## BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Questar Gas Company to Increase Distribution Rates and Charges and Make Tariff Modifications,

**REPORTED BY:** 

Docket No. 13-057-05

SCHEDULING CONFERENCE HEARING PROCEEDINGS TAKEN AT: Public Service Commission Hearing Room 401 160 East 300 South Salt Lake City, Utah DATE: Monday, June 30, 2014 TIME: 2:09 p.m. Nancy A. Fullmer, RMR

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1	APPEARANCES
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3	HEARING OFFICER: Jordan A. White
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1	For Summit Energy:
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8	Also Present:
9	Barrie McKay, Questar Gas Company
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11	Curtis Chisholm, Summit Energy Companies
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13	Mike McGarvey, Summit Energy Companies
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15	Rick Pemberton, Seminole Energy
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17	Matt Medura, CIMA Energy
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1	Scheduling Conference Hearing Proceedings
2	June 30, 2014
3	PROCEEDINGS
4	THE HEARING OFFICER: Good afternoon. This is
5	the time and place noticed for the scheduling conference in
6	Docket No. 13-057-05 In the Matter of Application of Questar
7	Gas Company to Increase Distribution Rates and Charges and
8	Make Tariff Modification.
9	My name is Jordan White and the Commissioners
10	have asked that I act as the presiding officer for the scheduling
11	conference. Why don't we go ahead and begin by taking
12	appearances. I'll start over here with Mr. Jetter.
13	MR. JETTER: Justin Jetter for the Utah Division of
14	Public Utilities.
15	MR. MONSON: Gregory Monson for Questar Gas
16	Company. Barrie McKay is with me.
17	MR. WILLIAMS: Larry Williams with Summit
18	Energy.
19	MR. DODGE: Gary Dodge on behalf of UAE and
20	US Magnesium.
21	MR. CHISHOLM: Curtis Chisholm with Summit
22	Energy.
23	MR. McGARVEY: Mike McGarvey with Summit
24	Energy.
25	THE HEARING OFFICER: Okay. Before we

1 proceed--2 MR. DODGE: I think you had a couple more 3 people--4 THE HEARING OFFICER: Do you want to go ahead 5 and join the bar table there? We have plenty of room here so--Mr. Coleman, are you planning on--okay. No problem. 6 7 MR. PEMBERTON: Rick Pemberton with Seminole 8 Energy. 9 MR. MEDURA: Matt Medura with CIMA Energy. 10 THE HEARING OFFICER: Okay. Before we 11 proceed, I would like to try to scope things out a bit. First, I'll 12 note that February 21, 2014, the Commission issued a report 13 order approving one partial sum stipulation regarding revenue 14 requirement, revenue spread, and rate design filed in this 15 docket on December 13, 2013. And also the partial settlement 16 stipulation regarding TS Tariff language filed on this docket on 17 January 7, 2014. 18 The purpose of this scheduling conference is to 19 address the pleading filed by Summit Energy, LLC, on June 24, 20 2014 on this docket titled objection to unilateral change in 21 procedure and emergency motion to stay. 22 I'll note also that UAE Intervention Group, US 23 Magnesium, CIMA Emergency, Ltd., and Seminole Energy Services, LLC, have all filed joiners to Summit's objection. I'll 24 25 also note that Questar Gas Company--we'll just call them

Questar--filed a memorandum in opposition to motion for stay on June 26th with a corrected version filed on June 27, 2014.

In its objection, Summit requests the Commission to make certain findings with respect to a notice provided by Questar Pipeline to certain transportation service customers that reads as follows. I'm just going to read it verbatim. Subject, Colon, QPC/QGC to begin automated confirmations. Questar Pipeline will begin electronic confirmation of nominations with Questar Gas effective gas date, Tuesday, July 1, 2014, timely cycle. Customers with questions should contact their scheduling representative of then date, by, slash 13, dash, 2014, 01, colon, 06, colon, 41 p.m.

Summit also requests the Commission stay implementation of the Commission's requirements of the notice until the time the Commission can address Summit's objection at hearing. They also request that the Commission schedule a hearing as soon as possible and requested June 30th, this afternoon.

And, finally, Summit requests that Commission vacate the notice and require the Company to return to work--to a workgroup to collaborate with participants of a workgroup in addressing concerns identified in the stipulation or return to the Commission with what the results of--results for approval by the Commission.

So with that, I would like to reserve the discussions

regarding a potential or the proper schedule or process to address Summit's allegation regarding the termination of the schedule--address the rate case stipulation and instead I want to focus today on the emergency stay and so we'll just kind of break that up in two parts. Does that make sense?

Mr. Williams, this is Summit's objection, so I'm going to go ahead and allow you to proceed. And kind of help us understand your objection and your request for emergency stay.

MR. WILLIAMS: All right. As was stated in the--in our filing, we received this notice and we are--at the same time in our discussions with Questar Gas, we were told that we would no longer be able to make nominations the way that we had historically been able to make nominations; that each of the nominations would have to be on a point by point basis for our customers.

That was a decision that was made by Questar Gas as a result of their decision intercompany to do the electronic nomination process there with that. That--that creates some significant problems for our consumers that we, as marketers, serve.

And then also I need to explain that operationally, we are--have been unable to make those nominations as they have requested because their system won't allow us to make those nominations as of today. We have people working on that right now, but the way that they've explained that we could do it,

doesn't work. And our nominations have not been able to been filed. So, operationally, we have not been able to make that happen.

I know that--I think it was--I don't remember which marketer had to go in at an extraordinary work cost to get their nominations done on a line by line by line by line by line basis. They were able to finally complete that. But the instructions that we were given have not worked at this time and so we're putting--we're trying to get this done, but I don't know if we can meet the deadline of July 1st, not because we're not trying, but because the Company is not helping. They don't have anyone to help us make those nominations actually get in there.

THE HEARING OFFICER: Let me ask you this, and just, again, reiterate, this is a scheduling conference. I mean, we're not taking evidence here and, you know, I intend to allow everyone to kind of speak their parts. And I'm jumping a little bit here because I'm going to Questar's memorandum, but let me ask you this: They just filed a memorandum and, essentially, the crux of their-their point is that this is something that Pipeline did and that the Utah Commission doesn't have jurisdiction over that. So do you have a response to that or help me understand kind of, you know, if you believe that the Commission may have a jurisdiction over something that the Pipeline did with respect to their tariff, et cetera.

MR. WILLIAMS: Well, what the Commission does have a jurisdiction over is Questar's gas actions. Number one, this was a decision that was made jointly, according to that notice, between Pipeline and Gas. This was not something that unilaterally was imposed upon Gas by Pipeline. If you read the notice, that's exactly the way it was represented to us even after that notice came out and we asked for clarification.

It was Questar Gas's decision that the only way in which we can make nominations from this time forward is by point by point. They don't think that any other alternative is available, which was the whole crux of our workgroup to--or our workgroup that was part of the decision in February.

THE HEARING OFFICER: So, certainly-and, obviously, we'll allow Questar to dig in and help us
understand the jurisdictional issue here. But one thing, at least
for now, it would be helpful for me to understand, you know, I
guess, why is this an emergency? Why does it have to be
decided today? And what would be the potential ramifications?

MR. WILLIAMS: We have consumers today who will be impacted by this decision if it goes into effect tomorrow. The reason is because we're trying to make nominations the way that we have been--that has been explained to us. There's reasons why that nomination or are--that system doesn't work in and of itself on a more general sense, but I'm going to tell you now, operationally, we haven't been able to do it. So at the very

least, the bugs haven't been worked out. They told us to do something which we can't do and so our consumers are at risk.

THE HEARING OFFICER: Let's just--so I'm going to be jumping around here a bit today, but why don't we turn to Questar and help us understand--help me understand. I read the notice. It's, frankly, a bit cryptic. What does this mean? Who actually issued it? And how is it different, I guess, than what's been done in the past? Mr. Monson.

MR. MONSON: Thank you. The first point I want to make is that this was noticed as a scheduling conference as you just noted. And so we aren't really prepared to go into the details of the evidentiary issues that are presented. We can talk to them generally and we will in response to your question, but we understand this is a scheduling conference. And so we're here prepared to schedule whatever the Commission feels it needs to do to resolve the issues that have been raised.

But to put it very simply, the notice that was referred to is a notice from Questar Pipeline. It's not a notice from Questar Gas. It's a notice issued on Questar Pipelines for scheme. That's a word I'm using loosely. But it's a notice issued pursuant to their current procedures, which I'm not intimately familiar with, but there is a procedure that they issue these kind of notices under and they become effective and--so this is a Questar Pipeline issue.

The statement was made that they did things and

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that Questar Gas jointly issued this notice. That's not correct. If you look at the notice which was attached to our response, it's issued by Questar Pipeline. Questar Gas has not filed anything that can be stayed. That's the other simple point.

