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 JORDAN PARKS

FOR ENBRIDGE GAS UTAH

September 19, 2025

EGU Exhibit 1.0

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I. INTRODUCTION

Q. Please state your name and business address.

A. Jordan Parks, 333 South State Street, Salt Lake City, Utah 84111.

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 Regulatory Analyst. I am responsible for cost allocation, rate design, and forecasting. My qualifications are detailed in EGU Exhibit 1.01.

Q. Were your attached exhibits EGU Exhibit 1.01 through 1.16 prepared by you or under your direction?

A. Yes, unless otherwise stated, in which case my exhibits are true and correct copies of the documents they purport to be.

Q. What is the Company proposing in its Application in this docket?

A. The Company seeks Utah Public Service Commission ("Commission") approval to expand its system to serve the currently-unserved community of Fairfield, Utah ("Community"), as permitted by Utah Code Ann. § 54-17-401 *et seq.* Enbridge Gas proposes to serve Fairfield by installing 68,783 feet of Intermediate High Pressure ("IHP") mains (27,700 feet of 8", 5,620 feet of 6", 14,080 feet of 4" and 21,383 feet of 2"), and approximately 21,861 feet of IHP service lines throughout Fairfield. I refer to the proposed expansion project throughout my testimony as the "Expansion Project".

Q. What general areas does your testimony address?

A. I discuss several matters including (1) how the Company's filing satisfies the statutory requirements of Utah Code Ann. §§ 54-17-401, 402, and 403 and the associated regulations; (2) the selection process that resulted in the Company selecting Fairfield as an expansion area; (3) the revenue requirement impacts of expansion to Fairfield; (4) the anticipated customer participation; (5) the Company's proposed cost recovery for the Expansion Project; and (6) gas supply and other miscellaneous items.

Q. Please introduce the other witnesses for the Company in this Docket.

A. William Radford, EGU Manager of Compliance Engineering, is responsible for the engineering and project management of various capital work programs. Mr. Radford describes the IHP systems that are proposed to be constructed to serve Fairfield as part of the Expansion Project, and the construction timeline. He also discusses the costs associated with the construction of the planned facilities. Mr. Radford's testimony and supporting materials are contained in EGU Exhibits 2.0 through 2.07.

Reid Hess, Manager of Regional Operations, is responsible for managing the Company's operations in western Utah. Mr. Hess describes the process of converting homes from propane to natural gas and discusses the benefits of natural gas over other fuel sources. Mr. Hess's testimony is contained in EGU Exhibit 3.0.

Hollie McKinney is the Mayor of Fairfield and was one of the key contacts in Fairfield for the Expansion Project. Her testimony addresses Fairfield's support for the Expansion Project and the benefits that a natural gas system will bring residents of Fairfield. Mayor McKinney's testimony and supporting materials are contained in EGU Exhibit 4.0 and 4.01.

II. RURAL EXPANSION EVIDENTIARY REQUIREMENTS

Q. Please describe the requirements a company must meet in order to obtain Commission approval for a Voluntary Resource Decision for a Rural Gas Infrastructure Development Project.

A. The Company seeks the Commission's pre-approval for the construction of the Expansion Project pursuant to the Voluntary Resource Decision Statute, Utah Code Ann. §54-17-401 *et seq.*, and applicable Commission rules and regulations. In reviewing an application for a Voluntary Resource Decision relating to a rural natural gas infrastructure development project, the Commission assesses whether approval is in the public interest, taking into consideration: (i) the potential benefits to previously unserved rural areas; (ii) the potential number of new customers; (iii) natural gas consumption; and (iv) revenues, costs, and other factors determined by the Commission to be relevant. *See* Utah Code Ann. § 54-17-402(3)(b)(ii).

Additionally, a request for approval of a rural natural gas infrastructure development project like the one proposed in this docket must include "(i) a description of the proposed rural gas infrastructure development project; (ii) an explanation of the projected benefits from the proposed rural gas infrastructure development project; (iii) the estimated costs of the rural gas infrastructure development project; and (iv) any other information the commission requires." Utah Code Ann. § 54-17-402(2)(c).

