APPLICATION OF ENBRIDGE) Docket No. 25-057-14
GAS UTAH TO CHANGE THE)
INFRASTRUCTURE RATE) VERIFIED APPLICATION
ADJUSTMENT)

All communications with respect to these documents should be served upon:

Jenniffer Clark (7947) Attorney for the Applicant

333 S. State Street P.O. Box 45360 Salt Lake City, Utah 84145-0360 (801) 324-5392

> APPLICATION AND EXHIBITS

August 29, 2025

Jenniffer Nelson Clark (7947) Enbridge Gas Utah 333 South State Street P.O. Box 45360 Salt Lake City, Utah 84145-0360 Telephone: (801) 324-5392

Fax: (801) 324-5935

Attorney for Enbridge Gas Utah

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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INFRASTRUCTURE RATE) VERIFIED APPLICATION	N
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Questar Gas Company dba Enbridge Gas Utah (Enbridge Gas or the Company) respectfully submits this Verified Application (Application) to the Utah Public Service Commission (Commission) and thereby seeks to modify the Infrastructure Rate Adjustment to the Distribution Non-Gas (DNG) cost portions of its Utah GS, FS, IS, TSS, TSM, TSL, TBF, MT, and NGV natural gas rate schedules, pursuant to section 2.07 of the Company's Utah Natural Gas Tariff No. 700 (Tariff).

If the Commission grants this Application, a typical GS residential customer using 70 dekatherms per year will see an increase in their yearly bills of \$0.24 (or 0.04%). The Company proposes to implement this request by charging the new rates effective October 1, 2025.

In support of this Application, Enbridge Gas states:

1. <u>Enbridge Gas's Operations</u>. Enbridge Gas, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's charges and general conditions for natural gas service in Utah are set forth in the Tariff. Copies

of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in Franklin County, Idaho. Under the terms of an agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Commission. Volumes for these customers have been included in the Utah volumes.

- 2. <u>Settlement Stipulation Order</u>. In the Report and Order issued December 23, 2022 in Docket No. 22-057-03 (Rate Case Order), the Commission authorized Enbridge Gas to continue the infrastructure rate adjustment tracker program (Program) and §2.07 of the Tariff sets forth procedures for recovering costs associated with replacing aging infrastructure.
- 3. <u>Test Year</u>. The test year for this Application is the 12 months ending September 31, 2026.
- 4. <u>Calculation of Revenue Requirement</u>. EGU Exhibit 1.1, pages 1 through 4 show the total amount closed to investment and in service from January 2022 through August 2025 for each of the infrastructure replacement projects. Lines 1 through 75 show the investment in both high pressure and intermediate high-pressure projects. Line 77 shows removal cost related to retired infrastructure. Line 79 shows, by month, the cumulative plant balance of high pressure and intermediate high-pressure plant. Line 80 shows the same cumulative plant balance less the \$84.7 million¹ threshold set forth in Docket No. 22-057-03 before applying for cost recovery of tracker related investment/costs, which shows that no costs have been included twice in the calculation.
- a) EGU Exhibit 1.1, page 5, shows a calculation of the revenue requirement. Page 5, line 1, shows the net investment closed through August 2025. Line 2 reflects the removal of

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¹ In the Company's last general rate case, Docket No. 22-057-03, the Commission issued an order requiring the Company to defer tracking of infrastructure costs until \$84.7 million of infrastructure investment is reached. Report and Order issued December 23, 2022, Docket No. 22-057-03, p. 15.

\$84.7 million that has already been included in base rates in Docket No. 22-057-03. *See*, Rate Case Order. Report and Order issued December 23, 2023, Docket No. 22-057-03, p. 15. This credit ensures that no costs that were included in the general rate case have been included in the infrastructure tracker rate adjustment. Line 3 shows the removal of the total tracker budget overspend from 2022-2024.

- b) Lines 5 through 11 show the accumulated depreciation, accumulated deferred income tax, net replacement infrastructure, allowed pre-tax return, net depreciation expense, and net taxes other than income tax.
- c) Line 12 shows the resulting annual revenue requirement to be collected via the infrastructure rate adjustment, which equates to \$16,678,141. This represents a \$548,107 increase from the prior revenue requirement amount (Line 14).
- 5. <u>Cost of Service</u>. EGU Exhibit 1.2 shows the allocation of the revenue requirement to each class. Section 2.07 of the Tariff states that "the Surcharge will be assigned to each rate class based on the Commission-approved total pro rata share of the DNG tariff revenue ordered in the most recent general rate case." Column A shows the DNG revenue requirement by class ordered by the Commission in Docket No. 22-057-03. Column B shows the percent of the total revenue requirement by class and column C shows the total infrastructure replacement revenue to be collected from each class.
- 6. Rate Design. EGU Exhibit 1.3 shows the rate design for the Infrastructure Rate Adjustment surcharge component of the DNG rates. Section 2.07 of the Company's Tariff states that "the Surcharge assigned to each class will be collected based on a percentage change to the demand charge, if applicable, and each block of volumetric rates of the respective rate schedules." Column E shows the current base DNG rates in effect. These rates are applied to test period

volumes (Column D) to calculate projected volumetric revenue for each class in Column F. Column G shows the amount of infrastructure replacement tracker revenue that needs to be collected from each class. Column H shows the percentage change to each block and demand charge. Column I shows the proposed rates for each rate schedule, and is derived by applying the percentage changes in Column I to the current base DNG rates in Column E.

