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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

n the Matter of the Request for Agency Action And Complaint of US Magnesium, LLC against Dominion Energy Utah	Docket No. 17-057-13
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US MAGNESIUM, LLC'S MOTION FOR SUMMARY JUDGMENT

Pursuant to Utah Rule of Civil Procedure 56(a) and the January 31, 2018 Order Granting Unopposed Motion to Amend Scheduling Order in this case, US Magnesium, LLC ("US Magnesium") hereby submits this Motion for Summary Judgment.

I. INTRODUCTION

This docket arises out of a dispute between US Magnesium and Dominion Energy Utah and its predecessor, Questar Gas (collectively, "DEU") regarding DEU's efforts to impose penalties against US Magnesium for its use of natural gas during a period of interruption on January 6-7, 2017. DEU purports to impose penalties under Section 3.02 of DEU's Utah Tariff ("DEU Tariff"). DEU Tariff § 3.02 permits DEU to impose penalties for a customer's failure to interrupt its gas usage during an interruption *only if* DEU first properly notifies the customer of

the interruption. DEU failed to properly notify US Magnesium of the January 6-7, 2017 interruption. US Magnesium had provided to DEU certain phone numbers for DEU to use to contact US Magnesium in the case of an interruption. Those interruption contact phone numbers contained extensions. Unbeknownst to US Magnesium, DEU's automated notification system—employed by DEU for the first time for the January 6-7, 2017 interruption—could not dial through to phone numbers with extensions. DEU's automated notification system did not dial through to the interruption contact phone numbers provided for an interruption. As such, DEU did not properly notify US Magnesium of the January 6-7, 2017 interruption and it cannot impose penalties pursuant to DEU Tariff § 3.02.

There are no genuine disputes of material fact in this matter. DEU does not dispute that its automated notification system failed to dial through to the interruption contact phone numbers provided to it by US Magnesium. Rather, DEU asserts that it made efforts to notify US Magnesium of the interruption by other means. As set forth below, the facts surrounding those efforts to notify US Magnesium are not disputed and do not alter the fact that DEU failed to properly notify US Magnesium of the interruption.

II. INDEX OF EXHIBITS

The following exhibits are attached hereto:

- A. Direct Testimony of Roger Swenson (US Magnesium – Dec. 22, 2017)
- B. Direct Testimony of Mike Tucker (US Magnesium – Dec. 22, 2017)
- C. US Magnesium Direct Testimony Exhibits 1-11 (US Magnesium – Dec. 22, 2017)
- D. Direct Testimony of Bruce Rickenbach & Exhibits (DEU – Jan. 12, 2018)
- E. Direct Testimony of William Schwarzenbach & Exhibits (DEU – Jan. 12, 2018)
- F. Rebuttal Testimony of Roger Swenson (US Magnesium – Jan. 26, 2018).
- G. Dominion Energy Tariff § 3.02
- H. Jan. 6, 2017 Text Message to Roger Swenson from “76127”

III. STATEMENT OF MATERIAL FACTS NOT IN GENUINE DISPUTE

A. US Magnesium's TS Agreement With DEU

1. During all times relevant to this dispute, US Magnesium was a customer of DEU pursuant to a Transportation Service Agreement (“TS Agreement”).¹

2. Pursuant to its TS Agreement with DEU, US Magnesium had a maximum daily contract limit of 28,000 Dth. (*See* Exhibit C (TS Agreement) ¶ 3).

3. Of the 28,000 Dth/day maximum available to US Magnesium per day, the first 15,000 Dth would be subject to the tariff terms and conditions for firm transportation service and the remainder is subject to the tariff terms and conditions applicable to interruptible transportation service. (*See id.*).

4. In other words, US Magnesium was a firm transportation customer for the first 15,000 Dth it utilized each day and was an interruptible transportation customer for any volumes exceeding 15,000 Dth. (*See id.*).

B. DEU Tariff § 3.02²

5. Below, US Magnesium highlights several of the particular provisions of DEU Tariff § 3.02 that are central to this dispute.

a. “All interruptible service is subject to simultaneous interruption.”³

¹ A copy of the TS Agreement is found in Exhibit C, US Magnesium Direct Testimony Exhibit 2. A copy of the TS Agreement is also found in DEU Exhibit 1.2, attached to the Direct Testimony of Bruce Rickenbach, attached hereto as Exhibit D.

² The Commission’s interpretation of DEU Tariff § 3.02 governs this dispute. A copy of the DEU Tariff is attached hereto as Exhibit G and is incorporated as though fully set forth herein.

³ Exhibit G (DEU Tariff § 3.02) at Page 3-2.

- b. “Upon notice from the Company, interruptible customers are required to interrupt as soon as is operationally possible, but no later than two hours from notice.”⁴
- c. “The Company requires each interruptible customer to provide, and update as necessary, contact information that enables the Company to immediately notify a customer of a required interruption.”⁵
- d. “A customer who fails to interrupt when properly called upon by the Company to do so will incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the course of an interruption.”⁶
- e. “If a customer fails to interrupt when called upon by the Company to do so, then beginning on July 1st following the failure to interrupt, the customer will be moved from the interruptible rate schedule to an available firm rate schedule for three years for those interruptible volumes it failed to interrupt.”⁷

C. Customer Information Sheet

6. Consistent with the requirement in DEU Tariff § 3.02 that each customer “provide, and update as necessary, contact information that enables the Company to immediately notify a customer of a required interruption,” US Magnesium provided phone numbers for DEU to contact in the case of an interruption. (*See* Exhibit A (Dec. 22, 2017 Direct Testimony of Roger Swenson (“R. Swenson Direct Test.”)) at lines 111-163).

7. On November 29, 2016, DEU employee Bruce Rickenbach—DEU’s customer representative for US Magnesium—sent an email to Roger Swenson of US Magnesium attaching a Customer Information Sheet for US Magnesium to review and return. (*See* Exhibit A (R. Swenson Direct Test.) at lines 111-163; Exhibit D (B. Rickenbach Direct Test.) at lines 89-100

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.* at Page 3-3.

& 106-110. *See also* Nov. 29, 2016 email from Bruce Rickenbach to Roger Swenson, US Magnesium Direct Testimony Exhibit 3, attached hereto as Exhibit C).

8. The Customer Information sheet attached to the November 29, 2016 email identified phone numbers for US Magnesium representatives Mike Tucker and Roger Swenson under a header titled “Interruption Contacts” that DEU already had on file. These phone numbers that DEU had on file for contacting US Magnesium in the event of an interruption contained extensions. (*See* Exhibit A (R. Swenson Direct Test.) at lines 148-153).

9. In the November 29, 2016 email, Mr. Rickenbach requested that US Magnesium “review the attached **Customer Information** sheet, and update all information for accuracy.” (Exhibit C (Nov. 29, 2016 Email) (emphasis in original)).

10. On December 12, 2016, Roger Swenson emailed Bruce Rickenbach, attaching a signed copy of the Customer Information Sheet that Mr. Rickenbach had sent via email on November 29. Having reviewed the Customer Information Sheet and determined that the listed Interruption Contacts were accurate, Mr. Swenson returned the Customer Information Sheet to Mr. Rickenbach without making any changes. (*See* Exhibit A (R. Swenson Direct Test.) at lines 123-153. *See also* Dec. 12, 2016 Email and Customer Information Sheet, US Magnesium Direct Testimony Exhibit 4, attached hereto as Exhibit C).⁸

11. The signed Customer Information Sheet that US Magnesium sent to DEU on December 12, 2016 identified Interruption Contacts at US Magnesium that DEU was to use to notify US Magnesium in the event of an interruption. The following is a screen shot of the Interruption Contacts portion of the Customer Information Sheet:

⁸ The Customer Information Sheet was also previously filed by DEU as DEU Exhibit 1.1, attached to the Direct Testimony of Bruce Rickenbach.

<u>Interruption Contacts</u>	<u>Title</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>FAX</u>	<u>Mobile Phone</u>
1ST: Mike Tucker	Utility Supervisor	801 532-2043 1337			801 597-6834
2ND: Roger Swenson	Energy Consultant	801 532-1522 529		801 534-1407	801 541-2272

As the Interruption Contacts portion shows, directly beneath the header **Interruption Contacts**, the Customer Information Sheet lists two contact persons at US Magnesium for DEU to notify in the event of an interruption and several contact numbers for those individuals. The “1ST” identified Interruption Contact was Mike Tucker and the Customer Information Sheet listed a “Day Phone” and a “Mobile Phone” number to reach Mr. Tucker in the event of an interruption. The “2ND” identified Interruption Contact was Roger Swenson, and the Customer Information Sheet listed a Day Phone, FAX, and Mobile Phone number to reach Mr. Swenson in the event of an interruption. (*See Exhibit C (Customer Information Sheet)*).

12. The Day Phone numbers listed for Mr. Tucker and for Mr. Swenson contained extensions and were the same phone numbers with extensions that were listed on the Customer Information sheet provided to US Magnesium by DEU on November 29, 2016. (*See Exhibit C (Customer Information Sheet); Exhibit A (R. Swenson Direct Test.) at lines 123-142*).

13. Because of the way that DEU organized its Customer Information Sheet, US Magnesium expected that, in the event of an interruption, DEU would notify US Magnesium by utilizing the contacts listed under Interruption Contacts. (*See Exhibit A (R. Swenson Direct Test.) at 205-219 & 240-257*).

14. Moreover, US Magnesium expected that if an interruption occurred during daytime hours, that DEU would notify US Magnesium of the interruption by utilizing the Day Phone contact numbers listed on the Customer Information Sheet. (*See Exhibit A (R. Swenson*

Direct Test.) at 240-257; Exhibit F (January 26, 2018 Rebuttal Testimony of Roger Swenson (“R. Swenson Rebuttal Test.”)) at lines 97-103).

