

APPLICATION OF QUESTAR GAS) Docket No. 10-057-20
COMPANY TO UPDATE THE)
INFRASTRUCTURE RATE)
ADJUSTMENT) UPDATED APPLICATION

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

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UPDATED
APPLICATION
AND
EXHIBITS

April 13, 2011

APPLICATION OF QUESTAR GAS)	Docket No. 10-057-20
COMPANY TO UPDATE THE)	
INFRASTRUCTURE RATE)	UPDATED APPLICATION
ADJUSTMENT)	
)	

Questar Gas Company (Questar Gas or the Company) respectfully submits to the Utah Public Service Commission (Commission) this application to update the Infrastructure Rate Adjustment to the distribution non-gas cost portions of its Utah GS, FS, IS, TS, FT-1, MT, and NGV natural gas rate schedules to reflect the effect of bonus depreciation rules signed into law on December 17, 2010.

If the Commission grants this updated application, a typical GS residential customer using 80 decatherms per year will see a decrease in their yearly bills of \$0.15 (or 0.02%). The Company proposes to implement this request by charging the new rates effective May 1, 2011.

In support of this application, Questar Gas states:

1. Procedural History. On November 30, 2010, Questar Gas filed an application to include an Infrastructure Rate Adjustment to the distribution non-gas portions of its rates. This filing included a calculation for accumulated deferred taxes using 50% bonus depreciation rates provided by The Small Business Jobs Act of 2010 signed September 27, 2010. On December 13, 2010, the Commission held a hearing to discuss the Company's application. In this hearing, the Division proposed some minor adjustments to the proposed rates, based on input from the Company and the Office of Consumer Services. No parties opposed the Division's adjustments. The rates, as proposed by the Division, were accepted on an interim basis on December 28th, 2010. On December 17th, 2010, the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 went into effect. The law retroactively implemented certain tax

benefits, including bonus tax depreciation, effective September 8, 2010. The new statute and applicable regulations contained some ambiguities. On March 29, 2011, the IRS issued clarification¹ about how the new bonus depreciation law should be applied. Questar Gas Company has applied the new tax law and seeks to modify the rates proposed in this docket with a rate reduction.

2. Calculation of Updated Rates. Exhibit 1.1U through Exhibit 1.5U shows the effect of the new bonus depreciation laws on the Infrastructure tracker rates. The original revenue requirement as filed by the Division was \$3,179,618. The updated revenue requirement as shown on Exhibit 1.1U is \$3,001,527, for a net decrease of \$178,091. The updated rates have been calculated in Exhibit 1.4U and are shown on the tariff sheets in Exhibit 1.5U. The Company proposes that the rates be changed effective May 1st, 2011. Additionally, it is estimated that the Company will over collect about \$94,000 from customers for the period between January and April 2011 as a result of this change in tax law. The Company proposes to track the actual amount of over collection and amortize it back to customers in its next infrastructure tracker filing.

3. Change in Typical Customer's Bill. The annualized change in rates calculated in this application results in a \$0.15 or a 0.02% decrease for a typical GS residential customer using 80 decatherms per year as shown in Exhibit 1.4U.

4. Proposed Tariff Sheet. Exhibit 1.5U shows the proposed Tariff rate schedule that reflects the calculation of the infrastructure rate adjustment as explained in paragraphs 1 through 3.

¹ 26 CFR 601.105: Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability (Also Part I, §§ 168, 280F; 1. 168(k) 1)

5. Exhibits. Questar Gas submits the following exhibits in support of its request to include the infrastructure rate adjustment:

Exhibit 1.1U Calculation of Revenue Requirement

Exhibit 1.2U Cost of Service Allocation

Exhibit 1.3U Rate Calculation

Exhibit 1.4U Effect on GS Typical Customer

Exhibit 1.5U Proposed Tariff Sheets

WHEREFORE, Questar Gas respectfully requests that the Commission authorize Questar Gas to implement the updated rates effective May 1, 2011.

DATED this 13th day of April 2011.

