

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF )  
QUESTAR GAS COMPANY D/B/A DOMINION ) DOCKET NO. 30010-196-GP-21  
ENERGY WYOMING FOR AUTHORITY TO ) (RECORD NO. 15785)  
PASS ON A WHOLESALE GAS COST )  
INCREASE OF \$0.53496 PER DEKATHERM )  
FOR ALL FIRM RETAIL RATE CLASSES )

NOTICE AND ORDER  
(Issued June 24, 2021)

This matter is before the Wyoming Public Service Commission (Commission) upon Questar Gas Company d/b/a Dominion Energy Wyoming's (Dominion or the Company) Application for authority to pass-on a wholesale gas cost increase and upon the Company's *Petition for Confidential Treatment of Dominion Energy Wyoming Exhibits 1.3 and 1.10 of the Pass-On Application* and its *Petition for Confidential Treatment of Dominion Energy Wyoming's CIR Confidential Attachments 1.02 and 1.03 to Dominions Response to Data Requests*.

The Commission, having reviewed the Application, its files regarding Dominion, applicable Wyoming law, and being otherwise fully advised in the premises, FINDS and CONCLUDES:

1. Dominion is a public utility as defined by Wyo. Stat. § 37-1-101(a)(vi)(D), subject to the Commission's jurisdiction pursuant to Wyo. Stat. § 37-2-112.

2. On April 30, 2021, Dominion filed an Application to pass-on a wholesale natural gas cost increase of \$0.53496 per dekatherm (Dth), effective June 1, 2021. The Company stated the requested gas cost increase is in accordance with the Purchased Gas Adjustment Provision in Dominion Energy's Tariff and results in an increase in the gas-cost portion of the Company's natural gas rates in Wyoming in the amount of \$2,084,366. The Company included a *Petition for Confidential Treatment of Dominion Energy Wyoming Exhibits 1.3 and 1.10 of the Pass-On Application (Petition)* requesting confidential treatment of Exhibits 1.3 and 1.10 with its Application. On May 17, 2021, the Company also filed a *Petition for Confidential Treatment of Dominion Energy Wyoming's CIR Confidential Attachments 1.02 and 1.03 to Dominion's Response to Data Requests (Petition) (collectively the Petitions)*.

3. Table 1 depicts the difference between the current and proposed volumetric charges to Dominion's residential customers.

Table 1: Current versus Proposed Rates (per Dth) – GS (1<sup>st</sup> 45 Dth)

Rate Component	Current	Proposed	Difference
	\$/Dth	\$/Dth	\$/Dth
Commodity Cost	4.30270	4.35141	0.04871
CBA Surcharge	0.06144	0.53917	0.47773
<b>Total Commodity Cost</b>	<b>4.36414</b>	<b>4.89058</b>	<b>0.52644</b>
Non-Commodity Charge	2.60229	2.60229	0.00000
Conservation Enabling Tariff	0.14909	0.14909	0.00000
Energy Efficiency Services	0.02011	0.02011	0.00000
Tax Reform Surcredit	(0.07885)	(0.07885)	0.00000
Tax Reform Surcredit	(0.00852)	0.00000	0.00852
<b>Total Volumetric Rate</b>	<b>7.04826</b>	<b>7.58322</b>	<b>0.53496</b>

4. A Dominion residential customer using an average of 90 Dth per year will see an increase of approximately \$48.13 over twelve months, or 6.18%. Actual bills will vary with usage.

5. On May 5, 2021, the Commission issued its *Suspension Order*, suspending the rates for the initial six-month term allowed in Wyo. Stat. § 37-3-106.

6. Pursuant to Commission Rule Chapter 3, Section 26(a), a utility may file an application to pass on to its customers in rates, known or projected commodity or commodity-related cost increases or decreases if the application complies with the substantive and procedural requirements of the Rules and the Commission determines:

a. The evidence shows recovery of the costs is in the public interest and the pass-on includes only prudent commodity or commodity-related cost increases or decreases not under the Commission's jurisdiction.

b. The costs included in the application are the most reasonable option available to the utility for safe, adequate and reliable service.

c. The pass-on allocates increases or decreases to all retail rate classes and contract customers on an equal or proportionate basis. The Commission may consider a special proportionate class allocation if requested.

d. The application contains supporting documentation as required by Commission Rules.

