
BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE
APPLICATION OF ENBRIDGE GAS
UTAH TO INCREASE DISTRIBUTION
RATES AND CHARGES AND MAKE
TARIFF MODIFICATIONS

Docket No. 25-057-06

PHASE I SETTLEMENT TESTIMONY

OF

JUSTIN BIEBER

On Behalf of the

Utah Association of Energy Users

October 15, 2025

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PHASE I SETTLEMENT TESTIMONY OF JUSTIN BIEBER

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Justin Bieber. My business address is 111 E Broadway, Suite 1200, Salt Lake City, Utah, 84111.

Q. By whom are you employed and in what capacity?

A. I am a Principal for Energy Strategies, LLC. Energy Strategies is a private consulting firm specializing in economic and policy analysis applicable to energy production, transportation, and consumption.

Q. Are you the same Justin Bieber who pre-filed Phase I direct testimony in this docket on behalf of the Utah Association of Energy Users (“UAE”)?

A. Yes.

Q. What is the purpose of your Phase I Settlement testimony?

A. My Settlement testimony recommends approval of the Phase I Settlement Stipulation (“Phase I Settlement”) of Questar Gas Company dba Enbridge Gas Utah (“Enbridge,” or the “Company”), the Utah Division of Public Utilities (“Division”), the Utah Office of Consumer Services (“Office”), and UAE.

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II. PHASE I SETTLEMENT

20 **Q. Why does UAE support the revenue requirement that is recommended in the**
21 **Phase I Settlement?**

22 A. The Phase I Settlement recommends approval of a Utah Jurisdiction Distribution
23 Non-Gas (“DNG”) revenue requirement of \$604.0 million, but without identifying
24 specific adjustments. This revenue requirement corresponds to a revenue increase
25 of \$62.0 million, measured using the current revenues in Enbridge’s filed case. In
26 its direct filing, Enbridge requested an overall increase in its Utah DNG revenue of
27 approximately \$114.7 million. Enbridge subsequently provided a revised version
28 of its rate case model in response to discovery, which corrects numerous errors in
29 its filed case.¹ Enbridge’s revised rate case model indicates a Utah DNG revenue
30 deficiency of \$117.9 million. The stipulated revenue deficiency is 47% lower than
31 Enbridge’s corrected filed case.

32 In comparison, UAE’s recommended adjustments presented in my Phase I
33 direct testimony reduce Enbridge’s revenue requirement increase by approximately
34 \$57.4 million, including the impact of the cost of capital recommendations of
35 Office/UAE witness David J. Garrett. UAE’s specific adjustments would result in
36 a revenue requirement increase of approximately \$60.5 million, measured using the
37 current revenues in Enbridge’s filed case – an outcome that is very close to the
38 stipulated revenue requirement increase of \$62.0 million, measured using the same
39 starting point. Based on the detailed revenue requirement analysis incorporated into

¹ See Enbridge response to Data Request DPU FDR 1.18. The narrative response to this data request is included in UAE Exhibit RR 1.6, attached to my Phase I direct testimony.

40 UAE's direct filing, I conclude that the Phase I Settlement revenue requirement
41 produces results that are just and reasonable, even though specific adjustments are
42 not enumerated.

43 **Q. The Phase I Settlement adopts the depreciation rates recommended by Mr.**
44 **Garrett. Have you considered the reasonableness of the stipulated revenue**
45 **requirement after taking account of the stipulated change in depreciation**
46 **rates?**

47 A. Yes. UAE did not make a depreciation adjustment in its direct case. However, if
48 we were to incorporate Mr. Garrett's depreciation adjustment into the UAE
49 recommended revenue requirement, utilize Enbridge's proposed capital structure,
50 and adjust the allowed return on equity ("ROE") to 9.375% (to match the ROE
51 authorized by the Commission for Rocky Mountain Power in Docket No. 24-035-
52 04), the resulting revenue requirement increase would be approximately \$64.2
53 million, measured using the current revenues in Enbridge's filed case. This
54 calculation is summarized in Table JB-1S below. Again, this result is close to (in
55 fact, slightly greater than) the Phase I Settlement increase, further supporting my
56 conclusion that the Phase I Settlement revenue requirement produces reasonable
57 results.

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Table JB-1S
UAE As-Filed Revenue Requirement Adjustments –
Modified for Cost of Capital & Depreciation Expense

Adjustment Description	UT Jurisdiction Adjustment Impact	UT Jurisdiction Deficiency ²
Enbridge Requested Increase - As-Filed		\$114,669,749
Enbridge Requested Increase - DPU FDR 1.18	\$3,250,746	\$117,920,495
<hr/>		
UAE Revenue Requirement Adjustments w/ 9.375% ROE & OCS Depreciation		
Labor O&M, Payroll Tax Error Corrections	\$1,532,588	\$119,453,084
Financial Incentive Comp Expense Adj.	(\$3,361,767)	\$116,091,317
Employee Count Adjustment	(\$8,224,593)	\$107,866,724
Capitalized Financial Incentive Comp Adj.	(\$998,777)	\$106,867,948
9.375% ROE	(\$27,890,593)	\$78,977,354
OCS Depreciation Rates Estimate ³	(\$14,767,023)	\$64,210,331

63 **Q. Several times you qualified your references to the revenue requirement**
 64 **increase amount as “measured using the current revenues in Enbridge’s filed**
 65 **case.” What is the significance of this qualification?**

66 **A.** In her Phase II direct testimony, UAE witness Courtney M. Higgins recommends
 67 an upward adjustment to Enbridge’s current revenues of approximately \$1.8
 68 million. While Ms. Higgins’ adjustment does not change UAE’s recommended
 69 revenue requirement, it *does* change the amount of *increase* needed to achieve that
 70 revenue requirement, reducing it by \$1.8 million. If the Commission were to
 71 approve the Phase I Settlement *and* adopt Ms. Higgins’ Phase II revenue

² Measured using current revenues in Enbridge’s filed case.

³ UAE’s calculation of the impact of the adopting Mr. Garrett’s recommended depreciation rates is based on Enbridge’s average 2026 plant balance. This amount is greater than the amount reported in Mr. Garrett’s testimony, which was based on December 31, 2022 plant.

72 adjustment, the approved revenue requirement would remain \$604.0 million, but
73 the rate increase needed to achieve that target revenue requirement would be
74 reduced from \$62.0 million to approximately \$60.2 million.

75 **Q. Does the Phase I Settlement preclude UAE from continuing to advocate for**
76 **adoption of Ms. Higgins' adjustment to current revenues in Phase II, even**
77 **though her adjustment impacts the revenue requirement increase?**

78 A. UAE is not precluded from continuing to advocate for adoption of Ms. Higgins'
79 revenue adjustment. Footnote 1 to the Phase I Settlement recognizes that this issue
80 remains in contention.

81 **Q. Please summarize your recommendations to the Commission regarding the**
82 **Phase I Settlement.**

83 A. The Phase I Settlement is the product of principled negotiation and compromise.
84 Approving the Phase I Settlement will result in a revenue requirement that is just,
85 reasonable, and in the public interest. I respectfully recommend its approval by the
86 Commission in its entirety.

87 **Q. Does this conclude your Settlement testimony?**

88 A. Yes, it does.