

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 II REBUTTAL TESTIMONY OF
JORDAN K. STEPHENSON
FOR
ENBRIDGE GAS UTAH**

October 16, 2025

EGU Exhibit 4.0R

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	REBUTTAL OF POSITIONS	2
III.	CONCLUSION	4

I. INTRODUCTION

Q. Please state your name and business address.

A. Jordan K. Stephenson, 333 South State Street, Salt Lake City, Utah 84111.

Q. Did you file direct testimony in this docket?

A. Yes.

Q. What is the purpose of your rebuttal testimony in this Docket?

A. The purpose of my rebuttal testimony is to address certain issues raised in the Phase II direct testimonies filed by Ms. Annette Orton, witness for the Division of Public Utilities (“DPU”), Mr. James Daniel, witness for the Office of Consumer Services (“OCS”), and Mr. Bruce Oliver, witness for the American Natural Gas Council (“ANGC”).

Q. What general areas does your testimony address?

A. My testimony addresses the Company’s Natural Gas Vehicle (NGV) class cost-of-service and its proposed subsidy in this case as contemplated in the Company’s initial filing.

Q. Are you proposing a change to the NGV class subsidy as filed in this case?

A. No. The Company has reviewed the testimony and recommendations from the intervening parties in this case and, while it appreciates the analysis, the Company’s position is that the NGV class subsidy should remain in the 2026 test period. The subsidy as originally proposed by the Company is just, reasonable, and in the public interest and should be approved for the reasons more thoroughly explained in this testimony.

II. REBUTTAL OF POSITIONS

Q. Several parties claim that a subsidy for the NGV stations is not just, reasonable, or in the public interest. Does the Company agree?

A. No. While the Company agrees that the market has shifted and volumes have declined at the NGV stations, they still serve an important function in providing clean and reliable fuel. The stations support cleaner air and reduced carbon emissions for specific classes of vehicles. Although there has been progress around electrifying a certain portion of the transportation market, there remains an important role for natural gas in functions that are more costly and inefficient to electrify. Most importantly, the State of Utah has clearly affirmed its view that natural gas fueling infrastructure along with the supportive subsidy, is in the public interest through statute.

Q. What statute are you referring to?

A. Utah Code Ann. § 54-4-13.4 states the following:

Effective 5/14/2019

54-4-13.4. Natural gas fueling stations and facilities -- Recovery of expenditures for stations and facilities.

- (1) The commission shall find that a gas corporation's expenditures for the construction, operation, and maintenance of natural gas fueling stations and appurtenant natural gas facilities are in the public interest and are just and reasonable, if:
 - (a) the gas corporation's expenditures for the fueling stations and appurtenant facilities:
 - (i) are prudently incurred; and
 - (ii) do not exceed \$5,000,000 in any calendar year;
 - (b) the gas corporation shows that the estimated annual incremental increase in revenue related to the stations and facilities exceeds 50% of the annual revenue requirement of the stations and facilities; and
 - (c) the stations and facilities are in service and are being used and are useful.

The Company's investment in its legacy NGV fueling stations has met each of the provisions in this rule. Even at reduced volumes, the stations continue to meet the revenue objective of section (1)(b). The Company is only including stations that are used and useful in the test period in compliance with section (1)(c). The parties may hold their own personal

views on the state of the transportation fuel market, the benefits of a variety of fueling technologies, the future state of energy in transportation, or the market value of the Company's NGV station infrastructure. However, the State has made its view clear through this statute that establishes the Company's stations as just, reasonable, and in the public interest.

Q. Is the debate in this docket about future investments proposed by the Company or past investments?

A. The NGV class costs and subsidy consist of historical investments made by the Company in existing stations. The Company has not added a new NGV station to its existing Utah fleet since 2012. The Company is not proposing any additional investment or capital expenditures to either maintain or add to the existing fleet of stations through the 2026 test period. Its legacy investments in the stations were made with the support of both policy makers and the Commission in prior dockets.

Q. Should past investment decisions be judged in light of current or future circumstances?

A. No. The Company's investment in the NGV stations should be judged based on what it knew at the time of making those decisions. The Company prudently invested in and expanded its current fleet of NGV stations when there was rapidly growing demand for the service, to support state policies and with regulatory support. The statute does not call for stripping away the subsidy if future usage at the stations decreases. These legacy stations continue to serve an important purpose and operate under the intent of policy makers that established the legislative guidance for the subsidy. Again, the Company is not including in cost recovery any new investment in the NGV class. Its proposal regarding the subsidy applied the statutory directive that guided the original investment in the legacy fleet of NGV stations. This investment was and remains just, reasonable, and in the public interest pursuant to the legislative directive.

81 **Q. In his direct testimony, Mr. Summers referred to an RFP to sell the stations and stated**
82 **that updates would be provided during the case. Please describe what is taking place**
83 **regarding this RFP.**

84 A. While preparing its application for this docket, the Company was engaged in internal
85 discussions about issuing an RFP. However, it ultimately decided not to issue an RFP, after
86 encountering significant hurdles to successfully issuing an RFP to sell the stations. The
87 Company is continuing to explore its options for the NGV stations. In the meantime, the
88 Company is committed to operating the stations for the benefit of the customers that rely
89 on the service and to supporting Utah's energy and transportation goals captured in the
90 statute above.

91 **III. CONCLUSION**

92 **Q. What is the Company's conclusion?**

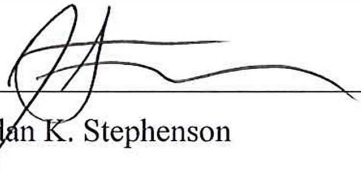
93 A. The NGV subsidy is just, reasonable, and in the public interest, and the Company proposes
94 to include the subsidy as originally filed in its direct application in this docket.

95 **Q. Does that conclude your testimony?**

96 A. Yes.

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

I, Jordan K. Stephenson, 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. Except as stated in the testimony, the exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct 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.



Jordan K. Stephenson

SUBSCRIBED AND SWORN TO this 16th day of October, 2025.



Notary Public