Q. What are the filing requirements for approval of a Voluntary Resource Decision?

A. Utah Admin. Code § R746-440-1 provides the filing requirements for a Voluntary Resource Decision application. These requirements include: (a) a description of the resource decision; (b) information to demonstrate that the utility has complied with applicable requirements; (c) the purpose of and reasons for the resource decision; (d) projected costs and engineering studies, data, information and models used in the utility's analysis; (e) descriptions and comparisons of other resources or alternatives evaluated in lieu of the proposed resource decision; (f) sufficient data and information to support the proposed resource decision; (g) an analysis of the estimated effect on the utility's revenue requirement; (h) financial information demonstrating adequate financial capability to implement the resource decision; (i) major contracts proposed for execution or use in connection with the resource decision; (j) information showing that the utility has or will obtain any required authorizations from the appropriate governmental bodies; and (k) other information as the Commission may require.

Q. Has the Company provided evidence relating to each of these requirements?

A. Yes. I have attached as EGU Exhibit 1.02 a summary of the statutory and regulatory requirements and identified where in the Application and accompanying testimony and exhibits the Company has provided evidence satisfying each requirement.

As EGU Exhibit 1.02 shows, the Company has addressed each of these requirements in its direct testimony and accompanying exhibits. The Application in this matter, along with my direct testimony and the direct testimonies of Mr. Radford, Mr. Hess, and Mayor McKinney, provide the evidence required to show that approval of the Expansion Project to Fairfield is just, reasonable, and in the public interest.

III. SELECTION OF FAIRFIELD AS AN EXPANSION AREA

Q. Please explain the process that was used to select Fairfield as an area for natural gas service expansion.

A. Rural communities in Utah have been working with the Company to find ways to bring natural gas service to currently-unserved communities for years. Unfortunately, the costs associated with extending the Company's system to these communities were such that individual communities could not bear the burden of paying for the facilities on their own. The communities were too small and the costs too great to permit those extensions to occur. However, in 2018, the Utah State Legislature amended existing law to allow gas service to be extended to these rural areas by having all customers share the costs associated with the system expansion. In other words, the Legislature recognized that it could help rural communities meet the cost of gas expansion by spreading the cost over the Company's one-million-plus customers where doing so was determined to be in the public interest. The bill, House Bill 422 (HB422), has paved the way for those expansions to occur.

After the Legislature passed HB 422, the Company assembled a team to discuss the best approach for identifying communities for potential natural gas service under the new statute. That team determined that, for each community, the Company would need to compile and obtain information from the candidate communities in order to conduct its analysis and to make a recommendation about which projects would satisfy the legal requirements and be just, reasonable and in the public interest.

Q. How has the Company determined community interest in prior expansion projects?

A. The Company began the process by sending questionnaires to Dugway, Eureka, Garden City, Genola, Goshen, Green River, Kanab, Rockville, Springdale, and Virgin. The Company originally received responses from Eureka, Green River, Kanab, Rockville, Springdale, Goshen, Elberta, and Genola. The Company has completed rural expansion projects to Eureka, Goshen, Elberta, Green River, Genola and is in the process of building an expansion to Portage. Through these initial expansion projects, the Company gained valuable information that it did not have when the first surveys were sent out. For example, when the Company first started surveying rural communities, it did not know what customers in the expansion communities would be required to pay. Now the Company has Tariff language detailing what will be required from new customers. Additionally, the Company now has experience in communicating with potential new customers and community leaders, and in gathering the information necessary to assess the anticipated costs of projects.

Q. What factors does the Company consider when determining if a rural community should have gas service?

A. The Company used its own internal analysis to determine which potential projects best satisfy the statutory requirements and would be just, reasonable, and in the public interest. The Company considered such factors as proximity to the existing system, transit times for Company personnel to reach the area, additional employees that might be needed to serve the area, any risks that might slow or halt the project, community interest and support, and cost. The Company utilized a matrix to summarize all qualitative and quantitative information that was considered in this process. The Company used the results to prioritize the communities that could reasonably be served through a natural gas expansion project. The matrix is attached as EGU Confidential Exhibit 1.03.

