

**Docket No. 16-057-03 – Questar 2016 GRC**  
**August 9, 2016 Technical Conference**  
**Pre-submitted Questions from the Public Service Commission**

**1. Mendenhall Testimony – Regulatory Adjustments**

- a. QGC, Exhibit 3.0 Page 15, Integrity Management Program: QGC states it is currently collecting \$5,000,000 in current expenses and \$1,970,481 in amortized amounts. The final model in the 2013 GRC indicates a \$5,032,656 current expense and a \$2.7 million annual amortization amount to be collected over 3 years (2014, 2015, and 2016) to eliminate the account balance. Questar does not propose an adjustment for integrity management activities in this case.
  - i. Please explain how the “amortized amount” of \$1,970,481 was determined.
  - ii. Please explain what factors have prevented the integrity management account from achieving a zero balance by the end of 2016.
  - iii. Please explain how interest on the integrity management account is accounted for in Questar’s determination of the amortization rate.
  - iv. Please explain the difference between the Company’s estimate for integrity management costs in 2016 and 2017 in this case (i.e., \$5 million/year) and the estimates provided in Questar’s 2016 IRP (i.e., \$7 million/year).
- b. QGC Model, Please explain the method and factors by which the various Administrative and General Account codes are allocated from Questar Corp to Questar Gas and then to the Utah and Wyoming jurisdictions.
- c. QGC Model, Energy Efficiency Services Adj: Please explain the difference between the energy efficiency budget for 2016 of \$25 million in this adjustment and the \$26.7 million approved by the Commission in Docket No. 15-057-16 for 2016 energy efficiency activities.
- d. QGC Exhibit 3.19, Wexpro Plant Adjustment: Line 2, Account 101 shows a production investment of \$79,968,136. Please explain how this amount was determined and how it compares with the Wexpro Information in Questar’s 2016 IRP.

**2. Summers Testimony - Cost-of-Service**

- a. Peak Day Demand: QGC Exhibit 4.0, Page 9, lines 202 – 205: Questar states it used the 2017 peak day demand from the 2016 IRP of 1.740 million Dth, as a basis for developing the Peak-Day Factor. In QGC Exhibit 4.5, Calculation of Peak-Day Factor, line 1, column G, shows a peak responsibility total of 1.492 million Dth. Please explain the difference in these numbers.

**3. Summers Testimony -- Rate Design**

- a. Questar Model, Functionalization Tab: As presented in Questar’s 2013 GRC model, DNG cost-of-service was separated into three categories: demand, throughput, and customer (See 2013 GRC Model, Functionalization tab). In the current rate case, DNG cost-of-service presented in the Functionalization tab is separated into four categories: demand, throughput, distribution, and customer. Please explain this change.
- b. Questar GRC Model, Sum-Win & Demand Charge Tab: Please explain the factors contributing to the difference in the Functionalized Demand costs in this case (\$21.9 million for GS and \$0.85 million for FS) and the 2013 GRC (\$45.5 million for GS and 1.1 million for FS) presented in the 2013 model, Sum-Win tab.

#### 4. Tariffs Issues

- a. QGC Exhibit 3.0 Page 21, lines 538-541: Questar states “For residential security deposits, QGC proposed to require the greater of the highest month’s bill or a \$125 security deposit for customers with prior fraudulent history, bankruptcies or refusal to provide valid identification.” On Page 8-9 of QGC’s proposed tariff changes, QGC inserts the language “of \$125.00, or 1.0 times the highest monthly charge.” Was the phrase: “the greater of” inadvertently left out?
- b. Questar’s Utah Natural Gas Tariff PSCU 400: On Page 2-13, SUPPLIER NON-GAS COST RATE DETERMINATION the tariff states: “Using the procedure established in PSCU Case No. 84-057-07, supplier non-gas cost class allocation levels will be established in general rate cases.” Please identify where the supplier non-gas cost class allocation levels are presented in the Application and explain how they were developed.