- 7. <u>Change in Typical Customer's Bill.</u> The annualized change in rates calculated in this Application results in an increase of \$0.24 per year (or 0.04%), as shown in EGU Exhibit 1.4.
- 8. <u>Legislative and Proposed Tariff Sheets.</u> EGU Exhibit 1.5 shows the legislative Tariff rate schedules that reflect the updated infrastructure rate adjustment as explained in paragraphs 4 through 6, while EGU Exhibit 1.6 shows the clean proposed Tariff sheets.

In addition to this Application, the Company is also concurrently filing tariff changes for a Pass-Through application in Docket No. 25-057-13, an application seeking to adjust the Conservation Enabling Tariff (CET) amortization rate in Docket No. 25-057-15, an application for an adjustment to the Daily Transportation Imbalance Charge (TIC) in Docket No. 25-057-16, an application seeking approval to adjust the Low Income/Energy Assistance rate (Low Income) in Docket No. 25-057-17, an application seeking to adjust the Energy Efficiency rate in Docket No. 25-057-18 and the STEP Rate Removal in Docket No. 25-057-19. The Company has requested that all of these applications be made effective October 1, 2025. EGU Exhibit 1.7 and Exhibit 1.8 show the legislative and proposed rate schedules, which reflects the final Tariff sheets that would be effective if the Commission approves all of these applications. These proposed Tariff sheets do not constitute a violation of state law or Commission rule, and they are consistent with applicable statutes, rules and orders.

- 9. <u>Exhibits.</u> Enbridge Gas submits the following exhibits in support of its request to include the infrastructure rate adjustment:
 - EGU Exhibit 1.1 EGU Infrastructure Replacement Project Summary & Calculation of Revenue Requirement
 - EGU Exhibit 1.2 Cost of Service Allocation
 - EGU Exhibit 1.3 Infrastructure Tracker Rate Calculation
 - EGU Exhibit 1.4 Effect on GS Typical Customer
 - EGU Exhibit 1.5 Legislative Tariff Sheets
 - EGU Exhibit 1.6 Proposed Tariff Sheets
 - EGU Exhibit 1.7 Combined Legislative Tariff Sheets
 - EGU Exhibit 1.8 Combined Proposed Tariff Sheets

WHEREFORE, Enbridge Gas respectfully requests that the Commission, in accordance with the applicable Commission orders and the Company's Tariff:

- 1. Enter an order authorizing Enbridge Gas to change rates and charges applicable to its Utah natural gas service that reflect an adjustment to the rates for each class as more fully set forth in this Application; and
- 2. Authorize Enbridge Gas to implement the proposed rates on an interim basis effective October 1, 2025.

DATED this 29th day of August 2025.

Respectfully submitted,

ENBRIDGE GAS UTAH

Jenniffer Nelson Clark (7947)

Attorney for Enbridge Gas Utah

333 South State Street

P.O. Box 45360

Salt Lake City, Utah 84145-0360

(801) 324-5392

VERIFICATION

State of Utah)	
) ss	
County of Salt Lake)	

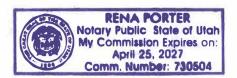
Austin Summers, being first duly sworn upon oath, deposes and states: he is the Director, Regulatory and Pricing of Enbridge Gas; he has direct personal knowledge of the matters addressed herein; he has read the foregoing Application; and the statements made in the Application are true and correct to the best of his knowledge, information and belief. The documents attached thereto are true and correct copies of the documents they purport to be.

Austin Summers

Director, Regulatory and Pricing

Subscribed and sworn to before me this 29th day of August, 2025.

Notary Public



CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Verified Application was served upon the following persons by e-mail on August 29, 2025:

Patricia E. Schmid	Chris Parker
Patrick Grecu	Brenda Salter
Assistant Attorneys General	Utah Division of Public Utilities
160 East 300 South	160 East 300 South
P.O. Box 140857	P.O. Box 146751
Salt Lake City, UT 84114-0857	Salt Lake City, Utah 84114-6751
pschmid@agutah.gov	chrisparker@utah.gov
pgrecu@agutah.gov	bsalter@utah.gov
Counsel for the Division of Public Utilities	
Robert J. Moore	Michele Beck, Director
Assistant Attorney General	Office of Consumer Services
500 Heber M. Wells Building	160 East 300 South
160 East 300 South	P.O. Box 146782
Salt Lake City, UT 84111	Salt Lake City, UT 84114-6782
rmoore@agutah.gov	mbeck@utah.gov
Counsel for the Office of Consumer	
Services	