15. For security purposes, US Magnesium personnel are not permitted to carry or use mobile phones in any area of the plant. For this reason, mobile phone numbers are not a reliable method of contacting US Magnesium of an interruption during the daytime hours. US Magnesium listed mobile phone numbers on the Customer Information Sheet because those numbers are a reliable way of reaching US Magnesium at times other than daytime hours. (*See* Exhibit A (R. Swenson Direct Test.) at 240-257; Exhibit B (Dec. 22, 2017 Direct Testimony of Mike Tucker (“M. Tucker Direct Test.”)) at lines 60-62).

16. Prior to the January 6-7, 2017 interruption, DEU did not inform US Magnesium that its automated notification system (described below) could not dial through to phone numbers with extensions or leave messages at phone numbers with extensions, and the Customer Information Sheet provided no such notice of this system limitation. (*See* Exhibit A (Roger Swenson Direct Test.) at lines 143-163; Exhibit F (January 26, 2018 Rebuttal Testimony of Roger Swenson (“R. Swenson Rebuttal Test.”)) at lines 28-42; Exhibit C (Customer Information Sheet)).

17. Since the January 6-7, 2017 interruption—during which DEU learned that its automated notification system (described below) cannot dial through to extensions or leave messages at phone numbers with extensions—DEU has changed its Customer Information sheet to state that “Dominion Energy uses a mass notification software system to alert customers of important messages. The notification system will not dial to an automated answering system, such as a system requiring menu inputs [sic] or an extension. Please provide direct phone

numbers only.” (See 2017 Customer Information Sheet, US Magnesium Direct Testimony Exhibit 8, attached hereto as Exhibit 8).

18. DEU’s new form of Customer Information Sheet also no longer identifies “Interruption Contacts,” and has replaced that term with “Notification Contacts.” (See 2017 Customer Information Sheet, US Magnesium Direct Testimony Exhibit 8, attached hereto as Exhibit 8).

D. DEU’s Automated Notification System

19. DEU’s Tariff does not state—either in Section 3.02 or elsewhere—how DEU must notify customers in the event of an interruption. (See generally Exhibit G (DEU Tariff § 3.02). See also Exhibit D (Jan. 12, 2018 Direct Testimony of Bruce Rickenbach (“B. Rickenbach Direct Test.”)) at lines 53-55).

20. In 2012, DEU began utilizing an automated notification system to notify customers of interruptions. (See Exhibit D (B. Rickenbach Direct Test.) at lines 57-60).

21. DEU asserts that automated notification systems have the ability send emails, text messages, and automated voice messages to each contact person identified on the Customer Information Sheet. (See Exhibit D (B. Rickenbach Direct Test.) at lines 57-60).

22. From 2014-2016, the automatic notification system utilized by DEU was called “Rapid Notify.” (See Exhibit D (B. Rickenbach Direct Test.) at lines 65-69).

23. DEU asserts that the “Rapid Notify” system did not have the ability to connect through a phone extension or a switchboard. (See Exhibit D (B. Rickenbach Direct Test.) at lines 70-74).

24. For the 2016-2017 heating season, the Company switched to a new automatic notification system, called the SNS system. (*See* Exhibit D (B. Rickenbach Direct Test.) at lines 65-69).

25. The new SNS system utilized by DEU during the 2016-2017 heating season did not have the ability to dial through to extensions or leave voice messages at extensions. (*See* Exhibit D (B. Rickenbach Direct Test.) at lines 61-64).

26. When Mr. Rickenbach sent the November 29, 2016 email to Mr. Swenson requesting that US Magnesium determine the accuracy of the listed contact numbers, Mr. Rickenbach did not inform Mr. Swenson that DEU's new SNS automated notification system could not dial through to phone numbers with extensions or leave voice messages at extensions. (*See* Exhibit A (R. Swenson Direct Test.) at lines 153-157).

27. At no time prior to the January 6-7, 2017 interruption did DEU inform US Magnesium that DEU's automated notification system could not dial through to extensions or leave voice messages at extensions. (*See* Exhibit F (January 26, 2018 Rebuttal Testimony of Roger Swenson ("R. Swenson Rebuttal Test.)) at lines 25-31).

28. Indeed, in years prior to the January 6-7, 2017 interruption, US Magnesium had provided to DEU phone numbers with extensions for DEU to use to notify US Magnesium in the event of an interruption and—for interruptions that predate the January 6-7, 2017 interruption—DEU had successfully used those phone numbers with extensions to notify US Magnesium of interruptions. As such, US Magnesium had no reason to believe that DEU could not dial through to phone numbers with extensions to notify US Magnesium of an interruption. (*See* Exhibit F (R. Swenson Rebuttal Test.) at 38-49).

29. Despite the fact that the “Rapid Notify” automated notification system that DEU had used since 2014 could not dial through to phone numbers with extensions, and despite the fact that the new SNS automated notification system that DEU employed for the 2016-2017 hearing season could not dial through to phone numbers with extensions, DEU sent a Customer Information Sheet to US Magnesium in November of 2016 that contained Interruption Contact phone numbers *with extensions* that DEU could not to use to notify US Magnesium of an interruption, and did not notify US Magnesium that its automated system could not dial through to those phone numbers with extensions. (*See Exhibit A (R. Swenson Direct Test.) at lines 123-142 & 148-153; Exhibit C (Customer Information Sheet); Exhibit C (Nov. 29, 2016 email); Exhibit D (B. Rickenbach Direct Test.) at lines 61-74, 89-100 & 106-110).*

30. When US Magnesium learned—after the January 6-7, 2017 interruption—that DEU’s automated notification system cannot dial through to phone numbers with extensions, US Magnesium installed a direct dial phone in its control room and has updated its Customer Information Sheet to make that direct dial phone, which does not require the use of an extension, its “1ST” Day Phone Interruption Contact for DEU to call in the event of an interruption. (*See Exhibit A (R. Swenson Direct Test.) at lines 220-226; Exhibit C (2017 Customer Information Sheet)*⁹).

E. DEU Failed To Properly Notify US Magnesium Of January 6-7, 2017 Interruption

31. DEU experienced a system interruption beginning at approximately 11:11 a.m. on January 6, 2017 and lasting until approximately 2:00 p.m. on January 7, 2017. (*See Exhibit D*

⁹ Provided as US Magnesium Direct Testimony Exhibit 8, attached here as Exhibit C.

(B. Rickenbach Direct Test.) at lines 129-130 & 246-248. *See also* Exhibit E (Jan. 12, 2018 Direct Testimony of W. Schwarzenbach (“W. Schwarzenbach Direct Test.”) at lines 21-24).

32. DEU sought to notify its customers of the interruption on January 6, 2017 using the SNS automated notification system. (*See* Exhibit D (B. Rickenbach Direct Test.) at lines 129-131).

33. The SNS automated notification system failed to dial through to the Day Phone Interruption Contact phone numbers on US Magnesium’s Customer Information Sheet because the SNS system cannot dial through to extensions. As a result, DEU’s SNS system did not dial through to those phone numbers or leave voice messages at those extensions. (*See* Exhibit A (R. Swenson Direct Test.) at lines 246-251; Exhibit D (B. Rickenbach Direct Test.) at lines 61-64; Exhibit F (R. Swenson Rebuttal Test.) at lines 28-31; Exhibit B (Dec. 22, 2017 Direct Testimony of Mike Tucker (“M. Tucker Direct Test.”)) at lines 45-59).

34. On January 6, 2017, Roger Swenson and Mike Tucker each received a text message from a phone number that displays on the cell phone as “76127”. (*See* Exhibit F (R. Swenson Direct Test.) at lines 329-332). A copy of the text message received by Roger Swenson on January 6, 2017 is attached hereto as Exhibit H.

35. Roger Swenson did not recognize the text message from “76127” as coming from DEU or its predecessor, Questar Gas. (*See* Exhibit A (R. Swenson Direct Test.) at lines 176-182 & 329-341).

36. The body of the message received from “76127” stated as follows: “Questar Gas has called system capacity and supply reduction interruptions. Please review your email for

more details.” (See Exhibit A (R. Swenson Direct Test.) at lines 333-334; Exhibit H (Jan. 16, 2017 text message)).

37. The text message does not state that it is from DEU or Questar Gas and does not explain what a person who receives the text message is to do in response other than “review your email.” (See Exhibit A (R. Swenson Direct Test.) at lines 329-341; Exhibit H (Jan. 16, 2017 text message)).

38. Neither Roger Swenson nor Mike Tucker received emails from Questar or DEU on January 6, 2017. Rather, Mr. Swenson and Mr. Tucker each received an email from an account named “no-reply@ecnalert.com.” (See Exhibit A (R. Swenson Direct Test.) at lines 183-188; Exhibit B (M. Tucker Direct Test.) at lines 69-73. See also January 6, 2017 email from “noreply@ecnalert.com”, US Magnesium Direct Testimony Exhibits 6 & 11, attached hereto as Exhibit C).

39. Moreover, the January 6, 2017 email from “no-reply@ecnalert.com” did not clearly direct its recipients to take any particular action. (See Exhibit A (R. Swenson Direct Test.) at 189-204 & 317-328; Exhibit B (M. Tucker Direct Test.) at lines 74-89; Exhibit C (Jan. 6, 2017 email from “noreply@ecnalert.com”)).

40. Roger Swenson also received a phone call from Bruce Rickenbach on January 6, 2017. Mr. Swenson was driving on January 6, 2017 and had only intermittent cell phone access. Mr. Swenson recalls that Mr. Rickenbach called to check to see if the automated notification system had worked. Mr. Swenson does not recall that he and Mr. Rickenbach called to discuss curtailment issues. (See Exhibit A (R. Swenson Direct Test.) at lines 227-239; Exhibit F (R. Swenson Rebuttal Test.) at lines 251-257).

41. Mike Tucker did not receive any messages on his cell phone during the daytime on January 6, 2017. For security purposes, Mr. Tucker was not permitted to carry his cell phone at the plant. Mr. Tucker did receive messages on his cell phone later in the day on January 6, 2017 when he returned home at the end of the day. (*See* Exhibit B (M. Tucker Direct Test.) at lines 60-68).

