BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Joint Application of Questar Gas Company dba Dominion Energy Utah, and Enbridge Quail Holdings, LLC for Approval of the Proposed Sale of Fall West Holdco, LLC to Enbridge Quail Holdings, LLC

Docket No. 23-057-16

DIRECT TESTIMONY OF MICHELE HARRADENCE

FOR JOINT APPLICANTS

October 20, 2023

Joint Application Exhibit 1.0

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1		I. INTRODUCTION
2	Q.	Please state your name and business address.
3	A.	My name is Michele Harradence. My business address is 500 Consumer Road, Toronto,
4		Ontario, M2J 1P8, Canada.
5	Q.	By whom are you employed and what is your position?
6	A.	I am employed by Enbridge Inc. ("Enbridge"), and I am Executive Vice President &
7		President, Gas Distribution and Storage at Enbridge, and President and Chief Executive
8		Officer for Enbridge Gas Inc. ("Enbridge Gas"), which includes accountability for its
9		primary gas utility, Enbridge Gas and Gazifère Inc. ("Gazifère").
10	Q.	What are your qualifications to testify in this proceeding?
11	A.	I have listed my qualifications in Joint Application Exhibit 1.01.
12	Q.	What is the purpose of your testimony in this Docket?
13	A.	The purpose of my testimony is to provide an overview of the proposed transaction (the
14		"Transaction") pursuant to which Enbridge Quail Holdings, LLC ("EQ Holdings"), a
15		Delaware limited liability company, will acquire all of the outstanding equity interests
16		("Interests") of Fall West Holdco LLC ("Fall West"), the parent company of Questar Gas
17		Company (dba Dominion Energy Utah ("Questar Gas" or the "Company") from Dominion
18		Energy, Inc. ("Dominion Energy").
19		I also discuss a number of the commitments that are being made by EQ Holdings and
20		Questar Gas in connection with the Transaction and how the Transaction will benefit
21		Questar Gas and its customers, and is just, reasonable and in the public interest.

22

Q. Please provide an overview of the Transaction.

23 A. On September 5, 2023, Dominion Energy and EQ Holdings entered into a Purchase and 24 Sale Agreement (the "Agreement") setting forth the terms of the Transaction. A copy of 25 the Agreement is attached to this Joint Application as Joint Application Exhibit 6.0. 26 Pursuant to the Transaction, EQ Holdings will acquire all of the Interests in Fall West and thereby indirectly acquire all of the equity interests of (i) Questar Gas, (ii) the Wexpro 27 28 Companies,¹ (iii) Dominion Gas Project Company, LLC and (iv) Questar InfoComm Inc. 29 EQ Holdings is a direct wholly-owned subsidiary of Genoa Holdings, LLC ("Genoa 30 Holdings"), a Delaware limited liability company. Genoa Holdings is a direct wholly-31 owned subsidiary of Enbridge U.S. Inc. ("Enbridge U.S."), a Delaware corporation. 32 Enbridge U.S. is an indirect wholly-owned subsidiary of Enbridge, a Canadian 33 corporation.

34 The Transaction is described in further detail in the Agreement.

35 II. **ENBRIDGE'S IDENTITY, MANAGEMENT AND EXPERIENCE**

36

- **IN THE ENERGY INDUSTRY**
- 37 Q. Please provide some background about Enbridge.

38 At Enbridge, our goal is to be the premier energy delivery company in North America and A. 39 beyond—for customers, communities, investors, regulators, policymakers, and 40 employees.

- 41 Enbridge, through its subsidiaries, is a diversified energy company that is uniquely
- 42 positioned to help accelerate the global transition to a cleaner energy future, and is doing

¹ The "Wexpro Companies" include Wexpro Company, Wexpro II Company, Wexpro Development Co., and Dominion Energy Wexpro Services Co.

