

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>In the Matter of the Joint Notice and Application of Questar Gas Company and Dominion Resources, Inc. of Proposed Merger of Questar Corporation and Dominion Resources, Inc.</p>	<p>Docket No. 16-057-01</p>
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DIRECT TESTIMONY OF THOMAS F. FARRELL II

FOR JOINT APPLICANTS

March 3, 2016

Joint Application Exhibit 4.0

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DIRECT TESTIMONY OF
THOMAS F. FARRELL II

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I. INTRODUCTION

2 **Q. Please state your name and business address.**

3 A. My name is Thomas F. Farrell II. My business address is 120 Tredegar Street, Richmond,
4 Virginia 23219.

5 **Q. By whom are you employed and what is your position?**

6 A. I am employed by Dominion Resources, Inc. (“Dominion”), and I am chairman, president
7 and chief executive officer of Dominion.

8 **Q. What are your qualifications to testify in this proceeding?**

9 A. I have listed my qualifications in Exhibit 4.1 attached to my testimony.

10 **Q. What is the purpose of your testimony in this Docket?**

11 A. The purpose of my testimony is to provide an overview of the proposed transaction
12 whereby Questar Corporation will become a wholly-owned subsidiary of Dominion (the
13 “Merger”). I will also provide an overview of Dominion, affirm the commitments
14 Dominion is making as part of its application in this proceeding (“Joint Application”), and
15 discuss how the Merger will benefit Questar Gas Company (“Questar Gas” or “Dominion
16 Questar Gas”), its customers and the public interest.

17 **Q. Please provide an overview of the Merger.**

18 A. On January 31, 2016, Dominion, Diamond Beehive Corp. (a Utah corporation and a
19 wholly-owned subsidiary of Dominion created solely to accomplish the Merger;
20 hereinafter “Beehive”), and Questar Corporation entered into an Agreement and Plan of
21 Merger (“Merger Agreement”) setting forth the terms of the Merger. Pursuant to the
22 Merger Agreement, Beehive and Questar Corporation will merge with Questar Corporation
23 being the surviving entity (to be known as “Dominion Questar”). Questar Gas is currently
24 owned by Questar Corporation. After the Merger, Dominion Questar Gas will be a direct,

25 wholly-owned subsidiary of Dominion Questar, the successor to Questar Corporation.
26 Dominion Witness Fred G. Wood, III will provide more details of the Merger transaction.
27 Dominion Questar Gas' customers, communities and regulators will see benefits from the
28 ownership of Dominion Questar Gas by Dominion. Dominion provides financial strength
29 and buying power, broad expertise in utility operations and business planning, and a shared
30 focus on safety, reliability, customer service, and efficiency of operations over the long
31 term.

32 **II. DOMINION'S IDENTITY, MANAGEMENT AND EXPERIENCE IN THE**
33 **ENERGY INDUSTRY**

34 **Q. Please provide some background about Dominion.**

35 A. Dominion is headquartered in Richmond, Virginia and is one of the nation's largest energy
36 infrastructure companies. As of December 31, 2015, Dominion's assets include
37 approximately 24,300 MW of electric generating capacity, 6,500 miles of electric
38 transmission lines, 57,300 miles of electric distribution lines, 12,200 miles of natural gas
39 transmission, gathering and storage pipelines and over 22,000 miles of gas distribution
40 pipelines, exclusive of service lines.

41 As of December 31, 2015, Dominion serves over five million utility and retail energy
42 customers in 14 states and operates one of the nation's largest underground natural gas
43 storage systems, with approximately 933 billion cubic feet of storage capacity. Dominion
44 has approximately 14,700 full-time employees. As a holding company, Dominion owns
45 direct and indirect subsidiaries that, in turn, own the assets through which their respective
46 businesses are conducted. These subsidiaries are managed and reported through three
47 primary operating segments, which will be discussed in more detail by Dominion Witness
48 Diane Leopold.

49 **Q. What is Dominion's financial status?**

50 A. Dominion has deep financial resources. As of December 31, 2015, Dominion's assets
51 totaled \$58.8 billion; revenues in 2015 were \$11.7 billion. Additional details about
52 Dominion's financial status are addressed by Dominion Witness Wood.