Q. Did the Company rank the communities shown in Confidential Exhibit 1.03?

A. No. The matrix simply summarizes information that the Company considered.

Q. Why did the Company choose to advance natural gas service to Fairfield?

A. Several factors contributed to the selection of Fairfield as a rural area for system expansion. First, Fairfield has strong community support for receiving gas service. Second, service to Fairfield can be attained within the statutory spending caps discussed later in my testimony. Third, Fairfield can be easily served by existing personnel in the Company's Eagle Mountain office and is in Utah County, which is currently growing and expected to continue to grow over the coming decades.

Q. Did the Company seek formal surveys from new communities?

A. No. The Company conducted its own analysis and selected Fairfield as its next rural expansion community. The Company continues to have conversations with potential communities and receives emails about interest but has not sought new surveys. EGU Exhibit 1.04 is a slide from the Company's April 10, 2025, IRP technical conference in Docket No. 25-057-02 that shows some of the potential rural expansion candidate communities.

Q. Did the Company request a survey from Fairfield?

A. Yes. A copy of the questionnaire filled out by Fairfield is attached as EGU Exhibit 1.05. The questionnaire was given to Mayor Hollie McKinney, who gathered information specific to Fairfield such as the number of potential customers, growth forecasts for the next 5 – 20 years, how natural gas could be helpful to Fairfield and its growth plans, and when Fairfield would want natural gas service.

Q. Did the Company prepare a cost-benefit analysis to determine if expanding to Fairfield is economic?

A. No. The Company is not required to conduct a cost-benefit analysis for rural expansion projects. As I discussed above, some rural communities have been unable to receive natural gas service because the costs were too high for the communities to bear on their own. The Utah legislature amended the Voluntary Resource Decision statute specifically to overcome these cost barriers and to get natural gas service to rural communities that would otherwise go without service. While the Company is required to show that there are benefits to the rural expansion, it is not required to conduct a cost-benefit analysis or show that the economic value of the benefits outweighs the cost of the project.

The Commission addressed this issue in its Order dated August 27, 2020 in Docket No. 19-057-31, the docket addressing the Company's expansion to Eureka, Utah. It stated:

> We do not interpret either Utah Code Ann. § 54-17-402(3)(b)(ii) or Utah Admin. Code R746-440-1 as requiring a cost benefit analysis in this Docket. While all other project acquisitions under the Voluntary Resource Decision Act

> must demonstrate that the acquisition will most likely result in the lowest reasonable cost project for customers as set forth in Utah Code Ann. § 54-17-402(3)(b)(i)(A), a rural infrastructure development is not subject to the same showing. The public interest inquiry for rural gas infrastructure developments is unique and includes consideration of entirely different factors. Whereas we acknowledge that a cost benefit analysis would be useful in the public interest determination applicable to project acquisitions requiring a showing of "lowest reasonable costs," it is not as useful (nor is it required) for a rural gas infrastructure development like the Eureka Rural Expansion Project. Accordingly, we conclude DEU provided information that both is sufficiently reliable and appropriately satisfies the requirements in our applicable statutes and rules . . . .

IV. CUSTOMER PARTICIPATION

Q. How many potential customers are there in the Community?

A. In its survey response, EGU Exhibit 1.05, Fairfield indicated there are potentially 41 customers as determined based on the number of local water connections. EGU performed its own analysis to determine an estimate of customers by estimating service line lengths to structures in Fairfield. This process was outlined in the Direct Testimony of Mr. Radford. It showed that there were potentially 87 customers that could be served.

Q. How did the Company determine if these potential customers would have any interest in receiving gas?

A. The Company held an open house on June 9, 2025. During this meeting, residents had the opportunity to speak with Company representatives from the Operations, Engineering, Key Accounts, Pre-Construction, and Customer Experience departments. During the open house, visitors were asked to fill out a survey that gathered information about their home/business, what appliances they have, what their current source of energy is for certain appliances, and whether they would be interested in receiving natural gas service. A copy of the survey is attached as EGU Exhibit 1.06. In addition to the survey at the open house, the survey was also available online[1].

Q. What information did the Company provide to prospective customers to help them evaluate natural gas service?

A. The open house had three display boards that provided information about natural gas, Enbridge Gas, and the Fairfield project. These display boards are attached as EGU Exhibit 1.07. The display boards were also provided as a handout that customers could take home with them. Additionally, EGU had personnel present to answer questions and discuss concerns with prospective customers.

