

**TEST YEAR PURCHASED GAS COSTS**

	(A)	(B)	(C)	(D)
	Component	Dth	Cost per Dth	Total Cost
1	Current Contracts			\$95,684,681
2	Stabilization Costs			<u>0</u>
3	Total Current Contracts	18,530,000	\$5.16377	\$95,684,681
4	Forecast Spot	23,899,544	\$4.64458	111,003,232
5	Future Contracts	0	\$0.00000	<u>0</u>
6	Total Gas Purchased	42,429,544	\$4.87132	<u><u>\$206,687,913</u></u>

**TEST YEAR TRANSPORTATION, GATHERING AND PROCESSING CHARGES**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Fctr	Dth	Months/Days	Rate		Total Costs
<b><u>TRANSPORTATION DEMAND</u></b>							
<b>QPC Demand</b>							
1	T-1 Transportation - Yearly		840,902	x 12	x \$5.28804	=	\$53,360,681
2	T-1 Transportation Nov-Mar		75,000	x 5	x \$6.80887	=	\$2,553,326
3	No-Notice Transportation		203,542	x 12	x \$0.86753	=	2,118,945
4	Capacity Release Credits						(200,098)
5	Total						<u>\$57,832,854</u>
<b>Kern River Demand</b>							
6	January - December		1,885	x 12	x \$17.74204	=	\$401,325
7	January - December		3,000	x 12	x \$14.34754	=	\$516,512
8	November - March		50,000	x 5	x \$14.34754	=	3,586,885
9	Total						<u>\$4,504,722</u>
10	Total Transportation Demand (SNG)						\$62,337,576
<b><u>TRANSPORTATION COMMODITY</u></b>							
<b>QPC Commodity</b>							
11	QPC Commodity (SNG)		119,748,571		x \$0.00267	=	\$319,729
12	QPC ACA		128,953,919		x \$0.00120	=	154,745
13	Total						<u>\$474,474</u>
<b>Kern River Commodity</b>							
14	January - December	0.99 x	4,885	x 365	x \$0.00440	=	\$7,738
15	November - March	0.99 x	50,000	x 151	x \$0.00440	=	32,766
16	Total (SNG)						<u>\$40,504</u>
17	Total Transportation Commodity						\$514,978
<b><u>OTHER CHARGES</u></b>							
18	QEP Field Services Demand			12	x \$745,178	=	\$8,942,136
19	QEP Field Services Commodity		42,871,720		x \$0.12579	=	<u>\$5,392,834</u>
20	Total QEP Field Services (SNG)						\$14,334,970 1/
21	Wexpro II Gathering		4,617,812		x 0.51124	=	\$2,360,810
22	Other Wexpro I Gathering Charges						\$2,414,086
23	Other Transportation Charges						<u>3,045,913</u>
24	Total Wexpro II Gathering, Other Gathering & Transportation						\$7,820,809
25	<b>TOTAL TRANSPORTATION AND OTHER CHARGES</b>						<u><u>\$85,008,333</u></u>

1/ See paragraph 7c in application.

**TEST YEAR STORAGE AND WORKING GAS CHARGES**

	(A)	(B)	(C)	(D)	(E)	(F)
<b><u>STORAGE CHARGES</u></b> 1/						
	Component	Dth	Months	Rate		Total Costs
<b>Storage Demand</b>						
1	Peaking Demand	184,625	x 12	x \$2.87375	=	\$6,366,793
2	Ryckman Demand	2,500,000	x 12	x \$0.09000	=	\$2,700,000
3	Clay Basin Demand	111,827	x 12	x \$2.85338	=	3,829,019
4	Clay Basin Capacity	13,419,000	x 12	x \$0.02378	=	<u>3,829,246</u>
5	Total Demand Charges (SNG)					\$16,725,058
<b>Storage Commodity</b> 2/						
6	Peaking Injections	1,974,795	x	\$0.03872	=	\$76,464
7	Peaking Withdrawals	1,974,274	x	\$0.03872	=	76,444
8	Ryckman Injections	1,457,744	x	\$0.01500	=	21,866
9	Ryckman Withdrawals	1,992,000	x	\$0.01000	=	19,920
10	Clay Basin Injections	13,818,049	x	\$0.01049	=	144,951
11	Clay Basin Withdrawals	12,947,300	x	\$0.01781	=	<u>230,591</u>
12	Total Commodity Charges					\$570,236
13	<b>Total Storage Charges</b>					\$17,295,294
<b><u>WORKING GAS CHARGES - QGC Account 164</u></b>						
	Month	Amount	Pre-Tax Return %			
14	Mar-13	\$9,537,534				
15	Apr-13	8,232,525				
16	May-13	12,269,220				
17	Jun-13	19,135,966				
18	Jul-13	32,164,740				
19	Aug-13	46,052,384				
20	Sep-13	56,496,783				
21	Oct-13	64,325,936				
22	Nov-13	58,898,100				
23	Dec-13	39,172,683				
24	Jan-14	29,848,683				
25	Feb-14	18,583,034				
26	Mar-14	<u>6,166,885</u>				
27	13-Month Average 3/	\$32,752,689	x	10.79%	=	<u>\$3,534,015</u>
28	<b>TOTAL FIRM STORAGE AND WORKING GAS CHARGES</b>					<u>\$20,829,309</u>

