usage and cost, the Company recommends modifying the rate as further described below.

3. Updated Rates. DEU Exhibit 1.1 shows the calculation of the rate using the methodology approved in Docket No. 14-057-31, updated with volumes for the 12 months ended November 30, 2023. The rate is calculated as shown below:

$$\frac{(1) \$0.29345 \text{ (Volumetric rates)} \times (2) 3,680,068 \text{ Dths (total net imbalance volumes)}}{(3) 12,176,426 \text{ Dths (Daily volumes outside of 5\% tolerance)}}$$

Each component of the rate is discussed in further detail below.

4. Volumetric Rates for Service Used. The Commission approved a charge to transportation customers for using the upstream services in Docket No. 14-057-31. Other than the Clay Basin Fuel Gas Reimbursement and the ACA charge, the volumetric charges related to these services have not changed since the Commission's initial approval. The Clay Basin Fuel Gas Reimbursement is being updated concurrent with the weighted average cost of gas rate in Docket 23-057-25. The ACA charge reflects the FERC ACA rate took effect on October 1, 2023. A table comparing the rates approved by the Commission and the current rates is shown in DEU Exhibit 1.1.

5. Total New Imbalance Volumes. As DEU Exhibit 1.1 shows, the net imbalance volumes are 3,680,068 (column D, line 8). This number includes actual imbalance volumes for the 12 months ended November 30, 2023. This is a 1.3% decrease from the 3,726,711 Dth (column C, line 8) in Docket No. 23-057-04. The Transportation Service (TS) customers have usually been able to manage volumes through better daily nominations, notwithstanding the fact that the number of total TS customers has increased from 358 in December 2014 to 1,119 in November, 2023. The Daily Transportation Imbalance Charge has provided an appropriate economic incentive for Transportation customers as they manage their daily nominations and has provided cost recovery for SNG services used.

6. Daily Volumes Outside of 5% Tolerance. As DEU Exhibit 1.1 shows, the daily volumes outside of a 5% tolerance are 12,176,426 Dth (column D, line 10) for the 12 months ended November 30, 2023.

The proposed rate of \$0.08869 per Dth (column D, line 11) is 3.5% lower than the previous rate of \$0.09187 per Dth ordered by the Commission in Docket No. 23-057-04, and just under .3% lower than the \$0.08896 per Dth rate in Docket No. 14-057-31.

7. Proposed Tariff Sheets. DEU Exhibit 1.2 shows the proposed Tariff sheets associated with the Daily Transportation Imbalance Charge in Tariff Sections 5.02 through 5.06. In addition to this filing, the Company is concurrently filing an application to adjust rates in Dockets 23-057-25, 23-057-27 and 23-057-28.

The Company has requested that these applications be approved with rates effective February 1, 2024. DEU Exhibit 1.3 shows the combined legislative and proposed rate schedules, which reflects the final Tariff sheets that would be effective if the Commission approves these applications.

8. Exhibits. Dominion Energy submits the following exhibits in support of its request to update the Daily Transportation Imbalance Charge:

- DEU Exhibit 1.1 Calculation of Daily Transportation Imbalance Charge
- DEU Exhibit 1.2 Legislative/Proposed Rate Schedules
- DEU Exhibit 1.3 Combined Legislative/Proposed Rate Schedules

WHEREFORE, Dominion Energy respectfully requests the Commission, in accordance with the Order approving the updated Daily Transportation Imbalance Charge and the Company's Tariff:

1. Enter an order authorizing Dominion Energy to implement rates and charges applicable to its Utah natural gas service that reflect an adjustment for each rate class, as more fully described in this Application; and

2. Authorize Dominion Energy to implement its rates effective February 1, 2024.

DATED this 28th day of December, 2023.

Respectfully submitted,

DOMINION ENERGY UTAH


A handwritten signature in blue ink that reads "Jenniffer Nelson Clark". The signature is written in a cursive style and is positioned above a horizontal line.

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. The documents attached thereto are true and correct copies of the documents they purport to be.



Kelly Mendenhall
Director, Regulatory and Pricing

Subscribed and sworn to before me this 28th day of December, 2023.





CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Verified Application for an Adjustment to the Daily Transportation Imbalance Charge was served upon the following persons by e-mail on December 28, 2023:

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