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Representative for Emery County

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

Application to Remove GSS and EAC Rates
From Questar Gas Company's Tariff

Docket No. 06-057-T04

**STATEMENT OF SUPPORT FOR
STIPULATION**

March 14, ~~2007~~**REQUEST FOR
RECONSIDERATION OF NOTICE OF
ADDITIONAL HEARING AND
RESPONSES TO UTAH COMMITTEE
OF CONSUMER SERVICES' REQUEST
FOR CLARIFICATION AND
EMORANDUM**

Please email an electronic copy of your Response to: econdev@co.emery.ut.us

Your Response is not considered received until the electronic copies are furnished and received.

Michael McCandless, representing Emery County, Cleveland Town and Elmo Town, hereby submits this statement in support of the GSS/EAC Stipulation dated February 15, 2007.

1. Emery County and the communities of Cleveland and Elmo support the proposed stipulation for the proposed resolution in the GSS/EAC matter.
2. We believe that in support of this stipulation three additional items need to be considered by the Commission:

- i. It has been inferred during this process that somehow the residents located in the communities affected by the rates are somehow violating a contract or agreement that they entered into. This is completely false and misrepresentative of the facts. Neither the communities nor the individuals in these communities entered into any type of agreement to pay the higher GSS/EAC rates. These rates were imposed by the Commission at the conclusion of an evaluation process. If there had been a contract, new customers, receiving Gas service would be obligating themselves to an equal amount of time as customers in the area at the time of expansion. As it is structured now, “old” customers that were in the communities at the time of expansion are paying a disproportionate share of the expansion costs; this is neither fair nor equitable treatment of those customers.
- ii. Secondly, assuming this Docket was not in existence, non GSS/EAC customers would still have the costs associated with the GSS/EAC expansions added to the rate base as these communities reach their designated completion date; which will affect their bills at that time. The stipulation will simply allow for the impacted communities to have the burden removed without any NEW burden applied to other customer classes in the short term. Under the proposed stipulation, these costs will be added to GS1 customers at approximately the same time that they would have incurred them without the Stipulation.
- iii. When the Task Force completed its analysis, one item that was universally accepted was that until the existing rate structure is eliminated, Questar and the Commission will be unable to adequately address a method of expanding natural gas service into new rural territories. The existing system is broken and should

not be used in additional communities. The stipulation creates a solution that allows for the development of a new set of policies to address communities without natural gas service.

3. As has been pointed out by the other signers of this stipulation, this settlement was reached following many months of effort by many parties to correct inequities in certain rural communities throughout the state.
4. Furthermore, the stipulation fixes the unintended consequences that have been created as a result of the current GSS/EAC rate structure. The stipulation further places these rural communities on a more level playing field with respect to attracting industrial growth and development in rural communities.
5. We urge the Commission to adopt this settlement without delay.

Michael McCandless
Emery County
Economic Development Director and Planner

CERTIFICATE OF SERVICE

On March 14, 2007 a copy of the foregoing Statement in Support of the GSS/EAC Stipulation was served upon the following by electronic mail.

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