We haven't filed a change to our tariff. We haven't asked the Commission for any relief. There's nothing that we have done that can be stayed. And so, as we said in the response, you know, we believe this is something--if there's a problem or an issue, it should be raised with the--I guess the

THE HEARING OFFICER: Can I just--I mean, going back to your point about this is a scheduling conference, but I just want to make it very clear that what I'm talking about here is understanding the process to inform the schedule. We've got a stay. They want a hearing, you know, essentially today. We don't have time for a hearing. We're not taking evidence. We're not swearing folks in, but, I mean, understand that we're not talking about the merits of he said, she said.

But to the extent you can--and, perhaps, the fact there's not a Pipeline representative here, but--well, I guess, I'm just trying to get a--wrap my head around what is the purpose of it. And maybe--I don't know if Mr. McKay can speak to that or not, but help--help me--

MR. MONSON: I think Mr. McKay is happy to address that.

THE HEARING OFFICER: Yeah, thank you.

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MR. McKAY: The timely nominations-and maybe I can tell you today at about 10:30, 10:45 is when we, Questar Gas, needed to comply with Pipeline's notice for timely nominations for tomorrow's gas day. So already today, timely nominations needed to be in for all of those that will be transporting on pipeline. We had to work with our upstream provider in that case. We didn't get everything right to begin with. And from what we can tell, there are some challenges out there. Everything that we have been able to see with Questar Gas that's been nominated for us to transport has been able to be completed by all of the nominating parties except for Summit.

We can see that Summit was not able to comply. From what we can see, it's out there. It's public information. We do understand that that's-they have--will have the opportunity on the evening cycle to be able to work through that. We do know that Pipeline was very accommodating with us and that they're trying to work with all of the parties from what we can tell.

I think they helped us to get it right when we weren't able to on our first shot this morning. And I think--well, I don't know. You could ask them if they're working with Pipeline. But that, I think, is their issue. And I think I have all the confidence in the world that they'll be able to figure that out and have it completed for the evening cycle.

And, just so you understand, the evening cycle is--that gets put in and it will be for gas that will flow tomorrow on--beginning at 8:00 a.m. in the morning.

THE HEARING OFFICER: And help me understand. Again, I don't mean to be obtuse on this, but you may have to back up to, you know, someone whose more familiar with the electric side and help me understand this. What I'm trying to sauce out is what Questar has done and what we may or may not have control over under the tariff versus Pipeline. So walk me through exactly your understanding of, you know, who directed what pursuant to the stipulation. I mean, that's what I'm trying to understand is that what did Pipeline do that we may have to go over versus Questar. You're under the Commission's jurisdiction, obviously, so help me understand on that.

MR. McKAY: We--as far as the--the parties--let's go to the dates I think the Commission does, which we--as you can see in our reply, we are here to, I think, schedule that and even suggest for the Commission that they open up a docket and probably begin with the technical conference because that would be the easiest for them to become familiar with all of the issues out there. But, again, that was Questar Gas's perspective of what happened.

But we do think that we have followed and are still in the process of following the Commission's order coming out of the general rate case. We've had at least three formal

meetings with all of the parties interested in a particular issue that we were ordered and agreed to begin meeting on or before the end of April. We have had other meetings one on one. It wasn't a group meeting in what we would term to be in compliance with the Commissioner, but we don't think we're done. We think there's further meetings that we need to be doing of what Questar Gas may be required or proposing of what we can do on our system.

You should know that Questar Pipeline did attend those meetings. They've looked at the issues and were probably starting to dive into the merits that you probably want to be hearing perhaps. But Barrie attended in those meetings.

THE HEARING OFFICER: Let's hear those. Put aside the issue of, you know, whether there was some kind of, you know, bad faith, et cetera, with respect to the stipulation or whether it was holistic, et cetera. I guess I'm trying to-again, you know, as simple of a question I can is understanding with respect to the motion for stay what did Questar do that we can stop today versus what Pipeline did that we can stop today. Because the request is for today, so we've got to make a decision today.

MR. McKAY: So I'll go back to what Mr. Monson said that we--we didn't send out a notice. We did participate in meetings. I don't think you want us to stop or stay those. We think we ought to keep doing those. And we think we're acting

1 in good faith following that order.

But it was Questar Pipeline who sent out a notice on the 13th of May that they're asking this Commission essentially to stay, although they did think and I'll observe that they think it is Questar Gas that did that. Questar Gas did not in our perspective. In fact, we know we didn't send out that stay and, therefore, we--

THE HEARING OFFICER: Why don't we-let me--okay. Let's ask the Division if they have a-if they want to weigh in on this issue or if they have a better
understanding potentially of the jurisdictional issues.

MR. JETTER: At this point I don't think we have formed an opinion.

THE HEARING OFFICER: Okay. Does anyone else? Mr. Dodge?

MR. DODGE: Yes. I would like to address it. And I would like to get specifically the question, I think, you're struggling with. And I think it's the right one. First of all, I would like to give a little bit of background because I think you're being thrown in as though you were up to speed in this whole--with all these meetings that have gone on and that obviously hadn't happened.

The motions were filed very quickly because until about two weeks ago the parties thought they were still negotiating in good faith to delay this deadline. And then they

got a letter two weeks ago saying, no, we're going to go ahead July 1 after having been told maybe it could be delayed. So they had to move quickly to move for the stay.

I'm told it's too late for tomorrow as Mr. McKay indicated the others, I guess--I guess some of us had a problem and others in dealing with their inability to nominate on the system because it doesn't work the way it's supposed to. I don't know that there's much you can do for today. That doesn't mean we should walk away from the stay issue. I think you should set up a proceeding where you can decide this by the end of the month because there's another round of this in a month when they nominate the end of July for August.

Frankly, what's happened since time and memorial, since there have been marketers and transporters, is Questar Gas Company has allowed the marketers to designate an informal Questar Gas Company citygates pool as their delivery point on Questar Pipeline. So these entities who serve my customers, would go in and say we're bringing gas from this point, this point, this point, all to the citygates and they pool it to the citygates.

They would then enter a--instead of a contract code because they don't currently have a contract with Questar Gas Company, they would enter an identifier for Summit or for CIMA or for Seminole. And for years and years that's been the practice. What that allows is for these marketers to take

diversity, diversity of their customers' demands, diversity of supply, diversity of transportation options.

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pooled supplies to the citygates and then manage their customers' balances and imbalances and manage the gas

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that--the critical gas stay problems when wells freeze in.

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supplies don't show up. They manage it in a bundled way or in

Currently, Questar Pipeline, et cetera, get those

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a pooled way minimizing the impact on the end use customers.

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In fact, that's why I think virtually every one of my customers,

10 11 virtually every transporter almost, has now gone to hiring these

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marketers to do that because they're able to use the diversity of

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the pool to eliminate problems to minimize penalties for

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imbalances, et cetera.

In the rate case what Questar propose, because of

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a one-time-in-a-decade freeze-out on the 5th of December--first

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time in a decade this happened, they said that manual--oh, the

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one thing that caused was a requirement for manual--

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manually handling the nominations in the Questar Pipeline,

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slash, Questar Gas control. It's the same control and the same

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people. It's nice they help each other, but they're the same

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people. In that control room, they had to manually enter those

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nominations. They couldn't do it electronically. When December

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5th came, they complained about that--Questar Gas complained

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about that--well, even Questar Pipeline.

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THE HEARING OFFICER: Can I just stop you for a

second here? I mean, I know it's hard not to kind of mix the issues of a rate case and stipulation, but, again--and I agree with you completely that we're going to need to discuss kind of prompt the procedure of how to deal with that, you know, after we address this. But help me understand. Is there anything that Questar did with respect to, you know, this notice that the Commission within its jurisdiction authority could actually do something about today?

MR. DODGE: Yes. And that's why-THE HEARING OFFICER: Help me understand

that.

MR. DODGE: --because I was going to get to that in one second. It was important to understand that for decades there's been an informal pool that these marketers have been able to nominate to. And in the rate case, they proposed to change that to require a firm upstream contract with a firm downstream contract. People came out and said, "That won't work. It causes all kinds of problems." Ultimately, they pulled that and instead said, "We'll go to this holistic approach and meet and negotiate." Right?

Well, what we did is we met twice with the entire group. And in both of them we spent all but a few minutes addressing this issue each time with Questar Gas Company and Questar Pipeline saying, "We can work with you towards a formal pool." They wanted to institute the electronic

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nominations, which is what the nature of the notice is. We're instituting electronic nominations.

I might point out here, they're claiming that its consistent with the tariff. If so, they've been violating that for decades. But, in any event, they wanted to institute electronic nominations. And people on this side of the aisle said, "Fine, you can do that. Just make a formal pool." We can nominate to a formal pooled concept at the Questar citygates, but to do that we need an arrangement between the suppliers and Questar Gas Company so that it could be nominated electronically and still pool--not lose the pool concept, which was the thing we were trying to avoid losing, among other things, in resisting the proposal in the rate case.