Respectfully submitted,

QUESTAR GAS COMPANY



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PROPOSED RATE SCHEDULES
Exhibit 1.5U
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: April 13, 2011
To Become Effective: May 1, 2011

Calculation of Revenue Requirement

	Revenue Requirement	
1 Total Net Investment	\$35,416,104	1/
2 Less: Amount currently in rates	(\$10,100,000)	2/
3 Replacement Infrastructure in Tracker	\$25,316,104	
4 Less: Accumulated Depreciation	\$302,254	3/
5 Accumulated Deferred Income Tax	(6,604,590)	4/
6 Net Rate Base	<u>\$19,013,768</u>	
7 Current Commission-Allowed Pre-Tax Rate of Return	11.79%	5/
8 Allowed Pre-Tax Return (Line 6 x Line 7)	\$2,241,723	
9 Plus: Net Depreciation Expense	\$531,638	6/
10 Net Taxes Other Than Income (1.2% x Line 6)	\$228,165	
11 Total Revenue Requirement (Lines 8 through 10)	<u><u>\$3,001,527</u></u>	

1/ Net Investment shown in Docket 10-057-20, Exhibit 3, line 24.

2/ Per the Settlement Stipulation, paragraph 16 in Docket 09-057-16.

3/ Net Investment shown in Docket 10-057-20, Exhibit 3, line 27.

4/ Depreciation for tax purposes is calculated as follows:

	Tax Depreciation 2010	Tax Depreciation 2011	Average
100% Applicable Bonus Depreciation	\$7,995,284	\$0	
Book Depreciation	\$27,983	\$167,901	
Temporary difference between book and tax depreciation	<u>\$7,967,301</u>	<u>(\$167,901)</u>	
Annual DIT	(\$3,027,574)	\$63,802	
ADIT Balance	(\$3,027,574)	(\$2,963,772)	(\$2,995,673)
50% Applicable Bonus Depreciation	\$9,331,415	\$844,271	
Book Depreciation	\$74,531	\$363,737	
Temporary difference between book and tax depreciation	\$9,256,884	\$480,534	
Annual DIT	(\$3,517,616)	(\$182,603)	
ADIT Balance	(\$3,517,616)	(\$3,700,219)	(\$3,608,917)
Total			(\$6,604,590)

5/ Current Commission allowed pretax return as shown in Section 2.07 of the Company's tariff

6/ Depreciation expense and accumulated depreciation calculated by multiplying the depreciation rate of 2.1% by the net investment amount on line 3.

Cost of Service Allocation

	A Commission Ordered 09-057-16 Revenue Requirement 1/	B Percent of Total	C Total Tariff Revenue	
1 GS	\$ 239,318,632	92.69%	\$ 2,782,116	
2 FS	4,423,772	1.71%	\$ 51,427	
3 NGV	2,164,924	0.84%	\$ 25,168	
4 IS	560,035	0.22%	\$ 6,510	
5 TS	6,685,488	2.59%	\$ 77,720	
6 MT	20,091	0.01%	\$ 234	
7 FT-1	5,019,486	1.94%	\$ 58,352	
8 Totals	\$ 258,192,428	100%	\$ 3,001,527	2/