53 **Q. Please briefly describe Dominion's state regulated public utilities.**

54 A. Dominion operates three major state regulated electric and natural gas utilities. The East
55 Ohio Gas Company (d/b/a "Dominion East Ohio") is a natural gas distribution company
56 serving approximately 1.2 million retail customers in more than 400 eastern and western
57 Ohio communities, including the cities of Cleveland, Akron, Canton, Youngstown,
58 Marietta and Lima. Hope Gas, Inc. (d/b/a "Dominion Hope") is a natural gas distribution
59 company serving approximately 112,000 retail customers in West Virginia, including the
60 cities of Clarksburg, Parkersburg, and Morgantown. Virginia Electric and Power Company
61 is a regulated public utility that generates, transmits and distributes electricity for sale in
62 Virginia and North Carolina to approximately 2.5 million customer accounts (d/b/a in the
63 respective states as "Dominion Virginia Power" and "Dominion North Carolina Power").

64 Dominion also has other subsidiaries in the energy business, and while they are not state
65 regulated public utilities, they are engaged in related aspects of the energy business, which
66 contributes to Dominion's breadth and depth of knowledge of the energy industry.

67 **Q. What values does Dominion employ in connection with its operations?**

68 A. Our mission at Dominion is to serve our customers safely and reliably at reasonable rates,
69 strengthen our communities, minimize environmental impacts, reward our stockholders
70 and live our values. We execute on that mission through a set of four core values:

71 • **Safety** is our highest priority – in the workplace and in the community. The work
72 we do can be challenging. Our fundamental goal is to send every employee home
73 every day with zero injuries and to keep the communities in which we serve safe.
74 Questar Gas can expect customer, employee and public safety to be a priority for
75 Dominion.

76 • **Excellence** is our goal and expectation. We set high performance standards and
77 are committed to continuous improvement in all areas of our business. The odds

78 of long-term success improve when we go beyond “good” and strive for “great.”

79 Our aim is not to be the biggest energy company, just the best.

80 • **Ethics**, meaning integrity, corporate responsibility to the environment and the
81 community, individual responsibility and accountability, go hand-in-hand with
82 bottom line results. We cannot and will not take shortcuts to achieve our goals and
83 fulfill our obligations to stakeholders. Ethical behavior matters, and our reputation
84 depends on it.

85 • **Teamwork** is a unifying outlook that transcends organizational boundaries and
86 focuses on our shared mission and purpose. We know that strong, sustainable
87 performance depends on how well we support each other in executing our business
88 plan.

89 III. PLAN FOR OPERATING QUESTAR GAS

90 **Q. Please describe Dominion’s plans for Dominion Questar Gas.**

91 A. Following the Merger, Dominion plans to operate Dominion Questar Gas in the same
92 manner as it is operated today, including keeping Dominion Questar Gas’ headquarters in
93 Salt Lake City, Utah. Dominion intends the Merger to be about growth, rather than cost
94 reduction and plans to utilize Dominion Questar as its Western regional hub to supply the
95 expanding needs for both gas and electric energy infrastructure in the western United
96 States.

97 IV. PUBLIC INTEREST CONSIDERATIONS AND BENEFITS

98 **Q. Will the Merger serve the public interest?**

99 A. Yes. I firmly believe that the Merger is in the public interest and will provide benefits to
100 Dominion Questar Gas’ customers and the communities that it serves. Dominion intends
101 to operate Dominion Questar Gas in the same way as it is currently being operated. We do
102 not think this will be difficult to achieve because Dominion’s regulated utilities share the
103 same values as Questar Gas. These values include a focus on customer satisfaction,
104 customer and employee safety, a commitment to employees and the communities served,

105 and full compliance and integrity in all aspects of their businesses. Furthermore, the
106 Commission will continue to exercise its regulatory authority over Dominion Questar Gas
107 in the same way it does over Questar Gas today, thereby ensuring continued protection of
108 the interests of its customers.

109 **Q. Will Dominion Questar Gas benefit from being part of Dominion?**

110 A. Yes. Dominion has extensive, successful experience operating local natural gas
111 distribution companies. As I stated previously, Dominion currently operates such public
112 service companies, Dominion East Ohio in Ohio and Dominion Hope in West Virginia.
113 Together, Dominion East Ohio and Dominion Hope serve approximately 1.3 million
114 residential, commercial and industrial customers through approximately 22,000 miles of
115 gas distribution pipelines.