1/ Exhibit 1.9 - 1/1/2014

2/ Questar Gas planned volumes.

3/ (½ of Line 14 + sum of Lines 15 through 25 + ½ of Line 26) / 12

**SUMMARY OF TEST-YEAR GAS RELATED COSTS AND REVENUES CREDITS**

	(A) Component	(B) Costs	(C) Dth	(D) \$ per Dth
<b>WEXPRO I</b>				
1	Questar Gas Production 1/	\$366,539,229		
2	Wexpro I Revenue Sharing Credits 2/	<u>(33,804,782)</u>		
3	Net Questar Gas Production Costs	\$332,734,447	69,816,646	\$4.76583
4	Gathering 3/	16,749,056		
5	Total Wexpro I Cost of Production	\$349,483,503	69,816,646	\$5.00573
<b>WEXPRO II</b>				
6	Wexpro II Production 4/	\$25,814,280		
7	Wexpro II Revenue Sharing Credits 5/	<u>(3,242,787)</u>		
8	Net Cost of Wexpro II Production	\$22,571,493	4,617,812	\$4.88792
9	Gathering 6/	2,360,810		
10	Total Wexpro II Cost of Production	\$24,932,303	4,617,812	\$5.39916
11	Sales of Cost-of-Service Gas 7/	(4,214,101)	924,184	\$4.55981
12	Total Cost of Service Production	\$370,201,705.02	74,434,458	\$4.97353
13	Questar Gas Contract Gas 8/	206,687,913	42,429,544	\$4.87132
14	Injection / Withdrawal Adjustment 9/	(3,032,087)		
15	Transportation & Other Costs 10/	65,898,467	119,748,571	\$0.55031
16	Storage & Working Gas 11/	20,829,309		
17	Questar Gas - Related Gas Costs for Rate Purposes 12/	\$660,585,307	110,787,566	\$5.96263

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- 1/ Exhibit 1.1, Page 19, Line 1429, Column H.
  - 2/ Exhibit 1.4, Page 3, Line 8.
  - 3/ Exhibit 1.3, Page 1, Lines 20 + 22.
  - 4/ Exhibit 1.1, Page 20, Line 1509, Column H.
  - 5/ Exhibit 1.4, Page 3, Line 16.
  - 6/ Exhibit 1.3, Page 1, Line 21.
  - 7/ Exhibit 1.4, Page 3, Line 17.
  - 8/ Exhibit 1.2, Line 6.
  - 9/ Exhibit 1.4, Page 2, Line 6.
  - 10/ Exhibit 1.3, Page 1, Lines 10 + 17 + 23.
  - 11/ Exhibit 1.3, Page 2, Line 28.
  - 12/ Exhibit 1.6, Page 1, Line 6.

**ANNUALIZED UNIT COST OF STORAGE GAS**

(A)	(B)	(C)	(D)
	Dth	Average Rate	Total Costs
1 Company Production 1/	74,434,458	\$4.97353	\$370,201,705
2 Purchased Gas 2/	42,429,544	\$4.87132	206,687,913
3 Average Price	116,864,002	\$4.93642	\$576,889,618
Storage 3/			
4 Withdrawals	16,913,574	\$4.86386	\$82,265,213
5 Injections	(17,250,588)	\$4.94460	(85,297,300)
6 Storage Adjustment			(\$3,032,087)

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- 1/ Exhibit 1.4, Page 1, line 12.  
2/ Exhibit 1.2, Line 6.  
3/ Questar Gas Company planned volumes.