We met twice. They set a few minutes on each of them saying, we can work with you on that. In fact, we'll send you a draft pooling contract for our third meeting. They showed up at the last meeting and said, "We changed our minds. We're not going to do that." And the rest of the meetings involved spent on an issue that wasn't even fit for that task force, and that is a new charge new one to impose on transportation customers.

So to say they've been negotiating with us on this isn't really true. For two times they said they would work with us and then they just said abruptly, "We're going to stop that and we're going to move forward with this approach."

It was not Questar Pipeline that had the problem.

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Questar Pipeline doesn't have to deal with downstream interruptions on a cold day that are on the Questar Gas Company side. Questar Gas Company was trying to solve its problems. And one of the solutions to its problem, they told us, was to have these one-to-one matching contracts and eliminate the pool in the middle. Everyone on the other said, "That's not acceptable. It discloses confidential information. It's anticompetitive. It will increase costs on end use customers in the form of balancing--imbalance penalties. It will increase costs of the marketers, which we're down to the end use customers' detriment." And so these entities tried after that to meet with them to convince them, no, no, there is a way to do this. And they continued to say no.

To say today that it's the Pipeline that issued this, we didn't do anything, is really very disingenuous. First of all, they go like this. They tell you which hat they're talking from, Pipeline versus Gas. And, secondly, it was their problem they asked Questar Pipeline to solve. And Questar Pipeline solved it for Questar Gas by ultimately saying, "We're going to demand this one to one."

What they can do--now, they're getting to the brunt of this, too, your question and I wanted to give that background. What they can do is what they said they would work with us in good faith on. And that is allow these marketers to sign a

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pooling contract at the citygates. Then they can do the electronic nominations that they say is the whole crux of their issue and we can still preserve the benefits of the pooling for the end use customers.

THE HEARING OFFICER: Okay. Let's put within that for a second because if I hear you correctly--and just tell me if I'm mischaracterizing this--it sounds like--and I kind of try to fuse together what Questar said in their memo and what you said. It's almost like, you know, the crux of your allegation is that somehow that Questar Gas has directed an affiliate--and, again, putting aside of whether or not the violation of their tariff or whatever, but, essentially, it's them acting to direct their affiliate Pipeline, which we don't have jurisdiction over, you're saying there's an alternative to that, which is again something that potentially could be dealt with in further procedures. But, again--my question again, not to keep, you know, beating a dead horse here, but whether or not that was done in bad faith or switching hats or et cetera, but can the Commission--I'm open to an answer here from anyone. Can the Commission today direct Questar Pipeline to basically, you know, put the genie back in the bottle, I guess.

MR. DODGE: No. I don't think you can. Again, they're hiding behind the switching hat thing, which I think is disingenuous. But you can't order Questar Pipeline to withdraw its electronic nomination requirement. You can direct--and

we're--at least UAE and US Mag is not asking for that. We're asking for before the next nomination-it's now too late for tomorrow. Before the next nomination deadline, a month from now, to direct Questar Gas Company to retract its request of Questar Pipeline that it do that if it can't be done between--well, let me say it this way. The thing you can ask them to do between now and then is to give us the contract they said they were working on, enter into contracts for pooling, and then we can meet the Questar Pipeline electronic nomination requirement. It isn't that that's causing the problem. It's Questar Gas Company's refusal to continue like it has for decades to accept a pooling point at the citygates for marketers.

So what you can direct in the next month is enter into that contract. And I think you ought to set a schedule that would allow you to make that order before nominations at the end of July.

Secondly, I do think you could say it's your problem, Questar Gas Company, you're asking your affiliates to solve for you. I--clear here whether there are anti--federal antitrust implications, whether there are violations of the nondiscrimination and other requirements. We can look at that in a different context. I think--I think it's inappropriate for these affiliates to be conspiring with each other to basically harm their competitors in supplying gas and ultimately their end use customers. But you can in the next month direct them, allow the

pooling to continue even with electronic--

THE HEARING OFFICER: Let me ask you this.

MR. DODGE: --confirmation.

THE HEARING OFFICER: When are the nominations due? Because I thought I recall from Questar's memo that there was at least, you know, a representation that they are willing to continue discussions. I mean, let's just put aside for a second the Commission actually directing--contract. Let's just--I'm turning to Questar here with respect to when are the next nominations? What--I guess I'm just asking you to respond to Mr. Dodge's points.

MR. McKAY: We respectfully observe that we disagree with many, if not all--not all. I would say most of the characterization that he just put forth. But I don't think that you're after that.

THE HEARING OFFICER: I mean, I agree--I mean, we're--and I apologize. I know there's--and you have the right to rebut any kind of allegations. Again, we're trying to stay away from that. But we're just trying to figure out what we can do today and then after we actually rule on the stay, then we can talk about that. But just help me understand about--

MR. McKAY: You do not--if the Commission would like to, you can, but we don't have to know that you need to order as to continue to meet with them, discuss, or talk about it. We think that we're in the process of still doing that. We're

happy to do it. If you would like to open another docket, you can.

For clarification, though, and for what good understanding, you need to know that this is not a once a month issue. Tomorrow they will need to nominate for July 2nd. The next day they'll need to nominate for July 3rd. Every day Questar Gas will need to comply with Questar Pipeline's notice, just like all the others will need to do that. There is a beginning of another month. We don't disagree with that. But it will be like any other day that they need to move forward. Sometimes people associate things with their nominations and their gas supplies by month so it is a natural thing for them to be making changes at that time. But every day we will need to nominate others that are transporting on. Questar Pipeline will also need to nominate. And so that is and will continue to take place on a daily basis. There isn't a big moment that will again happen on August 1.

THE HEARING OFFICER: What does that mean when you--okay. So let's talk about tomorrow. What does that mean when you nominate for tomorrow? Just, again, back up a second, I mean, unless this is way too complex.

MR. McKAY: No, actually, it's a great question.

And we really do think that for understanding purposes, we need to have a technical conference just to sit down and talk. It takes quite a bit of time to get into the details, but we are happy to do

that. We do not have our people that do that on a regular basis and can explain and walk all the way through that process. That is not my area of responsibility and I think we didn't come prepared to talk about that today.

THE HEARING OFFICER: Understood. Mr. Dodge, you know, again, if a commissioner were to entertain some of the requests, help us understand the day-by-day. Again, Mr. McKay is talking about a daily nomination. You're talking about a monthly nomination. Again, we don't have a--you know, we don't have a pipeline person here. We don't completely understand what you all meet, but help us today.

MR. DODGE: Let me--and I might ask you to let Mr. McGarvey or someone from Summit explain--respond. But the way I understand--I'm not a nominator, but I've sat down with them from several of these companies and talked to them. Today, it was a very time consuming laborious process to go through and nominate instead of the way they used to do it when three or four supplies all from the citygates one by one, matching up a supply upstream to a downstream contract, disclosing in the process who their customers are in violation in our view of the contracts they've signed. But now that it's done, tomorrow it will all pull up and they can just say continue. Now, it doesn't require that laborious process each day unless you're going to make major changes. It will when the heating season begins.

During the heating season, problems happen, fields freeze off, supplies don't show up, and they're having to go in four times a day during each cycle trying to balance all of their customers' loads with their upstream issues. And what we want is before that hits, we would like this process resolved. I would like it resolved by the end of July when they have to go in for the next month's nominations, which may--may be major differences or may not.

But I completely disagree with a technical conference. I don't think that--I think it's just an attempt to delay. They've now essentially, by delaying so long, made it impossible for us to have you understand this issue before they unilaterally impose this decades long change in practice and procedure at Questar Gas Company.

The fact they haven't asked you for permission is my major complaint. I think they violated their own tariff by not getting your permission for this major change in procedure. So what I would like to schedule is a hearing on the stay. The stay--again, practically, from my clients we're not asking for you to issue an order today a stay for tomorrow. It's too late. They told me they got their nominations in, the ones that--I thought other than Summit apparently.

But as quickly as we reasonably can, I would like to get to a hearing on our motion to stay with the intent of having you enter an order telling them you've got to continue to allow

pooling. And if that's a pooling contract, then offer a pooling contract to these customers--to these marketers who are asking for them.

THE HEARING OFFICER: So I'm just trying to understand again the difference between Pipeline and--so if we had an administrative magic wand here, would it be that the Commission would order Questar Gas Company to stop directing their affiliates? Is that--

MR. DODGE: No. It wouldn't be that. It would be telling Questar Gas Company to allow pooling by, if necessary, doing it the way they have done. Questar Pipeline won't allow that because they're going to use electronic nominations then by accepting a pooling arrangement with these marketers. And it could be done almost overnight. Again, that's what we were working towards in the task force.

And, again, failure to do that by the time we get to the heating season, in particular, will be very damaging to the end use customers. We would like to get that sheet up as quickly as possible. And we think it can be done in a very quick time frame. Frankly, I think unlike most cases, we will look to do some depositions. Because I want to tie people down when I can cross-examine them as opposed to just data request on what they have and have not asked their affiliate to do, what has been the practice, et cetera, both the Pipeline and the Gas.