Q. Did the Company utilize other methods to reach out to Fairfield to determine interest?

A. Yes. The Company sent personnel to areas that had low responses to the survey. These personnel left a door hanger attached as EGU Exhibit 1.08, along with the information from EGU Exhibit 1.07.

Q. Is the Company satisfied with the number of surveys it received?

A. Yes. While the Company would ideally like to hear from all of the residents of Fairfield, it is very pleased with the response rate it received. As discussed below, of those who did respond, 92% expressed interest in receiving natural gas service.

Q. What did the surveys show?

A. A summary of the survey results is attached as EGU Exhibit 1.09. This exhibit shows that, of the 62 survey respondents, 92% expressed interest in signing up for natural gas service, with 6% stating that they are undecided. Only 2% of the respondents said they were not interested in natural gas. This high level of interest exists largely because of the cost and inconvenience of the existing energy sources available in Fairfield. I found their responses to question #8 on the survey to be the most informative measure of why they would want natural gas. That question asked, "What do you see as the benefits

1. The online survey can be found here: https://www.enbridgegas.com/about-enbridge-gas/projects/utah-rural-expansion/natural-gas-interest-form-fairfield

of having natural gas in Fairfield?" Below, I have listed several comments that were written by Fairfield residents.

- " Lower cost, clean heat source."
- " Cheaper, don't have to worry about filling propane tank. Would change all appliances out to natural gas including water heater."
- "More reliable service cost saving."
- " Way more convenient and cost effective"
- "Cleaner burning than wood burning, cheaper & more convenient than propane."
- " Not relying on a propane delivery."
- "Convenience/more affordable/availability."

Q. Did any customers indicate that they did not have interest in natural gas service?

A. Yes. There was 1 respondent that indicated they were not interested. The respondent did not give a reason for not wanting natural gas service.

Q. Does the Company consider all of the positive responses to be firm commitments to sign up for service?

A. No. If the Commission approves this Application, the Company still intends to reach out to all of the prospective customers to discuss costs, appliances, construction schedule, and other aspects of the expansion. The Company will obtain firm commitments from customers during that process.

V. COST RECOVERY FOR THE PROJECT

Q. Mr. Radford discusses the capital costs associated with the infrastructure for the Expansion Project to serve the Community. How does the Company propose to recover those costs?

A. The Company proposes to treat the costs associated with the expansion the same way it treated costs associated with its other rural expansion projects. Specifically, the Company proposes that all of the costs associated with the expansion be included in the Rural Expansion Rate Adjustment Tracker that was approved in Docket No. 19-

057-31 (the proceeding relating to the expansion to the town of Eureka, Utah). This program is set forth in Section 9.02 of the Company's Utah Natural Gas Tariff No. 700 ("Tariff"). When plant is put into service, the Company will file an application with the Commission requesting rate recovery of the investment made to serve Fairfield.

Q. Could the Company include the costs of rural expansion in its 2025 general rate case rather than using a tracker mechanism?

A. The bulk of construction will happen in 2026, but there may be some service lines and meters that will not be completed during the anticipated test period. The ongoing nature of the expansion project makes a tracker the best mechanism for recovering the costs of construction.

Q. Is the Company proposing any changes to the Tariff sheets in Section 9.02 that describe the rural expansion rate adjustment mechanism?

A. No. The Tariff provisions were established in Docket No. 19-057-31 and no changes are necessary or proposed at this time.

Q. Have you calculated the rate impact on existing customers if the Expansion Project is approved?

A. Yes. Using the cost estimates provided by Mr. Radford, I have calculated illustrative rates that would be charged to existing customers, including those in Fairfield. These illustrative rates are calculated in EGU Confidential Exhibit 1.10 on page 3. The actual rates will not change until facilities are put into service and the Company files an application to include the investment in the Rural Expansion Rate Adjustment.

Using these illustrative rates, a typical customer using 70 Dth of gas each year would see an annual increase of $0.54 or about 0.08%, as shown on EGU Confidential Exhibit 1.10, page 4.

Q. What costs are the Company proposing to include in the Expansion Project?

A. Utah Code Ann. 54-17-401(1)(c) defines Rural Gas Infrastructure as "[T]he acquisition, planning, development, extension, expansion, and construction of natural gas utility facilities to serve previously unserved rural areas of the state." Therefore, in this docket, the Company seeks Commission approval to install main lines, service lines, regulator stations, and all other relevant facilities, and to recover the associated costs through the tracker mechanism described in Section 9.02 of the Tariff.

