

TEST YEAR PURCHASED GAS COSTS

	(A)	(B)	(C)	(D)
	Component	Dth	Cost per Dth	Total Cost
1	Current Contracts			\$52,084,358
2	Stabilization Costs			<u>0</u>
3	Total Current Contracts	17,530,000	\$2.97116	\$52,084,358
4	Forecast Spot	28,391,134	\$2.63607	74,841,149
5	Future Contracts	3,696,578	\$2.25832	8,348,067
6	Total Gas Purchased	49,617,712	\$2.72632	<u><u>\$135,273,574</u></u>

TEST YEAR TRANSPORTATION, GATHERING AND PROCESSING CHARGES

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Fctr	Dth	Months/Days	Rate		Total Costs
<u>TRANSPORTATION DEMAND</u>							
QPC Demand							
1	T-1 Transportation - Yearly		840,902	x 12	x \$5.28804	=	\$53,360,681
2	T-1 Transportation Nov-Mar		75,000	x 5	x \$6.80887	=	2,553,326
3	No-Notice Transportation		203,542	x 12	x \$0.86753	=	2,118,945
4	Capacity Release Credits						(11,683)
5	Total						<u>\$58,021,269</u>
Kern River Demand							
6	January - December		1,885	x 12	x \$17.69338	=	\$400,224
7	January - December		3,000	x 12	x \$14.30800	=	515,088
8	November - March		50,000	x 5	x \$14.30800	=	3,577,000
9	October - March		27,625	x 6	x \$6.67333	=	<u>1,106,105</u>
10	Total						<u>\$5,598,417</u>
11	Total Transportation Demand (SNG)						\$63,619,686
<u>TRANSPORTATION COMMODITY</u>							
12	QPC Commodity (SNG)		112,906,998		x \$0.00267	=	\$301,462
13	Total ACA		126,052,828		x \$0.00140	=	176,474
Kern River Commodity							
14	January - December	0.92	x 4,885	x 365	x \$0.00440	=	\$7,182
15	November - March	0.92	x 50,000	x 151	x \$0.00440	=	30,410
16	October - March	0.92	x 27,625	x 182	x \$0.00310	=	<u>14,267</u>
17	Total (SNG)						<u>\$51,859</u>
18	Total Transportation Commodity						\$529,795
<u>OTHER CHARGES</u>							
19	QEPFS/Tesoro Field Services Demand						\$12,245,844
20	QEPFS/Tesoro Field Services Commodity						<u>6,209,407</u>
21	Total QEPFS/Tesoro Field Services (SNG)						\$18,455,251 1/
22	Wexpro II Gathering						\$4,060,679
23	Other Wexpro I Gathering Charges						2,220,166
24	Other Transportation Charges						<u>4,166,717</u>
25	Total Wexpro II Gathering, Other Gathering & Transportation						<u>\$10,447,562</u>
26	TOTAL TRANSPORTATION AND OTHER CHARGES						<u>\$93,052,294</u>

1/ See paragraph 7c in application.

TEST YEAR STORAGE AND WORKING GAS CHARGES

	(A)	(B)	(C)	(D)	(E)	(F)
<u>STORAGE CHARGES</u> 1/						
	Component	Dth	Months	Rate		Total Costs
Storage Demand						
1	Peaking Demand	184,625	x 12	x \$2.87375	=	\$6,366,793
2	Clay Basin Demand	111,827	x 12	x \$2.85338	=	3,829,019
3	Clay Basin Capacity	13,419,000	x 12	x \$0.02378	=	<u>3,829,246</u>
4	Total Demand Charges (SNG)					<u>\$14,025,058</u>
Storage Commodity 2/						
5	Peaking Injections	0	x	\$0.03872	=	\$0
6	Peaking Withdrawals	728,100	x	\$0.03872	=	28,192
7	Clay Basin Injections	13,575,447	x	\$0.01049	=	142,406
8	Clay Basin Withdrawals	12,761,048	x	\$0.01781	=	<u>227,274</u>
9	Total Commodity Charges					<u>\$397,872</u>
10	Total Storage Charges					\$14,422,930

