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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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| IN THE MATTER OF ENBRIDGE GAS UTAH’S INTEGRATED RESOURCE PLAN (IRP) FOR PLAN YEAR: JUNE 1, 2025 TO MAY 31, 2026 | Docket No. 25-057-02 ENBRIDGE GAS UTAH’S REPLY COMMENTS |
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Questar Gas Company dba Enbridge Gas Utah (“Enbridge Gas” or “Company”) respectfully submits these Reply Comments for the Utah Public Service Commission’s (“Commission”) consideration.

BACKGROUND

On January 15, 2025, Enbridge Gas filed its Notice of Intent to file its IRP in this docket. From March through May, the Commission held a series of Technical Conferences to address various aspects of the Company’s Integrated Resource Plan, Plan Year June 1, 2025, to May 31, 2026 (“2025-2026 IRP”). On June 13, 2025, the Company filed its 2025-2026 IRP. On June 25, 2025, the Commission issued a Scheduling Order setting due dates for comments and reply comments. The Commission required that comments on the 2025-2026 IRP must be submitted by Tuesday, August 19, 2025, and that Reply Comments must be submitted Tuesday, September 23, 2025.

On August 19, 2025, the Utah Division of Public Utilities (“Division”) and the Utah Office of Consumer Services (“Office”) both filed Comments addressing the 2025-2026 IRP. The Company respectfully submits these Reply Comments in reply to the Division’s Comments and the Office’s Comments.

DISCUSSION

The Company agrees with Division’s conclusions that the 2025-2026 IRP complies with the Commissions orders and the applicable IRP guidelines. Division’s Comments at p. 1. The Company also agrees with the Division’s and Office’s recommendations that the Commission acknowledge the 2025-2026 IRP. The Division further recommended that the Commission require the Company to prepare specific guidelines or conditions for LNG facility utilization outside a supply deficit. The Division also recommended that the Company correct some errors in Table 6.2. The Office recommended that the Company incorporate additional details in its future IRPs related to data centers and long-term planning. Enbridge Gas addresses each of those issues below.

I. Guidelines for LNG Facility Utilization

The Division and the Office both recommended that Enbridge Gas establish guidelines for utilizing the LNG facility outside a supply deficit.

When the Commission approved the construction of the LNG facility, it did so based on the premise that the LNG facility would be used to provide supply reliability. Accordingly, the Company reserves the LNG facility for gas supply support in the event of supply shortages. Enbridge Gas will continue to reserve the LNG facility to provide supply reliability, but it may also use the LNG facility in other instances when the risk of a supply shortfall is reduced. For example, the Company could choose to utilize the LNG Facility to avoid paying higher prices during price spikes that occur near the end of the heating

season when a supply shortfall is unlikely. When opportunities to utilize the LNG facility arise, the Company will carefully consider the risk of encountering a supply shortfall, and the benefits of the proposed use of the LNG facility. Enbridge Gas subject matter experts will consult, and Enbridge Gas's leadership will make decisions about when and how to deploy the LNG facility resources.

Enbridge Gas does, however, offer the following description of the process it utilizes in making such decisions. First, Enbridge Gas's Manager of Gas Supply actively monitors market conditions, including supply availability, current and future weather forecasts, current and forecasted pricing trends, and market volatility. If a supply shortfall occurs (or is likely), the Manager of Gas Supply puts the Manager of LNG Plant Operations on notice that the Company may be calling on the LNG facility for additional supply. The Manager of LNG Plant Operations will then ensure that their staff makes preparations to deploy supply from the LNG facility. When it becomes clear that the Company needs additional supply from the LNG facility, the Gas Supply Manager will coordinate a meeting with Enbridge Gas management, and those Enbridge Gas employees who need to know. Typically, this group includes representatives of the engineering, regulatory, gas supply, and operations departments. The group will evaluate the conditions and Enbridge Gas's Vice President and General Manager will make a final decision about whether or not to deploy supply from the LNG facility. Once the LNG Facility begins to dispatch gas, the Gas Supply Manager and other subject matter experts at Enbridge Gas will continue to monitor the events and to update the decisionmakers, and Enbridge Gas's management team will make decisions related to the duration of flow from the LNG facility.