116 Dominion's experience in owning and operating its public utility subsidiaries means that it
117 comes to the Merger with a deep understanding of the responsibilities and general
118 opportunities and challenges of current U.S. natural gas utilities. Dominion's directly
119 applicable knowledge will benefit Dominion Questar Gas. Through its other subsidiaries,
120 Dominion also has significant experience in the gas transmission and storage industries
121 and in all aspects of the electric industry.

122 In addition, Dominion has had extensive experience in the natural gas exploration and
123 production business in major basins across North America, including the Rocky Mountain
124 region. That experience will be beneficial as Dominion continues to bring the value of the
125 Wexpro natural gas supply arrangement to customers.

126 Dominion Questar Gas will also benefit from Dominion's experience and resources in
127 complying with complex federal regulations. For example, the U.S. Department of
128 Transportation's Pipeline and Hazardous Materials Safety Administration and the U.S.
129 Environmental Protection Agency periodically issue new or revised regulations for
130 pipeline safety or environmental protection. Common costs for regulatory analysis and
131 compliance can be spread among various Dominion entities, thereby reducing the allocated
132 costs to Dominion Questar Gas. In addition, Dominion Questar Gas will have access to

133 the expertise of Dominion when addressing regulatory issues. As I will describe below,
134 this sort of teamwork is a priority for Dominion.

135 Dominion Witness Leopold will provide more detail about how Dominion Questar Gas
136 will benefit from having access to Dominion's experience, expertise and resources.

137 **Q. Will there be financial benefits to Dominion Questar Gas from being part of**
138 **Dominion?**

139 A. Yes. Dominion expects that the Merger will provide the following financial benefits:

- 140 • Dominion Questar Gas will benefit from being part of a corporate organization that
141 has enhanced geographic, energy, business and regulatory diversity and greater
142 financial and operational scale;
- 143 • Dominion Questar Gas will benefit from participation in Dominion's services
144 company model wherein each of Dominion's operations has access to an array and
145 level of services, support, and economies of scale that are typically only available
146 to a much larger company;
- 147 • Dominion Questar Gas will benefit by having an enhanced ability to finance capital
148 investment that ensures safe, reliable, and cost-effective operations across a
149 growing customer base;
- 150 • Dominion Questar Gas will continue to maintain access to short-term funds which
151 provide liquidity at cost-effective rates; and
- 152 • Dominion Questar Gas will benefit from the voluntary pension contribution of up
153 to \$75,000,000 that Dominion has committed to make as part of the Merger.

154 Dominion Witness Wood will provide more detail about the financial benefits to Dominion
155 Questar Gas from being part of Dominion.

156 **Q. How does energy diversity benefit Dominion?**

157 A. Dominion has a long-standing commitment to meet the growing energy needs of its
158 customers by maintaining a diverse portfolio of assets so as to reduce the risks associated
159 with an over-reliance on any particular fuel or type of generation resource. Accordingly,
160 Dominion continues to invest in a variety of generation resources including natural gas,

161 coal, nuclear, wind, solar and biomass. Our Virginia City Hybrid Energy Center, which
162 entered commercial operations in July 2012, and produces enough electricity to power
163 about 150,000 homes, is one of the cleanest coal-fired power stations in the country and
164 the most recent to be permitted and constructed in Virginia. Dominion's diverse energy
165 portfolio will allow the Company to be poised in the future to take advantage of low cost
166 resources for the benefit of its customers.

167 **Q. Is Dominion making any commitments regarding the operations of Dominion Questar**
168 **Gas?**

169 A. Yes. As stated in the Joint Application, Dominion is making a number of commitments
170 that will benefit Dominion Questar, Dominion Questar Gas and its customers, and the
171 communities that they serve. Dominion Witnesses Wood and Leopold will discuss the
172 commitments made in the Joint Application, all of which I affirm.