WORKING GAS CHARGES - QGC Account 164

	Month	Amount	Pre-Tax Return %			
11	Mar-15	\$9,447,139				
12	Apr-15	6,488,848				
13	May-15	11,612,624				
14	Jun-15	26,098,151				
15	Jul-15	41,844,180				
16	Aug-15	55,069,785				
17	Sep-15	68,899,212				
18	Oct-15	68,125,005				
19	Nov-15	50,875,669				
20	Dec-15	43,864,861				
21	Jan-16	31,528,329				
22	Feb-16	21,185,729				
23	Mar-16	7,159,515				
24	12-Month Average 3/	<u>\$36,157,977</u>	x	10.79%	=	<u>\$3,901,446</u>
25	TOTAL FIRM STORAGE AND WORKING GAS CHARGES					\$18,324,376

1/ QPC Tariff included in Exhibit 1.9.
2/ Questar Gas planned volumes.
3/ (½ of Line 11 + sum of Lines 12 through 22 + ½ of Line 23) / 12

SUMMARY OF TEST-YEAR GAS RELATED COSTS AND REVENUES CREDITS

	(A) Component	(B) Costs	(C) Dth 1/	(D) \$ per Dth
WEXPRO I				
1	Questar Gas Production 2/	\$292,314,753		
2	Wexpro I Revenue Sharing Credits 3/	<u>(15,581,567)</u>		
3	Net Questar Gas Production Costs	\$276,733,186	56,699,289	\$4.88072
4	Gathering 4/	20,675,417		
5	Total Wexpro I Cost of Production	<u>\$297,408,603</u>	56,699,289	\$5.24537
WEXPRO II				
6	Wexpro II Production 5/	\$41,735,954		
7	Wexpro II Revenue Sharing Credits 6/	<u>(1,999,910)</u>		
8	Net Cost of Wexpro II Production	\$39,736,044	9,006,818	\$4.41177
9	Gathering 7/	4,060,679		
10	Total Wexpro II Cost of Production	<u>\$43,796,723</u>	9,006,818	\$4.86262
11	Sales of Cost-of-Service Gas 8/	-	0	\$0.00000
12	Total Cost-of-Service Production	<u>\$341,205,326</u>	65,706,107	\$5.19290
13	Questar Gas Contract Gas 9/	135,273,574	49,617,712	\$2.72632
14	Injection / Withdrawal Adjustment 10/	(1,356,162)		
15	Transportation & Other Costs 11/	68,316,198	126,052,828	\$0.54196
16	Storage & Working Gas 12/	18,324,376		
17	Questar Gas - Related Gas Costs for Rate Purposes 13/	<u>\$561,763,312</u>	111,600,242	\$5.03371

- 1/ Estimated into-pipe volumes used for Wexpro dths.
2/ Exhibit 1.1, Page 18, Line 1389, Column H.
3/ Exhibit 1.4, Page 3, Line 8.
4/ Exhibit 1.3, Page 1, Lines 21 + 23.
5/ Exhibit 1.1, Page 21, Line 1570, Column H.
6/ Exhibit 1.4, Page 3, Line 16.
7/ Exhibit 1.3, Page 1, Line 22.
8/ Exhibit 1.4, Page 3, Line 17.
9/ Exhibit 1.2, Line 6.
10/ Exhibit 1.4, Page 2, Line 6.
11/ Exhibit 1.3, Page 1, Lines 11 + 18 + 24.
12/ Exhibit 1.3, Page 2, Line 25.
13/ Exhibit 1.6, Page 1, Line 4.

ANNUALIZED UNIT COST OF STORAGE GAS

(A)	(B)	(C)	(D)
	Dth	Average Rate	Total Costs
1 Company Production 1/	65,706,107	\$5.19290	\$341,205,326
2 Purchased Gas 2/	49,617,712	\$2.72632	135,273,574
3 Average Price	115,323,819	\$4.13166	\$476,478,900
Storage 3/			
4 Withdrawals	13,489,148	\$4.75341	\$64,119,485
5 Injections	(13,575,447)	\$4.82309	(65,475,647)
6 Storage Adjustment			(\$1,356,162)

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- 1/ Exhibit 1.4, Page 1, Line 12.
 - 2/ Exhibit 1.2, Line 6.
 - 3/ Questar Gas Company planned volumes.

