

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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

Docket No. 25-057-21

**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, gas cost adjustments, and forecasting. My qualifications are detailed in EGU Exhibit 1.01.

**Q. Were your attached exhibits EGU Exhibit 1.01 through 1.17 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 South Rim, Utah (“Community”), as permitted by Utah Code Ann. § 54-17-401 *et seq.* Enbridge Gas proposes to serve South Rim by installing 16,510 feet of 6” high pressure pipeline, 68,975 feet of Intermediate High Pressure (“IHP”) mains (54,575 feet of 2”, 300 feet of 4” and 14,100 feet of 6”), a regulator station, and approximately 50,700 feet of IHP service lines throughout South Rim. 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 South Rim as an expansion area; (3) the revenue requirement impacts of expansion to South Rim; (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 HP and IHP systems that are proposed to be constructed to serve South Rim 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 2.09.

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

Kendall Thomas is the Councilman for the 2nd district in Tooele County and was one of the key contacts in South Rim for the Expansion Project. His testimony addresses South Rim's support for the Expansion Project and the benefits that a natural gas system will bring residents of South Rim. Councilman Thomas'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. Workman, and Councilman Thomas, provide the evidence required to show that approval of the Expansion Project to South Rim is just, reasonable, and in the public interest.

III. SELECTION OF SOUTH RIM AS AN EXPANSION AREA

**Q. Please explain the process that was used to select South Rim 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 (HB 422), 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 South Rim?**

A. Several factors contributed to the selection of South Rim as a rural area for system expansion. First, South Rim has strong community support for receiving gas service. Second, service to South Rim can be attained within the statutory spending caps discussed later in my testimony. Third, South Rim can be easily served by existing personnel in the Company's Salt Lake office and is in Tooele 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 South Rim 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 South Rim?**

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

**Q. Did the Company prepare a cost-benefit analysis to determine if expanding to South Rim 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



175                    acquisitions under the Voluntary Resource Decision Act  
176                    must demonstrate that the acquisition will most likely result  
177                    in the lowest reasonable cost project for customers as set  
178                    forth in Utah Code Ann. § 54-17-402(3)(b)(i)(A), a rural  
179                    infrastructure development is not subject to the same  
180                    showing. The public interest inquiry for rural gas  
181                    infrastructure developments is unique and includes  
182                    consideration of entirely different factors. Whereas we  
183                    acknowledge that a cost benefit analysis would be useful in  
184                    the public interest determination applicable to project  
185                    acquisitions requiring a showing of “lowest reasonable  
186                    costs,” it is not as useful (nor is it required) for a rural gas  
187                    infrastructure development like the Eureka Rural Expansion  
188                    Project. Accordingly, we conclude DEU provided  
189                    information that both is sufficiently reliable and  
190                    appropriately satisfies the requirements in our applicable  
191                    statutes and rules . . . .

192                    **IV.      CUSTOMER PARTICIPATION**

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

194                    A.      In its survey response, EGU Exhibit 1.05, South Rim indicated there are potentially  
195                    351 customers as determined based on the number of local water connections. EGU  
196                    performed its own analysis to determine an estimate of customers by estimating service  
197                    line lengths to structures in South Rim. This process was outlined in the direct  
198                    testimony of Mr. Radford. It showed that there were potentially 356 customers that  
199                    could be served.

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

202                    A.      The Company held an open house on June 10, 2025. During this meeting, residents  
203                    had the opportunity to speak with Company representatives from the Operations,  
204                    Engineering, Key Accounts, Pre-Construction, and Customer Experience departments.  
205                    During the open house, visitors were asked to fill out a survey that gathered information  
206                    about their home/business, what appliances they have, what their current source of  
207                    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<sup>1</sup>.

**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 South Rim 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. The invitation to the open house is attached as EGU Exhibit 1.08.

**Q. Did the Company utilize other methods to reach out to South Rim 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 1.09, 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 South Rim, it is very pleased with the response rate it received. As discussed below, of those who did respond, 82% 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 1.10. This exhibit shows that, of the 165 survey respondents, 82% expressed interest in signing up for natural gas service, with 7% stating that they are undecided. Only 11% 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 South Rim. 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

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

benefits of having natural gas in South Rim?” Below, I have listed several comments that were written by South Rim residents.

- “Continuous supply of natural gas and more stable prices than propane.”
- “Significant reduction in annual heating costs. Also improvement in safety, no longer needing to use wood to heat the home.”
- “Affordable and consistent service. Do not have to worry about running out of propane.”
- “Cost effective, more environment friendly.”
- “More affordable. Monthly payment, instead of big lump sum. No unsightly tank. No need to schedule refills. No fear of running out.”
- “Cheaper fuel able to heat more space, ability to heat outbuildings, infrastructure, home value.”
- “Less expensive. More reliable, I don't have to schedule and depend on propane delivery. Can finally install a heated pool!”
- “Propane can be hard to get from time to time. I hate monitoring the tank of when to fill it. Just the convenience of natural gas would be really nice. Plus it sounds more affordable.”
- “More efficient fuel source, don't have to remember to get propane tank filled.”

