

APPLICATION OF ENBRIDGE) Docket No. 24-057-25
GAS UTAH TO CHANGE THE)
RURAL EXPANSION RATE) VERIFIED APPLICATION
ADJUSTMENT)

All communications with respect to
these documents should be served upon:

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APPLICATION
AND
EXHIBITS

December 31, 2024

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- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

APPLICATION OF ENBRIDGE GAS)	Docket No. 24-057-25
UTAH TO CHANGE THE)	
RURAL EXPANSION RATE)	VERIFIED APPLICATION
ADJUSTMENT)	

Questar Gas Company dba Enbridge Gas Utah (Enbridge Gas or the Company) respectfully submits this Verified Application (Application) to the Utah Public Service Commission (Commission) and thereby seeks to modify the Rural Expansion Rate Adjustment to the Distribution Non-Gas (DNG) cost portions of its Utah GS, FS, IS, TSS, TSM, TSL, TBF, MT, and NGV natural gas rate schedules, pursuant to section 9.02 of the Company's Utah Natural Gas Tariff No. 600 (Tariff).

If the Commission grants this Application, a typical GS residential customer using 70 dekatherms per year will see an increase in their yearly bills of \$0.96 (or 0.10%). The Company proposes to implement this request by charging the new rates effective February 1, 2025.

In support of this Application, Enbridge Gas states:

1. Enbridge Gas's Operations. Enbridge Gas, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's charges and general conditions for natural gas service in Utah are set forth in the Tariff. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the

Company serves customers in Franklin County, Idaho. Under the terms of an agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Commission. Volumes for these customers have been included in the Utah volumes.

2. Report and Order. In the Report and Order issued August 27, 2020 in Docket No. 19-057-31 (Eureka Case), the Commission authorized Enbridge Gas to begin the rural expansion rate adjustment tracker program (Program) and §9.02 of the Tariff sets forth procedures for recovering costs associated with rural expansion.

3. Test Year. The test year for this Application is the 12 months ending January 31, 2026.

4. Calculation of Revenue Requirement. EGU Exhibit 1.1, shows the total amount of main line closed to investment and in service in November 2024 for each of the Rural Expansion projects. Lines 1 through 31 show the investment in both high pressure and intermediate high-pressure projects. Line 32 shows, by month, the cumulative plant balance of high pressure and intermediate high-pressure plant. Line 33 shows the same cumulative plant balance less the costs included in the last rate case. EGU Exhibit 1.2 shows similar information as EGU Exhibit 1.1 except it includes service lines instead of main lines. Service lines are shown separately because they are depreciated at a different rate.

a) EGU Exhibit 1.3 shows a calculation of the revenue requirement. Line 1 shows the net investment closed through November 2024.

b) Lines 4 through 10 show the accumulated depreciation, accumulated deferred income tax, net expansion infrastructure, allowed pre-tax return, net depreciation expense, and net taxes other than income tax.

c) Line 11 shows the final annual revenue requirement to be collected by the rural expansion rate adjustment, \$4,380,527 for mains (Column B) and \$396,730 for service lines (Column C). This represents an increase of \$1,640,135 for mains and \$144,999 for services from the prior revenue requirement amount (line 13).

5. Cost of Service. EGU Exhibit 1.4 shows the allocation of the revenue requirement to each class. Section 9.02 of the Tariff states that “the Surcharge will be assigned to each rate class based on the Commission-approved total pro rata share of the DNG tariff revenue ordered in the most recent general rate case.” Column A shows the step 3 DNG revenue requirement by class ordered by the Commission in Docket No. 22-057-03. Column B shows the percent of the total revenue requirement by class and column C shows the total rural expansion revenue to be collected from each class.

6. Rate Design. EGU Exhibit 1.5 shows the rate design for the Rural Expansion Rate Adjustment surcharge component of the DNG rates. Section 9.02 of the Company’s Tariff states that “the Surcharge assigned to each class will be collected based on a percentage change to the demand charge, if applicable, and each block of volumetric rates of the respective rate schedules.” Column E shows the current base DNG rates in effect. These rates are applied to test period volumes (Column D) to calculate projected volumetric revenue for each class in Column F. Column G shows the amount of Rural Expansion tracker revenue that needs to be collected from each class. Column H shows the percentage change to each block and demand charge. Column I shows the proposed rates for each rate schedule, and is derived by applying the percentage changes in Column H to the current base DNG rates in Column E.

7. Change in Typical Customer’s Bill. The annualized change in rates calculated in this Application results in an increase of \$0.96 per year (or 0.10%), as shown in EGU Exhibit 1.6.

8. Legislative and Proposed Tariff Sheets. EGU Exhibit 1.7 shows the proposed Tariff rate schedules that reflect the updated rural expansion rate adjustment as explained in paragraphs 4 through 6, in legislative format. EGU Exhibit 1.8 is a clean version showing those changes.

9. Combined Legislative and Proposed Tariff Sheets. The Company is filing an Application to adjust the Transportation Imbalance Charge (TIC) concurrently with this filing. On January 2, 2025, the Company will file a Pass Through Application that will also have a proposed

effective date of February 1, 2025. EGU Exhibit 1.9 shows the combined proposed Tariff rate schedules that reflect the updated Rural Expansion Rate Adjustment in this Docket, as well as the updated Pass Through rates and the updated TIC rates. EGU Exhibit 1.10 shows the same combine tariff sheets in clean form.

10. Exhibits. Enbridge Gas submits the following exhibits in support of its request to include the infrastructure rate adjustment:

EGU Exhibit 1.1	EGU Rural Expansion Mains Project Summary
EGU Exhibit 1.2	EGU Rural Expansion Services Project Summary
EGU Exhibit 1.3	Calculation of Revenue Requirement
EGU Exhibit 1.4	Cost of Service Allocation
EGU Exhibit 1.5	Rural Expansion Tracker Rate Calculation
EGU Exhibit 1.6	Effect on GS Typical Customer
EGU Exhibit 1.7	Legislative a Tariff Sheets
EGU Exhibit 1.8	Proposed Tariff Sheets
EGU Exhibit 1.9	Combined Legislative Tariff Sheets
EGU Exhibit 1.10	Combined Proposed Tariff Sheets

WHEREFORE, Enbridge Gas respectfully requests that the Commission, in accordance with the applicable Commission orders and the Company's Tariff:

1. Enter an order authorizing Enbridge Gas to change rates and charges applicable to its Utah natural gas service that reflect an adjustment to the rates for each class as more fully set forth in this Application; and

2. Authorize Enbridge Gas to implement the proposed interim rates effective February 1, 2025.

DATED this 31st day of December 2024.

Respectfully submitted,

ENBRIDGE GAS UTAH




Jenniffer Nelson Clark (7947)
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VERIFICATION

State of Utah)
) ss.
County of Salt Lake)

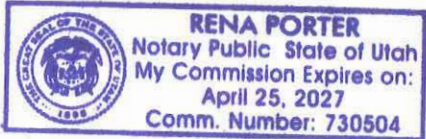
Kelly Mendenhall, being first duly sworn upon oath, deposes and states: he is the Director, Regulatory and Pricing of Enbridge Gas, Inc.; he has direct personal knowledge of the matters addressed herein; he has read the foregoing Application; and the statements made in the Application are true and correct to the best of his knowledge, information and belief. The documents attached thereto are true and correct copies of the documents they purport to be.



Kelly Mendenhall
Director, Regulatory and Pricing

Subscribed and sworn to before me this 31st day of December, 2024.





CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Verified Application was served upon the following persons by e-mail on December 31, 2024:

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