1/ Per Docket 09-057-16, Settlement Stipulation exhibit 1, page 2, column F

2/ Total calculated surcharge amount from Exhibit 1.1U page 2, line 11

Rate Calculation

Utah GS			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
1	Winter	Block 1	First	45	53,693,600	2.22938	119,703,201	1,854,047	1.55%	0.03453	0.03658	(0.00205)
2		Block 2	Next	155	15,434,987	0.92557	14,286,186	221,274	1.55%	0.01434	0.01519	(0.00085)
3	Summer	Block 1	First	45	22,601,539	1.87767	42,438,170	657,312	1.55%	0.02908	0.03081	(0.00173)
4		Block 2	Next	155	4,583,341	0.69704	3,194,751	49,483	1.55%	0.01080	0.01144	(0.00064)
5	Total Volumetric Charges				96,313,467		179,622,308	2,782,116	1.55%			
6	Fixed Charges											
7	Total Volumetric Charges											240,906,329
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Utah NGV			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
8	All Usage	All Over	0		432,000	5.01140	2,164,924	25,168	1.16%	0.05826	0.06171	(0.00345)
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Utah FS			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
9	Winter	Block 1	First	200	635,585	0.73761	468,816	6,244	1.33%	0.00982	0.01041	(0.00059)
10		Block 2	Next	1,800	1,693,550	0.59009	999,351	13,311	1.33%	0.00786	0.00833	(0.00047)
11		Block 3	All Over	2,000	1,133,558	0.53109	602,017	8,019	1.33%	0.00707	0.00749	(0.00042)
	Total Winter											
12	Summer	Block 1	First	200	839,805	0.65960	553,939	7,378	1.33%	0.00879	0.00931	(0.00052)
13		Block 2	Next	1,800	1,703,961	0.51587	879,015	11,708	1.33%	0.00687	0.00728	(0.00041)
14		Block 3	All Over	2,000	798,402	0.44825	357,884	4,767	1.33%	0.00597	0.00632	(0.00035)
15	Total Volumetric Charges				6,804,861		3,861,022	51,427	1.33%			
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Utah IS			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
16		Block 1	First	2,000	1,029,474	0.23781	244,819	3,595	1.47%	0.00349	0.00370	(0.00021)
17		Block 2	Next	18,000	901,422	0.21584	194,563	2,857	1.47%	0.00317	0.00336	(0.00019)
18		Block 3	All Over	20,000	19,577	0.20128	3,940	58	1.47%	0.00296	0.00313	(0.00017)
19	Total Volumetric Charges				1,950,473		443,322	6,510	1.47%			
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Utah FT-1			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
20		Block 1	First	10,000	1,856,212	0.20575	381,910	10,146	2.66%	0.00547	0.00579	(0.00032)
21		Block 2	Next	112,500	5,783,142	0.19082	1,103,518	29,318	2.66%	0.00507	0.00537	(0.00030)
22		Block 3	Next	477,500	5,603,465	0.12688	710,952	18,888	2.66%	0.00337	0.00357	(0.00020)
23		Block 4	All Over	600,000	0	0.02803	0	0				
24	Total Volumetric Charges				13,242,819		2,196,380	58,352	2.66%			
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Utah TS			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
25		Block 1	First	20,000	14,142,553	0.20175	2,853,305	37,773	1.32%	0.00267	0.00283	(0.00016)
26		Block 2	Next	80,000	9,808,892	0.15131	1,484,231	19,649	1.32%	0.00200	0.00212	(0.00012)
27		Block 3	Next	400,000	5,938,402	0.12105	718,855	9,516	1.32%	0.00160	0.00170	(0.00010)
28		Block 4	All Over	500,000	59,057	0.04842	2,860	38	1.32%	0.00064	0.00068	(0.00004)
29	Annual Demand Charges per Dth of				42,894	\$19.01	811,613	10,744	1.32%	0.25166		
30	Contract Firm Transportation						5,870,884	77,720	1.32%			
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Utah MT			Current Rates			Infrastructure Replacement Revenue	Percentage Increase	Infrastructure Replacement Rate	Current Rates	(I - J) Difference		
A	B	C	Dth	Curr. Rate	Revenues	Revenue	Increase	Rate	Rate	Difference		
31	All Usage	All Over	0		23,897	0.65141	15,567	234	1.50%	0.00977	0.01035	(0.00058)
32	Total Volumetric Charges				23,897		15,567					
33						Total	\$3,001,527					

**EFFECT ON GS TYPICAL CUSTOMER
80 DTHS - ANNUAL CONSUMPTION**

	(A)	(B)	(C)	(D)	(E)	(F)
	Rate Schedule	Month	Usage In Dth	Billed at Current Rate Effective 08/01/2010	Billed at Proposed Rate	Change
1	GS	Jan	14.9	\$128.81	\$128.78	(\$0.03)
2		Feb	12.5	108.87	108.84	(0.03)
3		Mar	10.1	88.92	88.90	(0.02)
4		Apr	8.3	65.76	65.75	(0.01)
5		May	4.4	37.21	37.20	(0.01)
6		Jun	3.1	27.69	27.69	0.00
7		Jul	2.0	19.64	19.64	0.00
8		Aug	1.8	18.18	18.17	(0.01)
9		Sep	2.0	19.64	19.64	0.00
10		Oct	3.1	27.69	27.69	0.00
11		Nov	6.3	57.35	57.34	(0.01)
12		Dec	11.5	100.56	100.53	(0.03)
13		Total	80.0	\$700.32	\$700.17	(\$0.15)
					Percent Change:	(0.02) %

