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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

DOMINION ENERGY UTAH REPLACEMENT INFRASTRUCTURE 2024 ANNUAL PLAN AND BUDGET	Docket No. 23-057-18 DOMINION ENERGY UTAH'S REPLY COMMENTS
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Questar Gas Company dba Dominion Energy Utah (Dominion Energy or Company) respectfully submits these Reply Comments to the Action Request Response (Division's Comments) issued by the Division of Public Utilities (Division) on December 18, 2023, and the Utah Public Service Commission's (Commission) Letter dated January 4, 2024, in the above-referenced docket.

On November 15, 2023, the Company filed its Replacement Infrastructure 2024 Annual Plan and Budget (2024 Budget). On November 16, 2023, the Commission issued a Scheduling Order which set a deadline of December 18, 2023, for interested parties to file comments. On December 18, 2023, the Division filed its Comments. Though the Division recommended acknowledgement of the Company's budget, it identified two areas of confusion. On January 4, 2024, the Commission issued a Letter acknowledging the budget and directing the Company

to “provide answers to DPU’s questions regarding 1) the reasons for the reduction in the FL replacement this year, and 2) the possible discrepancy between the budget and plan for FL 13.” Commission’s Letter dated January 4, 2024, Docket No. 23-057-18. The Company respectfully submits this Reply in response to the Division’s Comments and the Commission’s Letter.

First, the footage reflected in the 2024 Budget appears to be lower than that reflected in the Company’s Replacement Infrastructure 2023 Annual Plan and Budget (2023 Budget) because the 2023 Budget included approximately 128,000 lf of planned retirements related to work that had actually been completed during 2022 (71,000 lf for FL 43, 2,000 lf for FL 12, and 55,000 lf for FL 13). The Company had not yet booked or recoded this retirement footage by November 2022 when it prepared the 2023 Budget. There is a difference in timing between when work is taking place and when the Company actually records retirements related to that work. This timing difference for 2022 work resulted in the higher planned retirement footage in 2023. The 2024 Budget does not include expected recognition of retirements for work completed in prior years to the same extent as the 2023 Budget, which causes it to seem lower by comparison. The 2024 Budget includes approximately 32,000 lf of retirements related to work from 2023 (9,000 lf for FL 22, 10,000 lf for FL 33, and 13,000 lf for FL 21). The following table summarizes the two years:

Footage Summary – Adjusted to Budget Year Work

	2023 Budget	2024 Budget
Total Expected Retirements	195,518	96,628
Related to prior year work	(128,000)	(32,000)
Related to budget year work	67,518	64,628

Second, the confusion related to the replacement of FL 13 has arisen due to another timing issue – the timing of retirement of the existing FL 13. The Company has constructed a new FL 13 and placed it into operation, as part of the replacement program. The new FL 13 operates at 720 psi and can feed some, but not all, of the surrounding infrastructure. The Company needs to complete the construction of a new regulator station, and modify several regulator stations and industrial meter stations that will connect with the new FL 13. It will then reduce pressures and feed natural gas into the lower pressure surrounding distribution system. The older, existing FL 13 operates at 354 psi and can feed the portions of the surrounding distribution system that the new FL 13 currently cannot. As a result, and the Company has not retired the old FL 13 and continues to operate *both* until the new regulator station and other facilities described above have been constructed.

Additionally, notwithstanding the completion of the new FL 13, some restoration work remains to be completed. This work is expected to cost \$225,000 (as referenced in the Division’s Comments and DEU Exhibit 1).

The Company appreciates this opportunity to offer additional clarity about the 2024 Infrastructure Rate Adjustment Tracker Projects and notes that it will host its annual technical conference in June 2024, where it can answer any other questions that may arise.

DATED this 9th day of January 2024.

Respectfully submitted,

DOMINION ENERGY UTAH



Jenniffer Nelson Clark
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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Reply Comments was served upon the following persons by e-mail on January 9, 2024:

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