Luckily, on the Pipeline side, they have strict

nondiscrimination requirements that I'm not sure Questar Gas believes it has to live by. If someone tells them we would like to drop gas off in your pipeline here and deliver it here, they have no choice but to allow that if they've got capacity. The problem is there's no here right now that Questar Pipeline could allow you to nominate to once they quit allowing the pooling on an informal basis. So we just are--tell them to make us have a pooling point there in contracts with the entities that want to pool.

MR. WILLIAMS: That's our historic practice is that there has been a pooling point. It's been a non-recognized contract point by Questar Pipeline, but it has been there.

THE HEARING OFFICER: Let me ask you this: Is it incorrect to say, you know, the assertion of the marketers is that the current practice is contrary to the tariff provisions that were just recently approved in rate case? Is that--are you essentially saying that the complaint that they're acting contrary to the tariff provision approved in the settlement?

MR. WILLIAMS: I think that the--what has been proposed at this time was what was proposed and then withdrawn in the current tariff.

THE HEARING OFFICER: Well, hold on. Let's back up here for a second because, you know, again, the stipulation--I mean, again, we're not talking about--you know, we're not having an evidentiary hearing on the holistic rates or

whatever. But we had a rate case that was approved and there were provisions on that TS talking about process going forward. We do have an approved tariff. And so I guess the question is is that--is Questar acting contrary to the tariff that's Company approving? And understanding there were some other language about process going forward and working, et cetera. But is there an assertion that--I'm basically asking is there a complaint out there that Questar is violating their currently approved tariff?

MR. DODGE: And I'll try to respond to that. I think the answer is we don't have a specific tariff provision that deals with this issue, to my knowledge. So I'm not alleging--I'm at least not here alleging that I can point to a tariff provision that they're now acting contrary to.

What I am saying is they have a long-term practice that is presumably compliant with the tariff before and now that they're now changing unilaterally, and I believe under Utah Utility Law, they can't do that without your permission.

Now, they have, in my view, though, violated the stipulation. And that's why we think it's proper in this docket. If you want to open a different docket, as long as we get the timing right, I don't really care. But this was the issue we were directed to go look at. How do you deal with December 5th and the problems they had when they had to once in a decade deal with interruptions? And this was--this is their answer to it and

they've asked Questar Pipeline to do it--to issue it to solve their problem. It doesn't solve the other problems.

THE HEARING OFFICER: Mr. Monson, Mr. McKay, respond to the question I had earlier about, again, we've got an approved tariff. Is there something that's just a variation of it? Is it something completely new, askew? Help me understand.

MR. MONSON: I'm going to give you my response. Mr. McKay may want to add something. First of all, I think now it's been admitted that there's nothing to stay today. So I think we're actually passed the issue that you were concerned about, the big issue.

But, secondly--so now the question is is there a complaint? And I think the answer to that is also no because we haven't violated any tariff. No one's saying we violated our tariff. So I still come back to the question of, you know, if they want to have a proceeding, Questar Gas is very happy to engage in a proceeding to discuss the issue of how this issue ought to be dealt with on a long-term basis from its perspective and what it can control.

But I don't think there's anything before the Commission that granted the relief on right now. And I think that that brings us to the question, then, should we schedule something? Should we open a new docket and schedule something?

THE HEARING OFFICER: Yeah. And we're going

to--I'm going to take a recess in a moment. I'm just trying to understand the best I can in a short amount of time. But what I heard-thought I heard Mr. Dodge say is essentially that-that--I'm going to try to boil it down to the--the easiest way possible I can--is that Questar is essentially acting contrary to their approved tariff contrary to the stipulation and somehow directing.

In other words, the stay that they're requesting--not that I agree with that, it sounds like that's no longer a potential option for today. But they're requesting at some point some type of expedited fashion for the Commission to direct the Company to stop directing their affiliate. Is that--

MR. DODGE: Well, again, or to enter into a pooling contract. We don't care if they use electronic. The practice these parties are asking for is the standard in the country. We've looked and haven't found one single pipeline plus LDC combination that doesn't allow pooling between the pipeline and the LDC. We haven't found one. And we've got people who operate through most of the country.

We're asking for the standard approach, which is allow a pooling contract at the citygates on Questar Gas Company. And then we don't even have to involve Questar Pipeline. They can do their electronic confirmation. We don't--we don't mind that. What we mind is them using that to

Scheduling Conference Hearing Proceedings 06/30/14 prevent the pooling that's been going on for decades. So that's 2 the gist of it. 3 And there was an objection filed--not just a motion 4 for stay--an objection filed in the context of the stipulation. So 5 you clearly have jurisdiction under your approved stipulation, which is a way to negotiate in good faith. There is an objection 6 7 that that hasn't happened and that you ought to direct them to 8 return and come up with a different solution than the one 9 they've imposed-their affiliate has imposed.

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THE HEARING OFFICER: Let me ask you this: Do the parties believe that this would be a legal issue that we need to meet as to whether or not the Commission has jurisdiction to direct a party's contract? Is that something--I mean, I don't know if I know the answer to that off the top of my head, but--Mr. Monson.

MR. MONSON: I do want to add to what Mr. Dodge just said. The Commission directed the parties to meet and negotiate. And that doesn't mean the Commission can now order them to reach a solution that one of the parties wants and the other party doesn't want. Apparently, I don't know the details of this.

The other thing is we keep talking about changing hats and Questar Pipeline's obligations. And I know you're familiar with this. I mean, there are strict rules about us

directing Questar Pipeline to do something. We can't do that. That violates FERC regulations and we don't do that. And, you know, Mr. Dodge may think we do, but we don't. And he may think that we do--that we haven't negotiated in good faith. And I guess that might be something the Commission could look into. But when you ask people to negotiate in good faith, that doesn't mean you mandate a solution. That means that they should negotiate in good faith and if they can't come to an agreement, they can't. But we're not even saying that.

We're saying we're happy to continue to meet and discuss this issue. You've heard a lot of evidentiary representations--a lot. We could respond to them, but we don't have the people here to respond to them, frankly. We didn't know that's what we were going to be doing today. But, I think--I mean, if you want to have legal briefs, that's fine. We think that the next best step here is to probably open a new docket. This really is no longer a general rate case issue. And open a new docket to look into this question, and we'll cooperate and proceed with it.

Mr. Dodge, on the one hand, wants it done quickly, but he wants to take depositions. Well, I'm involved in some litigation right now. I know that when you start trying to get everybody's schedules together to take the depositions, that doesn't happen very quickly usually. But we will cooperate and try to do it as quick as reasonably possible, if that's what he

wants to do and thinks he needs to do. But that's what we ought to do. We ought to schedule a proceeding. That's what we came here to do.

MR. DODGE: Well, we agree with that. We ought to schedule it. If the proposal for another docket is something other than delay, then I'm okay with it. If it's just to delay further, I think that's inappropriate. We're here to schedule today, whether you deem the objection as a complaint filed in a new docket or otherwise is fine, but let's get something scheduled so we can quickly, long before the heating season arrives, have this issue resolved--at least the stay issue, the requirement that they allow a pooling arrangement at the citygates.

MR. MONSON: I still don't see that as a stay issue. I mean, that sounds to me like a request for affirmative relief injunction or a declaratory order, or something like that. I don't know what we're staying.

MR. DODGE: Hopefully, you will. It's a request for relief.

THE HEARING OFFICER: Well, and I guess I tend to agree with Mr. Monson. I'm still trying to figure out, you know, we can--we can kind of get a--you know, talk about a schedule to address these issues. But I guess I'm just trying to think about what are we actually staying? Again, this goes back. I'm not trying to in any way infuse or color the allegations

that have been thrown around here, but, again, my simpleton understanding here is that you're saying that Questar Gas is doing something--or telling their affiliate to do something, and so you want us to stop them from doing that?

MR. DODGE: Again, let me try it--the stay we're requesting is to have them stop the unilateral change in a decades old procedure for recognizing pooling at the citygates. The way they've chosen to change that, I guess Questar just dreamed it up and decided we're going to start imposing this after decades without any input from Questar Gas, but they now have said we're going to require electronic nominations, which is inconsistent with the manual nominations they do today to accommodate the pool.

So what we want stayed is they're changing their unilateral change of procedure where they won't recognize a pool at the citygates, which they have done for decades. I think it is a stay. But if the reality is that Questar Pipeline on its own, for reasons that they've never ever explained except in the context of helping Questar Gas's problem out on an interruption day, if they're saying Questar Pipeline all by itself is going off and doing this, so be it. Then we'll deal with the Questar Gas side. You can order them to acknowledge pools at the citygates.

THE HEARING OFFICER: I'm going to take a brief recess here. Is there anyone else who wants to--just so you

know, I'm going to come back and we're going to talk about the process and what makes sense, what we want to do. But is there anyone else who wants to speak to the stay issue portion of this before we talk about how--you know, process going forward? Is there any other thoughts or comments from anyone? Okay. Why don't we go ahead and go off the record and take a recess.