Q. Will the customers in Fairfield incur costs in order to receive natural gas service?

A. Yes. As Mr. Hess explains in his pre-filed direct testimony, some customers may need to have internal fuel lines replaced. Some may need to modify or replace appliances. Some may need to modify plumbing or duct work in order to safely operate the appliances. These costs will be the responsibility of the customer and will vary from home to home, or business to business.

VI. REVENUE REQUIREMENT IMPACT

Q. Commission Rule R746-440-1(g) requires that the Company perform an analysis of the estimated effect that a resource decision will have on the utility's revenue requirement. Has the Company performed such an analysis?

A. Yes. A detailed revenue requirement calculation is shown in EGU Confidential Exhibit 1.10, which is attached to my testimony.

Q. Why does this analysis need to be performed in a Rural Gas Infrastructure Development Application?

A. The analysis needs to be performed to ensure that the Company's revenue requirement does not increase beyond the level permitted by statute as a result of making the required capital expenditures. Utah Code § 54-17-403(1)(c) provides that Rural Gas Infrastructure Development costs may be included in base rates if two conditions are satisfied. First, the inclusion of those costs will not increase the base distribution non-gas revenue requirement by more than 2% in any three-year period. Second, the distribution non-gas revenue requirement increase related to the infrastructure development costs does not exceed 5% in the aggregate. The applicable distribution non-gas revenue requirement is the annual revenue requirement determined in the Company's most recent general rate case.

Q. Does the capital spending in Fairfield keep the change in revenue requirement below the 2% cap?

A. Yes. The distribution non-gas revenue requirement approved in Docket No. 22-057-03 is $481,158,558. Two percent of this amount is $9,623,171, which is therefore the dollar limit of revenue requirement increase permitted in any three-year period. The 2% or $9.6 million of revenue requirement corresponds to about $88.7 million of capital spend. The $88.7 million is, therefore, the amount the statute would permit the Company to spend over the course of three years.

In addition to proposing to build the system to serve Fairfield, the Company has also built the systems to serve Eureka, Goshen, Elberta, Green River, and Genola and is currently building the system in Portage. EGU Confidential Exhibit 1.11 was used to calculate the increased revenue requirement using the combined construction estimates from all rural expansion projects, factoring in the adjustments to the cap for projects that are outside the three-year window. Constructing the systems for Fairfield, combined with the other relevant rural expansion communities, would increase revenue by $6.6 million, which is below the 2% cap.

Q. Are there costs that are no longer included in the three-year window?

A. Yes. In Docket No. 21-057-30, the Commission approved, on an interim basis, an adjustment to the Rural Expansion Tracker for $20.9 million of investment that was used to serve Eureka. The rates in this Docket went into service on February 1, 2022. In February 2025, those costs will no longer be included in the three-year cap. Additionally, the Company's 2022 rate case included rural expansion investment of $23.6 million and those rates were effective on January 1st, 2023. The collection of that revenue will not be included in the calculation of the 2% cap beginning in January 2026. Lastly, in Docket No. 23-057-28, the Commission approved, on an interim basis, an adjustment to the Rural Expansion Tracker for $26 million of investment to serve Goshen, Elberta and Green River. The collection of that revenue will not be included in the calculation of the 2% cap beginning in February 2027 which is near the time when revenue from the Fairfield project will begin to be collected. Therefore, the investment from Docket No. 21-057-30, Docket No. 22-057-03, and Docket No. 23-

057-28 has not been included in the calculations in EGU Confidential Exhibit 1.11.

Q. Does the capital spending in Fairfield keep the change in revenue requirement below the 5% cap?

A. Yes. Five percent of the distribution non-gas revenue requirement approved in Docket No. 22-057-03 is $24,057,927, which is therefore the dollar limit of revenue requirement increase permitted for all rural expansion projects. The 5% or $24.1 million of revenue requirement corresponds to about $221.6 million of capital spend. The $221.6 million is, therefore, the amount the statute would permit the Company to spend in aggregate. EGU Confidential Exhibit 1.12 shows the rural expansion investment that has been spent since the inception of the rural expansion program. EGU Confidential Exhibit 1.12 shows that the total investment in the program from its inception through the estimates for the Fairfield project are $127,760,061. This leads to revenue collection of $14,733,269, which is well below the 5% cap.