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PROPOSED RATE SCHEDULES
Exhibit 1.5U
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: April 13, 2011
To Become Effective: May 1, 2011

2.02 GS RATE SCHEDULE

GS VOLUMETRIC RATES

	Rates Per Dth Used Each Month			
	Dth = decatherm = 10 therms = 1,000,000 Btu			
	Summer Rates: Apr. 1 - Oct. 31		Winter Rates: Nov. 1 - Mar. 31	
	First 45 Dth	All Over 45 Dth	First 45 Dth	All Over 45 Dth
Base DNG	\$1.87767	\$0.69704	\$2.22938	\$0.92557
CET Amortization	(0.03499)	(0.01299)	(0.04154)	(0.01725)
DSM Amortization	0.37525	0.37525	0.37525	0.37525
Energy Assistance	0.01519	0.01519	0.01519	0.01519
Infrastructure Rate Adjustment	0.02908	0.01080	0.03453	0.01434
Distribution Non-Gas Rate	\$2.26220	\$1.08529	\$2.61281	\$1.31310
Base SNG	\$0.55216	\$0.55216	\$1.17600	\$1.17600
SNG Amortization	0.01244	0.01244	0.02651	0.02651
Supplier Non-Gas Rate	\$0.56460	\$0.56460	\$1.20251	\$1.20251
Base Gas Cost	\$4.15064	\$4.15064	\$4.15064	\$4.15064
191 Amortization	0.34133	0.34133	0.34133	0.34133
Commodity Rate	\$4.49197	\$4.49197	\$4.49197	\$4.49197
Total Rate	\$7.31877	\$6.14186	\$8.30729	\$7.00758

GS FIXED CHARGES

Monthly Basic Service Fee (BSF) :	BSF Category 1	\$5.00
For a definition of meter categories see § 8.03.	BSF Category 2	\$21.00
	BSF Category 3	\$55.00
	BSF Category 4	\$244.00
Annual Energy Assistance credit for qualified low income customers:		\$37.00
For a description of the Low Income Program see § 8.03 – Energy Assistance Fund.		

GS CLASSIFICATION PROVISIONS

- (1) Service is used for purposes such as space heating, air conditioning, water heating, clothes drying, cooking or other similar uses.
- (2) Usage does not exceed 1,250 Dth in any one day during the winter season.
- (3) Service is subject to a monthly basic service fee.
- (4) Service is subject to Weather Normalization Adjustment as explained in § 2.05.
- (5) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
- (6) The Energy Assistance rate is subject to a maximum of \$50.00 per month. The Energy Assistance rate and Energy Assistance credit are subject to § 8.03.



QUESTAR GAS COMPANY
UTAH NATURAL GAS TARIFF
PSCU 400

Issued by R. W. Jibson, President	Advice No.	Section Revision No.	Effective Date
			May 1, 2011

2.03 FS RATE SCHEDULE

FS VOLUMETRIC RATES

	Rates Per Dth Used Each Month					
	Dth = decatherm = 10 therms = 1,000,000 Btu					
	Summer Rates: Apr. 1 - Oct. 31			Winter Rates: Nov. 1 - Mar. 31		
	First 200 Dth	Next 1,800 Dth	All Over 2,000 Dth	First 200 Dth	Next 1,800 Dth	All Over 2,000 Dth
Base DNG	\$0.65960	\$0.51587	\$0.44825	\$0.73761	\$0.59009	\$0.53109
Energy Assistance	0.01029	0.01029	0.01029	0.01029	0.01029	0.01029
Infrastructure Rate Adjustment	<u>0.00879</u>	<u>0.00687</u>	<u>0.00597</u>	<u>0.00982</u>	<u>0.00786</u>	<u>0.00707</u>
Distribution Non-Gas Rate	\$0.67868	\$0.53303	\$0.46451	\$0.75772	\$0.60824	\$0.54845
Base SNG	\$0.55212	\$0.55212	\$0.55212	\$1.14538	\$1.14538	\$1.14538
SNG Amortization	<u>0.01245</u>	<u>0.01245</u>	<u>0.01245</u>	<u>0.02582</u>	<u>0.02582</u>	<u>0.02582</u>
Supplier Non-Gas Rate	\$0.56457	\$0.56457	\$0.56457	\$1.17120	\$1.17120	\$1.17120
Base Gas Cost	\$4.15064	\$4.15064	\$4.15064	\$4.15064	\$4.15064	\$4.15064
191 Amortization	<u>0.34133</u>	<u>0.34133</u>	<u>0.34133</u>	<u>0.34133</u>	<u>0.34133</u>	<u>0.34133</u>
Commodity Rate	\$4.49197	\$4.49197	\$4.49197	\$4.49197	\$4.49197	\$4.49197
Total Rate	\$5.73522	\$5.58957	\$5.52105	\$6.42089	\$6.27141	\$6.21162
Minimum Monthly Distribution Non-Gas Charge: (Base)				Summer	\$115.00	
				Winter	\$129.00	