(Recess taken.)

THE HEARING OFFICER: So based on what I've heard this afternoon, I just don't have enough to go on. You know, there's allegations. There's requests. They're a little bit unformed at this stage. So what I'm going to suggest--what I'm going to ask the parties to do is they have a right to file a complaint against Questar. And with that complaint, they would file initial testimony. And then we allow the--we allow for rebuttal, motions, surrebuttal, discovery, et cetera. And so that's going to be the process. So we need to talk about timing for those--for that process.

Since this is Summit's objection, and, again, just to back up here a second, I think we all agree here it sounds like I heard the parties agree that we're not going to be able to stay--there's nothing to stay today. And, furthermore, I'm not really sure if there's even a direct--well, let's just save that for your complaint on what you're actually going to request. Maybe you can kind of sharpen your pencils on what the precise action

1 requesting the Commission to act on with respect to 2 Questar--not Questar--Pipeline, I guess, in the complaint. 3 So what I'm just--understanding with the complaint, 4 you would file direct testimony. What would be--what would the 5 parties have a date for filing those complaints? Or if it's a joint complaint, either way. 6 7 Why don't we go ahead and go off the record. 8 (Discussion off the record.) 9 THE HEARING OFFICER: What I think I heard, 10 which I liked, was that we would kind of have a dual path here, 11 which is we set a technical conference in a fairly quick manner, 12 but at the same time there would be kind of a dual track with. 13 you know, potentially after the technical conference that we're 14 informed that these complaints I'm discussing and the 15 testimony; is that kind of what we're thinking? Does that sound 16 like, Questar, what you guys talked about while I was out? And, 17 certainly, you know, if these are confidential Summit 18 discussions, let me know. 19 MR. DODGE: No. We were just talking 20 procedures. 21 THE HEARING OFFICER: Okay. 22 MR. McKAY: The only thing I'm really hearing Gary 23 say to you that's different than what you just proposed is that we both anticipated that perhaps having an understanding type 24 25 of technical conference, not necessarily trying to persuade,

although, obviously, there would be cues to that. Get their complaint out there, set a schedule, perhaps a technical conference, follow that up, and just--I mean, if I was put in the situation try to get testimony out, that would be really hard to be doing it that fast. So maybe testimony maybe follow the technical conference. And then maybe just--that's the only thing that we're doing. We're trying to think what we can do to get everybody up on the same page and make sure that we're agreeing on the facts. I mean, we obviously have some differences there and we want to try to work that through so that we can--

THE HEARING OFFICER: Let me ask you this: Do we need to--I mean, certainly--I mean, I don't want to foreclose, but if, you know, Gary and Larry and the parties feel like they want to keep on going, but certainly we don't want to, you know, foreclose the option of, you know, further discussions type of conference, et cetera. Do the gas marketers and their clients believe that--help us--give us a suggestion on the path forward understanding that we don't have enough to act on anything today.

MR. DODGE: I can give one, and then I'll ask Larry to fill in. I would suggest within a week or two, maybe within two weeks, that those who feel like they have a complaint, file the complaint, and be specific about the relief they're requesting without testimony initially. We then schedule a technical

conference for an available date. We were comparing dates and there aren't a ton of them where everyone from Questar's side who needs to be here can be here. I know we're here. But find a date, maybe late July or early August, for a technical conference and direct testimony soon after that, followed by rebuttal testimony, you know, a month later, something like that. And then a hearing date, you know, after that at some point, so that it's still well short of the heating season.

And I'm going to actually ask for CIMA and the others to weigh in as well as Summit on that because I don't know if that addresses all the issues.

THE HEARING OFFICER: Do you guys want to go off the record and chat for a minute about a schedule? Why don't we go ahead and go off the record.

(Discussion off the record.)

MR. DODGE: If we can have a schedule that allows the Commission to potentially issue an order, assuming you're persuaded, obviously, on the issue of the change in procedure, the major complaint we're talking about, by the middle of September, that would allow things to be done by the time the heating season gets under way in earnest.

THE HEARING OFFICER: Okay. You know, just looking at a potential hearing date, say, because I know that there's some things with the other energy affiliate going on that first of September, I'm wondering if a potential date of

1 September 10th for a hearing? Is that something we can kind of 2 work backwards? MR. DODGE: That works for me. 3 4 THE HEARING OFFICER: Sorry, what was that? 5 MR. McKAY: How much time are you going to have for response testimony? I mean, you start to get things really 6 7 crunched here. 8 THE HEARING OFFICER: I mean, you know, and 9 that's the question, I guess, is we would pick a date for a hearing and then maybe see what would work and what wouldn't. I don't know. I mean, if it's not--if the parties don't think we could accomplish what they want to get on the record. et cetera, with respect to hearing--or respect to rebuttal and testimony, et cetera, before that date, then we need to rethink it. MR. CHISHOLM: The problem we've had is we've had six months to address this issue and have had no traction. It's been Questar, you know, really, I mean, Barrie, we have had very little give on the Questar Gas side on--and to our face at the last meeting they said they would work with us, but--THE HEARING OFFICER: Well, and I'm glad you mentioned that because, I mean, we're going to endeavor to do our best to address this. But, you know, the fact you mentioned this has been going on for six months and, you know, we're kind of having this, you know, last--or this emergency stay is we're

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going to try to do what we can with it. But let me just--the Division, Mr. Jetter, had something he wanted to add.

MR. JETTER: I just want to make sure that we define the scope because I think there's sort of two issues out here of whether we're just dealing with the complaint about following a tariff, for example, or the previous order, or if we're going to try to deal with the situation of pooling in general. And I think that may need a bit more.

THE HEARING OFFICER: Well, that's a good point because, again, you know, I heard a lot of kind of back and forth this morning, but what I'm hoping will become more apparent in these complaints is what, you know, the precise action, the issues, et cetera, and what we will be doing. I mean, I think you're right, Mr. Jetter.

MR. JETTER: We're not opposed to doing either one. It's just how fast are you doing this.

THE HEARING OFFICER: Yeah. To me, I try to simplify it as much as I can, which is we have a tariff that was approved. And I think there's going to be a potential complaint that there's something that's been done by the regulating utility that's contrary to that tariff. That's as simply as I can put it right now. There may be something more than that, but I haven't heard anything this afternoon, at least, that would lead me to believe that we could, you know, act on kind of what we've heard right now.

1 And, obviously, this isn't an evidentiary hearing. 2 This is--you know, this is just kind of--3 again, I understand there's been--this is kind of put together 4 pretty quickly, but that's kind of where we're at. So I don't 5 know, to be honest with you. I don't know what their complaint 6 is going to say. I have an idea that it's going to say something 7 that Questar has acted contrary to their tariff, but I'm not sure 8 exactly what more than that we're going to be dealing with. 9 Does that help? 10 MR. JETTER: Yeah. I just wanted to make sure 11 we're not setting up a very fast paced docket to deal with the 12 issue of pooling and the situation of who gets their gas cut 13 off--customers, et cetera. 14 THE HEARING OFFICER: Yeah. I mean, you pose 15 a different question, which, again, I can't--I can only address 16 what we have in front of us. But, you know, it--is a--is a 17 proposed tariff revision in order? I don't know. I mean, again, 18 we just have--we have a tariff in place. We have, you know, 19 some assertions have been made, so we can only do what we 20 typically--we can only address this in typical fashion, which is 21 give us something to--give us a question we can answer, I 22 guess. 23 MR. JETTER: Okay. THE HEARING OFFICER: Does that make sense? 24 MR. McKAY: Definitely I'm getting a questionnaire 25

and complaint that we can respond to. We are concerned. And I'll say this, that essentially, I think, they're really playing forward their concern about a practice that related to pooling and so I believe the issue that's going to be before you is whether or not you can order Questar, I guess, Gas to do some pooling. I mean, Questar Pipeline is already on a path of what they're going to be doing. What--we are happy to show up and talk about those things, but to fully vent that issue certainly on the fast track, I'll be very surprised with--and the only experience I've had when an outside party has come in and tried to ask or force the utility to do something, it took two years to do, and that wasn't a fun process.

I don't think that that's necessarily the path we're on. We're going to continue to meet and talk about those things. And in some ways we may find out that all the parade of oracles aren't as bad as we thought they were and the parties have to comply with what's been out there. But that's, just again, my opinion on it. Others are going to have different opinions.

I would be really cautious and I am being cautious right now that as soon as you put the 10th of September, which our witnesses, I know, would be here are not available the second or the third week. So the first week they can be available--well, they have one day, the 15th they could be available. And then after that they begin to be available. But

that gets to--you're assuming a whole lot of things with what might be the decisions or in the complaint out there that--we'll try. I mean, we're happy to do whatever we can here.

assuming anything. I mean, the other alternative is just to go

THE HEARING OFFICER: I mean, I'm not

back to the rules, have you file a complaint, and then we'll just--I'm just trying to-I'm trying to find a process for something that's right now pretty liquid, I guess. And we're trying to firm up a little bit of a process. But, I mean, frankly, you know, the other option is to just go ahead and file a complaint and then treat it under normal process, which is there's a 30-day--you know, I'm just trying to help out you guys.

