DPU Data Request 6.1

Hedging Transaction Sample

For each transaction listed in the attached spreadsheet, "Hedge Transactions Sample List.xlsx", please provide the following information and documentation:

(a) Provide the transaction confirmation, including instant message logs for any transactions completed via instant messaging;

(b) Provide any receipts or invoices related to the trade;

(c) Identify the trader by position and trading authority level (maximum notional value, tenor, effective trading period, etc.);

(d) Does the transaction exceed the trader's authority level? If so, provide documentation of all management approvals for the trade;

(e) Provide the forward price curves for the market locations relevant to each transaction for the prior day and the current day;

(f) Does the Company consider this transaction to be a hedging transaction? Please explain in detail why or why not.

(g) Was this transaction mandated by the currently-effective Risk Management Policy to alleviate a limit excursion? If so, describe the applicable limit excursion. If not, explain why this trade was made? What was the strategic purpose of hedging the particular position at the particular time the trade was made?

(h) Is the trade strategically linked to any other transactions in the EBA (e.g. a buy and a sell paired to hedge some basis differential)? If so, identify the other transaction(s) and the purpose of making the trades together.

4th Supplemental Response to DPU Data Request 6.1

1   Please refer to Confidential Attachment DPU 6.1 4th Supplemental which includes a revised calculation of ETP for all listed transactions consistent with the ETP calculation employed at the time the transactions were executed. This attachment illustrates that the ETP for **Transaction #674806** did not exceed 48 months and thus did not require the approval of Commercial and Trading Senior Vice President Stefan Bird.

2   The Company believes DPU's disallowance of **Transaction #674556** is not in compliance with Paragraphs 5 and 6 of the stipulation in Docket No. 13-035-32.

Paragraph 6 from that stipulation states as follows:

> "6. The Parties agree that, given these representations, they will not challenge any of the transactions identified in Paragraph 5 above for prudence based, in whole or in part, on the grounds that they (a) violate the Company's policy or require a policy exception due to their effective transaction periods or because they are considered seasonal products, or (b) violate the Company's policies for governance for "splitting" the transactions to avoid such governance."

Importantly, **Transaction #674556** is specifically included in the list of exempt transactions referenced in Paragraph 5. DPU's disallowance of **Transaction #674556** in the current docket is based on the transaction being over 48 months ETP and thus requiring SVP approval. Since the threshold determination in DPU's argument is the length of the ETP, the Company believes DPU's rationale with regard to this transaction is in violation of the settlement agreement in 13-035-32.

3   DPU 6.1 subpart g was a two-part question. The Company intended to respond to both parts of the question for all transactions. For transactions whose purpose was to alleviate a limit excursion, the Company responded to both parts, including providing the strategic purpose of the transaction. For other transactions, whose purpose was not to directly address a limit excursion, strategic trade purpose information should have been provided but was not included. To address this omission, the Company has added a new column to the attached spreadsheet entitled "Purpose of Transaction."   This column was added to the attachment to provide an explanation as to why each trade was made in response to question 6.1, subpart g. The Company believes this information should reverse DPU's disallowances of the following transactions:

772398
674809
1127544
1302341

The above transactions were disallowed for lack of documentation of trade purpose. That purpose is provided in Confidential Attachment DPU 6.1 4th Supplemental.

Confidential information is provided subject to Utah PSC Rule 746-100-16.