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CHRIS PARKER
Division Director

Initial Comments

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Doug Wheelwright, Utility Technical Consultant Supervisor
Ryan Daigle, Utility Technical Consultant

Date: September 10, 2026

Re: **Docket No. 26-057-02**, Utah's Integrated Resource Plan (IRP) for Plan Year: June 1, 2026, to May 31, 2027.

Recommendation (Acknowledge with Recommendation)

The Division of Public Utilities (Division) has reviewed Enbridge Gas Utah's (Enbridge, EGU, or Company) Integrated Resource Plan (IRP) and has determined that it contains the necessary information and complies with the 2009 Standards and Guidelines. The Division recommends that the Public Service Commission of Utah (Commission) acknowledge the IRP filing and recommend the Commission require the Company to prepare specific guidelines or conditions for Liquefied Natural Gas (LNG) facility utilization outside a supply deficit event.

Issue

The purpose of the IRP filing is to provide regulators with an update of the "process in which known resources are evaluated on a uniform basis, such that customers are provided quality natural gas services at the lowest cost to [Enbridge] and its customers consistent with safe and reliable service."¹

¹ Proposed IRP Guidelines for Questar Gas Company, Docket No. 97-057-06 at 1. Questar Gas Company was purchased by Dominion Energy Utah (DEU) in 2016 and recently purchased by Enbridge Gas in 2024.



While the Commission has made it clear that “Acknowledgement of an acceptable [IRP] will not guarantee favorable rate-making treatment of future resource acquisitions,”² the Division uses the IRP as one tool among many to help evaluate the reasonableness of the Company’s business and regulatory plans for the coming year and beyond. Therefore, it is important that the IRP not simply adhere to the Commission’s standards and guidelines but also provide regulators with some measure of comfort that Enbridge is making reasoned forward-looking choices.

Background

The Company prepares an IRP every year; however, the details and content have evolved over time. The Commission’s initial IRP guidance came in the December 14, 2007, Report and Order.³ Just over a year later on March 31, 2009, the Commission issued its IRP Standards and Guidelines and ordered future IRPs to be filed in compliance with the new guidelines.⁴ On March 22, 2010, the Commission issued a Clarification Order and made several findings to clarify expectations of the 2009 IRP Standards.⁵

Nearly ten years later, on November 19, 2018, the Commission found that future IRPs should provide complete information rather than incorporating information by reference and provided guidance on confidential information.⁶ More recently, on January 16, 2020, the Commission adopted the Company’s additional commitments and ordered the Company to convene stakeholder meetings to discuss concerns regarding the sufficiency of information.⁷ During stakeholder meetings and subsequent discussions, the parties were able to reach a mutual understanding, and the Division’s recommendations were generally

² *Id.*

³ *Questar Gas Company’s Integrated Resource Plan for Plan Year: May 1, 2007 to April 30, 2008*, Docket No. 07-057-01, Report and Order (Dec. 14, 2007).

⁴ *Revision of Questar Gas Company’s Integrated Resource Planning Standards and Guidelines*, Docket No. 08-057-02, Report and Order on Standards and Guidelines for Questar Gas Company (Mar. 31, 2009).

⁵ *Questar Gas Company’s Integrated Resource Plan for Plan Year: May 1, 2009, to April 30, 2010*, Docket No. 09-057-07, Report and Order (Mar. 22, 2010).

⁶ *Dominion Energy Utah’s Integrated Resource Plan (IRP) for Plan Year: June 1, 2018 to May 31, 2019*, Docket No. 18-057-01, Report and Order (Nov. 19, 2018) at 9.

⁷ *Dominion Energy Utah’s Integrated Resource Plan (IRP) for Plan Year: June 1, 2019 to May 31, 2020*, Docket No. 19-057-01, Report and Order (Jan. 16, 2020) at 12-13.

adopted. The IRP has been and continues to be a beneficial and productive collaborative process between regulators and the Company.

On January 27, 2026, Enbridge filed its Notice of Intent to File IRP and Request for Scheduling Order and Notice of Technical Conferences. The specified Technical Conferences were held on March 3, 2026, April 7, 2026, May 5, 2026, and May 26, 2026, with the final presentation on July 14, 2026. The Company filed the current IRP on June 16, 2026. On July 9, 2026, the Commission issued its Scheduling Order with initial comments due by September 10, 2026, and reply comments due October 6, 2025. This memorandum represents the Division's initial comments.

