Docket No. 16-057-01

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.

April 28, 2016 Technical Conference

Submitted Questions

Questions from the Division of Public Utilities

1. How are the merger savings measured and calculated?
2. If the merger is approved, what new benefits would there be for Dominion-Questar Gas' customers?
3. Are there any plans to share any merger savings with ratepayers? If so, what are the anticipated savings to ratepayers?
4. Is it possible that transaction (or transition costs) costs will exceed the savings? Who bears the risk if the expected merger savings don't materialize as planned?
5. How exactly would having Dominion as an upper-tiered manager/owner benefit Dominion-Questar Gas and its customers?
6. Because Dominion's bond rating is lower than Questar Corp.'s, would Dominion-Questar Gas have to pay higher financing costs than Questar Gas currently does for its capital requirements?
7. Are there any Dominion non-regulated operations that will be transferred to Salt Lake? If so, what and when, and what benefits, will Utah ratepayers receive from the transfer?
8. What part of the current Questar Corporation or its employees will be transferred out of state, and how will this benefit Utah ratepayers?
9. What sort of decisions will be "local" and made in Salt Lake without confirmation or permission from above or back east?
10. If the merger is approved, to what extent will Dominion's senior management be involved in reviewing and possibly modifying or rejecting Dominion-Questar Gas' operation plans and budgets?
11. If the merger is approved, where will Dominion-Questar Gas' budgets be planned, and reviewed, and who will approve them?
12. If the merger is approved, will there be more corporate costs allocated or otherwise charged to Dominion-Questar Gas than are currently being charged to Questar Gas by Questar Corp.?
13. How can we be assured that Dominion-Questar Gas would be given its share of investment capital?

14. If the merger is approved, how will the new management team changes benefit Questar Gas' ratepayers?
15. What are the risks inherent in a merger?
16. How will Utah ratepayers be compensated for, or protected from these risks?
17. Explain Dominion's potential financial liability from its nuclear operations. What ring-fencing could protect Dominion-Questar Gas from this liability? What could happen to undermine the ring-fencing such that it fails to protect Dominion-Questar Gas?
18. How would ratepayers be protected from problems or shortfalls in the nonregulated Dominion businesses?
19. What expertise does Dominion bring to the table with respect to LDC operations ie safety or best practices.
20. What will this merger provide Questar Gas that it could not achieve without this merger?
21. Does Dominion plan on reducing any Operational personnel who perform "Covered Tasks"?
22. Does Dominion plan on reducing any Operational training programs?
23. The application indicates that that Dominion Questar will not seek to recover "transaction" costs associated with the merger. Please clarify and list the specific costs that would be considered transaction costs.
24. The application indicates that that Dominion Questar may defer "transition" costs associated with the merger and may seek to recover these costs in the future. Please clarify and list the specific costs that would be considered transition costs.
25. Historically, cash has been managed by Questar Corp and the intercompany lending arrangement with short term borrowing from and lending to the operating entities on a daily basis. How will cash be managed under Dominion Questar?
26. If the merger is approved, which legal or operating entities would be involved with intercompany lending? Would Dominion Questar Gas borrow and lend to Dominion Questar, Dominion Gas Holdings, Dominion Resources or to a different entity?
27. How would potential ring fencing guidelines impact intercompany lending with Dominion Questar?
28. Did Dominion East Ohio maintain its own customer billing systems or were these serviced consolidated to the corporate level?
29. Does Dominion East Ohio have an intercompany lending arrangement for short term borrowing?
30. Following the merger of Dominion with East Ohio, what services were consolidated or moved and how many positions were eliminated over time.