

# Utah keeps adding gas customers. Your capital plan has to keep pace — and stay defensible.

Dominion Energy Utah — now Enbridge Gas Utah — has added roughly 127,000 residential hookups since 2019 while it replaces aging high-pressure feeder lines and resets base rates before the Utah PSC. Every line extension, feeder-line replacement, and rate case competes for the same capital and the same crews. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision.

|                                                                                                                                    |                                                                                                                                                      |                                                                                                                                                    |                                                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.1M<sup>1</sup></b><br><br>Utah residential natural-gas customers in 2024 — up about 13% (roughly 127,000 hookups) since 2019. | <b>\$4.3B<sup>2</sup></b><br><br>What Enbridge paid to buy Questar Gas (Dominion Energy Utah) in June 2024 — the state's dominant LDC changed hands. | <b>\$86.7M<sup>3</sup></b><br><br>Dominion Energy Utah's 2024 replacement-infrastructure budget, most of it high-pressure feeder-line replacement. | <b>9.60%<sup>4</sup></b><br><br>Authorized ROE in DEU's last general rate case (Docket 22-057-03), which approved a \$47.8M increase — below the ~\$70.5M requested. |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|



## THE UTAH LANDSCAPE

## Four forces are moving your project list at once

Utah is a growth story with an aging backbone: more customers every year, a modern-but-not-young high-pressure system, abundant in-region supply, and a regulator that expects every recovered dollar to be justified. Each of these reshuffles the capital plan.

## SYSTEM INTEGRITY &amp; AGING PIPE

### The pipe that matters most is high-pressure — and getting older

Utah's distribution system carries little cast iron; the real risk sits in aging high-pressure feeder and belt lines along the Wasatch Front. DEU's replacement-infrastructure program is budgeted at \$86.7 million for 2024, roughly \$74.2 million of it to replace high-pressure feeder lines (127, 143, 13, 43 and others) plus about \$11 million for intermediate-pressure belt lines in Salt Lake County.<sup>3</sup>

That work runs under PHMSA's distribution integrity-management (DIMP) requirements,<sup>5</sup> on a system whose oldest lines trace back to a franchise built out over the mid-20th century<sup>2</sup>

## DECARBONIZATION PRESSURE

### Utah isn't banning gas — but throughput still reshapes the plan

Utah has no active "future of gas" proceeding and no statewide building-electrification mandate; policy favors continued gas use, and the utility keeps extending lines to new customers.<sup>1</sup> The state also produces more gas than it burns — about 304 Bcf marketed in 2024, much of it Rockies and Uinta Basin supply — and DEU's affiliated Wexpro cost-of-service gas blunts price-driven fuel-switching.<sup>6,2</sup>

The long-horizon question here is less a mandate than economics: how a 30-year feeder-line asset gets recovered if demand per customer softens, and where RNG fits.

## SUPPLY, PRICE &amp; RELIABILITY

### In-region supply is an advantage — winter design-day still sets the plan

Utah is a net gas producer and consumed about 276.5 Bcf across all sectors in 2024.<sup>7</sup> Residential customers paid roughly \$13.15 per thousand cubic feet that year — one of the lowest average residential gas prices in the country.<sup>8</sup>

But a high-elevation, cold-winter service territory means design-day peaking and feeder capacity — not annual averages — drive what has to be built and when.

## CAPITAL RECOVERY &amp; REGULATORY

### The recovery mechanisms exist — the discipline is in sequencing

DEU recovers replacement spend through its infrastructure program under Natural Gas Tariff No. 600<sup>3</sup> and resets base rates in general rate cases before the Utah Public Service Commission. <sup>9</sup> Docket 22-057-03 approved a \$47.8 million increase at a 9.60% ROE.<sup>4</sup>

With bills already rising and a new owner in Enbridge, every project has to earn its place in the queue — and the record has to hold up.

