REDACTED EXHIBIT A

Summary of 191 Account Audit Procedures and Results for CY 2016

1 SCOPE

The Division of Public Utilities conducted an audit of Questar Gas Company's Account No. 191.1 of the Uniform System of Accounts for the calendar year of 2016. The majority of the Division's work focused on net costs (costs offset by revenues) included in Account No. 191.1, although limited testing was performed on the reported revenues. The purpose of this audit was to compare the costs and revenues included in the Account No. 191.1 filing with the tariff and evaluate whether or not their calculation of the balance substantially conformed to the approved accounts and method of calculation.

2 DEFINITIONS

Various terms or abbreviations are used in the following sections. Those terms or abbreviations are described below:

1) "Division": Utah Division of Public Utilities
2) "QGC": Questar Gas Company
3) "QPC": Questar Pipeline Company
4) "ABS": Account Balance Summary. A spreadsheet consisting of individual accounting entries to the various accounts in the 191 account.
5) "GL": General Ledger or "Accounting Works". A QGC spreadsheet report produced monthly that originates from the Company's general ledger.
6) "191 SUM": The monthly 191 summary sheet produced by QGC. This sheet shows the 191 account calculations, including a breakdown by account, interest calculations and adjustments to the 191 account.
7) "191 Account": Account No. 191.1 of the Uniform System of Accounts

3 AUDIT PROCEDURES

The Division's audit procedures of the 191 account for the calendar year 2016 consist of the following:

1) Risk Assessment – The Division reviewed the information provided by QGC to determine that it was substantially similar to previous years and relied upon risk areas that were identified in previous audits, particularly storage gas costs, which will be discussed later in this report.
2) High Level Reconciliations – Reconcile QGC's 10K report to the 191 SUM.
3) Net Gas Cost Review
   a) Verify that the Commodity percentage was calculated correctly.
   b) Verify that the Demand percentage was calculated correctly.

c) Recalculate the ending 191 balance and compare to the 191 SUM.
d) Review supporting documentation for costs and revenues included in the 191 account.
e) Review supporting documentation for the 191 account adjustments.

4 RISK ASSESMENT

The Division determined that 2016's audit is substantially similar to previous years' audits and relied upon risk areas that were identified in previous audits. The two main areas of risk are storage gas related costs and adjustments to the 191 account.

4.1 RISK - STORAGE GAS RELATED COSTS

Based on previous audits, it was determined that the greatest likelihood of misstatement was with storage gas costs (withdrawal value/charges, injection value/charges, return on storage gas). This is due to the complexity of the storage inventory calculations, and the use of an estimate that is determined by the company for storage injection and withdrawal values. The Division requested and reviewed supporting documents for several of the entries made into the General Ledger related to storage gas costs and could find no inconsistencies.

4.2 RISK - COMPANY ADJUSTMENTS TO THE 191 ACCOUNT

Adjustments to the 191 account were also considered to be of greater risk due to their nature of being outside the normal operating expenses and revenues that are booked to the 191 account. In the calendar year of 2016, there were approximately ($15,403,100) in net adjustments to the 191 account. The results of the adjustment review are discussed in section 5.3.1 below.

5 AUDIT PROCEDURES AND RESULTS

In addition to the items identified in the risk assessment, the Division tested many other key areas of the 191 account. The majority of the Division's audit procedures focused on the costs and revenues included in the 191 account. The audit procedures and tests discussed below are summaries of the work performed by the Division. In addition to the audit procedures and tests performed, the Division also sent data requests and held meetings with QGC to discuss certain aspects of the 191 Account.

5.1 HIGH LEVEL RECONCILIATIONS – RECONCILE 191 ACCOUNT TO 2016 10K

The purpose of this procedure was to verify that the amounts included in the 191 account tie to the amounts reported in the 2016 10K. Differences were investigated when the amounts differed. Based on the Division's review, it appears the costs and revenues reported in the 191 account tie back to the costs and revenues reported in the Company's 10K report.

5.2 NET GAS COST REVIEW

5.2.1 COMMODITY PERCENTAGE RECONCILIATION

The Division verified that the commodity percentages used to allocate costs to Utah were calculated correctly. The DPU calculated commodity percentages from the decatherms reported in the Booked Revenue Report. The DPU recalculated Utah Commodity percentages tied (with some small immaterial exceptions) to the amounts reported by QGC.

5.2.2 DEMAND PERCENTAGE RECONCILIATION

The percentages used to allocate demand costs to Utah originate from QGC's pass through filings. The applicable pass through filings for CY 2016 are Docket No's 15-057-11, 16-057-05, and 16-057-09. In this audit the demand percentage was applied on the effective date of the applicable pass through docket. However, in the Division's 2014 audit of the 191 account the Division observed a one-month lag in the application of demand percentages. The Company argued that a one-month lag was the most appropriate method for applying demand percentages and the Commission ruled that this complied with its orders. We inquired with the Company about this inconsistent application of demand percentages and it responded by saying that it believed a one-month lag was still appropriate and that an adjustment would be its recommended treatment. The following is the result of the demand percentage allocations:

