

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF)	
DOMINION ENERGY FOR APPROVAL OF)	Docket No. 30010-204-GA-22
THE ALKALI GULCH ACQUISITION AS A)	Record No 17036
WEXPRO II PROPERTY)	

ORDER
(Issued July 25, 2022)

This matter is before the Wyoming Public Service Commission (Commission) upon the Application of Questar Gas Company d/b/a Dominion Energy Wyoming (Dominion Energy or the Company) for approval of the Alkali Gulch Acquisition as a Wexpro II property and *Petition for Confidential Treatment of Certain Exhibits to the Application, Portions of the Testimonies of Kelly B. Mendenhall and Brady B. Rasmussen, and Exhibits 3.2 and 3.5 (Petition)*. The Commission, having reviewed the Application, its files concerning Dominion Energy, applicable Wyoming utility law, and being otherwise fully advised in the premises, FINDS and CONCLUDES:

1. Dominion Energy is a division of Dominion Energy, Inc., a Virginia corporation, engaged in the business of supplying energy services in 16 states, including natural gas services in Utah, Wyoming, and Idaho. Dominion Energy 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 14, 2022, Dominion Energy filed this Application requesting inclusion of recently acquired properties located within the Alkali Gulch field (the Alkali Gulch Acquisition) as Wexpro II properties pursuant to the Wexpro II Agreement. The Company also voluntarily offered the remaining portions of the Alkali Gulch Acquisition for inclusion as a Wexpro II property. The Commission approved the Wexpro II Agreement in Docket No. 30010-123-GA-12. The Alkali Gulch Acquisition is partially within and partially outside the existing Wexpro I Development Drilling Area D¹.

3. Dominion Energy purchased the Alkali Gulch Acquisition, at its own risk, on March 25, 2022. The Company is currently selling production from these wells on the open market, pending approvals from the Utah and Wyoming Commissions to include the acquisition as a Wexpro II property. If approved, the Company will account for the acquisition costs of the value of the gas sold from the time Wexpro closed on the property prior to the approval. The Company avers that approval of the Alkali Gulch Acquisition as a Wexpro II property will provide an opportunity for customers to receive low cost gas in the future. Additionally, the Company states that Wexpro will continue to manage its current production and future drilling programs at or below the 5-Year Forward Curve and manage combined cost-of-service

¹ Pursuant to the Wexpro II Agreement, Dominion *must* seek approval from the Wyoming and Utah Commissions before including any property acquired within the Wexpro I drilling area if it wants to include that property in the cost-of-service supplies. *Memorandum Opinion, Findings and Order Approving the Wexpro II Agreement* at ¶ 18 (Oct. 16, 2013) (Docket No. 30010-123-GA-12). For properties acquired outside the Wexpro I drilling area, Dominion *may* apply for approval to include them as Wexpro II property. *Id.* at ¶ 19.

production from Wexpro I and Wexpro II properties to Dominion Energy at or below the thresholds established in the Canyon Creek Acquisition in Commission Docket No. 30010-145-GA-15.

4. The Company also included a *Petition* requesting confidential treatment of certain information contained within the Application. Specifically, the Company requested confidential treatment of the following: Direct Testimony of Kelly B Mendenhall, Lines 29, 34, 39, 40, 61-67, and 98-99; Direct Testimony of Brady B. Rasmussen, Lines 25-27, and 44- 46; Dominion Energy Confidential Exhibits B, C, D, E, F, G, H, J, K, K-1, L, M, N O, P, 3.2, 3.5. Commission Rule, Chapter 2, Section 30 and Wyo. Stat. § 16-4-203 governs the confidential treatment of information. The rule provides that “[u]pon petition, and for good cause shown, the Commission shall deem confidential any information filed with the Commission or in the custody of the Commission or staff which is shown to be of the nature described in Wyoming Statute §16-4-203(a), (b), (d) or (g).” Wyo. Stat. §16-4-203(d)(v) provides that the custodian of documents shall maintain “[t]rade secrets, privileged information and confidential commercial, financial, geological or geophysical data” as confidential. The Company averred that each confidential exhibit or portion of confidential testimony cited above falls squarely within the statutory requirements

5. On May 20, 2022, the Commission issued a *Notice of Application* and set an intervention deadline of June 3, 2022. Newspapers in Dominion’s service territory published the Notice of Application. The Commission received no comments or petitions to intervene.

6. The Commission considered Dominion’s Application and *Petition* at its Open Meeting on June 9, 2022. Kelly Mendenhall, Director of Regulatory and Pricing; Brady Rasmussen, VP and General Manager of Wexpro; and Cameron Sabin, Counsel, appeared on behalf of Dominion. Mr. Mendenhall presented the Application and generally described the requirement to have new properties designated as Wexpro II properties under the Wexpro II Agreement by the Commission. In his presentation, Mr. Mendenhall detailed the information set forth in paragraphs 2 and 3 above. He further stated that the proposed acquisition will not cause the Company to exceed the 55% production threshold, and will reduce the Wexpro overall cost of service going forward. Mr. Mendenhall concluded by stating the Company believes the acquisition is just, reasonable, and in the public interest.

7. Commission Staff reviewed the Application and *Petition*. Specifically, Staff analyzed the Application and Exhibits, as well as the *Petition*, in light of the Wexpro II Agreement, Commission Orders relating to the Agreement, and the Hydrocarbon Monitor’s Report, in addition to applicable rules and statutes. Based upon this review, the Staff recommended the Commission approve the Application and grant the *Petition*.

8. The Commission finds and concludes that the Application conforms to the requirements of the Wexpro II Agreement, its prior Orders relating to the Agreement, as well as applicable rules and statutes. The Commission also finds and concludes that approval of the Application is in the public interest. With regard to the *Petition*, the Commission finds and concludes that it conforms to the requirements of Commission Rule, Chapter 2, Section 30, and Wyo. Stat. §16-4-203(d)(v).

IT IS THEREFORE ORDERED:

1. Pursuant to Open Meeting action taken on June 9, 2022, the Application of Questar Gas Company d/b/a Dominion Energy Wyoming for approval of the Alkali Gulch Acquisition as a Wexpro II property is approved.
2. Questar Gas Company's d/b/a Dominion Energy Wyoming *Petition for Confidential Treatment of Certain Exhibits to the Application, Portions of the Testimonies of Kelly B. Mendenhall and Brady B. Rasmussen, and Exhibits 3.2 and 3.5* is granted.
3. This *Order* is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, on July 25, 2022.

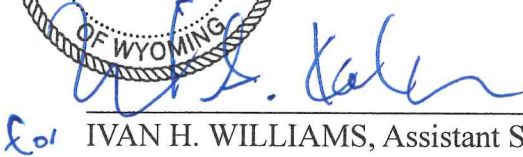
PUBLIC SERVICE COMMISSION OF WYOMING



CHRISTOPHER B. PETRIE, Chairman



MICHAEL M. ROBINSON, Deputy Chairman



IVAN H. WILLIAMS, Assistant Secretary