OTHER REVENUES 1/

	(A)	(B)	(C)	(D)
	Account Number	Account Name		12 Months Ending May 2017
WEXPRO I				
1	483	Sales for Resale		\$1,596,288
2	490	Plant By-Product		3,053,673
3	492	Gasoline and Oil Sales	\$374,502	
4	758-1	Gasoline and Oil Cost	<u>(61,755)</u>	
5		Net Gasoline and Oil Sales		312,747
6	495-1	Overriding Royalty Revenue from Questar E & P		10,550,164
7	495-2	Oil Revenue Received from Wexpro		68,695
8		Total Wexpro I		<u>\$15,581,567</u>
WEXPRO II				
9	483	Sales for Resale		\$0
10	490	Plant By-Product		613,060
11	492	Gasoline and Oil Sales	\$511,920	
12	758-1	Gasoline and Oil Cost	<u>(86,039)</u>	
13		Net Gasoline and Oil Sales		425,881
14	495-1	Overriding Royalty Revenue from Questar E & P		952,596
15	495-2	Oil Revenue Received from Wexpro		8,373
16		Total Wexpro II		<u>\$1,999,910</u>
17		Sales of Cost-of-Service Gas		0
18		Grand Total (Line 8 + Line 16 + Line 17)		<u>\$17,581,477</u>

1/ Forecasted 12-month test year.

TEST-YEAR GAS COST ALLOCATION

(A)	(B)	(C)	(D)	(E)
	Allocation Factor 1/	System	Wyoming	Utah
1 Questar Gas Production (Exhibit 1.1)	2	\$334,050,707	\$12,328,013	\$321,722,694
2 Other Revenue's Credit (Exhibit 1.4, p 3)	2	(17,581,477)	(648,838)	(16,932,639)
3 Gathering (Exhibit 1.3, p 1) - Demand	1	12,245,844	361,106	11,884,738
4 Gathering - Commodity	2	12,490,252	460,948	12,029,304
5 Net Cost of Questar Gas Production		\$341,205,326	\$12,501,229	\$328,704,096
6 Questar Gas Contract Gas (Exhibit 1.2)	2	135,273,574	4,992,219	130,281,355
7 Injection / Withdrawal Adjustment (Exhibit 1.4, p 1)	2	(1,356,162)	(50,049)	(1,306,113)
8 Transportation (Exhibit 1.3, p 1) - Demand	1	63,619,686	1,876,021	61,743,665
9 Transportation - Commodity	2	529,795	19,552	510,243
10 Storage (Exhibit 1.3, p 2) - Demand	1	14,025,058	413,572	13,611,486
11 Storage - Commodity	2	397,872	14,683	383,189
12 Other Transportation - Commodity (Exhibit 1.3, p 1)	2	4,166,717	153,771	4,012,946
13 Working Gas Costs (Exhibit 1.3, p 2)	2	3,901,446	143,981	3,757,464
14 Totals		\$561,763,312	\$20,064,980	\$541,698,332

1/ Allocation Factors		<u>Total</u>	<u>Wyoming</u>	<u>Utah</u>
#1 Peak Day Demand	Dth- Percent-	1,328,877 100.00%	39,186 2.95%	1,289,691 97.05%
#2 Commodity Sales - All	Dth- Percent-	111,600,242 100.00%	4,118,564 3.69%	107,481,678 96.31%

TEST-YEAR GAS COST CHANGE

	(A)	(B)	(C)	(D)	(E)	(F)
				Average Rate	x	Dth = Total
1	Utah Allocation of Questar Gas-Related Gas Costs (Exhibit 1.5) 1/					\$541,698,332
	Test-Year Sales:		Firm	+	Interruptible	= Total Sales Dth
2	Utah		106,871,703		609,975	107,481,678
3	Wyoming		3,977,591		140,973	4,118,564
4	Total Dth					111,600,242
5	Supplier Non-Gas Costs 2/					<u>(\$103,622,421)</u>
6	Commodity Portion of Test-Year Gas Cost (Lines 1 + 5)					\$438,075,911

		Current Case 16-057-05	Prior Case 15-057-11	Difference
FIRM CUSTOMER RATES				
7	Gas Cost (line 6/Total Sales Dth, line 4)	\$4.07582	\$4.09706	(\$0.02124)
8	191 Account Amortization (Commodity Portion) 3/	(\$0.17731)	\$0.00723	(\$0.18454)
9	Total Sales Unit Commodity Cost (Lines 7 + 8)	\$3.89851	\$4.10429	(\$0.20578)

1/ Exhibit 1.5, Line 14, Column E.