F. Penalties DEU Seeks to Impose On US Magnesium Pursuant to DEU Tariff § 3.02

42. Despite its failure to properly notify US Magnesium of the January 6-7, 2017 interruption, DEU seeks to impose penalties on US Magnesium pursuant to DEU Tariff § 3.02 totaling more than \$580,000.00. (*See* Exhibit A (R. Swenson Direct Test.) at lines 86-108. *See also* Letter from Questar Gas to US Magnesium, US Magnesium Direct Test. Exhibit 1, attached hereto as Exhibit C).

IV. ARGUMENT

A. SUMMARY JUDGMENT STANDARD

Summary judgment is appropriate when “there is no genuine issue as to any material fact and . . . the moving party is entitled to judgment as a matter of law.” UTAH R. CIV. P. 56(c). Summary judgment may be sought with respect to “any issues raised by the complaint and answer” or for a “determination of issues raised by any counterclaim or cross-claim.” *Timm v. Dewsnup*, 851 P.2d 1178, 1181 (Utah 1993). If the moving party presents evidence sufficient to determine an issue raised by the pleadings and that no material issues of fact remain, the burden then shifts to the nonmoving party to identify contested material facts, or legal flaws in the determination sought by the moving party. *See Orvis v. Johnson*, 2008 UT 2, ¶ 10, 177 P.3d 600, 602; *see also Giusti v. Sterling Wentworth Corp.*, 2009 UT 2, ¶ 53, 201 P.3d 966.

Disputes of facts that are not determinative will not preclude summary judgment. *See Burns v. Cannondale Bicycle Co.*, 876 P.2d 415, 419 (Utah Ct. App. 1994) (“[T]he mere existence of genuine issues of fact . . . does not preclude the entry of summary judgment if those issues are immaterial to resolution of the case.” (ellipses original; quoting *Horgan v. Industrial Design Corp.*, 657 P.2d 751, 752 (Utah 1982))). Summary judgment is appropriate “where the ‘nonmoving party has failed to make a sufficient showing on an essential element of its case with respect to which it has the burden of proof.’” *Id.* at 420 (quoting *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986)). The essential facts in this action are not disputed and summary judgment in favor of US Magnesium is appropriate.

B. US MAGNESIUM IS ENTITLED TO JUDGMENT AS A MATTER OF LAW.

As set forth below, DEU failed to properly notify US Magnesium of the January 6-7, 2017 interruption and, therefore, it may not impose penalties on US Magnesium pursuant to DEU Tariff § 3.02. US Magnesium is, therefore, entitled to judgment as a matter of law and this Commission should grant its motion and rule that DEU may not impose penalties on US Magnesium pursuant to DEU Tariff § 3.02.

1. DEU May Not Impose Penalties Under DEU Tariff § 3.02 Unless It First Properly Notifies A Customer Of An Interruption.

DEU Tariff § 3.02 imposes enormous penalties on customers who fail to interrupt their gas usage during a period of interruption when that customer has been properly notified of the interruption. The provision imposes a \$40-per-decatherm penalty on all interruptible volumes utilized by a customer who was properly notified of the interruption.¹⁰ This \$40-per-decatherm penalty represents a per-Dth volumetric rate that is more than *50 times higher* than the highest per-Dth rate that US Magnesium pays under the TS Rate Schedule.¹¹ The \$40-per-decatherm penalty is, therefore, intended to be punitive and should only be imposed when DEU has strictly complied with its obligations to provide notice of an interruption to the customer and when the customer is clearly at fault for failing to interrupt. As set forth below, DEU did not strictly comply with its obligation to notify US Magnesium of the January 6-7, 2017 interruption and US Magnesium is not clearly at fault for failing to interrupt.

¹⁰ DEU Tariff § 3.02 at Page 3-2 (“A customer who fails to interrupt when properly called upon by the Company will incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the course of an interruption.”).

¹¹ See DEU Tariff § 5.07 at Page 5-12 (identifying rates for TS Rate Schedule customers and identifying Base DNG rate first 200 Dth at \$0.73301).

DEU’s Utah tariff provides for interruptible service for certain qualifying customers and DEU Tariff § 3.02 permits DEU to impose penalties on those interruptible customers for failure to interrupt—but only if certain strict obligations are met. First, Section 3.02 permits DEU to interrupt customers on interruptible rate schedules, noting that that “[s]ervice under interruptible service rate schedules is subject to temporary periods of interruption upon notice by the Company, whenever the Company determines interruption is required to serve firm sales service customers.”¹² Second, the tariff identifies the circumstances in which those interruptions may occur, noting that “[s]ystem emergencies, irregularities of weather or other operating conditions,” that “[a]ll interruptible service is subject to simultaneous interruption,” and that “[w]hen feasible, interruptions may be partial.”¹³ Third, Section 3.02 states that DEU may only interrupt a customer if it first notifies the customer of the interruption, stating that interruptible customers may only be interrupted “upon notice by the Company.” Fourth, to ensure that the customer receives notice of interruptions, the tariff requires “each interruptible customer to provide, and update as necessary, contact information that enables the Company to immediately notify a customer of a required interruption.”¹⁴ Finally, the tariff requires customers to interrupt as soon as is feasible after notice from the company, stating that “[u]pon notice from the Company, interruptible customers are required to interrupt as soon as is operationally possible, but no later than two hours from notice.”¹⁵

If DEU complies with its obligation under Section 3.02 to notify the customer of an interruption, and if the customer—having been properly notified—fails to interrupt, then the

¹² DEU Tariff § 3.02 at Page 3-2.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

customer can be subject to a penalty. This penalty, however, is predicated on DEU providing proper notice: “A customer who fails to interrupt *when properly called upon by the Company to do so* will incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the course of an interruption.”¹⁶ Whether a customer is “properly called upon by the Company” must be viewed in light of the contact information the customer—as required by Section 3.02—provided to DEU to enable DEU to notify the customer in the event of an interruption. As set forth below, while US Magnesium complied with its tariff obligation to provide contact information to DEU that would permit DEU to immediately notify US Magnesium in the event of an interruption, DEU failed to properly notify US Magnesium at that contact information and, as such, cannot impose the penalties set forth in DEU Tariff § 3.02.

2. US Magnesium Complied With Its Obligation To Provide Contact Information To Enable DEU To Immediately Notify US Magnesium Of A Required Interruption.

US Magnesium complied with its obligation under DEU Tariff § 3.02 “to provide . . . contact information that enables the Company to immediately notify a customer of a required interruption” when it submitted the Contact Information Sheet to DEU on December 12, 2016—three weeks before the interruption at issue. As set forth in Section C of the Statement of Material Facts, above, DEU personnel emailed US Magnesium on November 29, 2016 to request that US Magnesium certify that the US Magnesium interruption contacts that DEU had on file were correct.¹⁷ With that email, DEU attached a Contact Information Sheet containing Interruption Contact numbers for two US Magnesium contacts, Mike Tucker and Roger Swenson, and listed phone numbers for each contact under the headers “Day Phone” and

¹⁶ *Id.* (emphasis added).

¹⁷ Statement of Fact ¶ 7.

“Mobile Phone.”¹⁸ The Interruption Contacts for Mr. Tucker and Mr. Swenson listed under the header “Day Phone” listed phone numbers with extensions.¹⁹ US Magnesium had for years provided DEU with phone numbers with extensions for DEU to use to notify US Magnesium in the event of an interruption and—for interruptions that predate the January 6-7, 2017 interruption at issue here—DEU had successfully used those phone numbers with extensions to notify US Magnesium of interruptions.²⁰

On behalf of US Magnesium, Roger Swenson reviewed the Interruption Contacts on the Customer Information Sheet and, having determined that they were accurate, signed and returned the Customer Information Sheet to DEU on December 12, 2016 without making any changes.²¹ Because the Customer Information Sheet specifically listed Interruption Contacts, US Magnesium reasonably believed that if an interruption occurred it would receive notice from DEU at the phone numbers listed under “Interruption Contacts.”²² Moreover, because of the way the Customer Information Sheet organized the listed Interruption Contacts, including by “Day Phone” contact numbers, US Magnesium reasonably believed that if an interruption occurred during daytime hours, that it would receive notice of the interruption at the phone numbers with extensions listed under the “Day Phone” header in the “Interruption Contacts” portion of the Customer Information Sheet.²³ For security purposes, US Magnesium personnel are not permitted to carry or use mobile phones in any area of the plant.²⁴ For this reason, mobile phone

¹⁸ *Id.* ¶¶ 7-8. The Customer Information Sheet also listed a Fax number for Mr. Swenson. *Id.*

¹⁹ *Id.* ¶ 8 & 11.

²⁰ *Id.* ¶ 28.

²¹ *Id.* ¶ 10.

²² *Id.* ¶ 13.

²³ *Id.* ¶ 14.

²⁴ *Id.* ¶ 15.

numbers are not a reliable method of contacting US Magnesium of an interruption during the daytime hours when the plant is in operation.²⁵ US Magnesium listed mobile phone numbers on the Customer Information Sheet because those numbers are a reliable way of reaching US Magnesium at times other than daytime hours.²⁶

Unfortunately, as set forth in Section IV.B.3., below, DEU's new automated notification system in use at the time of the January 6-7, 2017 interruption was not able to dial through to phone numbers with extensions and cannot leave voice messages on phone numbers with extensions.²⁷ DEU did not inform US Magnesium of this limitation in its notification system before the January 6-7, 2017 interruption.²⁸ The Customer Information Sheet that DEU sent to US Magnesium just six weeks before the interruption—and which US Magnesium returned just three weeks before the interruption—provided no notice of this limitation.²⁹ If DEU had informed US Magnesium that its notification system could not dial through to phone numbers with extensions, US Magnesium would have listed alternate Day Phone contact numbers or made alternate arrangements with DEU to provide Day Phone contact numbers that would work with DEU's automated notification system. Indeed, since the January 6-7, 2017 interruption, DEU has installed a direct dial telephone in its control room and has revised its customer information sheet to list that phone number as the "1ST" Day Phone Interruption Contact phone number for DEU to call in the event of an interruption.³⁰

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.* ¶ 25.