The wide variety of circumstances that could lead to use of the LNG facility render reliance on specific guidelines impractical. In determining whether to use the LNG facility,

Enbridge Gas considers the timing of the event, forecasted duration of a weather event, supply availability, current storage inventory levels, current and forecasted market pricing, drivers for any pricing anomalies, and many other factors. Every event is distinct and unpredictable, and restrictive guidelines will hamper the Company's ability to utilize the LNG facility effectively or promptly. It is more appropriate to rely on the varied expertise of subject matter experts at Enbridge Gas to evaluate each situation and to ensure the best use of the LNG facility to maintain system integrity and avoid customer disruption.

II. Amended Table 6.2

The Division also requested further explanation from Enbridge Gas on the increased number of anomalies repaired as identified in Section 6-6 of the IRP. The Division requested an update to Table 6.2 in the IRP to reflect the correct number of repairs.

As noted by the Division staff, the primary increase in anomalies repaired in 2024 "was due in part to a change in the inspections parameters," or a change in the assessment method used. This also drove the increase in anomalies repaired in 2023.

In order to understand the reason for the increased number of anomalies, it is important to understand how and when such anomalies are identified and addressed. The transmission integrity management program ("TIMP") uses two primary methods for assessing integrity threats on the Company's transmission pipelines. The first, external corrosion direct assessment ("ECDA"). ECDA involves the use of several techniques that assess the flow of cathodic protection on the pipeline and corrosion potential between the pipeline and surrounding soil, providing location and size of coating failure or damage and indicating third party damage and/or corrosion may exist. These survey technics are conducted by walking above the pipeline and taking periodic readings for the pipeline segments located in the high consequence areas ("HCA").

The second assessment method is in-line inspection (“ILI”), also frequently referred to as pigging. The ILI assessment method uses tools to assess the interior of the pipe from a launcher assembly to a receiver assembly, covering both HCA segments and non-HCA segments of the pipeline. Both assessment methods require a direct assessment of the pipe, or excavating locations the ILI or ECDA data has indicated there are anomalies by to verify the ILI or ECDA data. These excavations, or digs, typically occur the following calendar year in which the ILI or ECDA was completed, unless the ILI or ECDA data qualifies as immediate condition, in which case, the digs are performed as soon as possible.

When a pipeline that has traditionally been assessed by ECDA is inspected for the first time by ILI it is not uncommon to find anomalies to repair outside of the HCAs, given that these segments have not been previously assessed. Reassessments of a pipeline typically occur every 6 years, and result in fewer repaired anomalies. Furthermore, these anomalies are less significant usually only needing a minor repair and can be buffed out of the pipe.

In 2022, and in 2023, the Company performed ILI on pipes that were previously tested through ECDA. In 2023, the tests on the non-HCA segments of line found several areas of third-party damage. In 2024, tests were completed on one of the older lines in the natural gas distribution system for a first time ILI, which resulted in fourteen repaired anomalies.

The increase in repaired anomalies is driven primarily by this expansion of ILI to pipe not previously assessed. The increase does not necessarily indicate a decay in pipeline condition. Instead, the increase reflects the efforts of the Company to make more of its system in-line inspectable and its efforts to apply integrity management principles beyond regulatory requirements.

The Division mentioned that Table 6.2 had an incorrect number of anomalies repaired in 2023. The table filed in the 2025 IRP showed seventeen anomalies repaired in 2023. It should have shown twenty-two anomalies repaired, as shown in the corrected table below. All other values in the table were correct as filed.

