

OCS 10.04: Projected Plant in Service. Refer to DEU Exhibit 3.0R – Rebuttal Testimony of Jordan K. Stephenson, page 2, lines 46 – 51 which indicates, in part, that the 2020 capital budget includes \$19 million for a “Southern System expansion required to maintain reliability in the St. George area.”

- a. When is the referenced Southern System expansion project anticipated to be placed into service and to begin providing service to customers?
- b. Please provide a copy of any cost benefit analysis or studies conducted by or for the Company associated with the Southern System expansion project.
- c. Please provide the projected increase in annual revenues that will result from the Southern System expansion project?
- d. Please provide the number of new customers that are anticipated to be served as a result of the Southern System expansion project?
- e. Do the test year revenues include revenues associated with the Southern System expansion project? If yes, please identify where the revenues are included in the Company filing and the amount included.

- Answer:
- a. The 2020 phase of the Southern System expansion is scheduled to be in service by October 30, 2020.
 - b. Please see the attached system and sizing analysis for this project.
 - c. The Company has included \$602,132 in the 2020 Revenue Requirement related to the Southern System expansion.
 - d. The 2020 project is anticipated to increase system capacity such that an additional 16.1 MMcfd of firm demand can be added to the system. This is approximately equal to 23,000 residential General Service customers served in Washington County.
 - e. Yes, the test year revenues include \$831,471 in incremental revenue in 2020.

Prepared by: Michael Gill, Director, Engineering and Project Manager