²⁸ *Id.* ¶¶ 16, 26-27.

²⁹ *Id.* ¶ 16.

³⁰ *Id.* ¶ 17-18 & 30.

As these facts demonstrate, US Magnesium complied with its obligation under DEU Tariff § 3.02 “to provide . . . contact information that enables the Company to immediately notify a customer of a required interruption.” US Magnesium expected that, in the event of an interruption, DEU would utilize the Interruption Contact information provided in the Customer Information Sheet and that, in the event of a daytime interruption, that DEU would contact US Magnesium at the phone numbers with extensions listed as the Day Phone Interruption Contacts. As set forth below, DEU failed to properly notify US Magnesium of the January 6-7, 2017 interruption.

3. DEU Failed To Properly Notify US Magnesium Of The January 6-7, 2017 Interruption

DEU failed to properly notify US Magnesium of the January 6-7, 2017 interruption when its automated notification system failed to contact US Magnesium at either of the Day Phone numbers listed in the Interruption Contact portion of the Customer Information Sheet. It is undisputed that during the January 6-7, 2017 interruption at issue in this docket, DEU’s automated notification system was not able to dial through to phone numbers with extensions or to leave voice messages at phone numbers with extensions and that, therefore, it did not notify US Magnesium at either of the two Day Phone numbers listed as Interruption Contacts on US Magnesium’s Customer Information Sheet on file with DEU. A brief history of DEU’s actions in notifying customers of interruptions and its use of an automated notification system demonstrates that DEU failed to properly notify US Magnesium of the January 6-7, 2017 interruption.

In the years prior to the January 6-7, 2017 interruption, US Magnesium had provided DEU with phone numbers with extensions for DEU to use to notify US Magnesium in the event

of an interruption and—for interruptions that predate the January 6-7, 2017 interruption at issue here—DEU had successfully used those phone numbers with extensions to notify US Magnesium of interruptions.³¹ In 2012, DEU began using an automated notification system to notify customers of interruptions.³² From 2014-2016, DEU’s automated notification system, called “Rapid Notify,” could not connect through a phone extension or switchboard.³³ For the 2016-2017 heating season, DEU switched to a new automatic notification system, called the SNS system, which also could not dial through to extensions or leave voice messages at phone numbers with extensions.³⁴

Despite the fact that DEU had previously used phone numbers with extensions to notify US Magnesium of interruptions, and despite the fact that the automated notification system utilized by DEU since at least 2014 and that would be utilized in the 2016-2017 heating season could not dial through to phone numbers with extensions, DEU sent a Customer Information Sheet to US Magnesium in November of 2016 listing as Interruption Contacts certain Day Phone numbers with extensions.³⁵ Moreover, DEU did not inform US Magnesium that its automated notification system could not dial through to phone numbers with extensions.³⁶

DEU experienced a system interruption beginning during the daytime of January 6, 2017, starting at approximately 11:11 a.m. and lasting until approximately 2 p.m. on January 7, 2017.³⁷ DEU sought to notify customers of the interruption by utilizing its SNS automated notification

³¹ *Id.* ¶ 28.

³² *Id.* ¶ 20.

³³ *Id.* ¶¶ 22-23.

³⁴ *Id.* ¶¶ 24-25.

³⁵ *Id.* ¶ 29.

³⁶ *Id.* ¶ 16, 26-27.

³⁷ *Id.* ¶ 31.

system.³⁸ Because the SNS system could not dial through to phone numbers with extensions, it could not dial through to the two Day Phone numbers listed in the Interruption Contacts section of US Magnesium's Customer Information Sheet.³⁹ As such, DEU's SNS system could not notify US Magnesium of a service interruption that occurred in the daytime at the phone number that US Magnesium expected to receive notification of such daytime interruptions—the Interruption Contact Day Phone numbers listed on the Customer Information Sheet.

DEU asserts in this matter that it contacted US Magnesium of the interruption in other ways (email, text message, etc.). Those contacts are not relevant to the question of whether DEU properly notified US Magnesium of the interruption. US Magnesium provided DEU with the appropriate method to notify US Magnesium of an interruption during daytime operating hours—by calling Mike Tucker and Roger Swenson at the Interruption Contact Day Phone numbers listed in the Customer Information Sheet. That is manner in which US Magnesium expected to receive notification from DEU of the interruption, and US Magnesium was unaware that DEU could not notify US Magnesium at those phone numbers because the SNS system could not dial through to phone numbers with extensions. DEU did not inform US Magnesium until *after* the interruption that the SNS system could not dial phone numbers with extensions. Once US Magnesium was aware of that fact, it provided a direct dial phone number to the control room and updated the information on the Customer Information Sheet.⁴⁰ If DEU had provided that information before the January 6-7, 2017 interruption, US Magnesium would have made such arrangements and would have received notification of the interruption.

³⁸ *Id.* ¶ 32.

³⁹ *Id.* ¶ 33.

⁴⁰ *Id.* ¶ 16, 26-27.

In addition to the fact that DEU failed to properly notify US Magnesium of the interruption by failing to notify US Magnesium at the Interruption Contact Day Phone numbers listed on the Customer Information Sheet, the emails and text messages sent by the SNS system also failed to provide notice of the interruption. DEU claims that the SNS system sent text messages to the mobile phone numbers listed on the Customer Information Sheet, but those text messages appeared as having come from a sender identified as “76127,” stating only that “Questar Gas has called system capacity and supply reduction interruptions. Please review your email for more details.”⁴¹ The text message did not state that it was from Questar and does not explain what the recipient of the message is to do in response, other than to “review your email.”⁴²

DEU further claims that the SNS system sent email messages to email addresses listed on the Customer Information Sheet. US Magnesium did not include any email addresses in the Interruption Contacts portion of the Customer Information Sheet and did not expect to receive interruption notifications via email. Moreover, the emails sent to US Magnesium personnel were not from a Questar or DEU email address. Rather, those emails came from an account named “no-reply@ecnalert.com,” which neither Roger Swenson nor Mike Tucker recognized as being associated with Questar or DEU.⁴³ There is simply no way for the recipient to know by looking at the email that it is not spam or some phishing protocol. Even if the recipient were to assume that the email is legitimate and is from DEU, the email did not clearly indicate that US Magnesium was required to reduce its usage. For instance, the email states that the Company is

⁴¹ *Id.* ¶¶ 34-36.

⁴² *Id.* ¶ 37.

⁴³ *Id.* ¶¶ 38-39.

implementing a “service interruption for customers with interruptible load.”⁴⁴ The email went on to state as follows:

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

On the morning of January 6, 2017, US Magnesium was informed by its marketing agent that US Magnesium’s marketing agent would provide to the DEU system all of the gas that US Magnesium had nominated for that day.⁴⁵ That is, US Magnesium understood that its marketing agent would be supplying to the DEU system all of the volumes that US Magnesium had nominated to be delivered, and the email message directing US Magnesium to limit its usage “to not exceed the scheduled quantity being provided to the Questar Gas system for your use” merely informed US Magnesium that it did not need to reduce its usage.

DEU also asserts that its SNS system left voice messages on the Mobile Phone numbers identified in the Interruption Contact portion of the Customer Information Sheet. There are two issues with this assertion. First, as set forth above, for security purposes US Magnesium personnel are not permitted to carry or use their mobile phones in the plant. Mobile Phone numbers are, therefore, not a reliable way to notify US Magnesium of an interruption during daytime operating hours. Mobile Phone numbers are a reliable way of notifying US Magnesium of an interruption during nighttime hours. This is why US Magnesium listed office phone

⁴⁴ See January 6, 2017 email from “noreply@ecnalert.com” submitted as US Magnesium Direct Testimony Exhibits 6 and 11, attached hereto as Exhibit C.

⁴⁵ See Exhibit B (M. Tucker Direct Test.) at lines 81-89.

numbers (with extensions) as the Day Phone numbers to call in the event of an interruption. On January 6, 2017, Mike Tucker was at the plant but he had left his cell phone at home for security purposes.⁴⁶ Roger Swenson was driving and did not have cell phone coverage for most of the day of January 6, 2017.⁴⁷

Second, there has been no testimony or other evidence submitted in this case as to the contents of the voice message purportedly left on the Mobile Phones of Roger Swenson or Mike Tucker. If the voice messages were identical to the email from “no-reply@ecnalerts.com” then for the same reasons set forth above the voice message also did not clearly convey to US Magnesium that it was required to reduce its usage.

Finally, DEU asserts that DEU employee Bruce Rickenbach called US Magnesium’s Roger Swenson on January 6, 2017. Mr. Swenson has testified that Mr. Rickenbach’s call was to inquire as to whether the SNS system had worked—not to inform Mr. Swenson of the interruption.⁴⁸ Like the text message and the email discussed above, this phone call to inquire whether the SNS system had operated properly did not constitute proper notice of the interruption.

4. DEU Is Not Authorized To Impose Penalties Against US Magnesium Pursuant To DEU Tariff § 3.02 Related To The January 6-7, 2017 Interruption.

Because DEU did not properly notify US Magnesium of the January 6-7, 2017 interruption, it may not impose the approximately \$580,000 in penalties it seeks to impose against US Magnesium pursuant to DEU Tariff § 3.02. Citing DEU Tariff § 3.02, DEU seeks to

⁴⁶ *Id.* ¶ 41.

⁴⁷ *Id.* ¶ 40.

⁴⁸ *Id.*

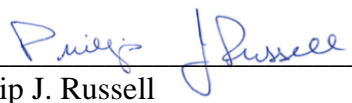
impose penalties against US Magnesium related to the January 6-7, 2017 interruption, including a penalty of approximately \$580,000 in per-decatherm penalties for interruptible volumes used during the interruption as well as a penalty whereby DEU would force US Magnesium to enter a new contract for higher firm contract levels going forward.⁴⁹ DEU cannot impose penalties under DEU Tariff § 3.02 unless it first properly notified US Magnesium of the interruption. Because DEU did not properly notify US Magnesium of the interruption, DEU cannot impose any penalties against US Magnesium.