Q. Have you forecast the revenue that will be provided by the Fairfield customers, per Utah Code Ann. § 54-17-402(3)(b)(ii)(D)?

A. Yes. I anticipate that the existing Fairfield residents and businesses will be GS customers and will provide the same CET revenue just as other customers in the state do. At current Tariff rates, that revenue is $364.49 per year, per customer. Assuming all of the 87 potential customers sign up for service, this would provide annual revenue of $31,711. If a lesser or greater amount of customers were to sign up for service, the annual revenue would be reduced, or increased, by $364.49 per customer.

Q. Does the capital spending in Fairfield and the capital spending proposed in Docket No. 25-057-21 for expansion to South Rim keep the change in revenue requirement below the 2%?

A. Yes. EGU Confidential Exhibit 1.13 was used to calculate the increased revenue requirement using the combined construction estimates from all rural expansion projects including the proposed expansion to Fairfield and South Rim, factoring in the adjustments to the cap for projects that are outside the three-year window. Constructing the systems for Fairfield and South Rim, combined with the other relevant rural expansion communities, would increase revenue by $9.4 million, which is below the 2% cap.

Q. Does the capital spending in Fairfield and the capital spending proposed in Docket No. 25-057-21 for expansion to South Rim keep the change in revenue requirement below the 5%?

A. Yes. EGU Confidential Exhibit 1.14 shows that the total investment in the program from its inception through the estimates for the Fairfield and South Rim projects are $151,754,768. This leads to revenue collection of $17,518,409, which is well below the 5% cap.

Q. Have you calculated the rate impact on existing customers if the Expansion Projects in Fairfield and South Rim are both approved?

A. Yes. Using the cost estimates provided by Mr. Radford, I have calculated illustrative rates that would be charged to existing customers, including those in Fairfield and South Rim. These illustrative rates are calculated in EGU Confidential Exhibit 1.15 on page 3. The actual rates will not change until facilities are put into service and the Company files an application to include the investment in the Rural Expansion Rate Adjustment.

Using these illustrative rates, a typical customer using 70 Dth of gas each year would see an annual increase of $2.11 or about 0.33%, as shown on EGU Confidential Exhibit 1.15, page 4.

VII. OTHER INFORMATION

A. Financial Capability

Q. Commission Rule R746-440-1(h) requires that the Company provide financial information demonstrating adequate financial capability to implement the Resource decision. Does the Company have this financial capability?

A. Yes. While the Expansion Project will be a considerable investment, it is comparatively small when compared to the $4.2 billion in assets that the Company currently has on its balance sheet. The Company is financially capable of implementing the expansion of its system to Fairfield. Additionally, using the tracker mechanism set forth in Section 9.02 of the Tariff eliminates regulatory lag and ensures that the Company is receiving cost recovery on a reasonable basis.

B. Gas Supply

Q. Will Enbridge Gas need to enter into new gas supply or transportation contracts to supply Fairfield with gas?

A. No. The Fairfield area will be supplied by the same transportation contracts that the Company currently has in place. Though the Company may need to increase commodity purchases to serve Fairfield, there is no need for new or additional contracts due to the relatively small size of Fairfield.

C. Timing Limits of Expansion Program

Q. How long will the benefits of this expansion be available to new customers?

A. The main lines described in Mr. Radford's pre-filed direct testimony will be installed as part of the Expansion Project. These main lines will be ready for any currently-anticipated customer to use. Any future main lines will be installed and paid for pursuant to Section 9.03 of the Tariff.

The timing limits for service lines will be treated according to Section 9.02 of the Tariff under the heading, "Service Lines in Rural Expansion Areas." Specifically, that section states:

> Where the Commission approves inclusion of service line costs in the Rural Expansion Infrastructure Tracker, customers who qualify for a no-charge service line must enter into a contract for installation of that service line within two years of the completion of main lines to the subject community. The contract will specify the service line costs and will provide that if the customer has not commenced taking natural gas service either (1) within two years of the completion of the main lines to the community, or (2) within two years of the execution date of the service line agreement, whichever later occurs, then the customer must repay the Company for the specified service line costs.

