

GAS UTILITIES

ANNUAL REPORT

OF

Questar Gas Company

Utah Business Entity Number: 558729-0142

TO THE

PUBLIC SERVICE COMMISSION OF UTAH

For Calendar Year

2014

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	General	Compa	ny & Con	tact Inf	ormatio	n
Company Name:	Questar Gas	Company				s seismina con
DBA Name (if	different):					
FKA Name (if	different):					
Address:	333 South Sta	ate				
City:	Salt Lake City	1	State:	UT	Zip:	84145
Phone Number:	(8)	01)324-510	00	Fax N	umber:	
(800) Number:			•			
Principle Busines	s Address: 3	33 South S	tate			
City:	Salt Lake City	1	State:	UT	Zip:	84145
Corporate Book A	ddress: 33	33 South S	tate			
City:	Salt Lake City	,	State:	UT	Zip:	00008-4145
Report Conta	act Person	1				
Report Conta				Title:	Director - A	Accountina
Name:	Connie Marsh	nall	Extension:	Title:	Director - A	Accounting
Name: Phone Number:		nall	Extension:			
Name:	Connie Marsh	nall	Extension: Email:			Accounting
Name: Phone Number: Fax Number:	Connie Marsh (801)324	nall 2471				
Name: Phone Number:	Connie Marsh (801)324	nall 2471				
Name: Phone Number: Fax Number:	Connie Marsh (801)324	nall 2471				II@questar.com
Name: Phone Number: Fax Number: Corporate Bo	Connie Marsh (801)324	nall -2471 dian		con	nie.marsha	II@questar.com

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Contact Information						
Attorne	y:					
Name:	Colleen Bell		Title:	General C	ounsel	
Firm Name:	Questar Corporation					
Address:	333 South State					
City:	Salt Lake City	State:	UT	Zip:		84145
Phone Number:	(801)324-5556	Exter	nsion:			
(800) Number:		Fax N	umber:			
A						
Accounta	ant:					
Name:			Title:		·	
Firm Name:						
Address:		04-4				
City:		State:	•	Zip:		
Phone Number:		No. Carrent	nsion:	we with a service of	::::::::::::::::::::::::::::::::::::::	
(800) Number:		Fax N	ımber:	×		
Other Cont	acts:					
Name:			Title:			
Phone Number:		Exter	nsion:			
Fax Number:		E-n	nail:			
Name:			Title:			
Phone Number:		Exter	sion:			
Fax Number:		E-m	nail:	£.		
	ş-					
Name:			Title:			
Phone Number:		Exter	sion:			
Fax Number:		E-n	nail:			······································

OFFICERS AND DIRECTORS

Report below the officers and directors of respondent at the end of the year. If there were any changes during the year, show name, title, and address of previous officer or director and date of change.

Name	Address	Official Title	Salary
Ronald W. Jibson	333 S State SLC, UT 84145	Director	*
Craig C. Wagstaff	333 S State SLC, UT 84145	Director	*
Kevin W. Hadlock	333 S State SLC, UT 84145	Director	*
Ronald W. Jibson	333 S State SLC, UT 84145	Chief Executive Officer	*
Craig C. Wagstaff	333 S State SLC, UT 84145	President	*
David M. Curtis	333 S State SLC, UT 84145	VP & Controller	*
Vaughn W. Shosted	333 S State SLC, UT 84145	VP Operations	*
Kelly B. Maxfield	333 S State SLC, UT 84145	VP IT & Administration	*
Kevin W. Hadlock	333 S State SLC, UT 84145	EVP & CFO	*
Julie Wray	333 S State SLC, UT 84145	Corporate Secretary	*
Anthony R. Ivins	333 S State SLC, UT 84145	Treasurer	*
Colleen Larkin Bell	333 S State SLC, UT 84145	General Counsel	*
Barrie L. McKay	333 S State SLC, UT 84145	VP Regulatory Affairs	*
* See Questar Corporation	's Annual Proxy Statement to be filed in April 2015.		7
Number of board of directo	ors meetings held during year		2 3
Total amount of directors' f	ed to constitute a quorum		3

STOCKHOLDERS

Report below the names and addresses of the stockholders who, at the end of the year, owned or held directly or indirectly 5 percent or more of the voting securities of the respondent.