IV. CONCLUSION

For the foregoing reasons, US Magnesium respectfully requests that the Commission enter an order granting this Motion for Summary Judgment and ruling that DEU may not impose penalties against US Magnesium pursuant to DEU § 3.02 related to US Magnesium's use of gas during the January 6-7, 2017 interruption.

DATED this 2nd day of February 2018.

HATCH, JAMES & DODGE

/s/ 
Phillip J. Russell
Attorneys for US Magnesium

⁴⁹ *Id.* ¶ 42.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 2nd day of February 2018 on the following:

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit A

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action And Complaint of US Magnesium, LLC against Dominion Energy Utah	Docket No. 17-057-13
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**Direct Testimony of Roger Swenson
On Behalf of
US Magnesium, LLC**

December 22, 2017

1

I. INTRODUCTION AND SUMMARY

2

Q. Please state your name and business address.

3

A. My name is Roger Swenson. My business address is 1592 East 3350

4

South, Salt Lake City, Utah 84106.

5

Q. By whom are you employed and in what capacity?

6

A. I am an energy consultant for US Magnesium, LLC (“US Magnesium”).

7

Q. On whose behalf are you testifying in this proceeding?

8

A. My testimony is submitted on behalf of US Magnesium.

9

Q. Please summarize your qualifications.

10

A. I have a Bachelor of Science degree in Physics and an MS degree in

11

Industrial Engineering. I have been an independent energy consultant for 18

12

years. Prior to starting my work as an energy consultant I worked for an

13

independent oil and gas production company marketing natural gas to customers.

14

Before that I worked at Questar Gas in the Industrial Marketing department where

15

we were responsible for keeping industrial customers informed of curtailment

16

procedures and notifications. We also made calls directly to customers to alert

17

them to curtailment events when required.

18

Q. Have you previously testified before the Public Service Commission of Utah

19

(“Commission”)?

20

A. Yes, I have testified in numerous matters involving both Questar and

21

Rocky Mountain Power. With respect to Questar, I have testified regarding the

22 value of using interruptible customers' gas as a peak resource and providing value
23 to the company and how that value should be credited in rates.

24 **Q. What is the purpose of your testimony in this case?**

25 A. My testimony addresses the curtailment issues that derive from an event
26 that occurred on January 6-7, 2017 and the failure of the automated contact
27 system Questar (now Dominion) had recently installed.

28 **Q. Please provide a summary of your conclusions and recommendations.**

29 A. US Magnesium was relying on the contact channels it provided to Questar
30 Gas in December of 2016 in the Customer Information Sheet. That sheet
31 identified the Day Phone contact numbers with extensions that Questar Gas was
32 to use to contact US Magnesium personnel in the event of an interruption. Questar
33 Gas did not inform US Magnesium that the notification system could not dial
34 phone numbers with extensions and, in fact, Questar Gas provided US
35 Magnesium with a Customer Information Sheet containing "Interruption
36 Contacts" for US Magnesium personnel that had phone numbers with extensions.
37 Because US Magnesium was relying on the contact information channels for
38 notice of interruptions—contact information that Questar Gas solicited and US
39 Magnesium provided pursuant to that request—US Magnesium did not receive
40 proper notice of a curtailment on January 6-7, 2017. Once US Magnesium was
41 informed of the inability of the automated contact system utilized by Questar Gas
42 to dial through extensions to provide notice of curtailments, US Magnesium

43 immediately started the process to find a direct dial extension to accommodate the
44 Questar Gas notification system in the event of any future interruptions.

45 After failing to properly notify US Magnesium of the January 6-7, 2017
46 interruption, Questar Gas has subsequently imposed a penalty on US Magnesium
47 and seeks to require it to pay rates based on firm service up to the level taken on
48 January 6, 2017, even though it cannot receive firm service at that level at the
49 plant location. US Magnesium does not believe it should pay a penalty or have its
50 payments based on the usage taken on January 6, 2017 when it did not receive
51 proper notice.

52 **II. US MAGNESIUM NATURAL GAS USAGE AND INTERRUPTIONS**

53 **Q. How does US Magnesium use natural gas within its operations?**

54 A. US Magnesium uses gas in 3 separate gas turbine systems where each
55 turbine uses natural gas to generate power and provide exhaust gas to spray dryers
56 to create material that is used in the process to produce magnesium. Each turbine
57 uses roughly 5,000 to 6,000 Dths per day at maximum draw, for a total turbine
58 use of roughly 15,000 Dths to 17,000 Dths per day at maximum draw. The plant
59 process also consumes 3,000 to 4,000 Dths per day of natural gas in various other
60 operations. The total plant use at maximum natural gas take uses 20,000 to 21,000
61 Dths per day.

62 **Q. Does US Magnesium have a contract with Questar Gas/Dominion Energy**
63 **Utah (“DEU”) for firm natural gas service?**

64 A. Yes. US Magnesium currently has a contract with DEU under the TS Rate
65 schedule whereby US Magnesium receives firm service for up to 15,000 Dths per
66 day. US Magnesium previously had a similar contract with Questar Gas. A copy
67 of the US Magnesium contract is attached as Exhibit 2.

68 **Q. Does US Magnesium receive interruptible service for natural gas usage above**
69 **its firm contract amount?**

70 A. Yes. US Magnesium pays for interruptible service of volumes above
71 15,000 Dths per day.

72 **Q. Has Questar Gas/DEU indicated that it has a limited ability to provide firm**
73 **gas service to US Magnesium?**

74 A. DEU and Questar Gas have each indicated that they cannot provide firm
75 service to US Magnesium above 15,000 Dths per day based on usage on the
76 feeder line and any constraints.

77 **Q. Prior to January 6, 2017, what did US Magnesium do when it has been called**
78 **upon to reduce its demand as a result of a curtailment?**

79 A. During past curtailments, US Magnesium has received a phone call from
80 Questar Gas personnel directly requesting that it reduce its gas usage to the
81 desired level, not by an automated system. It has reduced its gas usage when
82 called properly by either A) converting over from natural gas to diesel fuel to fuel
83 the turbines, B) turning a turbine off during the curtailment period, or C)

84 operating the turbines at lower fuel input levels to match the level of operation to
85 the required fuel consumption.

86 **III. DEU/QUESTAR GAS SEEKS TO IMPOSE PENALTIES ON US**
87 **MAGNESIUM FOR ALLEGEDLY FAILING TO PROPERLY REDUCE**
88 **GAS USAGE DURING AN INTERRUPTION ON JANUARY 6-7, 2017.**

89 **Q. Has DEU/Questar Gas sought to impose penalties on US Magnesium for an**
90 **alleged failure to curtail gas usage during an interruption on January 6-7,**
91 **2017?**

92 A. Yes. US Magnesium has received a letter from Questar Gas asserting that,
93 during a January 6-7, 2017 curtailment, US Magnesium purportedly failed to
94 properly reduce gas usage. The letter further indicated that Questar Gas was
95 imposing penalties pursuant to the Utah Natural Gas Tariff. A copy of the letter is
96 attached as Exhibit 1.

97 **Q. Please describe the penalties that DEU/Questar Gas seeks to impose.**

98 A. In the letter attached as Exhibit 1, Questar Gas asserts that US Magnesium
99 would be penalized at a rate of \$40/Dth for the use of 4,117 Dths on January 6,
100 2017 and for the use of 3,125 Dths on January 7, 2017, for a total penalty of
101 \$241,822.02. The letter further states that US Magnesium would be required to
102 purchase additional firm capacity of 4,117 Dths per day. In a response to a data
103 request, DEU/Questar Gas asserted that this additional firm capacity would cost
104 US Magnesium an additional \$112,846.97 per year for three years, totaling
105 \$338,540.91 for additional firm capacity. Questar's response to US Magnesium's
106 data response on this issue is attached as Exhibit 5.

107 Taken together, the penalties Questar Gas/DEU seek to impose against US
108 Magnesium total \$580,362.93.

109 **IV. QUESTAR GAS FAILED TO PROPERLY NOTIFY US MAGNESIUM OF**
110 **THE INTERRUPTION ON JANUARY 6-7, 2017.**

111 **Q. Prior to the winter of 2016-2017, did Questar Gas request that US**
112 **Magnesium provide contact information so that Questar Gas could inform**
113 **US Magnesium regarding a potential interruption of gas service?**

114 A. Yes. On November 26, 2016, I received an email from Bruce Rickenback,
115 the Questar Gas client representative for US Magnesium. In that email, a copy of
116 which is attached as Exhibit 3, Mr. Rickenbach indicated that Questar Gas uses a
117 “Rapid Notify” system to alert industrial customers of interruptions and to
118 provide other important messages. Mr. Rickenbach attached a copy of a
119 Customer Information Sheet, which he requested that I review to ensure that the
120 contact information contained therein was correct. The Customer Information
121 Sheet attached to Mr. Rickenbach’s email contained phone numbers for contacts
122 at US Magnesium, including phone numbers for “Interruption Contacts.”

123 **Q. How did you respond to Questar Gas’s request for contact information for**
124 **interruptions?**

125 A. I reviewed the Customer Information Sheet provided by Mr. Rickenbach,
126 which contained US Magnesium contact names and phone numbers for
127 “Interruption Contacts,” among other information. I reviewed the sheet and
128 ensured that the phone numbers set forth in the Customer Information Sheet were
129 accurate. Then, on December 12, 2016, I signed the Customer Information Sheet

130 that I had received from Mr. Rickenbach and returned it to him that day. The
131 signed Customer Information Sheet that I sent to Mr. Rickenbach, as well as my
132 email exchange with him, is attached as Exhibit 4.