173 **Q. Does Dominion have any other investments in the Questar Gas service territory?**

174 A. Yes. Dominion is making significant investments in solar energy projects in the western
175 region. In November 2014, Dominion announced that it had acquired Pavant Solar, a 50
176 MW solar energy project in Utah. In June 2015, Dominion acquired 50 percent of the units
177 in Four Brothers solar facility in Utah from SunEdison, which will generate approximately
178 320 MW. Dominion announced on September 8, 2015 that it entered into a joint venture
179 with SunEdison to develop the 210 MW Three Cedars solar project in Utah. During 2014
180 and 2015 Dominion's investments in the western region of the Questar Gas service territory
181 totaled nearly \$1 billion.

182 **Q. Does Dominion intend to continue supporting economic development in Questar Gas'**
183 **service territory?**

184 A. Yes. Through Dominion's proposed acquisition of Questar Corporation, as well as the
185 foregoing regional solar investments, Dominion intends to support the communities
186 Questar Gas serves through economic development in the region. As part of this effort,
187 Dominion will establish a new Western Region operating headquarters in Salt Lake City,
188 Utah, as Dominion plans to utilize Dominion Questar as its Western regional hub to supply

189 expanding needs for both gas and electric infrastructure in the western United States. In
190 addition, Dominion will establish a newly-formed advisory board for its Western Region
191 operations composed of regional-based business and community leaders. This advisory
192 board will meet several times a year to receive information and provide feedback on
193 community issues, government relations, environmental stewardship, economic
194 development opportunities and other related activities that affect Dominion's and
195 Dominion Questar's local stakeholders, with such an advisory board to include the current
196 regional-based members of Questar Corporation's Board.

197 **Q. Are there additional benefits to Questar Gas and its customers from the Merger?**

198 A. Yes. As I have explained, Dominion is committed to four core values in all of its
199 operations: safety, excellence, ethics and teamwork. These values help focus our efforts
200 to address Dominion's leading sustainability challenge, which is to meet our customers'
201 growing energy needs safely, reliably and in a cost-effective manner while managing the
202 environmental impacts of energy production, transportation, and storage. Dominion's
203 commitment to Dominion Questar Gas and its customers is that we will operate Dominion
204 Questar Gas with the same core values. Below I provide examples of Dominion's
205 commitment to these core values:

206 **Safety**

207 **Q. Please describe Dominion's view towards safety in its operations.**

208 A. Dominion makes workplace safety a priority throughout the company. Everything at
209 Dominion begins with safety, because it is the foundation on which all else is built. From
210 2010-2015, there has been a 31.5 percent decline in OSHA recordable incidents and a 20.8
211 percent decline in lost day/restricted duty cases. In 2015, Dominion employees recorded
212 110 OSHA workplace injuries over about 30 million hours worked (an incidence rate of
213 0.74) and 56 workplace injuries resulting in lost days or reassignment of duties (a rate of
214 0.38). Dominion's ultimate goal is zero injuries. I view safety as the ultimate "leading
215 indicator." By attending to our work in a safe manner, we ensure a culture that demands
216 attention to detail, and a commitment to the right methods and procedures. That translates

217 not only to the wellbeing of our employees, but excellent results for our customers and for
218 those who invest in our company.

219 Dominion also has a comprehensive and integrated *Crisis Response, Business Resumption*
220 *& Communications Plan*. This plan is designed to ensure that Dominion and its resources
221 throughout the entire organization react swiftly and appropriately to manage crises,
222 maintain or resume critical business functions, and communicate effectively with all
223 stakeholder groups. Program drills often include participation by emergency responders
224 and other outside groups and are in addition to dozens of other business-unit or site-specific
225 drills that focus on operational responses.

226 Dominion has an established record of focusing on employee and customer safety similar
227 to that already in place at Questar Gas. Questar Gas and the Commission can expect
228 customer, employee and public safety to be a priority for Dominion. Dominion Witness
229 Leopold will also address Dominion's approach to safety in more detail.