43	it in ways that are beneficial to our customers and that are ethical, sustainable and socially
44	responsible. Enbridge is advancing new low-carbon energy technologies-including
45	hydrogen, renewable natural gas, and carbon capture and storage. Enbridge is committed
46	to reducing the carbon footprint of the energy delivered by Enbridge companies, and to
47	achieving net zero emissions within Enbridge's operations by 2050.
48	Enbridge also recognizes the importance of a secure, reliable, and affordable supply of
49	energy, which is delivered every day through four core businesses:
50	• Liquids Pipelines;
51	• Gas Transmission & Midstream;
52	• Gas Distribution & Storage; and
53	• Renewable Power.
54	The energy transition requires a practical approach, and Enbridge is committed to lowering
55	emissions while meeting growing energy demand; supporting our customers' needs today
56	while anticipating their needs tomorrow; and developing new energy sources while
57	keeping energy costs in check.
58	Enbridge companies move about 30% of the crude oil produced in North America,
59	transport nearly 20% of the natural gas consumed in the U.S., and operate North America's
60	third-largest natural gas utility by consumer count and largest by volume of natural gas
61	delivered.
62	Enbridge's values are Safety, Integrity, Respect, Inclusion, and High Performance. Above
63	all else, Enbridge aims to make a difference, economically and socially-as an industry
64	leader, as a responsible corporate citizen, and as an exceptional employer.

65		Enbridge was named to the Thomson Reuters Top 100 Global Energy Leaders in 2018;
66		has been selected to Bloomberg's Gender Equality Index five years running, most recently
67		in 2023; and has been ranked among Canada's Top 100 Employers 20 times, most recently
68		in 2023.
69		Headquartered in Calgary, Canada, Enbridge has a workforce of more than 12,000 people,
70		primarily located in the United States and Canada. Enbridge (ENB) is traded on the New
71		York and Toronto stock exchanges.
72	Q.	What is Enbridge's financial status?
73	A.	Enbridge has deep financial resources. As of December 31, 2022, Enbridge had total assets
74		of C\$179.6 (US\$131.5) billion and annual operating revenue of C\$53.3 (US\$39) billion.
75		Additional details about Enbridge's financial strength and capabilities are addressed by
76		Witness Johnston.
77	Q.	Please briefly describe Enbridge's experience with retail natural gas utilities.
78	A.	Enbridge Gas, which provides service in Ontario, has over 175 years of experience in
79		delivering safe, reliable, and affordable natural gas. Enbridge Gas is North America's third
80		largest natural gas utility by customer count and largest natural gas utility by volume of
81		natural gas delivered with rate base in excess of C\$15 (US\$11) billion. Additional details
82		about Enbridge's experience with retail natural gas utilities are addressed by Enbridge
83		Witness Sanders.
84	Q.	What values does Enbridge employ in connection with its operations?
85	A.	At Enbridge, our core values - Safety, Integrity, Respect, Inclusion, and High Performance

86 – reflect what is truly important to us as a company. The values represent the north star for

87	the organization, a constant beacon by which Enbridge makes its decisions, as a company,
88	and by which its individual employees make decisions, every day.
89	In particular, safety is paramount at Enbridge. See Enbridge's Safety Principles page for
90	more information on Enbridge's safety practices for the employees and contractors, the
91	communities in which Enbridge operates, and the environment.
92	Our core values are more specifically defined as follows:
93	<u>Safety</u>
94	• Relentlessly ensure the safety of communities, customers, contractors, partners
95	and employees;
96	• Proactively identify and prevent safety issues;
97	• Act immediately when a safety issue is identified; and
98	• Continually strive to improve safety performance.
99	<u>Integrity</u>
100	• Do the right thing;
101	• Act courageously and speak up;
102	• Maintain truth and transparency; and
103	• Take accountability for our actions.
104	<u>Respect</u>
105	• Value everyone's contributions;
106	• Listen to understand first;
107	• Be considerate and support the well-being of all ; and
108	• Treat everyone with unfailing dignity and defend against intolerant behavior.