Table 6.1: Miles Assessed/Anomalies Repaired

| <i>Year</i> | <i>Transmission Miles Assessed</i> | <i>HCA Miles Assessed</i> | <i>Anomalies Repaired</i> |
|--|------------------------------------|---------------------------|---------------------------|
| 2012 | 34.430 | 26.470 | 28 |
| 2013 | 93.391 | 50.367 | 27 |
| 2014 | 80.049 | 54.555* | 20 |
| 2015 | 15.903 | 11.040 | 2 |
| 2016 | 62.575 | 37.226 | 4 |
| 2017 | 49.555 | 12.935 | 8 |
| 2018 | 76.327 | 30.212 | 9 |
| 2019 | 111.383 | 25.571 | 3 |
| 2020 | 188.832 | 54.624** | 8 |
| 2021 | 118.389 | 11.066 | 11 |
| 2022 | 55.35 | 4.512** | 4 |
| 2023 | 81.11 | 8.803 | 22 |
| 2024 | 131.193 | 38.45 | 30 |
| <p>NOTE: *Approximately 17 miles of HCA were assessed in 2014 that were originally planned to be completed in 2015. Due to favorable circumstances for completing the direct examinations these assessments were completed early.</p> <p>** FL026, scheduled for ILI in 2022, was assessed early, in 2020, due to a leak identified that year.</p> | | | |

III. Data Centers

The Office has recommended that Enbridge Gas include more specific data in the Data Center section of future IRPs regarding requests for Enbridge Gas to connect and provide natural gas service to data centers. Enbridge Gas agrees with the Office's recommendation and will expand the Data Center section in future IRPs to include details

regarding requests received by the Company to serve data center demand. The Company will also provide more information during a technical conference addressing data centers requests for service.

As an initial step, the following update provides the more specific detail on data centers related to the recently filed IRP. Enbridge Gas Utah has received nineteen separate inquiries related to either data center electric generation or onsite electric generation for an unknown purpose. To date, the Company has signed two agreements (both with the same customer) for this type of facility, with an expected in-service date in the fourth quarter of 2025. In some cases, once the Company has told a potential customer that they would be responsible for costs of the project upfront, and that costs could potentially range in the tens of millions of dollars, the potential customer expressed no further interest. Requested daily gas volumes across all inquiries have ranged from two mmcf/day to 240 mmcf/day. If all nineteen inquiries were to be built, the total estimated load would be approximately 1,038 mmcf/day. Project timelines have generally ranged from 18 to 24 months. Therefore, if a customer were to sign an agreement today, the facility would not be constructed until 2026–2027.

The Company expects all potential customers would be transportation customers requiring firm service. Section 9.02 of the Company's Utah Natural Gas Tariff No. 700: "The Company will approve service for a new customer, an increase in gas requirements for an existing customer, and/or a change in rate schedule only when, in the Company's judgment, the service can be provided in a manner that will not impact the Company's ability to serve its existing customers." The Company would require these potential data center customers to pay for system improvements upfront. In situations where the

additional load would create system constraints, the Company may either decline service or require the customer to pay for upgrades to eliminate the constraint.

The Company expects all data center inquiries to fall within the applicable TS rate schedule based on projected annual volumes and location. The Company has not and does not plan to offer Company-owned commodity to any of these prospective customers. Accordingly, the Company does not believe that adding these data centers to its system will adversely impact general sales service or firm sales service customer classes.

IV. Long-Term Planning

The Office also raises questions in regard to the system impacts that may occur from wide-scale market adoption of technologies like dual fuel heating systems. Dual fuel heating systems have been rebated by the Company for a short time (beginning in 2021) with good participation results but a relatively small data set (1,104 units with 3 years post-install usage data) for evaluation purposes. The Company proposes to continue monitoring this issue and to provide a more fulsome report as part of the 2027-2028 IRP when there will be over 5,000 dual fuel systems with 3 years of post-install usage data to evaluate.

CONCLUSION

Enbridge Gas appreciates the thorough and thoughtful review of both the Division and the Office and the feedback they provide. The Company respectfully submits these Reply Comments as additional information for the Commission's consideration.

RESPECTFULLY SUBMITTED this 23rd day of September, 2025.

ENBRIDGE GAS UTAH



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Enbridge Gas Utah's Reply

Comments was served upon the following persons by e-mail on September 23, 2025:

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