230 **Excellence**

231 **Q. Please elaborate as to Dominion's ability to contribute to the excellence of Questar**
232 **Gas.**

233 A. Dominion is committed to its natural gas businesses. This is not just an experiment or new
234 venture for us. The Dominion family of companies has been engaged in providing natural
235 gas service to customers for almost 120 years. Over those years, that legacy has improved
236 and expanded such that we now operate 12,200 miles of natural gas transmission, gathering
237 and storage pipelines, over 22,000 miles of natural gas distribution pipelines and one of the
238 nation's largest natural gas storage systems. The Merger will extend that commitment to
239 include Questar Gas. Through its experience operating Dominion East Ohio and Dominion
240 Hope, Dominion is well versed in business operations and state regulation similar to that
241 of Questar Gas. Dominion manages its natural gas transmission and distribution operations
242 through its Dominion Energy operating segment. The common leadership and
243 management of the similarly situated businesses that comprise Dominion's operating
244 segments allow Dominion to leverage expertise for the benefit of customers. Support

245 functions housed at the service company level (Dominion Resources Services, Inc.) also
246 provide significant benefits in areas such as environmental compliance and cyber security,
247 as well as providing other centralized departments whose resources are available to all of
248 the subsidiaries of Dominion.

249 **Q. What does Dominion's experience as a natural gas and energy company mean for the**
250 **Questar Gas customers and the public?**

251 A. Dominion brings its energy business diversity to Questar Corporation and Questar Gas.
252 Not only does Dominion have extensive experience in the natural gas industry, but
253 Dominion also is a leader in the electric industry. Furthermore, Dominion's operations in
254 the Mid-Atlantic region provide geographical diversity which will strengthen Questar
255 Corporation and Questar Gas. As discussed by Questar Witness Craig Wagstaff, and as
256 further elaborated by Dominion Witness Leopold, Dominion Questar Gas will benefit from
257 access to Dominion's diverse energy and geographic resources.

258 **Q. Is Dominion committed to investing in its natural gas businesses?**

259 A. Yes. Dominion recognizes that the energy business, whether providing natural gas or
260 electricity, requires substantial, long-term capital investments to ensure safe and reliable
261 service to customers. Dominion is currently engaged in a \$19 billion investment program
262 in its gas and electric infrastructure – the largest such build out in our history. Dominion
263 Witness Leopold will elaborate on Dominion's investments in its natural gas businesses.

264 **Q. Is Dominion committed to high quality customer service?**

265 A. Yes. Dominion is committed to Questar Gas' mission of providing its customers with safe,
266 reliable, and quality service at reasonable rates. Dominion Witness Leopold will provide
267 additional information on Dominion's commitment to high quality customer service.

268 **Ethics**

269 **Q. Please explain the role of ethics in Dominion's culture.**

270 A. Ethics, as a core value at Dominion, means making principled conduct central to our
271 business operations and outlook. At Dominion, we believe that doing right and doing well
272 are inseparable. We are committed to doing what is right, the right way. This means that
273 we comply with laws, regulations and company policies that apply to our work; we conduct
274 ourselves and our business with safety in mind; we behave with respect, honesty and
275 decency toward everyone affected by our business; and we treat fellow employees with
276 respect and inclusion in the workplace.

277 **Q. Please discuss how Dominion's ethics are demonstrated through its commitment to**
278 **the sustainability of our environment.**

279 A. Dominion believes that it has an ethical obligation to operate in an environmentally
280 responsible manner. It is both good business practice and our duty to protect the natural
281 resources of the communities we serve. In keeping with this belief, it is our policy to
282 conduct business in an environmentally responsible manner that protects the public, our
283 employees, and the communities in which we live and work. Dominion Witness Leopold
284 will elaborate on Dominion's environmental performance.

285 **Q. What is Dominion's view about serving the community?**

286 A. Dominion recognizes that its natural gas and electric distribution companies are more than
287 just public utilities, they are *public service* companies. Dominion believes that it is
288 important that the local utility also be a contributor to, and a vital part of, the community
289 that surrounds us. In short, Dominion and its employees believe they have an ethical duty
290 to support the communities where they live, work and serve.

291 **Q. Please elaborate on Dominion's activities to support the communities it serves.**

292 A. In 2015, Dominion and its philanthropic arm, the Dominion Foundation, awarded more
293 than \$25 million in charitable grants to about 1,200 nonprofit organizations in the states
294 served by Dominion companies. Dominion employees donated more than 110,000 hours
295 of volunteer service to their communities. Please allow me to provide some more detail,
296 as I am very proud of our efforts.

