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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Public Service Commission

From: Office of Consumer Services
Michele Beck, Director
Gavin Mangelson, Utility Analyst

Date: March 19, 2015

Subject: Comments Docket 14-057-13

In the Matter of: the Application of Questar Gas Company's Proposed
Tariff Pursuant to Utah Code Ann. 58-55-308.1

Background

On May 13, 2014 Questar Gas Company (Company) filed with the Public Service Commission (Commission) a Notice of Intent to file an application to make tariff modifications; said application was filed on June 20, 2014 with proposed tariff language. Tariff modifications are being requested in order to comply with Utah Code Ann, 58-55-308.1 (Code). The aforementioned Code has been revised in accordance with the passage of Utah House Bill 171 Natural Gas Facilities Amendments from the 2014 legislative session.

The first scheduling conference was held on July 16, 2014. As a result of ongoing input and negotiations from interested parties, the Commission agreed to forgo setting a time line to file comments. Multiple status conferences were held for the Commission to review the progress of cooperative discussions among the parties. The Company filed a Motion to Cancel Status and Scheduling Conference on December 5, 2014; no objections were filed and the status conference was cancelled. On February 27, 2015 the Company filed an amended tariff containing revisions developed through joint efforts with interested parties.

Discussion

During these proceedings the Utah Home Builders Association (Home Builders), Division of Public Utilities (Division), and Office of Consumer Services (Office) have collaborated with the Company regarding tariff language, provisions and possible points of dispute.

The tariff in question regards the installation of main and service line extensions. The proposed additional language will bring the tariff into compliance with the Code by allowing builder/developers to hire their own installers of natural gas main extensions and service lines. The additions detail qualifying installer requirements; said requirements will be commensurate with contractors already performing this work for the Company. The Office has reviewed this additional language, agrees that it fulfills the requirements set forth in the Code, and has no objections to the tariff language as contained in the amended filing.

The amended proposal also contains changes to the determination of shared costs. The Company has asserted that the previous method of calculating shared costs was resulting in an imbalance to the costs apportioned to main extension and service line applicants. In order to facilitate a better apportionment of costs, the amended tariff language no longer attributes all costs associated with the meter and riser to the applicant. The amended language also removes what is denoted as “applicable taxes” from the main extension costs paid by the applicant. The Office does not oppose these changes and notes that the changes only impact the way the Company will account for costs, and will not impact general rates. The Office anticipates that the issue will be revisited again in the next general rate case.

Recommendation

The Office recommends that the Commission approve the tariff language as contained in the amended proposal filed on February 27, 2015.

Copies To: Questar Gas Company
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Division of Public Utilities
Chris Parker, Director
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