133 All of the names and phone numbers of US Magnesium personnel set forth
134 on the signed Customer Information Sheet that I sent to Mr. Rickenbach are the
135 same as those that were set forth on the unsigned Customer Information Sheet he
136 sent me on November 29, 2016. In other words, Mr. Rickenbach sent me a
137 Customer Information Sheet with contact names and phone numbers (typed out
138 by Questar Gas) and I signed the same form he had given me without changing
139 any of the contact information previously held by Questar Gas—numbers that
140 Questar Gas had used to contact US Magnesium during prior curtailments and
141 which I had no reason to believe could not be used for the same purpose in the
142 future.

143 **Q. When it requested US Magnesium’s contact information for interruptions**
144 **and other important messages, did Questar Gas inform US Magnesium that**
145 **the “Rapid Notify” system could not dial phone numbers with extensions?**

146 A. No. The email to US Magnesium requesting contact information for
147 interruptions did not indicate that the Questar Gas notification system could not
148 dial phone numbers with extensions. As set forth above, the unsigned Customer
149 Information Sheet that I received from Mr. Rickenbach contained US Magnesium
150 contact names and phone numbers *with* extensions and I sent him the signed
151 Customer Information Sheet included in Exhibit 4, which contained the same

152 contact names and phone numbers with extensions that Questar Gas previously
153 had on file. When I sent the signed Customer Information Sheet to Mr.
154 Rickenbach—which included two Day Phone numbers to call in the case of an
155 interruption, both of which contained extensions—neither Mr. Rickenbach nor
156 anyone else at Questar Gas informed me that the Questar Gas notification system
157 could not dial phone numbers with extensions.

158 If the Questar Gas notification system could not dial extension numbers,
159 Questar Gas should have made me aware of that fact so that we could find a
160 solution before a curtailment occurred. But they did not. Questar Gas failed to
161 notify me that the “Rapid Notify” system could not dial the Interruption Contact
162 Day Phone numbers listed in the Customer Information Sheet I sent to Mr.
163 Rickenbach.

164 **Q. The Customer Information Sheet provided in November 2016 to describe the**
165 **interruption season and new circumstances mentions a “Rapid Notify”**
166 **system that would use electronic based messaging for contacts to the phone**
167 **numbers provided as well as email and text messages. What else does the**
168 **Customer Information Sheet state is important?**

169 A. The sheet says it is important to keep the information up to date if there
170 are any changes. This message concerning “if there are any changes” is ironic,
171 given that Questar Gas/DEU could not notify US Magnesium at the “Interruption
172 Contact” Day Phone numbers contained on the sheet Mr. Rickenbach sent me and
173 given that Questar Gas/DEU failed to inform me or anyone else at US Magnesium

174 of changes to the system that would not allow a call to be completed through a
175 phone line with extensions that was not a direct line.

176 **Q. Did the Questar Gas/DEU phone system send a text message on January 6th**
177 **that clearly stated that US Magnesium would need to reduce gas usage?**

178 A. No. I received a text message on January 6, but that came from an
179 unknown number that shows up on my phone as from 76127. The message stated
180 as follows: “Questar Gas has called system capacity and supply reduction
181 interruptions. Please review your email for more details.” The text message did
182 not say anything except to look for an email from Questar explaining what to do.

183 **Q. Did you receive an email from Questar Gas/DEU on January 6, 2017**
184 **regarding an interruption?**

185 A. I received an email on January 6, 2017 but it did not come from Questar
186 Gas or DEU. I did receive an email that day from a sender called
187 “noreply@ecnalert.com” with no clear connection to Questar or to something
188 called Rapid Notify.

189 **Q. What did the email state with respect to an interruption?**

190 A. A copy of the email I received on January 6, 2017 is attached as Exhibit 6.
191 The email states that there is an interruption on the Questar system for customers
192 with interruptible load. As Questar Gas noted in the November 29, 2016 email to
193 me requesting that US Magnesium confirm contact information for interruptions
194 (Exhibit 3), “[i]nterruptions may be geographic, full or partial.” The January 6,
195 2017 email from “noreply@ecnalert.com” (Exhibit 6) does not clearly state the

196 scope of the interruption. There is no clear affirmative statement in the email as to
197 whether the interruption is full or partial or whether it affects only a part of the
198 Questar Gas system. There was also no statement as to how US Magnesium was
199 required to respond to the interruption, whatever its scope. The email as shown in
200 Exhibit 6 explains in much detail that usage cannot be greater than what was
201 being delivered on an hourly basis. It makes a point to say “If necessary please
202 reduce your usage” rather than being clear and affirmative that all interruptible
203 volumes in full should be curtailed. The email message shown in Exhibit 3 along
204 with the January 6, 2017 email (Exhibit 6) creates confusion.

205 **Q. Was it clear that email addresses would be used as interruption contacts?**

206 A. No, the Customer Information Sheet I received from Questar Gas/DEU
207 and that I returned to Questar Gas/DEU does not list emails as “Interruption
208 Contacts.” Emails are listed as general contacts, but not as contacts in the case of
209 an interruption. Emails should not be used in the case of an interruption. Email is
210 at best a secondary contact channel, as not everyone has access to sound web
211 connection or even access during nighttime hours away from business computers.
212 Questar Gas/DEU should notify interruptible customers in advance if email is
213 going to be a primary channel of communication regarding an interruption.
214 Questar Gas/DEU did not do that in this case. Delivering actual notice of
215 interruption to the Interruption Contact Day Phone numbers listed on the
216 Customer Information Sheet for the daytime period and cell phone or other
217 numbers as back-up listed for night contacts is the only appropriate means of

218 providing proper notice to a company expected to curtail usage, at the risk of
219 hundreds of thousands of dollars in penalties.

220 **Q. When US Magnesium was informed that the Questar Gas/DEU notification**
221 **system could not dial phone numbers with extensions, what steps did it take?**

222 A. US Magnesium did not learn that the Questar Gas/DEU system was
223 unable to dial phone numbers with extensions until after the January 6-7, 2017
224 curtailment. Once US Magnesium learned this fact, it immediately took steps to
225 ensure that a direct dial phone was put in place with contact to a control room that
226 is manned 24 hours per day. It had DEU test the system and it worked.

227 **Q. Did a person at Questar Gas/DEU contact you on January 6, 2017 to**
228 **determine whether the electronic contact system had worked that day?**

229 A. Yes, Bruce Rickenbach of Questar Gas/DEU contacted me on my cell
230 phone on January 6, 2017 while I was driving to California. He seemed very
231 concerned about whether the notification system had worked and I told him I got
232 his message but that I was driving across the Mohave Desert when it arrived and
233 did not receive it until later when I returned to an area with cell phone service. At
234 the time I did not know that the notification system could not contact the
235 Interruption Contact Day Phone numbers we had listed in the Customer
236 Information Sheet and that, as a result, the notification system had not informed
237 US Magnesium of the interruption. I assumed wrongly that the system had dialed
238 through the extensions to the US Magnesium utility foreman Mike Tucker and
239 that Questar Gas/DEU had provided proper notice to the US Magnesium plant.

240 **Q. Explain why Questar Gas/DEU failed to properly notify US Magnesium by**
241 **calling the cell phone numbers listed as “Interruption Contacts” on the**
242 **Customer Information Sheet.**

243 A. For security reasons, US Magnesium plant personnel are not allowed to
244 use cell phones when they are at the US Magnesium facility. US Magnesium
245 relied on the Day Phone number contacts it listed in the Customer Information
246 Sheet as the means to receive interruption and emergency notification. Because
247 the Questar/DEU phone system was not able to dial extensions, the person that
248 was available and working at US Magnesium—Mike Tucker—did not get
249 contacted that day. As explained in his testimony in this docket, Mr. Tucker was
250 at the US Magnesium plant much of the day, where his cell phone is not
251 permitted. When Mr. Tucker retrieved his cell phone and text messages that
252 evening, he had already made sure there was plenty of gas coming to the system
253 from the US Magnesium supplier and, based on the confusing nature of the email
254 suggesting that US Magnesium should curtail usage “if necessary,” he did not
255 think he had to curtail gas usage since it appeared it was not necessary because he
256 had not received a call on his daytime phone as listed in the Customer Information
257 Sheet.

258 **V. POTENTIAL CHANGES TO THE NOTIFICATION SYSTEM TO**
259 **ENSURE PROPER NOTIFICATION IN THE FUTURE.**

260 **Q. Do you have any suggestions as to how to change the Questar Gas/DEU**
261 **notification system to prevent the confusion and lack of proper notice to firm**
262 **transportation customers about reducing their usage to the lesser of what is**
263 **being delivered or their contract quantity?**

264 A. Yes, I would suggest that the company send out separate notices to
265 interruptible customers and to firm transportation customers. The notice to
266 interruptible customers should state the specific type of interruption—full, partial
267 or geographic with an affirmative direction as what to do. The notice to firm
268 transportation customers should direct such customers to use only as much gas as
269 is being delivered to the system for their needs or their firm contract quantity—
270 whichever is lower. The notice to transportation customers should further state
271 that transportation customers must drop usage “if necessary” depending on their
272 receipt volumes to the system as the email states. Separate notices will remove
273 the confusion that the single notice provides.

274 **Q. What other information do you have concerning the notification system?**

275 A. When US Magnesium found out that the notification system could not dial
276 through to the day time contact numbers, thus causing US Magnesium not to be
277 notified to curtail, I contacted the vendor of the system and asked if the system
278 could be programed to dial through a phone tree system. The vendor informed me
279 that the system could be programmed to do this and that it was just a case of
280 adding a bit more programming to the logic. So, the issue with US Magnesium

281 not receiving notice could have been averted if the Company had just had the
282 phone tree logic built in before it was brought on line. An email from the system
283 vendor is shown as Exhibit 7.

284 **Q. What other action besides having the logic associated with the phone tree**
285 **built in would have eliminated the issue?**

286 A. The company could have just informed US Magnesium that its notification
287 system could not dial phone numbers with extensions. Such a statement could
288 have been included on the Customer Information Sheet. That simple step would
289 have kept US Magnesium from facing this potential \$580,000 penalty.

