DPU Exhibit 3.4 DIR
Kathleen Kelly
Docket No. 16-057-01
July 7, 2016

Additional Merger Conditions

1. Dominion and Questar agree to review each company's existing administrative service agreement, agree to include corporate and affiliates cost of service into an Intercompany Administrative Services Agreement (IASA) that will include the corporate and affiliate cost allocation methodologies. The IASA will be filed with the Commission as soon as practicable after the closing of the transaction. Approval of the IASA will be requested if required by law or rule, but approval for ratemaking purposes will not be requested in such filing. Amendments to the IASA will also be filed with the Commission. Any proposed cost allocation methodology for the allocation of corporate and affiliate investments, expenses, and overheads, required by law or rule to be submitted to the Commission for approval, will comply with the following principles:

    a. For services rendered to Questar or each cost category subject to allocation to Questar by any of its affiliates, Questar must be able to demonstrate that such service or cost category is necessary to Questar for the performance of its regulated operations, is not duplicative of services already being performed within Questar, and is reasonable and prudent.

    b. Cost allocations to Questar and its subsidiaries will be based on generally accepted accounting standards; that is, in general, direct costs will be charged to specific subsidiaries whenever possible and shared or indirect costs will be allocated based upon the primary cost-driving factors.

2. Dominion and its subsidiaries will have in place positive time reporting systems adequate to support the allocation and assignment of costs of executives and other relevant personnel to Dominion Questar.

3. Dominion and Questar agree to file a "Reporting Log" that identifies, lists and describes the reasons for changes to the accounting, cost classification, allocation or assignment rules, definitions, policies and interpretations related to:

    a. The creation of Dominion Questar.

    b. The contribution of all or part of Questar Pipeline to Dominion Midstream.

    c. The Dominion Questar Gas dividend.

    d. The determination of costs assigned or allocated between the Dominion Questar Gas and any of its affiliates.

    The Reporting Log be will filed with the Commission under oath by March 1st of each year covering changes applicable to the previous calendar year, and the Dominion and

Questar agree to convene a technical session to answer questions regarding each Reporting Log upon request of the Commission.

4. An audit trail supported by contemporaneous documentation will be maintained such that all costs subject to allocation can be specifically identified, particularly with respect to their origin. In addition, the audit trail must be adequately supported. Failure to adequately support any allocated cost may result in denial of its recovery in rates.

5. Costs which would have been denied recovery in rates had they been incurred by Questar regulated operations will likewise be denied recovery whether they are allocated directly or indirectly through subsidiaries in Dominion.

6. Any corporate cost allocation methodology used for rate setting, and subsequent changes thereto, will be submitted to the Commission for approval if required by law or rule.

Infrastructure Investment

7. Dominion Questar will ensure continued usage of Questar Gas' Replacement Infrastructure Tracker tool post-merger to ensure both appropriate replacement of infrastructure at a just and reasonable cost, and that the infrastructure replacement budget shall not exceed $55 million (adjusted for inflation) per year. All the items included in the Tracker should still be subject to regulatory audit consistent with the audit procedures in the "Gas Balancing Account," Questar Gas Tariff Section 2.06, and the operation of the Tracker will remain at the discretion of the Commission.

Service Quality Commitment (Metrics and Reporting)

8. Within 12 months of the close of the merger transaction, Questar and Dominion will review the current effective service quality guidelines and reporting requirements and prepare an updated list of performance standards and service quality metric guarantees that will not fall below the highest level commitment for the jurisdiction in which each utility affiliate operates and that reflects natural gas utility industry best practices (the "Proposed Performance Standards and Service Quality Metrics Report".) These metrics are to have baselines with variance deadbands and may include:
   - On Time Meter Readings;
   - Bill Adjustments;
   - Number of Class I, II , III Leaks Reported versus Repaired;
   - Number of Lost Time Accidents;
   - Response Time for Odor Calls;
   - Customer Service call response time, number of holds, number of busy signals;
   - Service appointments kept same day versus rescheduled;
   - Number and Duration of Service Outages (Relights); and
   - Customer service satisfaction survey to be conducted annually in April with a rating of greater than 85% favorable/very favorable on factors to be determined with in consultation with the DPU.

9. Questar Gas will include the Proposed Performance Standards and Service Quality Metrics in its tariff.

10. During 2017, Dominion and Questar Gas will submit for Commission approval their Proposed Performance Standards and Service Quality Metrics Report.

