

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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

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Docket No. 25-057-06

**PHASE II SURREBUTTAL TESTIMONY OF**

**AUSTIN C. SUMMERS**

**FOR**

**ENBRIDGE GAS UTAH**

November 4, 2025

**EGU Exhibit 5.0SR**

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. Austin C. Summers, 333 South State Street, Salt Lake City, Utah 84111.

4 **Q. Did you previously file testimony in this docket?**

5 A. Yes. I submitted direct and rebuttal testimony on behalf of Questar Gas Company dba  
6 Enbridge Gas Utah (“EGU”, “Enbridge Gas”, or “Company”).

7 **Q. What is the purpose of your surrebuttal testimony in this docket?**

8 A. The purpose of my surrebuttal testimony is to address certain issues raised in the Phase II  
9 rebuttal testimonies filed by Mr. Matt Pernichele, witness for the Division of Public  
10 Utilities (“DPU”), Dr. Lance Kaufman, witness for Nucor Steel-Utah, a Division of Nucor  
11 Corporation (“Nucor”), and Mr. Bruce Oliver, witness for the American Natural Gas  
12 Council (“ANGC”), in this matter.

13 **Q. What general areas does your testimony address?**

14 A. My testimony addresses Mr. Pernichele’s rebuttal regarding the use of peak day instead of  
15 design day in the F230 allocator. I also address Dr. Kaufman’s proposal for a higher Firm  
16 Demand Charge. Finally, I address Mr. Oliver’s proposal regarding the proportional  
17 increases to the TSS and TSL volumetric rates. Though these and other witnesses offered  
18 rebuttal testimony relating to other issues, I addressed those issues in my Phase II rebuttal  
19 testimony, and I will not reiterate that testimony here.

20 **II. PEAK DAY USE IN THE F230 ALLOCATOR (PERNICHELE)**

21 **Q. What did Mr. Pernichele propose regarding the F230 allocation factor?**

22 A. Mr. Pernichele proposes that if the Public Service Commission of Utah (“Commission”)  
23 decides to alter the design of Allocation Factor 230, that a three-year average of the  
24 coincident actual peak day be used in place of the Company’s Design-Day in the weighting  
25 of the allocation.<sup>1</sup>

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<sup>1</sup> DPU Exhibit 6.0R Pernichele Rebuttal Phase II at 6.

26 **Q. Why did Mr. Pernichele address this issue in his rebuttal testimony and not in his**  
27 **direct testimony?**

28 A. Mr. Pernichele points out that the Commission has approved the Company's proposal in  
29 recent cases. He says that, "The Commission's long history of support for this method  
30 creates a strong precedent for its continued use."<sup>2</sup> In other words, the DPU is supportive  
31 of the Company's continued use of the allocation factor and only filed rebuttal testimony  
32 proposing the use of the Peak Day because of the positions taken in the direct testimonies  
33 of witnesses from the Utah Association of Energy Users ("UAE") UAE, the Federal  
34 Executive Agencies ("FEA"), and Nucor.

35 **Q. Is the Company proposing to use the Design-Day or the Actual Peak-Day in the F230**  
36 **Allocator?**

37 A. The Company is proposing to continue its use of the Design-Day allocation factor. The  
38 Design-Day allocation factor is not only consistent with the rates that are currently in place,  
39 but also more consistent than the Actual Peak-Day from year to year. The Design-Day  
40 factor will not fluctuate from period to period because it is based on the maximum amount  
41 of natural gas that could be consumed during a day of high usage. The Company's system  
42 is designed to meet expected usage on this Design Day. The Actual Peak-Day calculation,  
43 on the other hand, can change from period to period, depending on how cold the Actual  
44 Peak-Day is and which customers are using natural gas, relative to the total.

45 **Q. Did Mr. Pernichele provide an Actual Peak-Day allocator in his rebuttal testimony?**

46 A. No. There was no Actual Peak-Day data or other evidence provided that the Commission  
47 could rely upon.

48 **III. HIGHER FIRM DEMAND CHARGE (KAUFMAN)**

49 **Q. What does Dr. Kaufman recommend regarding the Firm Demand Charge?**

50 A. Dr. Kaufman suggests that the Company significantly increase its Demand Charge from  
51 \$4.69 to \$8.77.<sup>3</sup> His argument is that the Company classifies some costs as distribution  
52 plant that he claims should be considered demand costs, and therefore, more revenue

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<sup>2</sup> DPU Exhibit 6.0R Pernichele Rebuttal Phase II at 6.

<sup>3</sup> Nucor Exhibit 2.0 Kaufman Rebuttal Phase II at 7.

53 should be collected by firm customers through the Demand Charge, and less revenue  
54 should be collected through volumetric rates.

55 **Q. What type of customers would this proposal benefit?**

56 A. This proposal would benefit customers with high usage, whose usage is highly  
57 interruptible.

58 **Q. Do any of Dr. Kaufman's other rate design proposals benefit interruptible customers  
59 with high gas usage?**

60 A. Yes. Dr. Kaufman also proposes a rate design for the TSL class that includes new block  
61 volumes with a 30 percent price discount at each block. This proposed structure, inclusive  
62 of all Dr. Kaufman's rate design proposals, would give large users a significant discount  
63 in relation to the existing rate structure.

64 **Q. Does the Company agree with Dr. Kaufman's proposal to increase the Demand  
65 Charge?**

66 A. No. Dr. Kaufman added costs to the Demand Charge that have not been included in prior  
67 cases. The Company has consistently calculated the Demand Charge in each of its recent  
68 general rate cases and stands by its calculation as being the correct way to charge  
69 transportation customers for their firm demand.

70 **Q. Do you have any other comments regarding the Demand Charge?**

71 A. Yes. In EGU Exhibit 5.15R, the Company provided allocation methods that were proposed  
72 in the Phase II direct testimony of the intervening parties. In the process of adding those  
73 options to the model, the Company inadvertently broke a formula that refers to the 60/40  
74 allocation factor. This resulted in a Demand Charge that was higher than it should have  
75 been. The Company has provided a new model, attached as EGU Exhibit 5.16SR, that  
76 corrects this formula. The Company acknowledges and appreciates the thorough review  
77 of UAE witness Ms. Courtney Higgins and her willingness to help the Company in  
78 providing an accurate model for the benefit of the Commission and all parties.



106 outlined in my rebuttal testimony. This model includes the following additional  
107 adjustments:

- 108 1. The adjustment to correctly calculate the Firm Demand Charge, as discussed above.  
109 2. The adjustment proposed by Mr. Oliver to keep the relationship of the volumetric  
110 revenue collected in the blocks consistent with the current rate structure, also  
111 discussed above.

112 **Q. Does this conclude your testimony?**

113 A. Yes.

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

I, Austin C. Summers, 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.

  
Austin C. Summers

SUBSCRIBED AND SWORN TO this 4<sup>th</sup> day of November, 2025.

  
Notary Public