WHO RUNS UTAH'S GAS SYSTEM

One dominant LDC, backed by Rockies supply

Utah's gas distribution is unusually concentrated: essentially one company, the former Questar Gas, serves the regulated market statewide. In 2023 Enbridge agreed to buy it from Dominion Energy as part of a \$14 billion, three-utility deal spanning Utah, Wyoming, Idaho, Ohio and North Carolina;<sup>10</sup> the combination made Enbridge Gas the largest gas utility in North America, serving about 7 million customers.<sup>11</sup>

Investor-owned gas LDC

Rates & capital recovery regulated by the Utah PSC

**Dominion Energy Utah** Now Enbridge Gas Utah — ~1.1M Utah residential customers, the state's dominant gas LDC<sup>1</sup>

**Enbridge Gas Utah / Wyoming / Idaho** One franchise across three states<sup>12</sup>

**Enbridge Gas (parent)** Largest gas utility in North America, ~7M customers<sup>11</sup>

One of the most concentrated gas markets in the U.S.: Enbridge's \$4.3 billion 2024 purchase of Questar Gas<sup>2</sup> was part of a \$14 billion Dominion divestiture.<sup>10</sup>

Supply, pipelines & municipal gas

The rest of Utah's gas value chain

**Wexpro Company** DEU's affiliated cost-of-service gas producer in the Rockies<sup>2</sup>

**Municipal & cooperative gas** Minimal in Utah — the regulated LDC serves essentially the entire state

**Interstate transmission & storage** Kern River and Questar/Dominion pipelines move Rockies gas into and through the state

Because there is no municipal or cooperative gas system of scale, nearly all of Utah's distribution capital sits inside one regulated LDC — concentrating both the opportunity and the scrutiny.

## Every capital dollar has to be defensible

Utah gives gas utilities workable recovery mechanisms — a general rate case and an infrastructure-replacement tariff — but the Commission, the Division of Public Utilities, and ratepayers all ask the same question: why this project, why now, why at this cost?

**Utah Public Service Commission (PSC)** sets DEU's rates and capital recovery; the **Division of Public Utilities** advocates the public interest in safe, adequate service at reasonable rates<sup>9</sup>[13](#)

**General rate case (Docket 22-057-03):** a \$47.8 million increase at a 9.60% ROE and a 51%/49% equity/debt structure, effective January 2023 and phased through July 2024 — down from the roughly \$70.5 million requested.[14](#)

**Replacement-infrastructure program (Tariff No. 600):** annual plan-and-budget dockets fund high-pressure feeder-line replacement, budgeted at \$86.7 million for 2024 under a cap indexed up from \$72.2 million in 2020.[14](#)

## Ratepayer mechanisms, not federal grants

Utah's gas capital program is carried almost entirely by PSC-approved recovery mechanisms and low-cost in-region supply — not by large federal award streams. That makes prioritization, not funding availability, the binding constraint.

**Replacement-infrastructure cost recovery** is DEU's largest capital lever — \$86.7 million in 2024, about \$74.2 million of it high-pressure feeder lines — recovered through Tariff No. 600 rather than one-off grants.[3](#)

**Base-rate recovery** is the other path: the 2022 general rate case reset revenue by \$47.8 million at a 9.60% ROE, the primary mechanism for earning a return on system investment.[4](#)

**PHMSA distribution-integrity mandates** require every gas distributor, DEU included, to fund ongoing risk-based integrity assessment and leak mitigation — non-discretionary spend that competes with growth.[5](#)

**Low-cost Wexpro / Rockies supply** keeps Utah's commodity cost down, but it doesn't fund distribution capital — there is no NGDISM-style federal award carrying the pipe.[2](#)

## UTAH'S GAS SECTOR, IN BRIEF

## Questions Utah gas-utility leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

### Who provides natural gas service in Utah?

Almost the entire regulated market is served by Dominion Energy Utah — now Enbridge Gas Utah, after Enbridge bought Questar Gas from Dominion for \$4.3 billion in June 2024. It serves about 1.1 million Utah residential customers, plus Wyoming and Idaho<sup>1</sup>

### Who regulates gas rates in Utah?

The Utah Public Service Commission sets rates and capital recovery, with the Division of Public Utilities and Office of Consumer Services representing ratepayers.<sup>2</sup>

### What happened in Dominion Energy Utah's last rate case?

Docket 22-057-03 approved a \$47.8 million distribution increase at a 9.60% ROE with a 51%/49% equity/debt structure, effective January 2023 and phased through July 2024 — well below the roughly \$70.5 million the company requested.<sup>3</sup>