11. Dominion Questar Gas will operate its current outage reporting system in parallel with any identified successor system to be implemented by Dominion post-merger until the earlier of Commission approval to terminate the current system or until the establishment of baselines in accordance with Condition.

12. Dominion Questar will perform audits at six-month intervals to ascertain the differences between customer reported gas line leaks and those recorded using the existing Dominion Questar risk assessment and work order management systems to ascertain the differences due to reporting deficiencies. These audits will terminate 24 months after approval of the transaction. Thereafter, Questar will perform audits upon request of the DPU or the Commission. Based on that data, Questar will, within 24 months after approval of the transaction, file a report with the Commission recommending leak rate baselines by class of leak for reference in the Proposed Performance Standards and Service Quality Metrics Report. Disputes, if any, regarding the leak rate baselines will be resolved by the Commission.

13. Dominion Questar shall continue with internal meter set and meter test field response standards in Utah. Within 6 months of completion of the merger Dominion Questar shall provide a report to the DPU indicating for each major meter measuring gas flow into its distribution system the date that each meter was most recently “proved” and how often Questar Gas proves the meters.

Customer Service Standards

14. Dominion Questar and Questar Gas commit to continue any existing customer service guarantees and performance standards as established in each jurisdiction, provided that Dominion Questar and Questar Gas reserve the right to request modifications of the guarantees and standards after March 31, 2019, and the right to request termination (as well as modification) of one or more guarantees or standards after March 31, 2021. The guarantees and standards will not be eliminated or modified without Commission approval.

15. Dominion Questar shall report, each quarter, for a period of two years following completion of the merger, data by district showing credits to customers for failures to appear for customer service appointments on time and conducting the service and repair work in a timely and complete manner.

16. Dominion Questar shall implement and include in its tariff a dispute resolution process for dealing with customer claims resulting from customer guarantee failures on a fair and consistent basis.

17. Customers will continue to have the right to file formal or informal complaints with the DPU.

Energy Efficiency and DSM Management

18. Dominion Questar and Questar Gas agree to do the following in support of Questar Gas' on-going energy efficiency and DSM initiatives:

    - Dominion Questar agrees to maintain Questar Gas' current commitment to invest in energy efficiency as represented in the budgets reported in Docket 16-057-04 for the Thermwise Programs, Low Income Energy Efficiency program and Market Transformation Initiative, which collectively total $2,852,107.

    - Dominion Questar agrees not to eliminate any of the Utah Programs, or their constituent measures, as reported in the 2015 Energy Efficiency Report dated March 22, 2016 in docket 16-057-04 without prior DPU approval.

    - Dominion Questar agrees to fund a study, without including the cost of this study in Questar Gas rates, to determine the reasons for lower than expected participation in the Thermwise and Low Income Energy programs, despite incurring costs that exceeded the 2015 budget for the Builder and Business programs by 37%, as reported in Docket 16-057-04.

    - Dominion Questar agrees to submit a plan to the DPU that allows Questar Gas to cost-effectively allocate more than 70% of the Market Transformation Initiative budget for 2016 for marketing efforts, including but not limited to securing event and promotional contracts, as reported in Docket 16-057-04.

19. Questar further commits to meeting its portion of the energy efficiency targets for Utah, and will consult with the commission to determine the appropriate metric to be used to determine how these targets can be achieved in a manner deemed cost-effective.

Transaction Reporting Requirements

20. For a period of five (5) years commencing with the year 2017, Questar shall include in its year-end semi- annual report a full description, calculation (with supporting work papers) and dollar identification (both total Questar and Utah's share) of merger savings achieved for the reporting year.

21. No later than one month after the closing date of the merger, Dominion Questar shall file with the Commission a report that identifies the members of the merger integration teams (including any third parties assisting with the integration) and the area the team(s) will focus on. No later than three months after the closing, the Dominion Questar shall file a merger integration plan with timetables, milestone dates, best estimate of expected costs and a best estimate of quantified expected benefits. The merger integration plan will include a description and justification of the methodology Dominion and Questar will rely upon to calculate each category of net savings resulting from the merger, along with associated workpapers. Dominion Questar shall filed integration progress reports for Commission review every six months until integration is complete.