297 Supporting Education

298 In 2014, Dominion provided \$3.6 million in grants to support K-12 schools, colleges,
299 universities, and non-profit educational organizations in the eight states where it operates
300 and the District of Columbia. Dominion’s support for education in 2014 included \$330,000
301 in grants to 77 K-12 schools targeting Science, Technology, Engineering and Math
302 (“STEM”) related and diversity programs and \$1 million in higher education grants to 39
303 colleges and universities in eight states and the District of Columbia.

304 For the 2015-16 academic years, more than 140 schools and educational institutions in 11
305 states and the District of Columbia will share grants totaling \$1.5 million from the
306 Dominion Foundation. These educational grants will help fund a wide variety of programs
307 engaging students of all ages in science, technology, engineering, and math studies related
308 to energy, the environment, and workforce development.

309 Supporting Veterans

310 Supporting the men and women who have worn a U.S. military uniform in service to their
311 country is also an important priority for Dominion. From 2010-2015, Dominion hired 743
312 veterans—almost 20% of new hires during that period. In 2015 Dominion hired 191
313 military veterans through its “Troops to Energy Jobs” program – 20% of all new hires – to
314 support their transition to civilian careers and address Dominion’s need for skilled and
315 disciplined workers. In total, Dominion employs 1591 veterans, or about 11% of our
316 workforce.

317 In 2014, Dominion created a military and veterans intern service award program. Five of
318 the interns who are veterans or who currently serve in the armed forces were eligible to
319 receive a \$5,000 award, in addition to the experience they gained working for Dominion
320 during the summer of 2015.

321 Dominion’s commitment to veterans was recognized by G.I. Jobs Magazine which in 2016
322 ranked Dominion No. 30 on the magazine’s “100 Most Military-Friendly Companies in
323 America” and No. 3 on the list among utilities in the U.S.

324 Supporting Diversity

325 Dominion recognizes that a diverse workforce is important to our success and to the
326 communities we serve. But supporting diversity is more than just hiring qualified people,
327 it means making sure that vendors and suppliers have opportunities as well. In 2015,
328 Dominion spent \$502.8 million on diverse suppliers. The Carolinas-Virginia Minority
329 Supplier Development Council awarded Dominion its “Corporation of the Year Award”
330 for the Dominion’s Supplier Diversity program.

331 Supporting Low-Income Communities

332 Assisting low-income customers and others in the community is also a priority for
333 Dominion. In 2015, Dominion provided \$8.5 million in low-income energy assistance
334 helping 16,000 households. Since 1982, Dominion has provided \$67 million in
335 EnergyShare funds to needy families. And I am proud to say that Dominion has promised
336 an investment of \$57 million through 2019 to double participation and provide
337 weatherization services and educational outreach to qualifying customers. During the 2015
338 holiday season, Dominion provided \$1 million in grants to 119 non-profit organizations
339 across 12 states to supply essential community services in areas of housing, food security,
340 medicine, and medical services.

341 Supporting the Community

342 Dominion is proud that it has the resources to offer targeted help when the communities it
343 serves suffer severe hardships. For example, when devastating floods ravaged South
344 Carolina in the fall of 2015, an area served by Dominion Carolina Gas, the Dominion
345 family and its employees worked with local officials in the Columbia, S.C., area to assist
346 in recovery efforts; we provided 100,000 bottles of safe drinking water, first aid kits, hot
347 meals, and other essential supplies. And during this crisis, Dominion Carolina Gas
348 personnel maintained superior service to our customers.

349 Dominion will continue this tradition and culture of community support in Questar Gas’
350 service territory. Dominion will increase Questar Corporation’s historic level of corporate
351 contributions to charities within Dominion Questar Gas’ service areas by \$1,000,000 per
352 year for at least five years. We will ensure that local leadership identifies the right targets
353 for this additional giving. And we will maintain or increase historic levels of community

354 involvement, low-income funding and economic development efforts in Dominion
355 Questar's current operating areas.