D. Resources Available to Help Customers

Q. What resources are available to help customers convert their appliances or get their homes ready for natural gas?

A. A. The Housing Authority of Utah County offers a home rehab program that assists households that would like to modify a furnace to operate using natural gas, or to do any other home repair by offering low-interest loans. These loans have an interest rate between 0-3%, depending on the annual income level.

Q. Does Enbridge Gas offer any programs that could help customers with new appliances?

A. Yes. The Company's Thermwise™ program offers rebates on qualifying high-efficiency appliances. These rebates could be used by Fairfield customers to obtain new furnaces and water heaters. In addition to appliance rebates, the Thermwise programs also offers a Home Energy Plan, Weatherization Rebates, and a Low-Income Efficiency Program.

E. Benefits to Customers

Q. How do the customers in Fairfield stand to benefit from this system expansion?

A. The residents in Fairfield will benefit significantly from the proposed system expansion. Bringing natural gas to Fairfield will reduce energy costs for many of the residents who take natural gas service, and will provide cost stability and predictability, making budgeting easier for those customers, especially those on fixed incomes. The Commission's oversight of natural gas costs will ensure that the rates these residents pay is just and reasonable, rather than paying for propane and other fuel sources with prices that fluctuate in an unregulated market.

These customers will also benefit from future economic growth. Fairfield will be better able to compete for future economic development opportunities once natural gas service becomes available there.

Q. Would customers who use natural gas in Fairfield save money?

A. Yes, I believe they would. It's true that there is a cost to convert appliances to natural gas. However, the investment in natural gas is a long-term investment and, when compared to other sources of energy, natural gas offers significant savings. EGU Exhibit 1.16 compares the costs a customer would expect to pay to use propane compared to natural gas. Column E, row 2 shows that a customer switching from propane to natural gas could save over $1,128 each year.

Q. What assumptions did you use to calculate the expected usage and pricing in EGU Exhibit 1.16?

A. For natural gas, the Company used 70 Dth per year, which is the amount of natural gas the Company uses to calculate a typical customer bill. I used the Company's currently effective rates to show an estimated annual cost of $663.98.

Column A, row 1 of EGU Exhibit 1.16 shows that 764 gallons of propane would be used. This 764 gallons of propane would provide the same energy as 70 Dth of natural gas. The price for propane came from the U.S. Energy Information Administration ("EIA")[2]. The lowest price recorded since January 2024 was $2.214/gallon, which was used in the calculation as a conservative estimate. The most recent price reported by EIA is $2.28/gallon. Using this higher, more recent cost would increase savings for natural gas users. Column C, row 1 shows an estimated delivery/tank rental fee of $100. This cost will be different for each customer, but it is included as a conservative estimate.

F. Certificate of Public Convenience and Necessity

Q. Is the Company requesting a Certificate of Public Convenience and Necessity ("CPCN") to serve in Fairfield?

A. No. Utah Code Ann. § 54-4-25(2)(b) provides that a CPCN is not necessary for an extension "into territory, either within or without a city or town, contiguous to its line, plant, or system that is not served by a public utility of like character. . . ." Here, the

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2 https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=W_EPLLPA_PRS_SUT_DPG&f=W

Community (Fairfield) is contiguous to the Company's system in Eagle Mountain, Utah and is not served by any other public utility of like character. Because the Company will be connecting to its existing main system and will be serving customers in Utah County, near its existing system, a CPCN isn't necessary.

Q. Has the Company obtained all the franchise rights and permits it will need to serve the town?

A. Enbridge Gas is in the process of working with Mayor McKinney and the town of Fairfield to ensure that the Company obtains a franchise agreement and any additional permits it will need to serve the town.

Q. Does this conclude your testimony?

A. Yes.

VERIFICATION

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

Jordan Parks, being first duly sworn upon oath, deposes and states: he is a Regulatory Analyst for 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.

Jordan Parks

Jordan Parks
Regulatory Analyst

Subscribed and sworn to before me this 19th day of September, 2025.

RENA PORTER
Notary Public State of Utah
My Commission Expires on:
April 25, 2027
Comm. Number: 730504