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109		Inclusion
110		• Want and encourage diverse perspectives for the best decisions;
111		• See and celebrate our differences as a strength;
112		• Foster a sense of belonging and team; and
113		• Champion fairness and equity.
114		High Performance
115		• Align to deliver results on things that matter;
116		• Embrace change, take measured risks and adapt to stay ahead;
117		• Trust, empower and provide autonomy; and
118		• Simplicity over complexity.
119		III. PLAN FOR OPERATING QUESTAR GAS
120	Q.	Please describe the plans for Questar Gas.
121	A.	Following completion of the Transaction, Questar Gas's headquarters will remain at 333
122		South State Street in Salt Lake City, Utah, and will continue to be locally managed by a
123		seasoned team of executives with expertise in the retail natural gas utility industry. Upon
124		announcement of the Transaction, I noted that, today and for the long-term, natural gas
125		will remain essential for achieving North America's energy security, affordability, and
126		sustainability goals. Enbridge remains committed to supporting natural gas as critical

infrastructure for the long-term to provide safe, reliable, and affordable energy and Questar
Gas plays an important role in fulfilling that plan. Additionally, Enbridge will continue to
support policies and practices for the diligent management and operation of these assets to
provide the current and future customers of Questar Gas choice with respect to their energy

needs. Enbridge's focus across all the operations of Enbridge companies is to deliver theenergy people need and want.

133 IV. PUBLIC INTEREST CONSIDERATIONS AND BENEFITS

- 134 Q. Will the Transaction serve the public interest?
- A. Yes. Questar Gas will benefit from the Transaction by being a part of the larger Enbridge group of companies. Enbridge has the experience, expertise, resources and financial strength and wherewithal to ensure that Questar Gas has access to innovative programs, funding and credit as needed to support the operations and growth of Questar Gas as part of Enbridge's larger plan to create a natural gas utility platform. This is further described in Witness Sanders and Witness Johnston's testimony.
- 141 Q. Are EQ Holdings and Questar Gas making any commitments regarding the
 142 operations of Questar Gas upon completion of the Transaction?
- A. Yes. EQ Holdings and Questar Gas are making a number of important commitments
 regarding the management, operations and financing of Questar Gas, including ringfencing commitments. Some of these commitments are described below and others are
 addressed by Witness Johnston and Witness Sanders. Enbridge supports and will continue
 to support EO Holdings in making these commitments and seeing that they are fulfilled.
- Further, consistent with Enbridge's policies and practices, Enbridge supports and will continue to support the commitments made by EQ Holdings and Questar Gas to comply with all existing laws, rules, regulations, provisions of its Tariff, orders, and directives of the Commission, as applicable, following completion of the Transaction.
- 152 Enbridge supports and will continue to support the further commitments made by EQ153 Holdings and Questar Gas that senior officers and management employees will be made

available to testify before the Commission and provide information relevant to matterswithin the jurisdiction of the Commission.

156 Q. Do EQ Holdings and Questar Gas intend to continue supporting economic 157 development in Questar Gas's service territory?

- A. Yes. EQ Holdings and Questar Gas commit that Questar Gas will continue to install, upgrade, and maintain Questar Gas's infrastructure as necessary for safe, reliable, and affordable operations as described in greater detail below and in the testimony of Witness Sanders. Enbridge supports EQ Holdings and Questar Gas in making this commitment and will ensure that resources are made available to fulfill this commitment.
- 163 In addition, EQ Holdings also intends to continue to advance Questar Gas's investments 164 in clean technology. Enbridge and its affiliates have significant expertise with clean 165 technology. For example, Enbridge Gas continues to deploy capital with local 166 municipalities and cities to construct infrastructure to capture methane from landfills and 167 upgrade it to pipeline-quality natural gas (renewable natural gas). Furthermore, Enbridge 168 Gas also operates North America's first utility scale power-to-gas plant to manufacture 169 green hydrogen. In 2021, Enbridge Gas initiated a pilot project, whereby that hydrogen is 170 blended into the natural gas stream for approximately 3,600 customers. This is a first of its 171 kind in North America.
- 172