MR. DODGE: But, again, a stay was requested.

There's a request for emergency relief. We can do that again and ask you to do it in another week, but we've just waited two weeks in the interim.

THE HEARING OFFICER: Yeah.

MR. DODGE: We understand the burden is on those complaining. I respectfully disagree with Mr. McKay. The issue isn't whether you can order them to change something. It's whether they can unilaterally make a change designed to harm their end use customers without Commission approval. If you say no to that, then they've got to fix that. And that can be done on a fairly quick basis.

1 If there are other issues beyond that, I mean, if the 2 complaint also asks for even if they are allowed to change 3 without permission, if we're trying to get you to order them to do 4 something, let's pretend they've never done it before and we 5 thought it was the right thing, we can ask for that. We can ask 6 for a tariff change. We can ask you to impose a tariff on them 7 that says you have to recognize pooling--or offer pooling 8 contracts to marketers. 9 That may be a longer term one, but the shorter 10 term issue is can they just unilaterally change a decades old 11 procedure that people have relied upon in entering into 12 contracts and arranging the supplies, et cetera, without any 13 Commission input on it. That one can be resolved pretty 14 quickly. 15 THE HEARING OFFICER: What is the--16 what are the--understanding that I agree with you, Mr. McKay, 17 that this is--again, we don't know--18 exactly have an idea, but what dates could potentially witnesses 19 be available for a hearing? 20 MR. McKAY: Those that would be our witnesses 21 beginning on the 22nd, 3rd, 4th, 5th of September, or the next 22 week. 23 THE HEARING OFFICER: The 24th, is that--24 MR. McKAY: That's doable for us.

MR. DODGE: That gets pretty late. I thought you

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1	said the first week of September they were available.
2	MR. McKAY: They're available on the 15th of
3	September, that one day that week. They're not available at all
4	the previous week. And then you have the holiday week of
5	Labor Day, which is the first week of September.
6	MR. DODGE: What about the 4th or the 5th of
7	September?
8	MR. McKAY: They're both gone.
9	MR. DODGE: They're gone the entire month?
10	MR. McKAY: No. They are gone just half a month.
11	I mean, the key people are the supply people and that's their
12	schedule. They are available
13	MR. DODGE: I'm pretty frustrated. You told us
14	September. You said there's not a person that
15	MR. McKAY: No. I didn't say September. I'm
16	saying that we need to comply with the technical conference
17	right away that first week of August.
18	MR. DODGE: We're in September for a hearing.
19	MR. McKAY: Right. And I'm saying in
20	Septemberthose people, they were way available in August,
21	but they aren't available during those two weeks.
22	THE HEARING OFFICER: What were the days they
23	are available again? What were the dates again? Help me
24	understand.
25	MR. McKAY: 22nd, 3rd, 4th, 5th of September.

1	They're also available on the 15th of September.
2	MR. WILLIAMS: The 15th?
3	THE HEARING OFFICER: The 15th? And there
4	was no dates on that first week, right, the first week of
5	September?
6	MR. McKAY: Holiday weeks are difficult.
7	THE HEARING OFFICER: All right. Okay. So
8	MR. DODGE: You keep saying holiday weeks.
9	What days are they available?
10	MR. McKAY: The 2nd, so the day after the holiday,
11	and the 3rd.
12	THE HEARING OFFICER: The 3rd?
13	MR. McKAY: Wednesday.
14	THE HEARING OFFICER: The 3rd or the 15th, it
15	looks like those
16	MR. McKAY: The concern I have here, though, is
17	that now you're starting to put a date out there. Then, all of a
18	sudden, we're going to crunch in a bunch of timing as it relates
19	to testimony and then rebuttal. And I don't think this issue's
20	going to be fully embedded that way. But
21	and I don't like the backwards process that we're going through
22	here trying to commit to a date that we don't even know what
23	the real issues are that they put out there that we are supposed
24	to respond to.
25	We are happy to keep meeting and we think we

1 have. We're being accused that we haven't. I understand that 2 one totally, but--3 THE HEARING OFFICER: What if we do this: Why 4 don't we just put a date out there for a hearing and let's talk 5 about the process and we'll see if it works. Let's get a starting point here, a point of reference, and then we'll go from there 6 7 because you may be right. Why don't we just start with--let's go 8 to the 15th. And then let's talk about filling in dates in between 9 that and what may or may not make sense. And, again, that 10 may be an unworkable proposition. I don't know. Does it make 11 sense to--should we go back to the technical conference and 12 then try to work around what the rounds of testimony with the 13 understanding that we have a placeholder right now for a 14 hearing on the 15th? MR. DODGE: Yeah. 15 16 THE HEARING OFFICER: Okay. So let's go back 17 to--18 MR. DODGE: Barrie, remind me which days you guys can do it the last week of July or first--19 20 MR. McKAY: The last week of July we could do it 21 the 29th or 30th. We could do it the 4th, 6th, or 7th in that first 22 week of August. 23 MR. DODGE: What about the 30th? 24 MR. McKAY: 30th would work. MR. DODGE: You said that would work. I guess 25

1	I'm asking if the 30th of July would work?
2	MR. MONSON: You're out on the 30th? How about
3	29th?
4	MS. SCHMID: We might have a conflict.
5	THE HEARING OFFICER: Yeah. We have a
6	settlement hearing thatthe 30th
7	MR. McKAY: We can do it the 1st. We have so
8	many attorneys we can use one on that day.
9	MR. CHISHOLM: Let's do the 30th.
10	THE HEARING OFFICER: The 30th? Now, is
11	thatbecause, I mean, I don't have to be at the stipulation, but
12	is thatI'm turning here to the staff here. Is thatwhat do you
13	want to do on the 30th? Do you want to do awhat do we think
14	we're going to need?
15	MR. McKAY: Initially, I thought it was a technical
16	conference to try to help bring up. People don't have to do that
17	one, but we thought it would be
18	THE HEARING OFFICER: No. 1 think
19	MR. McKAY:explanations of what the issues are
20	and we'll see where we agree to disagree or fight over facts.
21	THE HEARING OFFICER: Okay. So the 30th. Do
22	you guys want to do morning, afternoon? What makes sense?
23	MR. DODGE: Yeah, morning.
24	THE HEARING OFFICER: 10:00? Is that
25	MR. McKAY: Yeah.

THE HEARING OFFICER: Okay. So July 30th, 10 a.m. And I'm not foreclosing. If there's other--you know, like other vision, other parties that there's initial conflict--I don't see the Office here, but--

MR. JETTER: We'll be able to manage it.

THE HEARING OFFICER: Okay. So I have a tech conference. What do you want to do with the complaint, slash, direct testimony of the complainant?

MR. DODGE: I'm going to suggest we sever that one so that we can get out a docket. If you want to open a new docket, we can open a complaint with our request for relief in it, but not the testimony. And I would suggest we do that no later than the 10th of July. And then I would say direct testimony, maybe a week after the technical conference on the 7th.

And I'm just going to throw out some dates just writing it down what might work for me. The 7th, direct testimony by the complainants. Three weeks later, direct testimony by others on the 21st. And then shorter periods for rebuttal and surrebuttal like the--and, again, I recognize this is--in my mind, I've severed to--from the broader issues to the what I call the stay issue or the they can't do this argument, which is part legal and part factual.

If there's a broader issue of whether parties want to ask the Commission to force them to even if you don't find it violated their tariff by changing, then I think that probably needs

1	to be on a different schedule. But on the one where we're
2	asking you to find that they can't do what they've done properly,
3	then I think we could move on a fairly quick schedule.
4	THE HEARING OFFICER: And so that was direct
5	for just the complainants?
6	MR. DODGE: Direct for the complainants I was
7	suggesting by the 7th of August.
8	THE HEARING OFFICER: And then the rebuttal
9	would be
10	MR. DODGE: Rebuttal I would say by the 21st of
11	August.
12	MR. McKAY: That's two weeks.
13	THE HEARING OFFICER: Hold on a second. So is
14	that
15	MR. McKAY: We're going two weeks. I thought you
16	said three weeks.
17	MR. DODGE: Is that7th to 21st, is thatoh, that's
18	two weeks. If we do the 28th, then we just may not have the
19	last round. Sometimes the Commission just does a rebuttal
20	round for everybody and we're content with that. Again, it may
21	be legal as much as it is factual. But, you know, I would do at
22	least one more round some time before the 15th, two to three
23	weeks after that.
24	THE HEARING OFFICER: So rebuttal, that would
25	be all parties?