FS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$5.00
Does not apply as a credit toward the minimum monthly distribution non-gas charge.	BSF Category 2	\$21.00
For a definition of meter categories, see § 8.03.	BSF Category 3	\$55.00
	BSF Category 4	\$244.00

FS CLASSIFICATION PROVISIONS

- (1) Customer's load factor is 40% or greater where load factor is defined to be: Actual or estimated average daily usage is at least 40% of peak winter day. (Actual or Estimated Annual Use ÷ 365 days) ÷ Peak Winter Day ≥ 40%.
- (2) Usage does not exceed 2,500 Dth in any one day during the winter season.
- (3) Service is subject to a minimum monthly distribution non-gas charge and a monthly basic service fee.
- (4) Minimum annual usage of 2,100 Dth is required.
- (5) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
- (6) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

Issued by R. W. Jibson, President	Advice No.	Section Revision No.	Effective Date
			May 1, 2011

2.04 NATURAL GAS VEHICLE RATE (NGV)

NGV VOLUMETRIC RATE

	Rate Per Dth Used Dth = decatherm = 10 therms = 1,000,000 Btu
Base DNG	\$5.01140
Energy Assistance	0.01829
Infrastructure Rate Adjustment	<u>0.05826</u>
Distribution Non-Gas Rate	\$5.08795
Base SNG	\$0.84863
SNG Amortization	<u>0.01913</u>
Supplier Non-Gas Rate	\$0.86776
Base Gas Cost	\$4.15064
Commodity Amortization	<u>0.34133</u>
Commodity Rate	\$4.49197
Total Rate	\$10.44768

NGV CLASSIFICATION PROVISIONS

- (1) Service is used for refueling natural gas-powered vehicles with compressed natural gas at Company-owned refueling stations.
- (2) All sales are subject to the applicable federal excise tax and the state sales tax described in § 8.02.
- (3) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

Issued by R. W. Jibson, President	Advice No.	Section Revision No.	Effective Date
			May 1, 2011

4.02 IS RATE SCHEDULE

IS VOLUMETRIC RATES

	Rates Per Dth Used Each Month		
	First 2,000 Dth	Next 18,000 Dth	All Over 20,000 Dth
Base DNG	\$0.23781	\$0.21878	\$0.20128
Energy Assistance	0.00796	0.00796	0.00796
Infrastructure Rate Adjustment	0.00349	0.00317	0.00296
Distribution Non-Gas Rate	\$0.24926	\$0.22991	\$0.21220
Supplier Non-Gas Rate	\$0.18045	\$0.18045	\$0.18045
Commodity Rate	<p>This Portion of the rates will be based on the monthly market index price. The price will be adjusted for fuel reimbursement on upstream pipelines and Questar Gas, and other applicable charges and expenses, including but not limited to bad debt expenses. The rates will be posted on the Company's web site by the 5th working day of each month.</p>		
Total Rate	\$	\$	\$
Minimum Yearly Charge	Greater of \$1,700.00 or Peak Winter Day x 55 days x Distribution Non-Gas Cost		
Penalty for failure to interrupt or limit usage to contract limits when requested by the Company.			See § 3.02.

