

APPLICATION OF QUESTAR)
GAS COMPANY FOR AUTHORITY) Docket No. 10-057-05
TO FILE A CHANGE IN ITS)
EXISTING TARIFF) APPLICATION

All communications with respect to
these documents should be served upon:

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APPLICATION
AND
EXHIBITS

May 3, 2010

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

APPLICATION OF QUESTAR)	
GAS COMPANY FOR AUTHORITY TO)	Docket No. 10-057-05
FILE A CHANGE IN ITS)	
EXISTING TARIFF)	APPLICATION

Questar Gas Company (Questar Gas or Company), respectfully requests the Utah Public Service Commission (Commission) to approve changes in its existing PSCU Tariff No. 400 by removing the credit amortization from the Commodity portion of the firm sales customer rate schedule. In support of this request, Questar Gas states as follows:

1. Applicable Statutes. The Commission may grant relief requested in this case pursuant to Utah Code Ann. § 54-4-1 (2009) *et seq.* and § 54-7-13.5 (3)(a) (2009).
2. Tariff Provision. The Commission has authorized Questar Gas to implement Account No. 191 of the Uniform System of Accounts to balance its gas costs with revenues. This filing is made under §2.07 of the Tariff, pages 2-8 through 2-13, which sets forth procedures for recovering gas costs shown in Account No. 191 by means of periodic and special adjustments to rates and an amortization of that account over one year.
3. Exhibit A presents PSCU Tariff No. 400, pages 2-2, 2-3, 2-4 and 2-5 in final format.
4. The Company proposes to remove the \$0.24106 credit amortization from the commodity portion of rates for all firm sales classes. This amortization was approved by the Commission in Docket No. 09-057-12 using a forecasted September 2009 balance in the 191 Commodity Account of \$24,879,550. The amortization of \$0.24106 was expected to

eliminate that balance by September 30, 2010. Actual gas prices and customer usage have been at a level such that the amortization is no longer needed. The removal of the amortization will result in an annual increase of approximately \$24.9 million.

5. The net supplier non-gas and commodity balance in the March 2010 191 account is a debit of \$2.8 million. The Company will continue to monitor this account and will provide monthly reports to the Commission, Division of Public Utilities and the Office of Consumer Services. The current forecast of first-of-month gas prices from PIRA and CERA indicated that gas prices may need to be raised. However, the Company notes that with the Commission's approval of the Settlement Stipulation in the most recent general rate case, Docket No. 09-057-16, beginning August 1, 2010 distribution non-gas rates will be based on volumes that more accurately reflect temperature and elevation in the measurement. Changing the commodity and SNG portion of the rate beginning August 1, 2010 would result in all components of customer's rates being based on the same measurement methodology. Therefore, it is anticipated that the Company will file a pass through case near the end of June or the beginning of July with rates recommended to be effective August 1, 2010. The pass through filing will be based on the most recent forecast of gas prices updated for any changes in the 191 account balance at that time.
6. Exhibit B shows the effect of the proposed change to the typical GS customer. The change results in an increase of \$19.28 or 2.93% for the typical GS customer.

WHEREFORE, Questar Gas respectfully requests that the Commission, in accordance with its rules and procedures and the Company's tariff:

1. Enter an order authorizing Questar Gas to implement rates and charges applicable to its Utah natural gas service that reflect the removal of \$0.24106 amortization of the commodity 191 account effective June 1, 2010.

DATED the 3rd day of May 2010.

Respectfully submitted,

QUESTAR GAS COMPANY

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PROPOSED RATE SCHEDULES

P.S.C. Utah No. 400
Affecting All Firm Sales Rate Schedules
and Classes of Service in
Questar Gas Company's
Utah Service Area

Date Issued: May 3, 2010

QUESTAR GAS COMPANY

