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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Abdinasir Abdulle, Utility Technical Consultant Supervisor
Shauna Benvegna-Springer, Utility Technical Consultant
Savannah Torman, Office Specialist

Date: June 5, 2025

Re: **Docket No. 24-057-22**, Enbridge Gas Utah's Application for Approval of the 2025 Year Budget for Energy Efficiency Programs and Market Transformation Initiative
Docket No. 25-057-05, Enbridge Gas Utah's Energy Efficiency Reports, 2025.

Recommendation (Acknowledge)

The Division of Public Utilities ("Division" or "DPU") has reviewed the Application and recommends that the Public Service Commission of Utah ("Commission") acknowledge Enbridge Gas Utah's ("EGU" or "Company") report on the Energy Comparison Report ("ECR") surpassing 50% of its budget for 2025 within the Energy Efficiency Program.

Issue

On May 15, 2025, the Company filed its Energy Efficiency Report, notifying the Commission of its ECR Program spending levels. The Commission issued an Action Request on May 15, 2025, requesting that the Division review the report for compliance and provide any recommendations by June 13, 2025. Subsequently, the Commission issued a Notice of Filing and Comment Period requesting comments by June 13, 2025, with reply comments by June 27, 2025. This memorandum is the Division's response to the Commission's Action Request and Notice of Filing and Comment Period.



Background

The Commission Order issued in Docket No. 09-57-15, dated January 12, 2010, stated that the Company was required to report to the Commission when any Demand Side Management (“DSM”) program costs reached ninety percent (90%) of its budget, and if any DSM program costs reached fifty percent (50%) of its budget before June 30 each year, or if any DSM program costs are eighty percent (80%) of the budget by August.

Discussion

The Company has complied with the Commission’s order by submitting its quarterly Energy Efficiency Report, stating that its ECR reached fifty-four percent (54%) of its budget by the end of March 2025. The Company reported that an accounting error was noticed in February 2025 when the ECR budget was surpassed and investigated the error. The Division spoke with Travis Willey, a representative of EGU, for clarification on the accounting error. Mr. Willey explained that EGU did not submit an accrual for the mailing vendor in December 2024, because the vendor’s invoices were below the accrual threshold. Thus, the vendor’s invoices were expensed to the first quarter rather than the fourth quarter.

The Company has stated that the majority of the ECR’s costs occur in the first and fourth quarters of the calendar year, correlating with the planned program strategy to provide customers with usage information during the winter months. EGU is projecting that the ECR will not exceed 100% of its \$0.51 million budget. The Company also projects that the ThermWise Programs in total will not exceed the approved budget of \$30.1 million for 2025.

The Division and the Company will continue to monitor the activity of both programs by reviewing the detailed quarterly reports.

Conclusion

EGU has complied with the order and reported the required information. The Division recommends that the Commission acknowledge the Company’s report that the ECR Program has surpassed fifty-four percent (54%) of the 2025 budget by the end of March 2025.

cc: Michael A. Orton, Enbridge Gas Utah
Travis Willey, Enbridge Gas Utah
Michele Beck, Office of Consumer Services