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Corrected Memorandum

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Brenda Salter, Assistant Director

Doug Wheelwright, Utility Technical Consultant Supervisor

Matthew Pernichele, Utility Technical Consultant

Date: January 20, 2026

Re: **Docket No. 25-057-06**, Application of Enbridge Gas Utah to Increase Distribution Rates and Changes and Make Tariff Modifications

Recommendation (No Action)

The Public Service Commission of Utah's (Commission) December 24, 2025, Order¹ (Order) in this case ruled that Enbridge Gas Utah's (Company) Normal Heating Degree Days (NHDD) calculation should be based on the average temperatures over a 15-year period,² as proposed by the Office of Consumer Services (OCS).³ The rates set forth in the Order appear to be based on the 10-year NHDD study presented by the Company⁴ and do not reflect a 15-year NHDD study. No actual 15-year NHDD study was presented by any party in this docket. Thus, nothing in the record could be used to implement the Commission's chosen standard in rates.

The DPU notes that it does not have access to the models used by the Commission, and the specific modeling conditions could determine the effects this would have on customers. The DPU is authorized to represent that EGU and OCS do not have access to the Commission's models and that the specific modeling decisions could affect consumers. For example, because the test year usage for the General Service (GS) class is higher under a

¹ Order (Dec. 24, 2025).

² *Id.* at 29.

³ Phase II Direct Test. of James W. Daniel for the Office of Consumer Services (Sept. 16, 2025) at 10.

⁴ Direct Test. of David C. Landward for Enbridge Gas Utah (May 1, 2025) at 2.



Division of Public Utilities

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15-year scenario than a 10-year scenario, one modeling option would be to apply those volumes to the throughput factor in the cost-of-service studies. This would increase the costs that are allocated to the GS class while reducing the costs to other classes. A more simplified approach could be to apply the new billing determinants to the rate design process. This would reduce the volumetric rates in the GS class while still collecting the Commission-ordered revenue requirement. Depending on the modeling, a change to the allowed revenue in the Conservation Enabling Tariff (CET) calculation could be necessary.

The Commission has approved the new tariff, and rates set forth therein have been implemented in the Company's billing system. Also, GS customer bills are being weather normalized to the 15-year NHDD, as ordered. Altering these rates to account for the correct 15-year NHDD normalization would require billing adjustments and tariff changes that could confuse customers and be onerous for the Company. Particularly over a short period of time, adjusting these rates would provide a minimal benefit to each affected ratepayer. If these rates are left in place, the CET will continue to regulate the revenue the Company ultimately collects from the class and will remedy any temporary overcollection that may result from the apparent mismatch.

The Division, OCS, and the Company agree that allowing the CET to adjust for any discrepancies is the appropriate resolution and that the Commission does not need to take action at this time.

cc: Austin Summers, Enbridge Gas Utah
Michele Beck, Office of Consumer Services