22. Within 90 days after closing of the merger, Dominion Questar and Dominion shall provide a detailed report indicating Dominion Questar's proportionate share of the Dominion’s total assets, total operating revenues, operating and maintenance expense, and number of employees. Subsequent to this initial report, this information shall be included as part of Dominion Questar's semi-annual filing with the Commission.

23. Two years following the final approval of the merger, Dominion Questar shall conduct an independent audit of the employee benefit plan to determine Dominion Questar’s benefits have been kept whole after the merger, the independent audit should include review of the status of pension fund, if the pension fund is determined to be underfunded then within 30 days of the independent audit report, Dominion Questar should be required to file a petition with the DPU for approval of a proposed plan to fully fund the pension fund within 60 days.

24. For five years following the merger, Dominion Questar shall file a cash flow summary (or other evidence) with its dividend report, showing that service will not be impaired by payment of the dividend, and shall comply with the provisions of Utah Code Ann. §54-4-27. In addition, an officer of Dominion Questar shall be satisfied and shall formally certify to the Commission that Dominion Questar has adequate capital to meet all of its outstanding commitments and carry out its public service obligations in the State of Utah.

General and Financial Reports

25. Dominion and Questar agree to file the following General and Financial reports with the Commission.

    a. Semi Annual reports at both the Utah jurisdictional level and Dominion Questar corporate level operating results, allocation factors, demand side management report, natural gas production costs modeling, peak day and seasonal loads by rate class and jurisdiction, normalizing adjustments and work papers, all in respect of the regulated operations of Dominion Questar and its affiliates;

b. Separate Monthly financial and operating reports of the regulated operations of Questar Gas, Wexpro, and Questar Corporation;

c. Securities and Exchange Commission Reports 10-Q (quarterly) and 10K (annually) of Dominion Questar and its affiliates;

d. Annual class cost of service studies for the regulated operations of Questar Gas;

e. Monthly Energy Information Administration EIA-857 Monthly Report of Natural Gas Purchases and Deliveries to Consumers for the regulated operations of Dominion Questar; and

f. Annual affiliated interest report for Dominion Questar and relevant affiliates; and five-year financial plan and forecast of financial condition (including capital expenditures) for Dominion Questar, provided that such shall not be filed with Commission but shall be available for inspection at the offices of Dominion Questar or its attorneys in Utah on an annual basis.

26. Dominion Questar and Dominion shall provide the DPU and the CCS with a copy of any SEC filed lobbying reports.

27. Dominion Questar will report on infrastructure replacement expenditures and sources of funds in a year-end annual report similar to the Questar Corporation Annual Report and Dominion Questar Gas will file an annual gas utility report similar to the Questar Gas Utility Annual Report with the Commission.

Dominion Questar Regulatory Commitments

28. Dominion Questar recognizes that it has a statutory obligation to provide adequate, efficient, just and reasonable service to each retail customer, as governed by Utah Code Ann. §§54-3-S1. Dominion Questar also recognizes that the Commission has the authority to supervise and regulate Dominion Questar's service and to enforce its orders, including through the provisions of Section 54-7-25.

29. Dominion Questar will continue to produce Integrated Resource Plans every two years, according to the then current schedule and the then current Commission rules.

30. The dates set forth in this Condition assume that the merger transaction closes in 2016. If closing is delayed, Dominion and Questar may adjust the dates so that the merger credit begins as soon as practicable but not later than 30 days after the closing date.

31. Dominion and Questar may request confidential treatment for any information or documents filed with the Commission, the DPU made available to them or their agents, in compliance with these conditions. Any request for confidential treatment will be handled

as provided in the Government Records Access and Management Act, Utah Goods and services provided to the utility corporation by the holding company (Questar) or its subsidiaries shall be either on a preferential basis or at a minimum on an "arm's length" basis and shall not exceed the market rate for comparable goods and services, except as otherwise governed by the Wexpro Stipulation and Agreement or approved by the Commission.

32. Dominion Questar, Questar Gas, and Wexpro will work together in developing an enforceable policy and guidelines regarding Wexpro's dividend policy, capital structure (debt and equity levels) and loaning and borrowing policy to its parent company. These polices and guidelines should have the ultimate goal of maintaining the financial stability of Wexpro and its ability to provide cost effective, cost of service gas to Questar Gas. These enforceable policies and guidelines will be taken to the commission for final approval no later than 6 months following the approval of the merger.