Name	Address	No, of shares	Salary
Questar Coporation	333 S State SLC, UT 84145	9,189,626	
1000 to the second control of the boundary			
		-	
		ALL LIVE	
tal shares represented l	by above	. 10	00%
otal number of shares at	end of year	9,18	39,626
otal number of stockhold	ers at end of year		1

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E	Sive particulars concerning the following matters. Make the statements explicit and precise. each inquiry must be answered. Only use "none" or "not applicable" if it correctly states the fact.
	nportant additions or changes in franchise rights, including the actual consideration, if any, iven therefore.
	nportant additions or extensions of the utility system such as new structures, exchanges, Il facilities, etc.

COMPARATIVE BALANCE SHEETS

(Utah Operations Financial Statement in Accordance with GAAP)

Certificated entity only	. Do not consolidate with	other affiliated entities.
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Certificated entity only. Do not consolidate with other	East 1241 (2011)	Dolones of
	Balance at	Balance at
A	beginning	end of
Account	of year	year
1 Cash and cash equivalents	8,776,026	19,836,938
2 Federal income taxes receivable	2,767,089	111,338,658
3 Accounts and notes receivable	116,306,143	T
4 Unbilled gas accounts receivable	93,390,066	93,664,096
5 Deferred income taxes - current	2,906,377	A4 000 004
6 Gas stored underground	39,172,683	41,866,681
7 Materials and supplies	12,080,748	19,188,538
8 Current regulatory assets	30,231,563	38,816,090
9 Prepaid expenses and other	3,035,038	3,544,129
10 Purchased gas adjustment	200 665 722	37,627,636
11 Total current assets	308,665,732	365,882,766
12 Construction Work in Progress	73,430,794	54,414,554
13 Property, plant and equipment	2,129,606,690	2,297,878,160
14 Less allowances for depreciation	(745,278,183)	(780,284,414)
15 Net property, plant and equipment	1,457,759,300	1,572,008,300
To Not property, plant and equipment	1,401,108,000	1,072,000,000
16 Other long-term assets		
17 Goodwill	5,652,450	5,652,450
18 Regulatory assets	16,129,514	21,288,541
19 Other long-term assets	3,938,584	3,596,820
20 Total Assets	1,792,145,580	1,968,428,877
		.1-0-1,12,
21 Notes payable to affiliates	17,700,000	119,300,000
22 Federal income taxes payable	· · · · · · · · · · · · · · · · · · ·	6,390,531
23 Accounts payable and accrued expenses	191,298,328	179,397,509
24 Customer credit balance	19,796,785	29,394,468
25 Current regulatory liabilities	3,665,044	12,244,458
26 Interest payable	5,185,063	6,765,065
27 Other taxes payable	10,463,101	7,028,303
28 Deferred income taxes - current	#i 15	6,320,344
29 Purchased gas adjustment	7,432,556	
30 Total current liabilities	255,540,876	366,840,678
31 Long-term debt, less current portion	534,500,000	534,500,000
32 Other liabilities	432,524	453,182
33 Asset retirement obligation	2,589,294	2,279,063
34 Deferred investment tax credits		
35 Deferred income taxes	340,725,134	377,463,990
36 Customer contributions-in-aid-of-construction	29,131,278	29,155,903
37 Regulatory and other noncurrent liabilities	53,033,058	60,913,086
38 Total Liabilities	1,215,952,164	1,371,605,902
39 Common stock	22,974,065	22,974,065
40 Additional paid-in capital	263,856,316	265,331,469
41 Retained earnings	289,363,035	308,517,441
42 Total shareholder's equity	576,193,416	596,822,975
43 Total liabilities and equity	1,792,145,580	1,968,428,877
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COMPARATIVE STATEMENTS OF INCOME (Utah Operations Financial Statement in Accordance with GAAP)