**OTHER REVENUES 1/**

	(A) Account Number	(B) Account Name	(C)	(D) 12 Months Ending May 2015
<b>WEXPRO I</b>				
1	483	Sales for Resale		\$4,562,669
2	490	Plant By-Product		6,127,680
3	492	Gasoline and Oil Sales	\$1,296,259	
4	758-1	Gasoline and Oil Cost	<u>(194,441)</u>	
5		Net Gasoline and Oil Sales		1,101,818
6	495-1	Overriding Royalty Revenue from Questar E & P		22,012,615
7	495-2	Oil Revenue Received from Wexpro		0
8		Total Wexpro I		<u><u>\$33,804,782</u></u>
<b>WEXPRO II</b>				
9	483	Sales for Resale		\$0
10	490	Plant By-Product		1,963,385
11	492	Gasoline and Oil Sales	\$1,505,180	
12	758-1	Gasoline and Oil Cost	<u>(225,778)</u>	
13		Net Gasoline and Oil Sales		1,279,402
14	495-1	Overriding Royalty Revenue from Questar E & P		0
15	495-2	Oil Revenue Received from Wexpro		0
16		Total Wexpro II		<u><u>\$3,242,787</u></u>
17		Sales of Cost-of-Service Gas		4,214,101
18		Grand Total (Line 8 + Line 16 + Line 17)		<u><u>41,261,670</u></u>

1/ Forecasted 12-month test year.

**TEST-YEAR GAS COST ALLOCATION**

(A)	(B)	(C)	(D)	(E)
	Allocation Factor 1/	System	Wyoming	Utah
1 Questar Gas Production (Exhibit 1.1)	2	\$392,353,509	\$14,246,598	\$378,106,911
2 Other Revenue's Credit (Exhibit 1.4, p 3)	2	(41,261,670)	(1,498,237)	(39,763,433)
3 Gathering (Exhibit 1.3, p 1) - Demand	1	8,942,136	232,496	8,709,640
4 Gathering - Commodity	2	10,167,730	369,197	9,798,533
5 Net Cost of Questar Gas Production		\$370,201,705	\$13,350,054	\$356,851,651
6 Questar Gas Contract Gas (Exhibit 1.2)	2	206,687,913	7,504,966	199,182,947
7 Injection / Withdrawal Adjustment (Exhibit 1.4, p 1)	2	(3,032,087)	(110,097)	(2,921,990)
8 Transportation (Exhibit 1.3, p 1) - Demand	1	62,337,576	1,620,777	60,716,799
9 Transportation - Commodity	2	514,978	18,699	496,279
10 Storage (Exhibit 1.3, p 2) - Demand	1	16,725,058	434,852	16,290,206
11 Storage - Commodity	2	570,236	20,706	549,530
12 Other Transportation - Commodity (Exhibit 1.3, p 1)	2	3,045,913	110,599	2,935,314
13 Working Gas Costs (Exhibit 1.3, p 2)	2	3,534,015	128,322	3,405,693
14 Totals		\$660,585,307	\$23,078,877	\$637,506,430

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1/ Allocation Factors		<u>Total</u>	<u>Wyoming</u>	<u>Utah</u>
#1 Peak Day Demand	Dth- Percent-	1,274,608 100.00%	33,140 2.60%	1,241,468 97.40%
#2 Commodity Sales - All	Dth- Percent-	110,787,566 100.00%	4,022,765 3.63%	106,764,801 96.37%

**TEST-YEAR GAS COST CHANGE**

	(A)	(B)	(C)	(D)	(E)	(F)	
				Average Rate	x	Dth =	Total
1	Utah Allocation of Questar Gas-Related Gas Costs (Exhibit 1.5) 1/						\$637,506,430
	Less:						
2	IS Class Commodity Credit 2/			\$4.78917		2,631,447	(12,602,445)
3	Net Utah Gas Costs (for Firm Sales)						\$624,903,985
	Test-Year Sales: 2/		Firm	+	Interruptible	=	Total Sales Dth
4	Utah		104,133,354		2,631,447		106,764,801
5	Wyoming		3,877,748		145,017		4,022,765
6	Total Dth						110,787,566
7	Supplier Non-Gas Costs 3/						(\$98,797,646)
8	Commodity Portion of Test-Year Gas Cost (Lines 3 + 7)						\$526,106,338

<b>FIRM CUSTOMER RATES</b>	Current Case 14-057-09	Prior Case 13-057-07	Difference	
9	Firm Gas Cost (line 8/ Firm Sales, line 4)	\$5.05224	\$4.39979	\$0.65245
10	191 Account Amortization (Commodity Portion) 4/	\$0.22364	\$0.02986	\$0.19378
11	Total Firm Sales Unit Commodity Cost (Lines 9 + 10)	\$5.27588	\$4.42965	\$0.84623

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1/ Exhibit 1.5, Line 14, Column E.