290 **Q. Has DEU taken steps since this event with US Magnesium not receiving**
291 **proper notification?**

292 A. Yes. Since January 6, 2017, Questar Gas/DEU has taken actions that—
293 had they been in place on January 6—would have eliminated this communication
294 issue. First, DEU has now put a notice on the Customer Information Sheet stating
295 that extensions will not work with its system. The notice states as follows:

296 Dominion Energy uses a mass notification software system to alert customers of important
297 messages. The notification system will not dial to an automated answering system, such as a
298 system requiring menu inputs or an extension. Please provide direct phone numbers only.
299 Customer shall be responsible for the payment of any fees or penalties due to incorrect or
300 incomplete contact information.

301
302 A newly-revised Customer Information Sheet containing this language is
303 attached hereto as Exhibit 8. It should be noted that the font size for this warning
304 is much smaller than the rest of the type on the Customer Information Sheet
305 shown in Exhibit 8. Given the importance of the message, the type size should be
306 made more noticeable. The new Customer Information Sheet also now states that

307 the customer will be responsible for the payment of fees or penalties due to
308 incorrect or incomplete contact information. If this short section of fine print
309 wording were included on the sheet that was provided in November of 2016 to US
310 Magnesium, we would have made sure to install the direct phone line to eliminate
311 the issue we are addressing now. By DEU leaving off this critical information it
312 begs the question of which party in this matter provided incorrect or incomplete
313 information that led to this unfortunate circumstance. I think the party that
314 provided incomplete information in this matter was DEU, and if any party should
315 be held accountable to pay a penalty for its lack of complete information it is
316 DEU.

317 **Q. What other changes to notification did you see in this instance that may**
318 **provide less confusion in the future?**

319 A. As shown in Exhibit 6, the January 6, 2017 email notification suggesting
320 that Questar was experiencing supply issues was sent by an entity identified as
321 “no-reply@ecnalert.com.” US Magnesium did not have any indication that this
322 was the party who would send an authentic notification regarding an interruption
323 of all or part of the Questar Gas system. Questar seems to have remedied this
324 matter somewhat in the email on the following day saying the interruption was
325 being lifted. This January 7, 2017 email—also shown in Exhibit 6, identified the
326 sender as Account.Managment@Questar.com <no-reply@ecnalert.com>. At least
327 with the January 7 2017 email there is a tie to the potential that this email came
328 from Questar, and was not the source of a scam from a third party.

329 **Q. Did the text message you received on January 6, 2017 clearly lay out where it**
330 **came from and what US Magnesium was required to do in response?**

331 A. No. The text I received is from a number that shows up on my phone as
332 76127. I don't know that this is an authentic number from the Questar Gas/DEU
333 system. The text says "Questar Gas has called system capacity and supply
334 reduction interruptions. Please review your email for more details." In addition to
335 the fact that the text message comes from an unknown number, the body of the
336 text neither expressly states that it is from Questar Gas nor explains what the
337 person who receives the text is required to do in response. If the person who
338 receives the text is not able to receive emails or read them for the promised "more
339 details," he or she will not know whether or not the interruption requires any
340 particular action. Moreover, the recipient of the text message could not simply
341 call the phone number attached to the text message to seek further information.

342 **Q. Can you say that the email message you received was clear as to what actions**
343 **US Magnesium was expected to take?**

344 A. No, the message contained in the email was not clear. From the
345 perspective of someone who receives the email and is attempting to understand
346 what is happening and what actions he or she is being asked to take, the email is
347 not clear. The email as provided in Exhibit 6 states that Questar Gas is
348 experiencing cold temperatures along with supply constraints. It says there is an
349 interruption but omits critical affirmative information about the scope or
350 magnitude of the interruption that is being called. As the explanation of

351 interruption details in the November 29, 2016 email from Bruce Rickenbach
352 (Exhibit 3) there can be geographic, full or partial interruptions. The email also
353 focuses on the supply basis stating that “Questar is unable to supply gas in excess
354 of volumes being delivered on your behalf to the Questar system.” It goes on to
355 say in a very confusing statement “If necessary restrict your usage” rather than
356 being more affirmative. The email statement would have been clearer if it had
357 said that a system-wide, full interruption for all interruptible capacity is being
358 called and customers must restrict usage to firm capacity with supply that is being
359 provided for its use to the system. US Magnesium had checked with its supplier
360 that day and its supplier indicated that its supply volume had not been cut. The
361 message from the email was not as clear as it could have been.

362 **Q. What else could the email sheet and the text and the automated system have**
363 **to help customers be sure of what actions to take?**

364 A. In the future, any email notification like the one contained in Exhibit 6
365 should provide contact information for the recipient to communicate with DEU to
366 authenticate the notice and to request further information.

367 **Q. Why would you need to have authentication?**

368 A. In today’s world with important cyber security issues coming up every day
369 it is not inconceivable that mischievous persons or competitive parties could want
370 to upset operations for some industrial entities or utilities. Exhibit 9 is just one
371 recent example of utilities being the subject of cyber attacks. Having a live phone
372 number listed to reach back to DEU to get affirmation that a geographic, full or

373 partial interruption is being instituted would be an important confirmation that
374 this is actual information sent by DEU. The phone number called could just give a
375 message that could just lay out what was being asked by the gas company to
376 provide some assurance of an authentic curtailment. The number should also have
377 an option to contact a live person to ask questions or to leave a message for a
378 response back to the customer.

379 **Q. There are other issues that came to light with understanding the Customer**
380 **Information Sheet shown in Exhibit 4. What were they?**

381 A. One important element that was communicated after the fact to US
382 Magnesium was that more than two interruption contacts could be listed on the
383 Customer Information Sheet as interruption contacts and, in fact, we were
384 informed that we could list as many contacts as we wanted. This would have
385 been very helpful information prior to January 6, 2017 and could have likely
386 resulted in a better curtailment response if we would have been informed of this in
387 the November 29, 2016 email from Questar (Exhibit 3). US Magnesium provided
388 only two "Interruption Contacts" because those were the two "Interruption
389 Contacts" listed on the original sheet generated by Questar Gas and given to US
390 Magnesium. US Magnesium reasonably believed that providing two "Interruption
391 Contacts" was sufficient because it would allow one party to be available if the
392 other was on vacation or traveling and away from the area. This happened to be
393 the case on January 6, 2017 with myself driving to California through the Mohave
394 Desert when the curtailment notice came.

395 As shown on Exhibit 10 US Magnesium has listed additional “Interruption
396 Contacts” for such events and we may want to add more depending on how tests
397 go.

398 **Q. Do you have a suggestion for providing more information on the Customer
399 Information Sheet?**

400 A. Yes, the Customer Information Sheet should say that a customer can have
401 as many contacts as they would like to have listed for emergency and
402 curtailments.

403 **Q. You made reference above to tests of the DEU notification system. Please
404 describe the type of tests you’re referring to**

405 A. In November of 2017, DEU took the step to actually test the interruption
406 notification system—a step that would have alerted US Magnesium to the
407 problem with extensions if it would have been done in the fall of 2016. During
408 the test in the fall of 2017, the direct dial number to the US Magnesium control
409 room that is now set forth on the Customer Information Sheet as an “Interruption
410 Contact” did receive a call, but no information could be heard. US Magnesium
411 subsequently asked for an additional test and, in that test, the information could be
412 heard. US Magnesium has suggested to DEU that the emergency contact system
413 be tested once a quarter to make sure all systems are operating as required and
414 parties know how to respond.

415 **Q. In some information provided by DEU they seem to state they do not have an**
416 **obligation to notify customers of changes to the emergency/interruption**
417 **notification system. Do you agree with that?**

418 A. No, I vigorously disagree with the idea that customers should be
419 potentially exposed to hundreds of thousands of dollars in fees and penalties with
420 the company arbitrarily changing its notification system in some way that it has
421 not communicated clearly to any of its customers. We would ask that the
422 Commission clearly repudiate this assertion that customers can be surprised by
423 the Company's unilateral actions.

424 **Q. Do you believe the Tariff sections discussing the interruption specific**
425 **requirements need to be updated to make clear the rights and responsibilities**
426 **of the parties?**

427 A. Yes, I think clearer communication is always in the best interest of
428 smoother operations and clearly there were circumstances in this matter in which
429 greater communication could have averted the unfortunate circumstances that
430 occurred. By changing the Tariff to indicate the proper communication channels
431 for notification, customers will have a clearer set of channels to ensure proper
432 notification.

433 **Q. Did DEU suffer any damages as result of US Magnesium not reducing its**
434 **demand down below firm capacity on January 6-7, 2017?**

435 A. DEU informed me that neither it nor any of its customers suffered
436 damages in this instance.

437 **Q. Can you provide an explanation as to why there should not have been any**
438 **damages in this type of event?**

439 A. As it has been explained to US Magnesium, the interruption event on
440 January 6-7, 2017 was a supply capacity event brought about by DEU supplies
441 falling short. US Magnesium supplies were being delivered to the system
442 according to its supplier. We understand that DEU does not rely on interruptible
443 customer's gas supplies and it certainly does not credit interruptible customers
444 with a value associated with being a peaking gas resource at this time. In fact, US
445 Magnesium's gas supplier offered to sell gas volumes to DEU during this
446 particular interruption event and DEU declined to purchase those volumes. So as
447 a supply-induced event, US Magnesium was not adding to the problem because
448 its gas was being delivered and was not contributing to the problems that the
449 company had with its own gas delivery shortfall.