1	MR. DODGE: That would be the 11th, two weeks
2	after that. Yeah, I would say everybody do rebuttal by the 11th.
3	And then that's four days before the hearing. I don't know if
4	that's enough.
5	THE HEARING OFFICER: So we would have the
6	complaint filed July 10th, direct complainant testimony August
7	7th with rebuttal, all parties, September 11th?
8	MR. DODGE: No. I'm saying direct others on the
9	28th of August.
10	THE HEARING OFFICER: Oh, direct others. Okay.
11	MR. DODGE: So respond to testimony by the
12	non-complainant on the 28th. And then rebuttal by everyone on
13	something like the 11th of September, if that's enough time for
14	the Commission. That's four days before the hearing. And that
15	will largely be responding to what's filed on the 28th. So that's
16	like the most time.
17	THE HEARING OFFICER: I'm sorry, the Division
18	MR. JETTER: I think we're okay with that schedule.
19	MR. MONSON: We would like to suggestI don't
20	know how this fits with the schedule that Mr. Dodge has been
21	looking at, but we would like to suggest that they file their
22	rebuttal on the 4th. Then parties have a chance on the 11th to
23	file any response if they want to.
24	MR. DODGE: I'm sorry, one more time. The 4th of
25	what?

1 MR. MONSON: 4th of September. 2 3 record. 4 (Discussion off the record.) 5 6 7 8 9 10 11 12 something. 13 14 15 16 17 18 19 that we're trying to avoid. 20 21 22 23 vou. So--24 25

THE HEARING OFFICER: We can go off the

MR. DODGE: And I'm looking around. The problem is if you agree with that and say, Questar, you can't properly do that, as I understand it, Questar Pipeline proceeds to require electronic confirmations, what it means is that we'll have to enter into pooling contracts. Part of our testimony may well be a request that, you know, that go simultaneously if they do require to submit a contract they can live with if you agree or

If you don't rule until after the 24th, yes, you must, then the question is how quickly will it take them to comply and negotiate a contract that's acceptable in time for the heating season. We've had people say it can easily be done in a month if people are acting in good faith and trying. But if they're not, it can drag well into heating season and basically cause the harm

THE HEARING OFFICER: And I suggest as part of your complaint or testimony, whatever, you probably want to flush that out in terms of, you know, give us some ideas in terms of back stops for dates if that needs to be an order or what have

MR. DODGE: So if we're moving their surrebuttal

1	to the 15th and the hearing to the 24th, if you guys are gone
2	that other week, then we should move our rebuttal date to the
3	11th, give us some more time. You guys are gone anyway. That
4	gives us more than a week.
5	MR. McKAY: And when is my surrebuttal due?
6	MR. DODGE: The next week. We'll do it the 18th
7	or something.
8	MR. McKAY: Remember, we moved the hearing
9	because the only time our people were available on that second
10	week was the 15th, so we're not here the 16th, 17th, 18th, or
11	19th.
12	MR. DODGE: Well, okay, but if they're not here the
13	week before, then getting it in early doesn't help you.
14	MR. McKAY: True.
15	MR. DODGE: So I'm saying move our deadline to
16	the 11th and you tell us when you want to file your
17	surrebuttalwell, not you, whoever is filing, when you want
18	surrebuttal due if the hearing's on the 24th.
19	MR. McKAY: Would the Commission be happyI
20	mean, I have him not here all the next
21	the whole week that they're supposed to write their rebuttal
22	they're not here.
23	MR. DODGE: The week of what?
24	MR. McKAY: They're here the 15th. That's one
25	day.

4	MD DODOE V I (III) I (III I III)
1	MR. DODGE: You're talking about the surrebuttal?
2	MR. McKAY: Yeah.
3	MR. DODGE: Well, you were proposing that's the
4	date that theythat was your proposal.
5	THE HEARING OFFICER: Let's go off the record.
6	(Discussion off the record.)
7	THE HEARING OFFICER: Why don't we do this:
8	Let's start off where I think you guys left it. And why don't, Mr.
9	Dodge, if you have it, then you guys can tell me where we're at
10	right now in terms of what we have a tentative agreement on.
11	MR. DODGE: I won't characterize that we have an
12	agreement.
13	THE HEARING OFFICER: Okay. A tentative
14	proposal.
15	MR. DODGE: What I'm proposing?
16	THE HEARING OFFICER: The proposal, yeah.
17	MR. DODGE: Again, with everything complaint,
18	motions, whatever that we're going to file, complainants by the
19	10th. Technical conference on the 30th.
20	THE HEARING OFFICER: Hold on a second. Let
21	you me stop you there. Technical conference on July 30th?
22	MR. DODGE: July 30th.
23	THE HEARING OFFICER: Okay.
24	MR. DODGE: Direct testimony by complainants by
25	the 7th of August. Direct testimony by others or responsive

that proposal?

testimony, whatever you want to call it, by the 28th of August.

Rebuttal testimony, all parties, by September 11th. And surrebuttal testimony by all parties by September 18th. And the hearing date on September 24th.

THE HEARING OFFICER: And, Questar, understanding this is a proposal, where were you guys at with

MR. MONSON: What we would prefer-and we don't have an agreement on--is we prefer they file
their--that they file rebuttal--I guess all parties file rebuttal on
September 8th, and that we file surrebuttal, all parties, on, you
know--I mean, it can be the 15th or the 16th, I guess. I mean,
our witnesses are gone, but that's--they're going to be gone
anyway, so 15th, 16th, or 17th, and then the hearing on the
24th.

THE HEARING OFFICER: Is there somewhere you can meet in the middle of that, Gary, or--

MR. DODGE: Yeah. I mean, will you agree to a two-day turnaround on discovery? You're trying to cram us with the only time we'll see your direct testimony exhibits, everything in your file, your substantive case, will be filed on the 28th of August and you're trying to cram us down to basically eight days--is that about right--with a holiday. So that's--if you file end of business, that's one, two, three, four, five, six, business days. So if you'll give me a two business day turnaround on

1	discovery, then I can live with it. Otherwise, you've got to give
2	me more time. If you want a week turnaround on discovery,
3	you've got to give me at least two weeks to file response to
4	testimony.
5	THE HEARING OFFICER: What about the 10th?
6	What about the 10th for rebuttal?
7	MR. CHISHOLM: We can do the 10th.
8	THE HEARING OFFICER: This is for
9	MR. McKAY: If they do the 10th, we do, what, the
10	18th or 19th? I mean, I'm just throwing stuff off the calendar.
11	We're going to be the ones to do it. Hopefully, we can catch
12	him by e-mail.
13	MR. MONSON: That's okay. 10th and the 19th.
14	MR. McKAY: That gives us at least eight
15	dayseight or nine days. And then if you got the hearing three
16	days later
17	MR. DODGE: Then do surrebuttal on the 18th so
18	the Commission has a few days with it? Is that what you're
19	saying?
20	MR. WILLIAMS: Yeah. And hearing on the 24th.
21	THE HEARING OFFICER: So let meare we on the
22	record? Sorry. I know we're going on and off here a lot, butso
23	the proposal, which I think is tentatively agreement with the
24	parties here today is the complaint or complainants, depending
25	on how they want to actually do this, would be July 10th. Have

1 a tech conference on the morning of July 30th. Direct 2 complainant testimony would be August 7th. Response to direct 3 or non-complainant testimony, however you want to characterize 4 it, would be August 28th. Rebuttal, all, would be September 5 10th. Surrebuttal, all, would be September 18th with the hearing on the 24? Is that--6 7 MR. DODGE: Yes. 8 THE HEARING OFFICER: Is that--is that--9 what about--I mean, do we want to be able to plan for a motion 10 practice? You mentioned you think there's going to be a 11 substantial amount of legal issues. 12 MR. McKAY: No. This is going to morph 13 towards--we've already not been able to narrow the issues. And 14 it's going to be--we've got to see a complaint. And if the 15 complaint is, hey, we think it ought to be taken into pooling, 16 which is essentially, I think, the path that they want to have be 17 the solution, this is a schedule that won't work for that. We're 18 happy to try to go forward with whatever motion they may be 19 able to try to narrow that they want you to rule on. 20 THE HEARING OFFICER: What about motion 21 practice like, in other words, if the Company is going to file a 22 summary judgment August 28th, same day as the 23 non-complainant direct? 24 MR. MONSON: File a motion by 28th.

MR. McKAY: Can you do it? I'm not doing it.