Q. Are there additional benefits to Questar Gas and its customers from the Transaction?

A. Yes. EQ Holdings and Questar Gas will commit to each of the commitments set forth in
the Utah Commitment Matrix attached to the Joint Application as Joint Application
Exhibit 5.0. Upon completion of the Transaction, these commitments will provide benefits

- 176 to Questar Gas and its customers. Enbridge supports each of those commitments and will
- 177 ensure that support and resources are necessary to see those commitments fulfilled.
- 178 <u>Safety</u>

179 Q. Please describe Enbridge's view towards safety in its operations.

180 A. Enbridge's mission is to fuel quality of life for its employees, customers, and communities. Operating safely is essential to achieving that mission. It is the duty of each Enbridge 181 182 company to keep the public, the members of the Enbridge team, the communities where 183 we operate, and the environment safe. Safety is one of Enbridge's core values. 184 Accordingly, Enbridge assesses and refines safety systems and programs, and monitors 185 and measures safety performance and the health of Enbridge's safety culture to deliver on 186 Enbridge's commitment to operate systems safely and reliably, and ensuring that every 187 member of the Enbridge team goes home safely and soundly at the end of every day. To 188 ensure that all members of the team strive for excellent safety and reliability outcomes,

- 189 Enbridge ties each employee's incentive compensation to safety and reliability metrics.
- 190 <u>Ethics</u>

191 Q. Please explain the role of ethics in Enbridge's culture.

A. Everyone who works for Enbridge and its subsidiary companies is accountable for
 upholding high standards of conduct and understands that transparency around
 performance is essential for building trust with our stakeholders.

Enbridge's Statement on Business Conduct ("SOBC") is the foundation of Enbridge's commitment to ethics and compliance. Upon joining an Enbridge company and annually thereafter, all active team members are required to complete SOBC training and certify their compliance with its provisions. They must also disclose any actual or potential

conflicts of interest. In 2022, the Board approved a revised SOBC, which became effective
June 2022. Please see Enbridge's SOBC.

201 Enbridge's Whistle Blower Policy encourages employees to turn to their people leaders 202 first to share concerns. The policy sets out the procedures for reporting concerns about 203 potential fraudulent or inaccurate accounting, auditing or financial reporting violations, 204 and ethical misconduct or violations of law or policy. Should team members feel 205 uncomfortable reporting certain concerns through this channel, the Ethics Helpline allows 206 the option of filing a report confidentially and anonymously. The policy also indicates how 207 such concerns are handled, and articulates Enbridge's approach to preventing further 208 violations of policy as well as our prohibition against retaliation against any person making 209 a complaint in good faith. Please see Enbridge's Whistle Blower Policy.

Q. Please discuss how Enbridge's commitment to the sustainability of the environment is reinforced by its ethics.

A. Sustainability is foundational to Enbridge's business. Enbridge is committed to reducing its emissions, building lasting relationships with stakeholders, and advancing diversity, equity, and inclusion. Enbridge's 2022 Sustainability Report⁴ and Witness Sanders' testimony provides detailed information with respect to Enbridge's commitment to Sustainability. Please see Enbridge's 2022 Sustainability Report.

217 Q. Please elaborate on Enbridge's activities to support the communities served by
218 Enbridge companies.

A. Enbridge's corporate citizenship program, Enbridge Fueling Futures, supports programs
 that strengthen the safety, vibrancy, and sustainability of the communities served by
 Enbridge companies.

Safe communities: Enbridge supports local safety initiatives and organizations that help
make communities safer places to live. Enbridge's commitment to safety – one of five
Enbridge core values—is about more than our operational safety. It's also about the safety
of the communities where employees of Enbridge companies live and work. Enbridge's
2022 contribution to safe communities was C\$3.5 (US\$2.6) million.

Vibrant communities: Vibrant communities are places that offer opportunities for every
 citizen. Enbridge Fueling Futures supports activities that build potential in youth, celebrate
 culture and community, honor Indigenous peoples and culture and empower people to
 achieve their full potential. Enbridge's 2022 contribution to vibrant communities was
 C\$11.8 (US\$8.6) million.

