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# State of Utah Department of Commerce Division of Public Utilities

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## COMMENTS ON PROPOSED TARIFF

**To: Public Service Commission**

From: Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Doug Wheelwright, Technical Consultant  
Eric Orton, Utility Analyst

Date: March 20, 2015

Subject: Questar Gas Proposed Tariff Pursuant to Utah Code Ann § 58-55-301.1  
Docket No. 14-057-13

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### RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the amended changes to the Questar Gas PSCU Tariff No. 400 for Main Extensions with an effective date of April 1, 2015.

### BACKGROUND

Utah Code Ann § 58-55-301.1 became effective following the 2014 legislative session. The new legislation concerns the installation of natural gas facilities specifically main and service lines. The language in the law indicates that the standards and specifications for the installation would be included in the gas corporation's tariff approved by the Public Service Commission. When the legislation was passed, the guidelines and specifications were not explained or include in the

existing tariff. On June 20, 2014, the Company filed PSCU Tariff 400 to address the installation issue.

On June 24, 2014, the Commission held a scheduling conference in this docket. During the scheduling conference, the Home Builders Association of the State of Utah (UHBA) indicated that they were working with the Company on the details for Builder/Developer installation of line extension and that parties' were close to reaching an agreement and requested additional time to continue the discussions. Subsequent status and scheduling conferences were held on July 16, September 11 and November 5, 2014. During each meeting the parties' expressed their desire to continue discussions and reconvene at a later date to report on the status of the discussions and determine a schedule for this docket. On December 5, 2014, the Company filed a motion to cancel the December 8<sup>th</sup> scheduling conference since parties had been unable to reach an agreement and there was no additional information to report to the Commission.

After many months of negotiations, the parties have resolved the remaining issues and on February 27, 2015, Questar Gas Company (Company) filed a motion to amend the proposed tariff language to PSCU Tariff No. 400 to include the agreed changes. On March 3, 2015 the Commission issued a Notice of Filing and Comment Period and invited parties to provide comments on the Amended Tariff by March 23, 2015. This memo provides the Division's comments as directed.

## **ISSUE**

The Company proposed a number of changes to the line extension policy during the last general rate case<sup>1</sup> and the tariff changes included in this Docket represent only a portion of the total changes to the policy. The changes to the tariff in this Docket represent the agreed upon guidelines for main and service line extension that are Company installed as well as those facilities that would be installed by Builder/Developer retained qualified installers. The revised tariff language identifies the requirements for design, installation, inspection, conveyance and ownership of natural gas facilities.

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<sup>1</sup> Docket No. 13-057-05.

## **DISCUSSION**

Representatives from the Company and the Utah Home Builders Association have been working on the terms and language that would be acceptable to both parties and the specific terms and requirements for these changes have taken a number of months to complete. The proposed tariff is consistent with the Commission's report and order dated February 21, 2014 in Docket No. 13-057-05 and is in compliance with Utah Code Ann § 58-55-301.1.

The Commission approved the changes to the line extension policy as a pilot program through December 2016. As part of the evaluation of the pilot program, the Division is required to file an annual report to the Commission. A more detailed report concerning the changes to the line extension policy will be provided to the Commission under Docket No. 13-057-05 by April 1, 2015.

## **CONCLUSION**

The Division recommends the Commission acknowledge and approve the changes to the Questar Gas PSCU Tariff No. 400 for Main Extensions with an effective date of April 1, 2015 and make them available for public inspection.

CC: Barrie McKay, Questar Gas

Kelly Mendenhall, Questar Gas

Michele Beck, Office of Consumer Services

Ross Ford, Utah Home Builders Association