

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION
OF ENBRIDGE GAS UTAH TO EXTEND
GAS SERVICE TO FAIRFIELD, UTAH

Docket No. 25-057-20

DIRECT TESTIMONY OF E. REID HESS
FOR ENBRIDGE GAS UTAH

September 3, 2025

EGU Exhibit 3.0

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	CONVERSION FROM OTHER FUEL SOURCES TO NATURAL GAS	2
III.	DISPOSAL OF PROPANE INFRASTRUCTURE	5
IV.	ADDITIONAL BENEFITS OF BEING AN ENBRIDGE GAS CUSTOMER.....	5

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is E. Reid Hess, and my business address is 4002 Wagstaff Way, Eagle Mountain, UT 84105

Q. By whom are you employed and in what capacity?

A. I am employed by Enbridge Gas Utah (“Enbridge Gas,” “EGU” or “Company”) as a Manager of Region Operations. I am responsible for overseeing the Company’s western distribution operations in Southern Salt Lake and Northern Utah Counties.

Q. Have you testified in any previous proceedings?

A. No. I have been involved in regulatory matters relating to pipeline compliance but have never been a witness.

Q. What general areas does your testimony address?

A. I discuss several matters, including (1) the costs associated with converting homes to utilize natural gas instead of other fuels, (2) the requirements for disposal of propane tanks, and (3) the advantages of natural gas over other fuel sources.

Q. Please describe your experience with the Company.

A. I have been with Enbridge Gas, and prior to that, Dominion Energy Utah, Questar Gas Company, and Mountain Fuel Supply Company, for a total of 44 years. I began on the construction side of the Company, repairing and maintaining the underground portion of our system and inspecting the installation of new gas lines for approximately 10 years. I transferred to the Construction/Operations Training Department and spent 26 years providing and developing training for Operations personnel and second-party contractors performing main and service line installation for the Company. I led the Operations Training Department as Training Supervisor and then Technical Training Manager from 2001 to approximately 2015. I was offered the opportunity to manage the Pipeline Compliance Department from 2015 until December 2022. I then received a manager rotation to Enbridge Gas Utah’s Western Region where I currently serve. I

have a total of 44 years of experience in operations, operations training, and pipeline compliance for the Company. My current title is Manager of Region Operations.

Q. Have you been involved in other instances where the Company expanded natural gas service to a previously-unserved area?

A. Yes. I was involved in the Company expanding natural gas service to central Utah in the mid 1990's and to Ogden Valley, Utah in the late 1990s. In those expansion projects, the Company's personnel participated in converting homes for the transition from propane to natural gas. During that transition, I participated in the inspection and installation of main line and service lines to the premises that would be served by natural gas.

II. CONVERSION FROM OTHER FUEL SOURCES TO NATURAL GAS

Q. Please describe the process of preparing a customer's home or business to burn natural gas instead of other fuel sources.

A. The process of converting appliances and equipment to natural gas can vary depending on each customer's preferences and needs. Some customers may need to convert furnaces, stoves, and water heaters to be able to utilize natural gas instead of propane or fuel oil. In most cases, this conversion is relatively simple. For example, converting a furnace that burns propane to a natural gas furnace generally involves changing orifices on each burner, installing a spring in a control valve, and setting the proper outlet pressure on the burner of the appliance. There are currently conversion kits on the market that a licensed contractor could provide and install. For older appliances those kits could cost as little as \$15. For newer furnaces, the cost of the kits is about \$300. In some cases, homes with propane-fueled appliances will have copper fuel lines that will need to be replaced, because copper lines are not suitable for natural gas. Natural gas fireplaces can also easily be installed to convert a wood-burning heat source to a natural gas appliance.

For homeowners currently using coal, heating oil, or electricity to heat their homes, those homes will need to be retrofitted with appropriately sized gas fuel lines and new

57 appliances and will more than likely need to have some venting and combustion air
58 ductwork installed.

59 **Q. Will the Company perform the work necessary to convert a customer's home for**
60 **natural gas consumption?**

61 A. No, the Company will not be involved in the installation of fuel lines or conversion of
62 existing appliances. Each customer would be responsible to hire a qualified contractor
63 to perform the work.

64 **Q. Can you describe the range of costs a customer might incur in making the**
65 **required changes?**

66 A. As I mentioned earlier, kits to adjust a propane-burning appliance to natural gas cost
67 between approximately \$15 to \$300 depending on the type and age of the appliance at
68 issue. The Company recommends that customers hire a qualified installer to perform
69 the work to make the conversion to natural gas. The cost to retain a contractor varies,
70 but I would suggest the customer get several estimates before committing to a particular
71 contractor. If a customer needs to replace their appliance, the cost will vary depending
72 on the appliance the customer selects. The average cost in Utah County, Utah in 2025
73 for replacing a water heater was between \$1,100 to \$2,900, and the cost for replacing
74 a furnace was between \$3,200 and \$8,400 depending on type and options chosen.
75 Customers who need fuel lines, duct work, and venting will incur additional costs that
76 will be dependent upon the extent of work needed.

