
Application of Enbridge Gas Utah to Modify Section 5.08 of its Tariff	<u>DOCKET NO. 25-057-T03</u>
	<u>ORDER</u>

ISSUED: October 8, 2025

BACKGROUND

On April 23, 2025, Enbridge Gas Utah (EGU) filed a verified application (“Application”), and accompanying exhibits and written direct testimony, with the Public Service Commission (PSC) to revise Section 5.08 of its Utah Natural Gas Tariff No. 700 (“Tariff”). Section 5.08 requires, among other things, transportation customers to, in essence, monitor their natural gas usage and the amount of gas delivered to EGU’s system and, if necessary, make adjustments to maintain a balance between gas received on EGU’s system and the customers’ usage. The Application seeks to revise language in Section 5.08 to update the applicable penalties when EGU implements restrictions on daily imbalances. EGU proposes to apply the update to TSS, TSM, TSL, TBF, and MT classes of customers through their respective agents.

On April 29, 2025, the PSC issued a Notice of Filing and Comment Period setting deadlines for comments. The Division of Public Utilities (DPU) filed two requests for extensions of time to provide comments, both of which were granted. DPU’s last extension request represented that EGU did not oppose the requested extension and that EGU “would like to have the proposed change to the Tariff in place prior to the

winter heating season.”¹ DPU filed comments on September 30, 2025 (“DPU Comments”).

APPLICATION

EGU explains it occasionally places restrictions on daily gas usage for transportation customers. When these restrictions are in place, EGU calculates an out-of-tolerance penalty for noncompliant customers by comparing customer supply to the customer’s actual usage and assesses the penalty to the customer through its agent. This penalty only applies to customers who are not complying with EGU’s restrictions. EGU states its proposed change will clarify existing language in Section 5.08 “to better encourage compliance with daily imbalance restrictions.”²

Section 5.08 of the Tariff currently states the penalty calculation uses “the greater of \$1.00/Dth or the absolute value of the difference between the monthly market index price and the gas daily market index price as defined in the glossary plus \$0.25/Dth[.]”³ This current penalty calculation can have the unintended consequence of “incent[ing] a customer or nominating agent to accept a penalty rather than comply with a balancing restriction.”⁴ To help avoid this possible unintended consequence, EGU’s proposed changes would require the penalty calculation to use “the gas daily market index price as defined in the glossary plus \$1.00/Dth.”⁵

¹ DPU’s Request for Extension, May 29, 2025, at 2.

² EGU witness S. Wall Direct Testimony at 1:15-16.

³ *Id.* at 5:100-102 (quoting Tariff Section 5.08 at 5-19).

⁴ *Id.* at 3:68-70.

⁵ *Id.* at 5:102-3 (quoting EGU Exhibit 1.09 at 5-19).

DPU COMMENTS

DPU states that it reviewed the Application and, as part of its review, requested and received from EGU additional information concerning the impact of the proposed change to Section 5.08. For example, additional information provided by EGU allowed DPU to calculate the penalty revenues for May 2022, October 2023, and January 2024, using the current method as compared to the proposed method, as illustrated in the following table:

Event	Current ⁶	Proposed ⁷
May 2022	\$1,537	\$8,013
October 2023	\$35,322	\$124,661
January 2024	\$161,988	\$248,412

DPU also determined that the proposed changes to Section 5.08 could “actually reduce the amount of penalties charged overall[,] [and] also reduce the transportation customer imbalances during [any restrictive period set by EGU], which is a preferred outcome.”⁸

Based on its overall review, DPU states, “[a]pproval of the proposed language in the Company’s Application will not result in additional burdens, excessive fees, or other detriment to the TSS, TSM, TSL, and MT customers.”⁹ DPU concludes that the requested “change [to] the Tariff language in [S]ection 5.08 [is] in the public interest

⁶ See DPU Comments at 2-3, ¶ 3.

⁷ See *id.* at 3, ¶ 4.

⁸ *Id.* at 3-4, ¶ 7.

⁹ See *id.* at 4.

and would [result] in just and reasonable rates.”¹⁰ Accordingly, DPU recommends the PSC approve the revised Tariff sheets as filed.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

The PSC finds that, consistent with DPU’s Comments, the penalties proposed for customers not meeting their respective daily balance volume restrictions are just and reasonable and appear to mitigate the potential problem of the inadvertent incentive under the current language of Section 5.08, as noted by EGU.

Based on this finding, the PSC’s review of the Application, DPU’s Comments and recommendation, and there being no opposition to the Application, the PSC concludes EGU’s proposed changes to the language of Section 5.08 of the Tariff are just and reasonable and in the public interest.

ORDER

The revised page 5-19 of Section 5.08 of EGU’s Tariff is approved as filed, effective November 1, 2025.

¹⁰ *Id.*

DATED at Salt Lake City, Utah, October 8, 2025.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#342158

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on October 8, 2025, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

Jennifer Nelson Clark (jennifer.clark@dominionenergy.com;
jennifer.clark@enbridge.com)

Austin Summers (austin.summers@dominionenergy.com;
austin.summers@enbridge.com)

Enbridge Gas Utah

Patricia Schmid (pschmid@agutah.gov)

Patrick Grecu (pgrecu@agutah.gov)

Robert Moore (rmoore@agutah.gov)

Assistant Utah Attorneys General

Madison Galt (mgalt@utah.gov)

Division of Public Utilities

Alyson Anderson (akanderson@utah.gov)

Bela Vastag (bvastag@utah.gov)

Alex Ware (aware@utah.gov)

Cameron Irmias (cirmas@utah.gov)

Asami Kobayashi (akobayashi@utah.gov)

Jennifer Ntiamoah (jntiamoah@utah.gov)

(ocs@utah.gov)

Office of Consumer Services

/s/ Melissa R. Paschal
Administrative Assistant