## **EXECUTIVE SUMMARY**

Questar Gas Company (Questar Gas or Company) is a regulated natural gas utility company providing retail natural-gas-distribution service to approximately 888,600 customers in Utah, southwestern Wyoming and two communities in southeastern Idaho. The Company is regulated by the Utah Public Service Commission (Utah Commission) and the Public Service Commission of Wyoming (Wyoming Commission).

Each year, Questar Gas engages in an integrated resource planning (IRP) process. Central to that process is the assessment of available resources through the utilization of a cost-minimizing linear-programming computer model. Although the modeling process incorporates a 21-year planning horizon, the immediately ensuing gas supply year is the primary focus. The largely unexpected worldwide economic downturn of 2008 punctuates the need for frequent updates in long-term planning models. This report is a summary of the most recent annual IRP process for the Company.

Regulatory agencies in both Wyoming and Utah have recently launched initiatives to review the processes governing integrated resource planning (see the Introduction and Background section of this report). Questar Gas submits this planning document, for the operating year extending from May 1, 2009 to April 30, 2010, to the Utah Commission in accordance with the following: 1) Modified IRP Guidelines for Questar Gas Company filed in Docket No. 97-057-06, April 17, 1998, and 2) the Report and Order issued in Docket No. 07-057-01, December 14, 2007. On March 31, 2009, a Report and Order in Docket No. 08-057-02 presented new integrated resource planning standards in Utah for Questar Gas that are effective June 1, 2009, subsequent to the preparation and filing of this planning document. The Company will file using the March 31, 2009, standards in next year's IRP.

This document is also submitted to the Wyoming Commission pursuant to its Order issued in Docket No. 30010-GI-14. A new IRP rule and guidelines are under consideration in Wyoming but have not been approved yet.

The IRP process this year has resulted in the following key findings:

- 1. A design-day firm demand of approximately 1.256 million decatherms (Dth) at the city gates for January 2009.
- 2. Approximately 50.4 million Dth of cost-of-service natural gas assuming normal weather conditions, forecasted market prices for purchased gas, and the completion of new development drilling projects.
- 3. A balanced portfolio of approximately 72.1 million Dth of purchased gas.

- 4. Questar Gas should maintain flexibility in purchase decisions pursuant to the planning guidelines listed herein, because actual weather and load conditions will vary from assumed conditions in the modeling simulation.
- 5. Questar Gas should undertake price stabilization measures for purchased gas contracts to help mitigate the risk of volatility in the marketplace.
- 6. Questar Gas should continue to monitor and manage producer imbalances.
- 7. In Utah, Questar Gas should continue to implement cost-effective energy-efficiency measures in conjunction with the Demand-Side Management/Conservation Enabling Tariff Pilot Program.

The inherent complexities of the natural gas business dictate relatively detailed planning processes at Questar Gas. Numerical data and qualitative information, including comments and suggestions, have come from many sources. Questar Gas acknowledges the contributions of all who have participated in the IRP process this year. In the event there are questions, comments or requests for additional information, please direct them to:

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