ACTION REQUEST

Date: May 1, 2014

FROM: Public Service Commission

Due: <u>May 9, 2014</u> *

SUBJECT: Questar Gas Company – Settlement Stipulation Model and Exhibit 1, Docket No. 13-057-19 (Company Name, Case Number, etc.)

4/28/2014

13-057-19

(8) <u>QUESTAR GAS COMPANY SETTLEMENT STIPULATION</u> In the Matter of the Application of Questar Gas Company for Authority to Change its Depreciation Rates

This is a request for the Division to provide analysis, evaluation results, and the basis for conclusions and recommendations regarding the following:

- _____ Review for Compliance and Make Recommendations
- _____ Review Application and Make Recommendations
- _____ Analyze the Complaint
- _____ Review Notice and Make Recommendations
- _____ Review Request for Agency Action and Make Recommendations
- _____ Respond in Accordance with the Notice of Filing and Request for Comments
- _____ Investigate
- X Other Explanation and Statement of Issues to be Addressed (See Below):

In reviewing the "Settlement Exhibit 2 (Model).xls" filed in this docket on April 28, 2014, the Commission notes the "Total Revenue Requirement as Ordered 13-057-05" reported in the Settlement Stipulation Exhibit 1, Line 1 (Model Case 10) is not replicated. In addition, the model

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- The Division shall respond consistent with the order or notice;
- The order or notice, including any deadlines, shall supersede and replace this action request; and
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provides the same revenue deficiency and revenue requirement for both the Filed DPR Study case (Model Case 11) and the Settlement DPR Study case (Model Case 12). Commission staff believes the source of these problems is Column W of the Tab labeled "108_111 Projection." In this "Hot" column some of the cells contain hard-coded depreciation rates representing the Depreciation Settlement. Other cells, however, contain a formula that yields different depreciation rates based on the case selected to be modeled in the Control Panel (for example, compare cells W55-57 with cells W60-62 and review cells W84 and W151).

The Commission requests the Division work with the Company to explain this issue or revise and refile the Settlement Exhibit 2 model so that it benchmarks the revenue requirement approved in the February 21, 2014, Report and Order in Docket No. 13-057-05 and correctly presents the results of the Filed DPR Study case.

The Commission also requests the Division work with the Company to identify the source of the "Filed Depreciation Study: Utah Allocated Share" amount of \$1,559,691 presented in Exhibit 1, Line 2 of the Settlement Stipulation and explain how this number is determined. In your response, please identify whether it is necessary to turn off Optional Adjustment 30 "108 Product Adjustment" in Model Case 11 to correctly reflect the Filed Depreciation Study. If so, please ensure the revised model includes this change.

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