356 **Teamwork**

357 **Q. What is Dominion's approach to teamwork among its employees and its operating**
358 **businesses?**

359 A. Teamwork is a core value for Dominion. By operating in a manner that promotes teamwork
360 among business groups and employees across the company, we create "One Dominion."
361 By being part of the Dominion organization, Questar Gas will have access to a broader
362 base of knowledge, experience and resources. The Questar team will benefit from
363 Dominion's expertise in operating natural gas companies, in the context of our broader
364 energy business and footprint. And Questar Gas and its stakeholders will gain from
365 Dominion's demonstrated commitment to serve the broader communities in which
366 Dominion companies operate. Similarly, Dominion anticipates that its combination with
367 Questar Gas will enable Dominion post-Merger to draw upon Questar Gas' experience in
368 numerous areas and through a sharing of best practices we believe that we will be able to
369 improve the customer experience across the Dominion family of companies.

370 Today, Questar Gas is also a company that does things the right way. It is a values-driven
371 organization committed to the highest levels of safety, service and reliability—with a No.
372 1 ranking in customer service from JD Power among Western gas utilities. We are excited
373 to add Questar Gas and its employees to our family. Dominion's employees, like Questar
374 Gas', are committed to doing right and doing well. Dominion anticipates post-Merger
375 opportunities to identify best practices for the benefit of both Questar Gas and Dominion
376 gas distribution companies.

377 Dominion and its subsidiaries are committed to teamwork outside of the company, as well.
378 We have a demonstrated history of emphasizing the importance of positive relationships
379 with customers, regulators, legislators, and consumer representatives.

380 Dominion, through its energy subsidiaries, has an established record for formulating its
381 policies and plans in collaborative processes. Questar Gas can be expected to continue this
382 approach under the ownership of Dominion.

383 **Q. Has Dominion been recognized for its operations and performance?**

384 A. Yes, it has. In 2015, Fortune Magazine ranked Dominion No. 1 on its list of “Most
385 Admired” among electric and gas utilities and we were again honored with the most recent
386 Fortune rating at No. 2 in 2016. Among the reasons for that distinction is how we operate
387 and maintain our assets, invest and allocate owner capital, and enhance our culture of safety
388 and service. Also in 2015, Dominion Virginia Power received the SERC Reliability
389 Corporation's 2015 President's Award, given annually in recognition of electric reliability
390 excellence. SERC (the Southeastern Electric Reliability Council) is one of eight regions
391 in the U.S. responsible for monitoring the reliability of the bulk power system, and the
392 award is given annually in recognition of electric reliability excellence. In 2014, Dominion
393 was recognized for its outstanding safety performance, corporate reputation, infrastructure
394 investments, and environmental and sustainability initiatives by being named "Utility of
395 the Year" by Electric Light & Power, a leading trade publication.

396 I believe our commitment to safety, excellence, ethics and teamwork has made Dominion
397 a successful company, and I look forward to Dominion Questar Gas being part of that
398 success.

399 **V. CONCLUSION**

400 **Q. Would you please summarize your testimony?**

401 A. It is my firm belief that the Merger will benefit Questar Gas and its customers, and that it
402 will serve the public interest. Dominion is a strong and well-financed company that will
403 strengthen Questar Gas. Dominion's lasting investment focus means that Dominion
404 intends to own Questar Gas for the long term—lending stability to, and confidence in,
405 Dominion Questar Gas' continued role as a dependable supplier of natural gas service at
406 reasonable rates.

407 Dominion has made commitments that will be of substantial value to the customers,
408 communities, and states served by Questar Gas. Included are commitments that will assure
409 that Questar Gas remains a Utah-based company and that its operations will continue in
410 the same manner as they are currently operated. Questar Gas will continue its tradition of
411 providing safe, cost-effective, and reliable service to its customers. Regulation of Questar
412 Gas will not be affected by the Merger. Dominion will make available increased financial
413 and managerial resources to Questar Gas, and Questar Gas employees will receive the
414 benefit of financial support for their pension and retirement, medical and life insurance
415 plans. Dominion will maintain or increase charitable contributions in the communities
416 served by Questar Gas and will maintain or increase historic levels of community
417 involvement, low-income funding, and economic development efforts in Questar's current
418 operating areas.

419 Dominion looks forward to being able to invest in the future of Questar Gas, focusing upon
420 objectives of customer satisfaction; reliable and economical service; customer, employee
421 and public safety; environmental stewardship; and productive relationships with
422 customers, regulators, other governmental entities and interested stakeholders.

423 **Q. Does this conclude your testimony?**

424 **A. Yes.**