### How is Utah replacing aging pipe?

Through DEU's replacement-infrastructure program under Tariff No. 600, which files an annual plan and budget — \$86.7 million for 2024, mostly high-pressure feeder-line and belt-line replacement along the Wasatch Front.<sup>4</sup>

### Does Utah restrict natural gas use?

No. Utah has no "future of gas" docket and no statewide building-electrification mandate, and the state is a net gas producer — about 304 Bcf marketed in 2024. The long-term capital risk is throughput and asset recovery, not a mandated wind-down.<sup>5</sup>

### How does Invizion help Utah gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a wave of new hookups, a feeder-line replacement schedule, a rate-case outcome, or a PHMSA integrity requirement reshuffles your whole project list, re-sequence the portfolio automatically, and keep a defensible record of every trade-off for the PSC and your new owners.

## REFERENCES

## Sources

Every figure in this briefing is tied to a primary or authoritative source.

1. U.S. Energy Information Administration — Number of Natural Gas Residential Consumers, Utah (1,102,955 in 2024; 976,042 in 2019). [www.eia.gov](http://www.eia.gov)
2. Questar Gas / Enbridge Gas Utah (Wikipedia) — Enbridge completed the purchase of Questar Gas for \$4.3 billion in June 2024; company history and Wexpro. [en.wikipedia.org](https://en.wikipedia.org)
3. Utah PSC Docket 23-057-18 — Dominion Energy Utah Replacement Infrastructure 2024 Annual Plan and Budget: \$86.7M total, ~\$74.2M high-pressure feeder lines, ~\$11M IHP belt lines, Tariff No. 600 Sec. 2.07 (cap indexed from \$72.2M/2020). [pscdocs.utah.gov](https://pscdocs.utah.gov)
4. Utah PSC Docket 22-057-03 — Dominion Energy Utah general rate case Order (Dec. 23, 2022): \$47,756,054 increase, 9.60% ROE, 51%/49% equity/debt, effective Jan. 1, 2023 (vs. ~\$70.5M requested). [pscdocs.utah.gov](https://pscdocs.utah.gov)
5. PHMSA — Gas Distribution annual data and distribution integrity management (DIMP) program requirements for operators. [www.phmsa.dot.gov](http://www.phmsa.dot.gov)
6. U.S. Energy Information Administration — Utah Natural Gas Marketed Production (304,388 MMcf in 2024). [www.eia.gov](http://www.eia.gov)
7. U.S. Energy Information Administration — Utah Natural Gas Consumption by End Use (276,500 MMcf total; 74,108 MMcf residential in 2024). [www.eia.gov](http://www.eia.gov)
8. U.S. Energy Information Administration — Utah Residential Natural Gas Price (\$13.15 per Mcf in 2024). [www.eia.gov](http://www.eia.gov)
9. Utah Public Service Commission — gas dockets and rate regulation for Dominion Energy Utah. [psc.utah.gov](https://psc.utah.gov)
10. Dominion Energy (Wikipedia) — September 2023 agreement to sell East Ohio Gas, Questar Gas, and Public Service Co. of North Carolina to Enbridge for a \$14 billion enterprise value; territories include Utah, Wyoming, Idaho. [en.wikipedia.org](https://en.wikipedia.org)
11. Enbridge (Wikipedia) — upon completing the Dominion gas-utility acquisitions, Enbridge Gas became the largest natural gas utility in North America, ~7 million customers, ~9 bcf/d. [en.wikipedia.org](https://en.wikipedia.org)
12. Enbridge Gas (Utah / Wyoming / Idaho) — service territory across Utah, Wyoming and Idaho. [www.enbridgegas.com](http://www.enbridgegas.com)
13. Utah Division of Public Utilities — advocates the public interest in safe, adequate, and reliable utility service at reasonable rates. [commerce.utah.gov](https://commerce.utah.gov)
14. Utah PSC Docket 22-057-03 — Step-3 rate implementation Order (June 28, 2024), effective July 1, 2024; part of DEU's phased general-rate-case and annual replacement-infrastructure docket series. [pscdocs.utah.gov](https://pscdocs.utah.gov)

## ABOUT INVIZION

## Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

**See how utilities keep capital plans current and defensible with Invizion.**

**Explore Invizion →**