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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Doug Wheelwright, Utility Technical Consultant Supervisor

David Williams, Utility Analyst

Bhavana Venjimuri, Utility Analyst

Date: April 23, 2020

Re: **Docket No. 20-999-02**, Miscellaneous Correspondence and Reports Regarding Gas Utility Services; 2020 (No Action Required).

Recommendation (No Action Required)

On March 27, 2020, the Public Service Commission of Utah (Commission) issued an Action Request to the Utah Division of Public Utilities (Division) regarding utility disconnection policies during the coronavirus outbreak in March of 2020 (the Pandemic). This Response describes Dominion Energy Utah's disconnection policies and how the Pandemic affects them. No action is required by the Commission at this time.

Background

On March 27, 2020, the Commission issued an Action Request to the Division regarding utility disconnection policies during the Pandemic. In particular, in Docket No. 20-999-02, the Commission sought information about regulated natural gas companies. Dominion Energy Utah (Dominion) is the sole regulated natural gas distribution utility in Utah.

The Commission requested information regarding Dominion’s disconnection policies, including:

whether these [disconnection] policies have or have not been modified during the coronavirus outbreak. The PSC requests that the investigation include waiver or not of late fees, reconnections (whether previously disconnected customers were reconnected or not), and the scope and duration of the suspensions, if any.¹

Dominion’s disconnection policies are governed by Section 9.08 of Dominion’s tariff, and reconnection after disconnection for nonpayment is governed by Section 8.03.² Note: in this Response, the term “Reconnection” will refer to “reconnection after being disconnected for nonpayment.”

On April 6, 2020, the Division had an informational call with Dominion in which Dominion explained its disconnection policies and Reconnection procedures. All facts not otherwise cited in this memo come from the informational call.

Discussion

Disconnections and Reconnections in General

The majority of disconnections for non-payment are residential accounts, although it happens occasionally with commercial accounts. Although the numbers fluctuate, at any given time there might be a couple hundred accounts that have been disconnected and are actively pursuing Reconnection. Reconnection fees are governed by Section 8.03 of the Tariff. In general, Reconnection fees after non-payment are governed by the same Tariff fees as connection fees for new residences, or new accounts at a previously installed meter.

Most connections (and therefore most Reconnections) involve one of three fees:

1. Full connection fee (\$30). The Tariff states that: “This fee will be charged when initiation of service or a change of service is requested to a premises.” This normally involves “the

¹ Action Request, March 27, 2020, Docket No. 20-999-02.

² See Dominion Energy Utah Tariff (Tariff), pp. 9-16 *et seq.* and pp. 8-7 *et seq.*, at <https://www.dominionenergy.com/library/domcom/media/home-and-small-business/gas-rates-and-tariffs/utah-tariff.pdf?la=en>

Company reading the meter, removing the meter seal, conducting a spot test on the premises and checking the appliances.”³

2. Limited connection fee (\$15). This involves the same tasks as the full connection fee, except checking of appliances is not needed.
3. Read-only connection fee (\$8). This is when only a meter read is required (the meter is still on and does not require removing the meter seal).⁴

Most Reconnections are one of the first two types of connections (full connections or limited connections).

Dominion’s Pandemic Policy

On March 6, 2020, Governor Herbert declared a State of Emergency in Utah regarding the Pandemic. In response, on March 16, 2020, Dominion filed a motion requesting approval to deviate from certain provisions of its Tariff. On March 16, 2020, the Commission approved the application to temporarily deviate from its typical Reconnection policies (Deviation Period).⁵ Dominion does not have a set date or event that will trigger the end of the Deviation Period—one possible milestone could be when the State of Emergency is lifted for Utah, but there could be other factors that are considered.

During the Deviation Period, connection fees for new accounts remain in place. For example, a new customer moving to Utah would still be charged the appropriate connection fee.

During the Deviation Period, accountholders looking to reconnect after being disconnected for non-payment have had their Reconnection fees waived (these fees will not be added to the account balance). The waiver was granted even if the non-payment that caused disconnection occurred before the Pandemic started. There could be a small number of limited exceptions to these waivers (one possible example could be if a customer committed fraud). Partial or full

³ Tariff p. 8-7.

⁴ *Id.*

⁵ Order Granting Motion, March 16, 2020, Docket No. 20-057-T03.

repayment of outstanding bills will not be required before Reconnection during the Deviation Period. If a past due balance still exists at the time of Reconnection, Dominion may suggest an installment plan; however, if an installment plan is not possible, the customer will still be reconnected.

Dominion will not be disconnecting customers for nonpayment during the Deviation Period, nor will it be sending disconnection notices. Late fees, which are typically applied to late balances for which arrangements have not been made, will also be waived and will not accrue during the Deviation Period.

The Tariff also states that security deposits may be required in some cases.⁶ Under normal operating conditions, if a customer pays the past due amount at time of Reconnection, or if a third party makes the payments, no security deposit is required; if the customer does not pay the past due amount at time of Reconnection, the security deposit may be required, and is typically split into three payments, with the first installment due when service is requested.

During the Deviation Period, the security deposit procedure is the same, except the first installment need not be paid up front before Reconnection; it can be added to the account balance and paid later. At the end of the Deviation Period, there could be some customers with large overdue balances (e.g. if the Deviation Period lasts six months and a customer is unable to pay much of the balance during that time). Dominion is working on procedures to address these types of situations, but has as of yet not finalized the procedures. One possible solution could be to put a six-month payment plan into place for any accumulated balance.

Conclusion

This Response describes Dominion's Reconnection policies during the Deviation Period as a result of the Pandemic and the Utah State of Emergency. No action is required by the Commission at this time. The Division thanks Dominion for its assistance with this information,

⁶ *Id.* pp. 8-8 to 8-9.

and commends Dominion for allowing customers who may be experiencing economic distress to stay connected to natural gas service during the Pandemic.

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