Discussion

The Company, and its predecessors, have filed an IRP each year since the early 1990s. The IRP is prepared as a planning document to identify specific needs and make reasonable plans to meet its customer's natural gas requirements for the upcoming year and the foreseeable future. As its customer base continues to grow, Enbridge needs to ensure that its system can continue to meet customer needs. The current IRP states that the distribution system will be capable of meeting the demands with adequate supplies and pressures.⁸ Gate stations have adequate capacity, supply contracts are adequate, and system pressures are sufficient to meet the needs of its customers.⁹

IRP Summary

Among other things, in this IRP (for the 2026-2027 heating season) Enbridge has provided the following conclusions:

1. Natural gas sales are estimated to be 119.8 MMDth, which is about 4.0% less than the amount forecasted in the previous IRP year of 124.7 MMDth on a temperature-adjusted basis.¹⁰

⁸ EGU's IRP for Plan Year: June 1, 2026 to May 31, 2027 at 1-2.

⁹ *Id.*

¹⁰ *Id.* At 1-1

2. Design Day firm sales demand is estimated to be 1.30 MMDth, up from the previous IRP year estimate of 1.29 MMDth.¹¹

3. Wexpro-produced gas is projected to be approximately 51.2 MMDth or 41.4% of the forecasted annual demand, assuming the completion of new development drilling projects.¹²

4. Purchased gas is projected to be approximately 75.8 MMDth, up from the previous IRP year, which was 72.5 MMDth.¹³

5. Additionally, the Company “may purchase additional contracts for fixed-price baseload supply for December 2026 through February 2027 to protect against high-pricing events similar to those that occurred during the past few heating seasons[,]”¹⁴ as it expects price volatility to continue.

6. The Company is projected to add just over 20,500 new customers and expects to end the IRP year with 1.26 million GS customers.¹⁵

7. Annual GS usage per customer is anticipated to be around 96.3 Dth, which is down from the previous IRP year’s estimate of 100.1 Dth.¹⁶

8. The average residential usage per customer on a temperature-adjusted basis as of December 2025 was 73.9 Dth with an anticipated usage of 75 Dth during the 2026-2027 IRP year, both of which are slightly lower than the previous IRP year.¹⁷

9. Total system throughput is projected to be 258.1 MMDth, which is a decrease from 264.3 MMDth. Temperature-adjusted system throughput (sales and transportation) is estimated at 219.7 MMDth which is lower than the previous IRP year, which was estimated at 226.2 MMDth.¹⁸

¹¹ *Id.* At 1-1

¹² *Id.* At 1-1

¹³ *Id.* At 1-1

¹⁴ *Id.* at 1-1.

¹⁵ *Id.* At 3-2

¹⁶ *Id.* At 3-1

¹⁷ *Id.* At 3-2

¹⁸ *Id.* At 3-1

10. The forecasted level of sales demand is 123.6 MMDth down from 127.0 MMDth, a net decrease of approximately 2.7%, based mainly on the expectation of a more “typical Winter” heating season and usage.¹⁹

Additional Points

On an overall basis, the contents and details that have been requested by regulators over the years are included in the current IRP. In addition, the Division provides some clarifying information obtained in response to data requests relating to the issues discussed below. The Division sent several data requests to obtain additional information and gain a greater understanding of these issues.

1. In DPU Data Request 1.03 the Division asked: Page 3-1 states “The Company forecasted a total of 124.8 MMDth for the period in last years IRP.” In reviewing the 2025 – 2026 IRP (Docket No. 25-057-02) it states that the forecast level of sales demand is 127.0 MMDth. Please explain these two different forecast numbers.

EGU responded to this request with the following:

The sales forecast of 127.0 MMDth from the 2025-2026 IRP has been restated on page 3-1 of the 2026-2027 IRP to 124.8 MMDth. This restatement updates the figure to the new weather normalization period approved in Docket No 25-057-06. Consistent with the order in that Docket, the Company revised its weather normalization baseline from a 20-year weather-normal period ending December 2018 to the 15-year period ending December 2024. The 15-year normal baseline includes a higher frequency of warmer periods, and the resulting adjustment lowers the normalized demand to an expected level that aligns with the lower baseline.

Because the prior IRP forecast was developed early in 2025, ahead of the Commission’s order that took effect on January 1, 2026, the forecasted sales demand was aligned to the previous normal baseline. To subsequently compare the forecast to actual sales demand on a normalized basis through May 2026, the forecast, along with the 2025 portion of actual sales demand, had to be restated using the updated normal baseline.

¹⁹ *Id.* At 3-1

2. In DPU Data Request 1.04 the Division asked: Please explain the reason for the decrease in the forecast sales from the 2025 -2026 IRP (127.0 MMDth) to the 2026 – 2027 forecast. (123.6 MMDth).

EGU responded to this request with the following:

The sales forecast of 127.0 has been restated on page 3-1 of the 2026-2027 IRP to 124.8 MMDth. This restatement updates the figure to the new weather normalization period approved in Docket No 25-057-06. Consistent with the order in that Docket, the Company revised its weather normalization baseline from a 20-year weather-normal period ending December 2018 to the 15-year period ending December 2024. The 15-year normal baseline includes a higher frequency of warmer periods, and the resulting adjustment lowers the normalized demand to an expected level that aligns with the lower baseline.