Monthly Demand% By Month (Used in Tracer tab)					
Audit Month	DPU Demand %	QGC Reported Demand %	Difference	Demand Costs	Poential Error
1/31/2016	97.051%	97.0500%	-0.0012%	7,992,377	95
2/29/2016	97.051%	97.0500%	-0.0012%	8,294,899	99
3/31/2016	97.051%	97.0500%	-0.0012%	8,326,400	99
4/30/2016	97.051%	97.0500%	-0.0012%	7,158,810	85
5/31/2016	97.051%	97.0500%	-0.0012%	7,093,451	85
6/30/2016	97.051%	97.0500%	-0.0012%	6,044,659	72
7/31/2016	97.051%	97.0500%	-0.0012%	6,871,180	82
8/31/2016	97.051%	97.0500%	-0.0012%	6,875,451	82
9/30/2016	97.051%	97.0500%	-0.0012%	6,892,026	82
10/31/2016	97.051%	97.0500%	-0.0012%	6,914,932	83
11/30/2016	97.051%	97.2300%	0.1788%	8,534,077	(15,259)
12/31/2016	97.227%	97.2300%	0.0028%	9,002,824	(250)
Total					(14,644)

5.2.3 RECALCULATION OF MONTHLY 191 ACCOUNT BALANCE

In this audit procedure, the Division allocated the total Company costs to Utah, added DPU calculated gas revenues, and applied the applicable interest costs, bad debt percentages, and other QGC 191 Adjustments to arrive at monthly 191 Account balances. These amounts were then compared to the amounts reported by QGC in the 191 SUM. The total difference is $(24,960.45), this amount includes the portion that the Division is recommending to be adjusted. The results of this procedure are shown below.

Month	DPU CALCULATED 191 BALANCE	QGC REPORTED 191 BALANCE	Difference
1/31/2016	-$12,376,052.14	-$12,375,390.00	-$662.14
2/29/2016	-$35,047,899.68	-$35,046,621.00	-$1,278.68
3/31/2016	-$54,221,114.60	-$54,217,245.00	-$3,869.60
4/30/2016	-$44,741,908.99	-$44,736,298.00	-$5,610.99
5/31/2016	-$37,962,576.60	-$37,956,753.00	-$5,823.60
6/30/2016	-$28,809,583.47	-$28,802,309.00	-$7,274.47
7/31/2016	-$22,995,977.81	-$22,987,645.00	-$8,332.81
8/31/2016	-$13,442,136.78	-$13,433,410.00	-$8,726.78
9/30/2016	-$3,107,109.66	-$3,098,502.00	-$8,607.66
10/31/2016	$5,130,501.71	$5,137,923.00	-$7,421.29
11/30/2016	$7,026,049.68	$7,048,262.00	-$22,212.32
12/31/2016	$2,036,528.55	$2,061,489.00	-$24,960.45

5.3 NET GAS COST REVIEW

The Division performed several review procedures to ensure that the total Company expenses and Utah revenues reported in the 191 SUM are in fact supported by invoices, billing statements, checks, inventory calculations, and other documentation. The 191 account net gas costs can be broken down into the following components: Wexpro operating costs, purchased gas, storage gas, gathering costs, transportation costs, and overriding royalties. The Division has summarized the composition of the costs from the previous year below.

Total Company Net Gas Cost		
Gas Cost	**CY 2016 Amount**	**% of Total**
Wexpro Costs	331,547,585	63.02%
Purchased Gas	102,040,560	19.39%
Storage Gas Costs	13,995,719	2.66%
Gathering Costs	23,677,939	4.50%
Transportation Costs	64,939,197	12.34%
Overridding Royalties	-9,949,751	-1.89%
Gas Managment (WY Only)	39,150	0.01%
Non Core Customer Revenue (WY On	-171,113	-0.03%
Total Net Gas Costs	**526,119,286**	**100.00%**

The Division also reviewed how costs changed from the previous year and those results are summarized below.

Total Company Net Gas Cost			
Gas Cost	**CY 2016 Amount**	**CY 2015 Amounts**	**% Change**
Wexpro Costs	331,547,585	342,971,515	-3.33%
Purchased Gas	102,040,560	82,519,856	23.66%
Storage Gas Costs	13,995,719	16,884,845	-17.11%
Gathering Costs	23,677,939	22,108,686	7.10%
Transportation Costs	64,939,197	63,707,284	1.93%
Overridding Royalties	-9,949,751	-11,701,000	-14.97%
Gas Managment (WY Only)	39,150	38,951	0.51%
Non Core Customer Revenue (WY Or	-171,113	-146,117	17.11%
Total Net Gas Costs	**526,119,286**	**516,384,020**	**1.89%**

5.3.1 QGC ADJUSTMENTS TO 191 ACCOUNT

In addition to the net costs and revenues reported in the QGC 191 SUM, QGC made several adjustments to Utah's 191 Account balance that had the net impact of reducing the balance by [redacted] This year's adjustments include a [redacted] The adjustments for each month are shown as follows:

Month (2016)	Amount
January	(21)
February	(12)
March	[redacted]
April	(60,271)
May	(134)
June	0
July	0
August	0
September	0
October	(78,136)
November	0
December	(724,595)
Total Adjustments	[redacted]

6 CONCLUSION

The Division recommends that an adjustment of ($15,022.74) be made to account for the misapplied demand percentage in November. With this adjustment, the Division believes that the results of the 191 account are just, reasonable, and in the public interest and recommends that rates be made final in Docket No's 15-057-11 and 16-057-05.