2/ Test Year Estimate of Transportation, Gathering, and Storage billings.

3/ 191 Account (March 2016) actual (\$54,217,245)
Less: Supplier Non-Gas balance actual (\$16,101,975)
191 Account Commodity Portion (\$38,115,270) 107,481,678 (\$0.17731)
See Application, paragraph 11.

TEST-YEAR SUPPLIER NON-GAS COST CHANGE

	(A)	(B)	(C)	(D)
		Dth	Average Rate	Total
1	Supplier Non-Gas (SNG) Costs 1/			\$103,622,421
2	191 Account Balance for SNG Costs 2/			<u>3,898,025</u>
3	Total			\$107,520,446
4	SNG Costs Recovered at Current Rates 3/			<u>113,983,451</u>
5	SNG Costs Adjustment to Current Rates (Line 3 - Line 4)			(\$6,463,005)
6a	Adjustment for SNG contributions from:			
6b	IS SNG current rate	609,975	\$0.17885	\$109,094
6c	IS SNG new rate	609,975	\$0.17880	\$109,064
7	Percent Change to Current Rates ((ln 3-ln 6c)-(ln 4-ln 6b))/(ln 4-ln 6b)			(5.68) %

1/ Exhibit 1.6, Page 1, Line 5.

2/ March 2016 SNG Balance (\$16,101,975)
Expected March 2016 SNG Balance (\$20,000,000)
SNG Amortization \$3,898,025

3/ Output of Revrun.Exe computer program dated 3/31/2016

**TEST YEAR CHANGE IN SUPPLIER NON-GAS COSTS
BY RATE CLASS**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Rate Class	Season	Current total 1/	Curr. Base 1/	Calc. Base 2/	Amortization 3/	Total 4/
1	GS	Winter	\$1.25858	\$1.08995	\$1.14407	\$0.04308	\$1.18715
2		Summer	\$0.59092	\$0.51174	\$0.53715	\$0.02023	\$0.55738
3	FS	Winter	\$1.22580	\$1.06156	\$1.11427	\$0.04196	\$1.15623
4		Summer	\$0.59092	\$0.51174	\$0.53715	\$0.02023	\$0.55738
5	NGV		\$0.90822	\$0.78653	\$0.82558	\$0.03109	\$0.85667
6	IS 5/		\$0.17885	\$0.17885	\$0.17880	\$0.00000	\$0.17880

1/ Current Questar Gas Tariff (excluding bad debt surcharge).

2/ Exhibit 1.6 page 2 (line 1 - line 6c)/(line 4 - line 6b)*Exhibit 1.6 page 3 column C. (N.A. to line 6)

3/ Column G - Column E

4/ (Current Questar Gas rates) x (1+Exhibit 1.6, Page 2, Line 7, % change).
(except ln. 6, which is calculated by adding QPC T-2 and ACA rates, then adjusting for distr. loss of 0.494%
= $(\$0.17652 + \$0.00140) / (1 - 0.00494) = \0.17880

5/ IS Tariff rate has an adjustment for bad debt of 0.25% = $\$0.17880 / (1 - 0.00250) = \0.17925

**EFFECT ON GS TYPICAL CUSTOMER
80 DTHS - ANNUAL CONSUMPTION**

	(A)	(B)	(C)	(D)	(E)	(F)
	Rate Schedule	Month	Usage In Dth	Billed at Current Rates Effective 2/1/2016	Billed at Proposed Rates 16-057-05	Change
1	GS	Jan	14.9	\$128.38	\$124.25	(\$4.13)
2		Feb	12.5	108.79	105.32	(3.47)
3		Mar	10.1	89.20	86.40	(2.80)
4		Apr	8.3	63.37	61.39	(1.98)
5		May	4.4	36.77	35.71	(1.06)
6		Jun	3.1	27.90	27.16	(0.74)
7		Jul	2.0	20.39	19.92	(0.47)
8		Aug	1.8	19.03	18.60	(0.43)
9		Sep	2.0	20.39	19.92	(0.47)
10		Oct	3.1	27.90	27.16	(0.74)
11		Nov	6.3	58.18	56.43	(1.75)
12		Dec	11.5	100.63	97.44	(3.19)
13		Total	80.0	\$700.93	\$679.70	(\$21.23)
14					Percent Change:	(3.03) %