2/ Revrun.exe - 04/23/2014  
IS
          Dth
x
est. Com. Rate
=
Com. Revenues  
2,631,447
\$4.78917
\$12,602,445

3/ Test Year Estimate of Transportation, Gathering, and Storage billings.

4/ 191 Account (March 2014) actual (\$2,607,447)  
Less: Supplier Non-Gas balance actual (\$25,896,338)  
191 Account Commodity Portion \$23,288,891
104,133,354
\$0.22364



**TEST-YEAR SUPPLIER NON-GAS COST CHANGE**

	(A)	(B)	(C)	(D)
		Dth	Average Rate	Total
1	Supplier Non-Gas (SNG) Costs 1/			\$98,797,646
2	191 Account Balance for SNG Costs 2/			<u>(5,896,338)</u>
3	Total			\$92,901,308
4	SNG Costs Recovered at Current Rates 3/			<u>97,172,322</u>
5	SNG Costs Adjustment to Current Rates (Line 3 - Line 4)			(\$4,271,014)
6a	Adjustment for SNG contributions from:			
6b	IS SNG current rate	2,631,447	\$0.17930	\$471,818
6c	IS SNG new rate	2,631,447	\$0.17860	\$469,976
7	Percent Change to Current Rates ((ln 3-ln 6c)-(ln 4-ln 6b))/(ln 4-ln 6b)			(4.41) %

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1/ Exhibit 1.6, Page 1, Line 7.

2/	March 2014 SNG Balance - Actual	<u>SNG Balance</u>
	Expected March 2014 SNG balance	<u>(\$25,896,338)</u>
	SNG Amortization	<u>(20,000,000)</u>
		<u>(\$5,896,338)</u>

3/ Output of Revrun.Exe computer program dated 04/23/2014

**TEST YEAR CHANGE IN SUPPLIER NON-GAS COSTS  
BY RATE CLASS**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Rate Class	Season	Current total 1/	Curr. Base 1/	Calc. Base 2/	Amortization 3/	Total 4/
1	GS	Winter	\$1.10168	\$1.10168	\$1.12022	(\$0.06718)	\$1.05304
2		Summer	\$0.51725	\$0.51725	\$0.52595	(\$0.03154)	\$0.49441
3	FS	Winter	\$1.07299	\$1.07299	\$1.09105	(\$0.06543)	\$1.02562
4		Summer	\$0.51723	\$0.51723	\$0.52593	(\$0.03153)	\$0.49440
5	NGV		\$0.79500	\$0.79500	\$0.80838	(\$0.04848)	\$0.75990
6	IS 5/		\$0.17930	\$0.17930	\$0.17860	\$0.00000	\$0.17860

1/ Current Questar Gas Tariff (excluding bad debt surcharge).

2/ Exhibit 1.6 page 2 (line 1 - line 6c)/(line 4 - line 6b)\*Exhibit 1.6 page 3 column C. (N.A. to line 6)

3/ Column G - Column E

4/ (Current Questar Gas rates) x (1+Exhibit 1.6, Page 2, Line 7, % change).  
(except ln. 6, which is calculated by adding QPC T-2 and ACA rates, then adjusting for distr. loss of 0.494%  
=  $(\$0.17652 + \$0.00120) / (1 - 0.00494) = \$0.17860$

5/ IS Tariff rate has an adjustment for bad debt of 0.3% =  $\$0.17860 / (1 - 0.00250) = \$0.17905$

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

	(A)	(B)	(C)	(D)	(E)	(F)
	Rate Schedule	Month	Usage In Dth	Billed at Current Rates Effective 3/1/2014	Billed at Proposed Rates 14-057-09	Change
1	GS	Jan	14.9	\$130.70	\$142.59	\$11.89
2		Feb	12.5	110.74	120.71	9.97
3		Mar	10.1	90.77	98.83	8.06
4		Apr	8.3	65.66	72.49	6.83
5		May	4.4	37.98	41.60	3.62
6		Jun	3.1	28.75	31.30	2.55
7		Jul	2.0	20.94	22.59	1.65
8		Aug	1.8	19.53	21.01	1.48
9		Sep	2.0	20.94	22.59	1.65
10		Oct	3.1	28.75	31.30	2.55
11		Nov	6.3	59.16	64.18	5.02
12		Dec	11.5	102.42	111.59	9.17
13		Total	80.0	\$716.34	\$780.78	\$64.44
					Percent Change:	9.00 %

QUESTAR GAS COMPANY  
333 South State Street  
P.O. Box 45433  
Salt Lake City, Utah 84145-0433

PROPOSED RATE SCHEDULES

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

Date Issued: May 5, 2014  
To Become Effective June 1, 2014