Because the prior IRP forecast was developed early in 2025, ahead of the Commission's order that took effect on January 1, 2026, the forecasted sales demand was aligned to the previous normal baseline. To subsequently compare the forecast to actual sales demand on a normalized basis through May 2026, the forecast, along with the 2025 portion of actual sales demand, had to be restated using the updated normal baseline.

The new forecast of 123.6 MMDth is projected forward from the projected year-level ending 119.8 MMDth (stated on page 3-1) which has also been adjusted to the new normal baseline. The sales demand forecast is a 3.17% increase over the 2025-2026 IRP level.

3. In DPU Data Request 1.05 the Division asked: Please explain the reason for the decrease in COS production from last years IRP and this years IRP. (58.1 MMDth to 51.2 MMDth).

EGU responded to this request with the following:

The 2026 IRP COS production forecast is less than last year primarily due to a reduction in the number of wells planned to be drilled in 2026 in response to lower futures gas prices at the time the IRP forecast was made. Also, Wexpro sold its non-operating interest in the Birch Creek field and a number of wells in the Moxa area.

4. In DPU Data Request 1.08 the Division asked: Please provide an updated “Design Peak-Day Demand Forecast by heating season” (Exhibit 3.9) to include the previous fifteen years (for the actuals rather than the forecasted).

EGU responded to this request by providing an updated graph as DPU 1.08 Data and has been provided as an attachment to this memo as Attachment 1.

5. In DPU Data Request 1.09 the Division asked: Page 6-7 identifies system anomalies that were repaired. Please explain why the anomalies repaired went down so significantly this year?

EGU responded to this request with the following:

The number of repairs completed in a given year depends on several factors, including which pipeline segments are assessed as part of the six-year integrity assessment cycle and the assessment methodologies utilized, such as In-Line Inspection (ILI). In most cases, integrity assessments are performed in one year, with excavations and any required repairs completed during the following year.

In 2023, a pipeline, including non-HCA portions, were inspected using ILI technology. This line was installed before 1971, prior to the implementation of federal pipeline safety regulations, and is primarily reconditioned pipe. (Reconditioned pipe refers to pipe that was removed from its original service, inspected and repaired, and then reinstalled either in the same location or at a different location). Excavations and repairs associated with the 2023 ILI assessment were completed in 2024. Twelve anomalies were eliminated through two pipe cutouts and are considered repaired. An additional 14 anomalies were repaired across three different pipelines.

The assessments completed in 2025 were conducted on pipeline segments that had either undergone multiple previous ILI inspections, where most repairs would have been addressed following the initial inspection, or on pipelines that did not share the same characteristics as the 2024 segments, such as the presence of reconditioned pipe. As a result, there were only two repairs needed.

With the responses provided above, the Division finds the IRP to be mostly complete and recognizes the Company’s efforts to compile a complete IRP report.

The Division anticipates obtaining additional detailed information on the numerous subjects contained in the IRP, to be filed in future IRP Variance Reports. This information will be filed as updates and changes occur.

Although the usage of the LNG facility has been discussed, the specific conditions for when and under what conditions this resource can be used remain unclear and poorly defined. In the previous order to the 2025-2026 IRP the Commission directed EGU to “coordinate with DPU and any other interested stakeholders to convene a workshop to develop a brief statement of principles concerning how the LNG cycling requirement can be carried out to optimize the financial benefit of the reconstituted NG to customers.”²⁰ Although the Division has provided its recommendations, the Company has not created or delivered such document or statement to the Division. The Division continues to recommend that the Commission require the Company to prepare specific guidelines or conditions for its utilization outside a supply deficit event. The LNG facility represents a significant capital investment and understanding how and when this facility may be utilized will help regulators monitor the prudent use of this facility.

Conclusion

Following a careful examination of the current IRP, the Division has determined that the Company has included the required information and has filed a complete IRP. The Division has also determined that the assumptions used, and the information presented, represent a reasonable forecast of the conditions that are likely to occur during the IRP forecast period. The Division recommends the current IRP be acknowledged as compliant with the filing requirements set out in Docket No. 09-057-07. The Division also recommends that the Company abide by the previous IRP order to develop a brief statement of principles concerning how the LNG cycling requirement is approached. The annual IRP filing is informational and does not request any change in the Company’s current rates.

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

²⁰ *Enbridge Gas Utah’s Integrated Resource Plan for Plan Year: June 1, 2025, to May 31, 2026*, Docket No. 25-057-02, Order (Jan. 16, 2026) at 7.