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

A. Yes. There were 19 respondents that indicated they were not interested. Not all respondents gave a reason, but those who did provide a reason might not completely understand the program Enbridge Gas is offering. This is seen in responses like, “It’s going to cost me more in the long run.” Most respondents did not list 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 South Rim.

**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 South Rim. These

illustrative rates are calculated in EGU Confidential Exhibit 1.11 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 \$1.54 or about 0.24%, as shown on EGU Confidential Exhibit 1.11, 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 South Rim incur costs in order to receive natural gas service?**

A. Yes. As Mr. Workman 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 1.11, 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 South Rim 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 South Rim, 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 1.12 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 South Rim, combined with the other relevant rural expansion communities, would increase revenue by \$8.4 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 South Rim 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 1.12.

**Q. Does the capital spending in South Rim 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 1.13 shows the rural expansion investment that has been spent since the inception of the rural expansion program. EGU Confidential Exhibit 1.13 shows that the total investment in the program from its inception through the estimates for the South Rim project are \$143,092,273. This leads to revenue collection of \$16,516,699, which is well below the 5% cap.

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

A. Yes. I anticipate that the existing South Rim 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 356 potential customers sign up for service, this would provide annual revenue of \$129,758. 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 South Rim and the capital spending proposed in Docket No. 25-057-20 for expansion to Fairfield keep the change in revenue requirement below the 2%?**

A. Yes. EGU Confidential Exhibit 1.14 was used to calculate the increased revenue requirement using the combined construction estimates from all rural expansion projects including the proposed expansions to South Rim and Fairfield, factoring in the adjustments to the cap for projects that are outside the three-year window. Constructing the systems for South Rim and Fairfield, 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 South Rim and the capital spending proposed in Docket No. 25-057-20 for expansion to Fairfield keep the change in revenue requirement below the 5%?**

A. Yes. EGU Confidential Exhibit 1.15 shows that the total investment in the program from its inception through the estimates for the South Rim and Fairfield 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 South Rim and Fairfield 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 South Rim and Fairfield. These illustrative rates are calculated in EGU Confidential Exhibit 1.16 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 1.16, 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 South Rim. 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 South Rim with gas?**

A. No. The South Rim 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 South Rim, there is no need for new or additional contracts due to the relatively small size of South Rim.

### *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. The HEAT utility program offers yearly assistance for income-eligible households for power and gas bills. This benefit can help offset the cost of converting appliances to get residents homes ready for natural gas.

**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 South Rim 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 South Rim stand to benefit from this system expansion?**

A. The residents in South Rim will benefit significantly from the proposed system expansion. Bringing natural gas to South Rim 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. South Rim 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 South Rim 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 1.17 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 1.17?**

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 1.17 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")<sup>2</sup>. 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

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<sup>2</sup> [https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=W\\_EPLLPA\\_PRS\\_SUT\\_DPG&f=W](https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=W_EPLLPA_PRS_SUT_DPG&f=W)

492 estimate.

493 ***F. Certificate of Public Convenience and Necessity***

494 **Q. Is the Company requesting a Certificate of Public Convenience and Necessity**  
495 **(“CPCN”) to serve in South Rim?**

496 A. No. Utah Code Ann. § 54-4-25(2)(b) provides that a CPCN is not necessary for an  
497 extension “into territory, either within or without a city or town, contiguous to its line,  
498 plant, or system that is not served by a public utility of like character. . . .” Here, the  
499 Community (South Rim) is contiguous to the Company’s system in Stockton, Utah and  
500 is not served by any other public utility of like character. Because the Company will  
501 be connecting to its existing main system and will be serving customers in Tooele  
502 County, near its existing system, a CPCN isn’t necessary.

503 **Q. Has the Company obtained all the franchise rights and permits it will need to serve**  
504 **the Community?**

505 A. Yes Enbridge Gas has a franchise agreement in place with Tooele County and is in the  
506 process of working with Councilman Thomas to obtain any additional permits it will  
507 need to serve the Community.

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

509 A. Yes.

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

I, Jordan Parks, 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. The exhibits attached to the testimony were prepared by me or under my direction and supervision, except where otherwise stated, in which case they are true and correct copies of what they purport to be, to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.

  
\_\_\_\_\_  
Jordan Parks

SUBSCRIBED AND SWORN TO this 19<sup>th</sup> day of September, 2025.

  
\_\_\_\_\_  
Notary Public