IS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$5.00
Does not apply as a credit toward the minimum yearly charge.	BSF Category 2	\$29.00
For a definition of BSF categories, see § 8.03.	BSF Category 3	\$67.00
	BSF Category 4	\$274.00

IS CLASSIFICATION PROVISIONS

- (1) Service on an annual contract basis available to commercial and industrial customers.
- (2) Customer must maintain the ability to interrupt natural gas service.
- (3) Customer's load factor is 15% or greater where load factor is defined to be: Actual or estimated average daily usage is at least 15% of peak winter day.
(Actual or Estimated Annual Use ÷ 365 days) ÷ Peak Winter Day ≥ 15%
- (4) Service is subject to minimum yearly charge based on a 15% load factor requirement. See § 4.01. The charge is prorated to the portion of the year gas service is available. See § 8.03.
- (5) Customer must enter into a service agreement. See § 4.01.
- (6) Service is subject to a monthly basic service fee.
- (7) Minimum annual usage of 7,000 Dth is required.
- (8) All sales are subject to the additional local charges and state sales tax stated in § 8.02.

-
- (9) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

Issued by R. W. Jibson, President	Advice No.	Section Revision No.	Effective Date
			May 1, 2011

5.05 FIRM TRANSPORTATION SERVICE RATE SCHEDULE FT-1

FT-1 VOLUMETRIC RATES

	Rates Per Dth Redelivered Each Month			
	Dth = decatherm = 10 therms = 1,000,000 Btu			
	First 10,000 Dth	Next 112,500 Dth	Next 477,500 Dth	All Over 600,000 Dth
Base DNG	\$0.20575	\$0.19082	\$0.12688	\$0.02803
Energy Assistance	0.00029	0.00029	0.00029	0.00029
Infrastructure Rate Adjustment	0.00547	0.00507	0.00337	0.00000
Distribution Non-Gas Rate	\$0.21151	\$0.19618	\$0.13054	\$0.02832
Minimum Yearly Distribution Non-Gas Charge (base)				\$20,600.00

FT-1 FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$5.00
(Does not apply as a credit toward the minimum yearly distribution non-gas charge)	BSF Category 2	\$21.00
For a definition of meter categories see § 8.03.	BSF Category 3	\$55.00
	BSF Category 4	\$244.00
Administrative Charge (See § 5.01).	Annual	\$4,500.00
	Monthly Equivalent	\$375.00

FT-1 CLASSIFICATION PROVISIONS

- (1) Industrial service on a minimum one-year agreement available to end use industrial customers who acquire their own gas supply and who will maintain a load factor of at least 50% where load factor is defined as: Actual or estimated average daily usage is at least 50% of peak winter day. $(\text{Actual or Estimated Annual Usage} \div 365 \text{ days}) \div \text{Peak Winter Day} \geq 50\%$
- (2) Volumes must be transported to the Company's system under firm transportation capacity on upstream pipelines to interconnect points approved by the Company or on alternative transportation to approved interconnect points if customer's upstream firm transportation is disrupted.
- (3) Service is subject to a minimum yearly charge, an administrative charge, and a monthly basic service fee.
- (4) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, the balancing provisions in § 5.09 will apply.
- (5) Firm transportation service is only available to those customers who receive all of their natural gas service through the Company's facilities.
- (6) All sales are subject to the applicable local charges and state sales tax stated in § 8.02.
- (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.
- (8) Annual usage must be at least 4,000,000 Dth, unless the customer's end-use is located within 5 miles of an interstate pipeline, in which case, annual usage must be at least 100,000 Dth.

- (9) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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5.06 MT RATE SCHEDULE

MT RATE

	Rates Per Dth Used Each Month Dth = decatherm = 10 therms = 1,000,000 Btu
MT Volumetric	\$0.65141/Dth
Energy Assistance	0.00172/Dth
Infrastructure Rate Adjustment	0.00977/Dth
Distribution Non-Gas Rate	\$0.66290/Dth
MT Facilities Balancing	\$0.06/Dth

MT FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$5.00
For a definition of BSF categories see § 8.03.	BSF Category 2	\$21.00
	BSF Category 3	\$55.00
	BSF Category 4	\$244.00
Administrative Charge (see § 5.01).	Annual	\$4,500.00
	Monthly Equivalent	\$375.00