Certificated entity only. Do not consolidate with other affiliated entit
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Certificated entity only. Do not consolidate with other		
	Amount for	Amount for
	Preceding	Current
Account	Year	Year
1 Operating Revenues	985,803,929	960,839,257
	756 6	S20. 00
2 Utility Operating Expenses:		
3 Gas Purchases	650,552,084	604,765,358
4 Operating Expense	154,091,612	161,950,983
5 Maintenance Expense	11,527,623	13,366,387
6 Depreciation and Amortization	49,683,325	53,526,546
7 Taxes Other Than Income Taxes	18,061,994	17,863,864
8 Income Taxes	2,220,422	-8,559,860
9 Income Taxes - Deferred	28,351,301	39,303,408
10 Total Utility Operating Expenses	914,488,360	882,216,686
to the contraction of the contra		
11 Net Operating Income	71,315,569	78,622,571
© X provided population of the state of the		A SHORE AND COMMON N
12 Other Income	3,940,839	5,200,818
13 Other Income Deductions	(227,099)	(416,140)
14 Total Other Income and Deductions	3,713,740	4,784,678
	12 223	89). 8
15 Interest Charges	22,251,307	28,252,843
The control medical and an area of the control of t		
16 Net Income	52,778,002	55,154,406
Shake Well Co. Abstraction Co.		
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COMPARATIVE STATEMENTS OF CASH FLOW (Utah Operations Financial Statement in Accordance with GAAP)

Certificated entity only	Do not consolidate with other affiliated entities.	
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Certificated entity only. Do not consolidate with other	affiliated entities.	•
	Amount for	Amount for
	Preceding	Current
Account	Year	Year
Operating Activities	177.000 Patrices 15 0000	
Net Income	52,778,002	55,154,406
Adjustments to reconcile net income to net cash provided		
from operating activities:	SOURCE AND SECURE AND	Water Control of the
Depreciation, depletion and amortization	54,755,164	47,751,674
Deferred income taxes	37,713,903	45,965,577
Shared-based compensation	672,025	398,152
Changes in operating assets and liabilities		
Accounts receivable	(21,836,318)	18,250,570
Inventories	554,949	(9,801,787)
Prepaid expenses and other	25,533	(509,091)
Accounts payable and accrued expenses	17,520,639	(1,283,146)
Federal income taxes	(2,767,089)	9,157,619
Other taxes	857,726	(3,434,798)
Purchased gas adjustments	22,654,296	(45,060,191)
Other assets	(640,163)	(6,028,323)
Regulatory assets(current)	(4,392,471)	(8,584,527)
Regulatory liabilities(current)	(613,669)	8,579,415
Other liabilities	6,147,886	8,112,280
NET CASH (USED IN) PROVIDED FROM OPERATING	163,430,414	118,667,830
Investing Activities		
Capital expenditures		
Property, plant and equipment	(166,184,585)	(174,725,313)
Proceeds from disposition of assets	(3,630,413)	414,830
NET CASH (USED IN) PROVIDED FROM INVESTING	(169,814,998)	(174,310,484)
Financing Activities		
Common stock issued	90,681,227	1,077,001
Long-term debt issued, net of issue costs	148,942,318	26,565
Long-term debt repaid	(42,000,000)	
Change in short-term debt	(148,400,000)	101,600,000
Dividends paid	(35,500,000)	(36,000,000)
Excess tax benefits from share-based compensation	0	
NET CASH(USED IN) PROVIDED FROM FINANCING	13,723,545	66,703,566
Change in cash and cash equivalents	7,338,960	11,060,912
Beginning cash and cash equivalents	1,437,066	8,776,026
Ending cash and cash equivalents	8,776,026	19,836,938
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NOTES TO FINANCIAL STATEMENTS (Utah Operations Financial Statement in Accordance with GAAP) Provide the notes to the financial statements and sign the certification below. See Attached Signature of officer

Questar Gas Company

CalendarYear 2014

ATTESTATION / CERTIFICATION OF RESPONSIBILITY

I certify that I have examined the information contained in this report submitted to the Utah Division of Public Utilities, and that, to the best of my knowledge, information, and belief, all statements of fact contained in this report are true and represent an accurate statement of the affairs of the respondent company as of the date shown below.

Signature:					_
Print Name:	David M. Curtis		Date:	April 15, 2015	
Title:	Vice-President and Controller				
Phone Number:	(801)324-2403	Extension:			
Fax Number:		Email:	dave	curtis@questar.com	

Pleas send one completed hard copy and email one copy to the following: Hard copy to:

Utah Division of Public Utilities Heber Wells Building, 4th Floor 160 East 300 South Salt Lake City, UT 84111-6751

Email copy to: (using State approved e-filing protocol.)

dennismiller@utah.gov