



PUBLIC MEETING

Utah Committee of Consumer Services

November 6, 2019



Dominion Energy General Rate Case



Phase 1: Revenue Requirement

- Dominion's request:
 - Increase rates by \$19.2 Million
 - 10.5% ROE, capital structure: 55% equity 45% debt
 - Rate increase driven by: request for higher ROE, increased capital expenditures, new expenses included in lead/lag study
 - Also requested ongoing Infrastructure Tracker with higher budget
 - New rates effective March 2020
- OCS position:
 - Decrease rates by \$14.2 Million
 - 9.1% ROE, no change to capital structure
 - Adjustments include: ROE, Lead/lag study, Capital budget forecast, Pension Expense, other Misc.
- Two other parties submitted testimony proposing revenue requirement adjustments (DPU, UAE)
- Three other parties submitted testimony proposing ROE adjustments (DPU, FEA, ANGC)



ROE Positions

- DEU: 10.5% ROE, 55% equity 45% debt
- OCS: 9.1% ROE, 55% equity 45% debt
[approx. \$18,306,026]
- DPU: 9.25% ROE, 55% equity 45% debt
[approx. \$17,369,889]
- ANGC: 9.5% ROE, 52% equity 48 % debt (or 9.0 %ROE and 55/45)
[approx. \$20,849,257]
- FEA: no higher than 9.0% ROE, 52% equity 48% debt
[approx. \$23,743,276]



Phase 2: Cost of Service and Rate Design

- Direct Testimony due: November 14th
- Issues will likely include:
 - Inter-class subsidies, particularly between GS (General Service) and TS (transportation service). TS has been paying significantly below cost of service.
 - TS customer size: Dominion proposes to implement a minimum annual usage to qualify as a TS customer. An alternative proposal could be to have two sizes of TS customers.
 - Fundamental GS rate design changes: Dominion proposes changes to move GS and TS to full cost of service over time (gradualism) and to use this case to “optimize” the GS class and wait until the next case to “optimize” the TS class. We are evaluating if this is the best approach and whether this approach is fair to small GS customers.
 - Allocation of costs to Interruptible Customers
 - Allocation factors used for certain specific types of expenses



Questions?



Closed Meeting

Pursuant to Utah Code Section 52-4-205 (1)(c):
*Strategy sessions to discuss pending or
reasonably imminent litigation*



Other Business
