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Action Request Response

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

Annette Orton, Utility Analyst

Date: March 9, 2026

Re: **Docket No. 26-057-T01**, Enbridge Gas Utah's Verified Application Review of the Carrying Charges Applied to Various Enbridge Gas Utah Account Balances.

Recommendation (Approve Tariff Sheets)

The Division of Public Utilities ("Division" or "DPU") recommends the Public Service Commission of Utah ("Commission" or "PSC") approve Enbridge Gas Utah's ("Enbridge" or "EGU") proposed changes to its Utah Natural Gas tariff 600, section 8.07 revising the carrying charge from 5.40 percent to 5.68 percent, with an effective date of April 1, 2026.

Issue

In compliance with the Commission order in Docket No. 17-057-T01, EGU filed revised tariff sheets on February 23, 2026, to implement the annual change to the carrying charge. The Commission issued an action request to the Division with a due date of March 09, 2026. On February 24, 2026, the Commission issued a Notice of Filing and Comment Period stating interested persons may submit comments by March 10, 2026, with reply comments due March 17, 2026. This memorandum represents the Division's response to the action request.



Division of Public Utilities

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Discussion

In response to the Commission's action request, the Division reviewed the filing and determined the proposed carry charge of 5.68 percent was correctly calculated pursuant to the Commission's Order.

The carrying charge increase of .28 percent results from the Federal Reserve's continued interest rate policy over the past year with the intent of slowing inflation in the economy. The Federal Reserve's current interest rate policy has resulted in an increase in Aaa and Baa published rates for the year generally, albeit those increases have been smaller than interest rate increases in recent years. The increase in the published rates for Aaa and Baa-rated bonds directly impacts the calculation of the EGU Tariff 600 carrying charge, resulting in an increase in the carrying charge.

Conclusion

The Division finds that the proposed carrying charge has been calculated correctly. The proposed charge of 5.68 percent is just, reasonable, and in the public interest, and recommends the Commission approve EGU's revised Schedule 600. The proposed change will increase the carrying charge from 5.40 percent to 5.68 percent with an effective date of April 1, 2026.

cc: Jenniffer N. Clark, Esq., Enbridge Gas Utah
Austin Summers, Enbridge Gas Utah
Michele Beck, Office of Consumer Services