7. The Commission previously authorized the establishment of a commodity balancing account (CBA) for Dominion to account for the difference between commodity or commodity-related revenues collected, based on projected wholesale costs, and the actual, prudent commodity or commodity-related expenditures the utility incurred.

8. Dominion's Application and *Petitions* came before the Commission for consideration pursuant to due notice at its Open Meeting on May 27, 2021. Jenniffer Nelson Clark, Senior Counsel, and Jessica Ipson, Regulatory Analyst, appeared on behalf of the Company. Ms. Ipson explained the cost increase was due to an under-collected balance resulting from natural gas purchases made during a period of extraordinarily high gas prices related to a widespread cold weather event in February.<sup>1</sup> The Company included an amortization of the March 2021 under-collected account balance which resulted in a surcharge. Ms. Ipson stated the impact of the rates would be an increase of \$48.13 over 12 months or an annual increase of 6.18%, with a requested effective date of June 1, 2021. Commission Staff recommended approving the Application, effective for usage on and after June 1, 2021, and granting the *Petitions*.

9. Based upon the representations of the Company, and the recommendations and analysis of Commission Staff, the Commission finds and concludes Dominion's request to implement a rate increase of \$0.53496 per Dth should be approved, effective for usage on and after June 1, 2021. The Commission concludes the *Petitions* comply with Commission Rule Chapter 2, Section 30 and for good cause shown should be granted.

10. Public notice in this matter shall be in the following form:

#### PUBLIC NOTICE

The Wyoming Public Service Commission (Commission) approved the Application of Questar Gas Company d/b/a Dominion Energy Wyoming (Dominion or the Company) to pass-on to its customers a wholesale gas cost increase of \$0.53496 per dekatherm (Dth), effective June 1, 2021. This approval is subject to notice, protest, investigation, opportunity for hearing, change, refund, and such other orders as the Commission may deem appropriate.

A Dominion residential customer using an average of 90 Dth per year will see an increase of approximately \$48.13 over twelve months, or 6.18%. Actual bills will vary with usage.

Under Commission Rule Chapter 3, Section 26, a utility may apply to pass on to its customers known or prospective wholesale commodity cost increases or decreases on a dollar-for-dollar basis and subject to public notice, opportunity for hearing, and refund.

The Application is on file at the Commission's offices in Cheyenne, Wyoming. Any interested person may inspect the Application during regular business hours or at: <http://psc.state.wy.us>.

Anyone desiring to file a request for a public hearing, intervention petition, statement, protest, or public comment in this matter must file in writing with the Commission on or before July 23, 2021. Petitions to intervene and requests for hearing must set forth the grounds upon which they are made and the position and interest of the filing party in this proceeding.

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<sup>1</sup> Natural gas spot prices at several trading hubs approached their record highs briefly during the week of February 14 amid significantly colder-than-normal weather that affected most of the Lower 48 states. (U.S. Energy Information Administration, *Today in Energy*, March 5, 2021.)

If you wish to participate in this matter and you require reasonable accommodation for a disability, please contact the Commission at (307) 777-7427, or write to the Commission at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002, to make arrangements. Communications-impaired persons may also contact the Commission by accessing Wyoming Relay at 711. Please mention Docket No. 30010-196-GP-21 in your communications.

IT IS THEREFORE ORDERED:

1. Pursuant to Open Meeting action taken on May 27, 2021, Questar Gas Company d/b/a Dominion Energy Wyoming's Application for authority to pass on a wholesale gas cost increase of \$0.53496 per dekatherm for all firm retail rate classes, is approved for usage on and after June 1, 2021, subject to notice, protest, intervention, refund, change, further investigation, opportunity for hearing, and further order of the Commission.

2. Questar Gas Company d/b/a Dominion Energy Wyoming's *Petition for Confidential Treatment of Dominion Energy Wyoming Exhibits 1.3 and 1.10 of the Pass-On Application* and its *Petition for Confidential Treatment of Dominion Energy Wyoming's CIR Confidential Attachments 1.02 and 1.03 to Dominion's Response to Data Requests*, are granted.

3. This *Notice and Order* is effective immediately.

MADE AND ENTERED at Cheyenne, Wyoming, on June 24, 2021.

PUBLIC SERVICE COMMISSION OF WYOMING

CHRISTOPHER B. PETRIE, Chairman

MICHAEL M. ROBINSON, Deputy Chairman

MARY A. THRONE, Commissioner



ATTEST:

AUSTIN D. HUFF, Assistant Secretary