25

1	MR. MONSON: It would be based on the complaint,
2	then, would be best testimony.
3	THE HEARING OFFICER: Do you want that? I
4	mean, we don't haveI mean
5	MR. MONSON: Well, normally, we would have to
6	file by then, so under normal circumstances, if we're filing a
7	motion to dismiss, so I don't have a problem with that.
8	MR. McKAY: We're going to try to work through
9	this process.
10	THE HEARING OFFICER: Okay. Obviously, you
11	can alwaysthe rules allow for motion practice.
12	MR. McKAY: Put it in as an option.
13	THE HEARING OFFICER: Do you want to put in
14	response times for potential motions?
15	MR. DODGE: I would just put them all on the
16	testimony deadlines.
17	THE HEARING OFFICER: Okay. So you would
18	have motions anythingor August 28th motions, right? And then
19	responseswhen would be the rebuttal?
20	MR. DODGE: Yeah. On the 10th.
21	MR. MONSON: Yeah. And replies on the 18th,
22	right?
23	THE HEARING OFFICER: Does that make sense?
24	MR. MONSON: Yeah.
25	THE HEARING OFFICER: And I actually think that,

1 you know, we've gone through this before in other proceedings 2 where it's difficult. Sometimes you have testimony and then 3 it's--you know, there's legal issues that are laced in that and it 4 gets a little more complicated. So discovery? Could you have a 5 proposal for discovery deadlines? 6 MR. DODGE: Well, see, if we've got the--they can 7 tell us what they think they need for us when we're responding 8 by the 10th. We've got the 28th. By the 29th we've got to have 9 responses within a week, at least calendar week. That would 10 give us around, like, the 5th. They tell me everyone's out of the 11 country, so I don't know how it's--it's going to--it may be tough 12 to get depositions like I envision, especially after they file 13 testimony. We may have to fix some dates before they file 14 testimony. 15 THE HEARING OFFICER: So do you want to do 16 seven days until X or what? 17 MR. DODGE: I think it ought to be seven days, 18 well, after the 28th. 19 THE HEARING OFFICER: So what are we doing? 20 So seven--seven calendar or business days? 21 MR. DODGE: Calendar. 22 THE HEARING OFFICER: Seven calendar till 23 when? 24 MR. DODGE: Through the 18th. And I guess 25 probably the same thing. When is your testimony due? If it's

1	on the 10thor, I'm sorry, from the 28th through 9-10 is seven
2	days. And then the 10th through the 18th
3	THE HEARING OFFICER: So let me back up again.
4	So from the August 28th until September 18th, is that the
5	timethe first time
6	MR. DODGE: That's what I'm proposing. And then
7	MR. MONSON: Five days after that?
8	MR. DODGE: Five days after what now?
9	MR. MONSON: After the 18thor the 10th. I'm
10	sorry.
11	THE HEARING OFFICER: So five days thereafter?
12	MR. MONSON: Yeah.
13	MR. DODGE: And then
14	MR. MONSON: Calendar days again.
15	MR. DODGE: Betweenthere's three weeks there,
16	so I think ten days ought to be from the 7th to the 28th.
17	THE HEARING OFFICER: So August 7th?
18	MR. DODGE: Yeah. From August 7th through
19	August 28th, I'm proposing ten calendar days. From 8-28 to
20	9-10, seven. From 9-10 to 9-18, five.
21	THE HEARING OFFICER: 9-18 till when?
22	MR. DODGE: 9-10 to 9-18. And then presumably
23	there's nothing after the 18th surrebuttal. I guess five days
24	would still
25	THE HEARING OFFICER: Do you just want to do

1	9-10 thereafter five days?
2	MR. DODGE: Yeah.
3	MR. McKAY: Okay. So, essentially, you're going to
4	file testimony and you've got ten days by ask them data
5	request?
6	MR. DODGE: Yes.
7	MR. McKAY: We file our response testimony and
8	we're only going to have seven days.
9	MR. DODGE: Well, that's because you have three
10	weeks between our filing and your filing. We only have eight
11	days.
12	THE HEARING OFFICER: We're just throwing
13	dates around.
14	MR. McKAY: I'm just making sure I understand.
15	THE HEARING OFFICER: This isn't what we're
16	ordering right now. You guys are talking about it.
17	MR. DODGE: Whenever the Company is the filing
18	party, we get those kind of cascades of 21 days and then ten.
19	THE HEARING OFFICER: Let's go off the record.
20	(Discussion off the record.)
21	THE HEARING OFFICER: Let's go back on.
22	Intervention deadline necessary?
23	MR. McKAY: Are you opening a docket?
24	THE HEARING OFFICER: What's that?
25	MR. MONSON: They're filing a complaint.

MR. McKAY: They've got to file the complaint. 1 2 MR. MONSON: Right. So you probably ought to 3 make the intervention deadline be sometime after they file the 4 complaint. 5 THE HEARING OFFICER: Yeah. 6 MR. DODGE: It ought to be after direct testimony 7 is due where people can see how they're impacted. 8 MR. MONSON: Right. 9 MR. DODGE: At least the complainant's direct 10 testimony. THE HEARING OFFICER: By the way, we will be 11 12 talking--we'll open up--once they file the complaint, I'll issue a 13 new docket, so yeah. 14 MR. DODGE: I would say that the intervention 15 deadline--the fact of the matter it ought to be the end of August. 16 If they want to file, they can file direct-they have to do it 17 by--your direct--by the 10th so I would say 30th give--18 MR. McKAY: Just had the 29th. 19 THE HEARING OFFICER: 29th? Would it be okay 20 if we did the 28th or do you want the 29th? 21 MR. DODGE: Well, I think it ought to be after the 22 28th because that's the day the direct testimony by everyone 23 else is going to be filed. Sometimes you don't know how you're impacted until you see that. So it ought to be that next week, 24 25 the 2nd or 3rd of September.

MR. WILLIAMS: 3rd of September is available. 1 2 MR. DODGE: The fact of the matter, they don't 3 have much time to file. 4 MR. WILLIAMS: That gives them seven days if 5 they're going to intervene. 6 THE HEARING OFFICER: I mean, honestly, what 7 drives the intervention, at least in my mind, is the issue of if 8 you're not a party, confidentiality, things like that, or rights, you 9 know, discovery. So that one there's not going to be much more 10 discovery to be had. It's more just like, again, for purposes of 11 confidentiality participation of the docket. Does 9-3 sound 12 doable, Questar? 13 MR. MONSON: Yeah. 14 THE HEARING OFFICER: All right. Okay. Should 15 we do one final review and make sure we're all on the same 16 page and then we'll--17 MR. DODGE: Please. 18 THE HEARING OFFICER: Okay. So the 19 complaint--the complainant or complainants will file July 10th. 20 They'll file their complaint. There will be a technical conference 21 on July 30th at 10:00 a.m. Direct complainant testimony will be 22 August 7th. Responsive direct testimony or non complainant will 23 be August 28th, along with the motions. Rebuttal testimony, all, will be September 10th, along with any response to motions. 24 25 Surrebuttal, all parties, will be September 18th, along with any

1	replies to the responses to the motions. Hearing, September
2	24th. Intervention deadline will be September 3rd. With
3	respect to discovery, turnaround times from August 7th to the
4	28th will be ten calendar days. From August 28th to September
5	10th will be seven calendar days and five calendar days
6	thereafter. Does that reconcile with folks' agreement? Okay.
7	MR. DODGE: Yes.
8	MR. MONSON: Yes.
9	THE HEARING OFFICER: Okay. lappreciate
10	everyone's patience today working through this. Are there any
11	other matters, procedural issues, that we need to address
12	before we adjourn for today?
13	Can we go off the record?
14	(Discussion off the record.)
15	THE HEARING OFFICER: Mr. Jetter.
16	MR. JETTER: Just one thing. I wanted to clarify
17	that if they don't file a complaint on time, then any time after
18	that filing the complainant would just be under the normal
19	schedule for a complaint. Is that
20	THE HEARING OFFICER: That makes sense to
21	me. I mean, this is essentially
22	MR. DODGE: This is only agreed to for this.
23	THE HEARING OFFICER: Yeah. In other words,
24	that's the trigger date. In other words, if they want to file a
25	complaint later on at some point, then we would just go back to

1	this is kind of a modification of typical complaints schedule or
2	procedure. So does that make sense, Mr. Jetter?
3	MR. JETTER: Yeah.
4	THE HEARING OFFICER: Okay. All right. Anything
5	else we need to address today or are we all okay about
6	adjourning? Okay. Thank you very much and we'll look forward
7	to your filings. We're adjourned.
8	(Hearing concluded at 4:12 p.m.)
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CERTIFICATE 1 2 This is to certify that the foregoing deposition was taken before me, NANCY A. FULLMER, a Registered Merit 3 4 Reporter and Notary Public in and for the State of Utah; 5 That said witness was duly sworn to testify the truth, the whole truth, and nothing but the truth; 6 7 That the deposition was reported by me in 8 stenotype and thereafter caused by me to be transcribed into 9 typewriting, and that a full, true, and correct transcription of 10 said testimony so taken and transcribed is set forth in the 11 foregoing pages; 12 That no review of this deposition was requested by 13 either party or the witness and, therefore, pursuant to Rule 14 30(e) of the Utah Rules of Civil Procedure the review was 15 waived. 16 I further certify that I am not of kin or otherwise 17 associated with any of the parties to said cause and am not 18 interested in the event thereof. 19 20 21 Nancy A. Fullmer, RMR 22 23 24 25