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Initial Comments

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
Eric Orton, Utility Technical Consultant

Date: September 19, 2025

Re: **Docket No. 25-057-14**, Application of Enbridge Gas Utah to Change the Infrastructure Rate Adjustment.

Recommendation (Approve)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the proposed rates as requested by Enbridge Gas Utah (Enbridge) in its applications. After a preliminary review of the application, the Division recommends approval with an effective date of October 1, 2025. The Division recommends that the requested rate changes be approved on an interim basis to allow additional time for the Division to complete an audit of the respective accounts and submit its recommendation.

Issue

Enbridge is seeking to modify the Infrastructure Rate Adjustment (Tracker) to the Distribution Non-Gas (DNG) cost portions of its Utah GS, FS, IS, TSS, TSM, TSL, TSF, TBF, MT, and NGV natural gas rate schedules, pursuant to section 2.07 of its Tariff. The requested effective date is October 1, 2025.



Background

In the Company's last General Rate case, Docket No. 22-057-03, the Commission authorized the Company to continue the Infrastructure Tracker Program (ITP). Section 2.07 of the Tariff directs the procedures for recovering costs associated with the Tracker.

On August 29, 2025, Enbridge filed this application to adjust the Tracker collection amount. On that same day, the Commission issued its Action Request directing the Division to review the application and make recommendations on or before September 29, 2025. On September 2, 2025, the Commission issued a Notice of a Virtual Scheduling Conference to be held on September 5, 2025. As a result of the Commission's Scheduling Order issued on September 9, 2025, initial comments are due on September 19, 2025.

Discussion

As part of the 2022 general rate case, referenced above, all prior investments were included in base rates. In this filing, Enbridge provides the amounts of the additional investments and dates when specific infrastructure resources were completed and placed into service. The 2022 general rate case went into effect on January 1, 2023, where the Tracker surcharge was set to zero at the same time base rates were adjusted. Enbridge now proposes collecting in rates the revenue requirement associated with the investment amounts since the approval of base rates and the filing last fall (Docket No. 24-057-24). The current proposal represents a Revenue Requirement increase of \$548,107. As part of the current filing, Enbridge included the following exhibits:

1. Exhibit 1.1 provides the dollar amounts showing the infrastructure investment beginning August 2022 (when new investment in the Tracker was booked) through August 2025. Exhibit 1.1 page 5 of 5 summarizes the preceding exhibit pages and shows the calculations resulting in the revised incremental revenue requirement stated above.
2. Exhibit 1.2 shows the proposed allocation of the revenue requirement to each customer class.

3. Exhibit 1.3 shows the rate design for the proposed rates for each rate schedule using the demand charge and volumetric rates to collect the proper amount from each customer class.
4. Exhibit 1.4 shows the bill impact for a typical GS customer. If approved, a typical GS customer would see an annual increase of \$0.24 per year or 0.04%.
5. Exhibit 1.5 shows the proposed legislative and rate schedule tariff sheets in the applicable classes of customers that reflect the updated infrastructure rate adjustment.
6. Exhibit 1.6 shows the proposed tariff sheets.
7. Exhibit 1.7 shows the proposed legislative and rate schedule tariff sheets in the applicable classes of customers that reflect the updated rates assuming all applications filed on August 29, 2025, are approved.
8. Exhibit 1.8 shows the proposed tariff sheets assuming all the rates in the applications filed on August 29, 2025, are approved.

Conclusion

This application complies with past Commission orders and the proposed tariff sheets accurately reflect the proposed changes filed by Enbridge. The Division recommends the Commission approve the proposed rates on an interim basis until the Division can complete its review audits, at which time it will make a final recommendation to the Commission and the Commission can include all prudently incurred ITP costs in General Rates as part of the next General Rate Case.

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