77 **Q. In your experience, are these costs significant enough to deter customers from**
78 **signing up for natural gas service?**

79 A. Generally, no. In the Central Utah and the Ogden Valley expansion projects the
80 Company did not maintain statistics associated with the exact number of residents who
81 signed up for and received natural gas service. However, most residents chose to obtain
82 natural gas service over other available fuels even when the customers were required
83 to pay an extension area charge ("EAC") or a GSS rate for service lines and mains in
84 addition to the conversion costs. Most residents signed up for natural gas service within
85 the first year.

86 **Q. Did customers in Eureka, Goshen, Elberta, Green River, and Genola also sign up**
87 **for service?**

88 A. Yes. Although I was not involved in any of these expansion projects, it is my
89 understanding that 78% of all potential customers in these communities have signed up
90 for service. In these recent rural expansions, there has been a lot of customer
91 excitement in the communities that has led to additional individuals signing up for
92 natural gas service after the system was installed. As customers see their neighbors
93 getting gas service and saving money on their energy bills, others have also asked for
94 service.

95 **Q. Did those customers replace all their appliances at once?**

96 A. Not necessarily. The Company did not maintain specific statistics, but it is my
97 understanding that many customers needed only to have the conversion kit installed in
98 their appliances. Those customers did not need to replace appliances in most cases.
99 Others had to transition from electric water heaters and propane furnaces. Some
100 customers opted to transition immediately, while others chose to adjust or replace the
101 furnace and wait to replace the water heater when it eventually failed. Still others
102 installed free standing, direct vent natural gas fireplaces to offset heating costs while
103 they budgeted for more long-term conversion or replacement costs.

104 **Q. If a customer heats with wood, does that mean their home does not have duct**
105 **work?**

106 A. Not necessarily. Some people have a propane or coal furnace and supplement that heat
107 with a wood burning stove to save money. For these customers, some duct work will
108 already exist.

109 **Q. Are there safety concerns with converting customers' homes and appliances to be**
110 **able to burn natural gas instead of propane?**

111 A. Many appliances have been manufactured, designed, tested and listed to burn both fuels
112 safely. Generally, the conversion for these appliances is safe and easily done provided
113 customers have any modifications done by licensed, qualified contractors. If an
114 appliance is listed as propane only, those appliances should not be converted to natural

gas for safety reasons. As an additional protection, the Company will not set a meter at a customer location until it has been inspected by the local municipality. This is consistent with the Company's current practice.

III. DISPOSAL OF PROPANE INFRASTRUCTURE

Q. When a customer converts their home or business and appliances to burn natural gas instead of propane, what do they do with the propane tank and propane facilities?

A. The propane tank must be disconnected, and the tank and the lines removed. Many customers lease the tanks from the propane provider, in which case the propane provider is obligated to retrieve the tanks when they are no longer used. For those customers who own their tanks, they must properly dispose of those tanks. In many cases, the customer can re-sell the tank or give it to a propane supplier for use elsewhere. The Company will coordinate installation of natural gas with the timing of the customer's removal of the propane facilities to ensure that the customer is not without a fuel source.

IV. ADDITIONAL BENEFITS OF BEING AN ENBRIDGE GAS CUSTOMER

Q. Does Enbridge Gas provide emergency services to its customers?

A. Yes. Enbridge Gas provides safety and emergency services. If a customer smells gas, Enbridge Gas will respond and ensure that the Enbridge Gas-owned facilities are safe and secure and will inspect a customer's premises to ensure that appliances and fuel lines are also functioning properly. Enbridge Gas technicians also respond to calls regarding CO detectors and natural gas detectors customers may have installed in their homes, if the detectors are indicating the potential presence of the respective gases and the customer notifies the Company of the alarm situation. In some of these newer expansion areas, customers have already expressed great appreciation for the access to the emergency response of Enbridge Gas.

142 **Q. Is natural gas a reliable fuel source?**

143 A. Yes. Natural gas service is typically available 24 hours a day, 365 days a year. Natural
144 gas customers do not need to worry about running out of fuel in the middle of winter.
145 They do not need to monitor the content of tanks or worry that a tank will not be refilled
146 in time to avoid an interruption of service. Wood-burning customers must procure
147 firewood and monitor use to ensure they do not run out. Natural gas customers do not
148 have this worry, nor is there a need for an additional safety device like a low-pressure
149 cutoff switch due to the consistent delivery pressure of natural gas. They can rest
150 assured that, absent something unforeseen, Enbridge Gas would provide reliable
151 service every day.

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

153 A. Yes.

State of Utah)
) ss.

County of Weber)

I, Reid Hess, 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.



E. Reid Hess

SUBSCRIBED AND SWORN TO this 2nd day of September, 2025.





Notary Public