MT CLASSIFICATION PROVISIONS

- (1) Service is used for a municipal gas system owned and operated by a municipality as defined by Utah Code Ann. § 10-1-104(5). The customer must enter into a minimum one-year contract specifying the maximum daily contract demand. If requested, the Company will provide MT customers with its forecast of the maximum daily demand for any contract period. The Company is not obligated to provide service in excess of the maximum daily contract demand.
- (2) Annual load factor is 15% or greater, where load factor is defined to be: Actual or estimated average daily usage is at least 15% of peak winter day.

$$(\text{Actual or Estimated Annual Use} \div 365 \text{ days}) \div \text{Peak Winter Day} \geq 15\%$$
- (3) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, the balancing provisions described in § 5.03 and § 5.09 will apply.
- (4) All sales are subject to any applicable local charges and sales tax stated in § 8.02.
- (5) Fuel reimbursement of 1.5% applies to all volumes transported. (See § 5.01)
- (6) MT service is not required if it will subject the Company to regulatory jurisdiction by anyone other than the Commission.
- (7) An MT customer will be required to notify the Company before it proposes to extend service

beyond the state of Utah or into a service area designated by the Federal Energy Regulatory Commission (FERC) pursuant to 7(f) of the Natural Gas Act. Such service extension will be cause for termination of MT service by the Company, unless it is demonstrated, prior to service extension, that an order has been issued by the FERC, or any other federal, state or local entity potentially exercising regulatory jurisdiction, showing respectively that the Company will not be subject to the regulatory jurisdiction of the FERC or other federal, state or local entity, and, with respect to an order issued by the FERC, that the Company will not lose any Hinshaw status that it may have. The Company may also terminate MT service commenced upon the issuance of any such order described above if the order is stayed or if an administrative or judicial appeal of such order results in a finding that providing the MT service subjects it to the jurisdiction of the FERC, or other federal, state or local entity, or results in a loss of any Hinshaw status it may have.

- (8) Service is only available for cities where the Company does not have a franchise or an existing distribution system.
- (9) For municipal customers with usage on more than one rate schedule, the usage for different rate schedules must be separately metered and subject to the appropriate administrative charge as provided for in the Administrative Charge paragraph of § 5.01.
- (10) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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5.07 TS RATE SCHEDULE

TS VOLUMETRIC RATES

Rates Per Dth Redelivered Each Month
Dth = decatherm = 10 therms = 1,000,000 Btu

	First 20,000 Dth	Next 80,000 Dth	Next 400,000 Dth	All Over 500,000 Dth
Base DNG	\$0.20175	\$0.15131	\$0.12105	\$0.04842
Energy Assistance	0.00041	0.00041	0.00041	0.00041
Infrastructure Rate Adjustment	0.00267	0.00200	0.00160	0.00064
Distribution Non Gas Rate	\$0.20483	\$0.15372	\$0.12306	\$0.04947
Penalty for failure to interrupt or limit usage when requested by the Company.				See § 3.02

TS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$5.00
	BSF Category 2	\$29.00
For a definition of BSF categories see § 8.03.	BSF Category 3	\$67.00
	BSF Category 4	\$274.00
Administrative Charge (see § 5.01).	Annual	\$4,500.00
	Monthly Equivalent	\$375.00
Firm Demand Charge per Dth (see §5.02).	Base Annual	\$19.01
	Infrastructure Adder	<u>\$0.25166</u>
	Total Annual	\$19.26
	Monthly Equivalent	\$1.61

TS CLASSIFICATION PROVISIONS

- (1) Service is available to end-use customers acquiring their own gas supply.
- (2) Customer must accept redelivery of all volumes received by the Company for its account. Imbalances will be subject to the provisions of § 5.09.
- (3) Service is subject to a monthly basic service fee and an administrative charge.
- (4) The interruptible portion of transportation service is provided on a reasonable-efforts basis, subject to interruption at any time after notice and as otherwise provided under Section 3.
- (5) The Company has the right to purchase interrupted volumes in accordance with the provisions of § 5.04.
- (6) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
- (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.



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- (8) The Energy Assistance rate is subject to a maximum of \$50 per month and other conditions as specified in § 8.03.

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