232 *Sustainable communities*: Enbridge supports initiatives that contribute to a sustainable 233 future by helping to improve, grow and nurture the environment. In particular, Enbridge 234 Fueling Futures supports environmental education projects to advance the energy 235 transition and habitat conservation and remediation. Enbridge's 2022 contribution to 236 sustainable communities was C\$1.7 (US\$1.2) million.

Through Enbridge Fueling Futures, Enbridge is energizing communities through the volunteerism and generosity of employees of Enbridge companies. Employees are empowered to contribute and strengthen the communities served by Enbridge companies on behalf of Enbridge by supporting causes that are important to them. Enbridge provided C\$4.6 (US\$3.4) million to 2,097 organizations through employee donation matching, volunteer grants, as well as community project and leadership grants in 2022.

The Enbridge Fueling Futures program directs substantial support each year to The United
 Way— supporting and building community resiliency. Since 2018, Enbridge has invested

245		more than C\$32.1 (US\$23.5) million in support of local United Way chapters. In 2022,
246		133 communities across North America benefited from:
247		• 2,000+ Enbridge team members' participation;
248		• 2,900 volunteer hours by Enbridge employees; and
249		• C\$4.7 (US\$3.4) million of total giving from employee, contractor, and retiree
250		donations, boosted by Enbridge's corporate match.
251		Enbridge is committed to supporting and strengthening the communities near pipelines
252		and facilities of Enbridge companies, and being a good neighbor means the world to us.
253		Additional information, along with a listing of community investments, can be found at
254		https://www.enbridge.com/about-us/our-values/corporate-citizenship.
255	Toom	work
233	Team	WOIK
255	Q.	What is Enbridge's approach to teamwork among its employees and its operating
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256 257	Q.	What is Enbridge's approach to teamwork among its employees and its operating businesses?
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256 257 258 259	Q.	What is Enbridge's approach to teamwork among its employees and its operating businesses? Enbridge employees are encouraged by and have said that the most important actions and behaviors contributing to building pride in Enbridge and energizing the team come from
256 257 258 259 260	Q.	What is Enbridge's approach to teamwork among its employees and its operating businesses? Enbridge employees are encouraged by and have said that the most important actions and behaviors contributing to building pride in Enbridge and energizing the team come from the working environment that has been created:
256 257 258 259 260 261	Q.	What is Enbridge's approach to teamwork among its employees and its operating businesses? Enbridge employees are encouraged by and have said that the most important actions and behaviors contributing to building pride in Enbridge and energizing the team come from the working environment that has been created: • Being accountable;
256 257 258 259 260 261 262	Q.	What is Enbridge's approach to teamwork among its employees and its operating businesses? Enbridge employees are encouraged by and have said that the most important actions and behaviors contributing to building pride in Enbridge and energizing the team come from the working environment that has been created: Being accountable; Communicating effectively;

266		V. CONCLUSION
267	Q.	Would you please summarize your testimony?
268	A.	It is my firm belief that the Transaction will benefit Questar Gas and its customers, and
269		that the Transaction is in the public interest and provides a net positive benefit. Enbridge
270		has the necessary financial, technical, and managerial expertise to own and operate Questar
271		Gas. Enbridge is a strong and well-financed company that will strengthen Questar Gas.
272		Enbridge's lasting investment focus means that Enbridge intends to own Questar Gas for
273		the long term – lending stability to, and confidence in, Questar Gas' continued role as a
274		dependable supplier of natural gas service at reasonable rates.
275	Q.	Does this conclude your testimony?
276	A.	Yes.

Country of Canada)) ss. City of Toronto, Canada)

I, Michele Harradence, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. The exhibits attached to the testimony were prepared by me or under my direction and supervision, except where otherwise stated, in which case they are true and correct copies of what they purport to be, to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.

Michele Harradence

SUBSCRIBED AND SWORN TO this $\underline{|}^{9}$ th day of October, 2023.

Notary Public

Alexander Heuton LSO#: 776741