450 **Q. The penalty for not interrupting is in place to encourage parties to interrupt**
451 **when proper notice is provided. Do you believe US Magnesium should**
452 **receive a penalty that is approximately \$580,000 for this circumstance?**

453 A. No, I do not. As stated on the new revised Customer Information Sheet, a
454 party that provides incomplete or incorrect information should be responsible for
455 penalties and fees and I would suggest that the company provided incomplete
456 information regarding the contact channel we used for day time contacts and any
457 number with extensions not working. That is, Questar Gas indicated that, in the
458 event of a day time interruption, Questar Gas would notify Mike Tucker and

459 Roger Swenson at the day phone numbers identified on the Customer Information
460 Sheet. US Magnesium relied on that information that the company had in front of
461 it. If Questar Gas could not communicate with US Magnesium at those phone
462 numbers, then the Company should have seen this as a problem and alerted US
463 Magnesium to the issue. If any party in this matter deserves a penalty it is DEU in
464 order to send a message that it should be vigilant when it makes changes to make
465 sure systems that we all rely on will work as expected.

466 **Q. Do you have a final conclusion in this matter you would like to state?**

467 A. Yes, I do. I respectfully submit that the Commission should hold Questar
468 Gas/DEU responsible for its negligent and reckless behavior and omissions in not
469 telling customers that numbers listed on Customer Information Sheets and input
470 into electronic contact systems would not work, and the Commission should
471 direct DEU to cease and desist from its improper efforts to impose unauthorized,
472 unjustified and unconscionable penalties on US Magnesium and apply any such
473 penalty to DEU to encourage proper behavior in the future.

474 **Q. Does this complete your testimony in this matter?**

475 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit B

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action And Complaint of US Magnesium, LLC against Dominion Energy Utah	Docket No. 17-057-13
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**Direct Testimony of Mike Tucker
On Behalf of
US Magnesium, LLC**

December 22, 2017

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

2 A. My name is Mike Tucker. My business address is the US Magnesium
3 Plant Rowley, Utah.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am the Operations Manager over Chemical and Utilities of US
6 Magnesium, LLC (“US Magnesium”)

7 **Q. On whose behalf are you testifying in this proceeding?**

8 A. My testimony is submitted on behalf of US Magnesium.

9 **Q. Please summarize your qualifications.**

10 A. I was hired at the plant on July 18, 1977, which was AMAX at the time,
11 and I am still currently employed at the same plant, now operated as US
12 Magnesium. I have held hourly jobs, several foreman positions, Supervisor
13 positions and, since 2016, Operations manager over Chemical and Utilities.

14 Prior to joining US Magnesium I worked for 6 years at Kaiser Chemicals
15 in Wendover, Utah in several hourly positions.

16 **Q. Have you previously testified before the Public Service Commission of Utah
17 (“Commission”)?**

18 A. No, I have not.

19 **Q. What is the purpose of your testimony in this case?**

20 A. My testimony addresses actions taken in January 2017 concerning events
21 surrounding a gas supply curtailment where we did not receive a phone call to our
22 Day phone contact number we rely on.

23 **Q. Did US Magnesium provide contact information to Questar Gas in December**
24 **of 2016 indicating who at US Magnesium would be contacted in the event**
25 **that Questar Gas required US Magnesium to curtail its interruptible gas**
26 **service?**

27 A. Yes. I understand that Questar Gas emailed Roger Swenson in November
28 of 2016 in an effort to obtain accurate contact information that Questar would use
29 to notify US Magnesium of an interruption. This email to Mr. Swenson, attached
30 as US Magnesium Exhibit 3, provided a Customer Information Sheet for Mr.
31 Swenson and asked him to verify the accuracy of US Magnesium's contact
32 information. I understand that Mr. Swenson provided the requested information
33 to Questar by ensuring the accuracy of the phone numbers contained on the
34 Customer Information Sheet, signing it, and returning it to Questar in December
35 of 2016. The Customer Information Sheet Mr. Swenson provided to Questar is
36 attached as US Magnesium Exhibit 4.

37 **Q. Does the Customer Information Sheet attached as US Magnesium Exhibit 4**
38 **indicate that Questar Gas is to contact you in the event of an interruption?**

39 A. Yes. The Customer Information Sheet lists two "Interruption Contacts." I
40 am listed as "1ST" Interruption Contact and Mr. Swenson is listed as "2ND"
41 Interruption Contact. Next to where my name is listed as the "1ST" Interruption
42 Contact, the Customer Information sheet lists my office phone number (801-432-
43 2043 ext. 1337) under a heading titled "Day Phone". The Customer Information
44 Sheet further lists my cell phone number under a heading titled "Mobile Phone".

45 **Q. On January 6-7, 2017, did you receive a call from Questar on your office**
46 **phone number on the Customer Information Sheet regarding a curtailment**
47 **of Questar's natural gas service?**

48 A. No, I did not.

49 **Q. Was your office phone working on January 6 and 7, 2017?**

50 A. Yes, my office phone was working those days. Moreover, my phone is
51 capable of receiving and storing voice messages, and I did not receive any voice
52 message from Questar on my office phone that day.

53 **Q. Were you in your office during the day on January 6, 2017?**

54 A. I was in my office at the plant that day, and I also occasionally left the
55 office to visit plant processing areas.

56 **Q. Was there a means to receive a phone call if Questar had tried to call you**
57 **regarding an interruption?**

58 A. Yes. The phone system does take voice messages that I check when I
59 come in from visiting the processing areas.

60 **Q. Does US Magnesium allow the use of cell phones in the plant?**

61 A. No. For security purposes, US Magnesium does not permit the use of cell
62 phones within any areas at the plant, including in my office at the plant.

63 **Q. Did you receive a message from Questar on your cell phone regarding an**
64 **interruption on January 6, 2017?**

65 A. Yes. When I turned on my cell phone later in the day after I had gone
66 home, I had a text message and a voice message from Questar. The text message

67 directed me to view an email from the company and indicated that the email
68 would contain instructions to follow for an interruption.

69 **Q. Please describe the email that you received on January 6th.**

70 A. I did not receive an email from a Questar email address on January 6,
71 2017 regarding an interruption. I did receive an email on January 6 from a sender
72 called “no-reply@ecnalert.com”. A copy of the email I received from that sender
73 is attached as Exhibit 11.

74 **Q. When you saw the email from “no-reply@ecnalerts.com,” did you**
75 **understand that US Magnesium was being asked to take any particular**
76 **action in response to the email?**

77 A. No. I did not understand that US Magnesium was being asked to take any
78 particular action in response to the January 6 email. As an initial matter, I did not
79 (and do not) know who or what “no-reply@ecnalert.com” is or how (if at all) it is
80 or was associated with Questar Gas.

81 Moreover, the email stated that “Questar Gas is unable to provide
82 additional supplies to make up for any shortfalls in the amount of gas being
83 provided on your behalf to the Questar Gas system.” On the morning of January
84 6, I was informed by US Magnesium’s gas supplier that we would receive all gas
85 volumes we had requested that day and that there was no shortfall in our supplies.
86 The email message said that we should curtail if necessary and from the response
87 from our gas supplier all our volumes were being delivered. Because I did not

88 have a call at the day contact number it was not clear that we needed to drop our
89 load based on the email since we had not been notified.

90 **Q. Prior to January 6, 2017, did you understand that Questar's notification**
91 **system could not dial extensions, such as the ones US Magnesium provided to**
92 **Questar as the "Interruption Contact" Day Phone numbers on the Customer**
93 **Information Sheet?**

94 A. No, I was not informed until Mr. Swenson found out later in the month
95 that the Questar notification system could not dial extensions.

96 **Q. When Mr. Swenson found out that the system would not work with**
97 **extensions, did you find a direct dial phone number to use in the plant**
98 **control room?**

99 A. Yes, we have a direct dial phone that was tested in late January, 2017 and
100 it worked.

101 **Q. If that phone had been used as the daytime phone contact system during the**
102 **events of January 6th 2017 do you testify that US Magnesium would have**
103 **dropped its load below the firm usage cap of 15,000 Dths per day?**

104 A. Yes, if that direct line phone would have been called on January 6, 2017,
105 the control room operator would have dropped the usage down to below the firm
106 level.

107 **Q. Does this complete your testimony in this matter?**

108 A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit C

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 1



Questar Gas Company
Industrial and Municipal Accounts
P.O. Box 45360
Salt Lake City, UT 84145-0360
Tel 801 324 2942 • Cell 801 557 2375
Bruce.Rickenbach@questar.com

Bruce Rickenbach
Sr. Account Manager

Dear Customer:

Under the terms of Questar Gas Company's Utah Natural Gas Tariff (Tariff), and the terms of your current contract, during an interruption or curtailment period you may burn **the lesser of 1) the firm portion of the Maximum Daily Contract Limit or 2) the amount delivered to Questar Gas' system on your behalf.**

The Utah Natural Gas Tariff §3.02 – Failure to Interrupt states:

"A customer who fails to interrupt when properly called upon by the Company to do so will incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the course of an interruption. Each failure to interrupt will result in the imposition of the per-decatherm penalty."

It further provides:

"If any interruptible customer fails to reduce or discontinue use of natural gas, and in the case of a transportation customer failing to interrupt or reduce gas usage or nominations in accordance with this section, then the customer will pay the penalty and other charges as follows:

DNG Penalty	Supplier Non-Gas Cost	Commodity Cost
\$40.00/Dth	SNG rate from the IS Rate Schedule	Highest gas cost during the period of interruption

Questar Gas Company Utah Natural Gas Tariff at Pages 3-2 and 3-3.

Our records indicate that you burned more than the allowed amount during the curtailment period from 2:00 pm on January 6, 2017 until 1:00 pm on January 7, 2017. The attached penalty calculation worksheet¹ shows those volumes and the calculation of the penalty outlined in the Tariff provision referenced above.

The penalty charges for the January 6-7, 2017 curtailment, as shown in the attachment, will appear on your April, 2017 Questar Gas bill.

Additionally, you will be moved to a firm rate schedule for the volumes reflected in the attached worksheet. Section 3.02 of the Tariff further provides that

"If a customer fails to interrupt when called upon by the Company to do so, then beginning on July 1st following the failure to interrupt, the customer will be moved from the interruptible rate

¹ If you have more than one facility, we have attached a calculation worksheet for each facility.

schedule to an available firm rate schedule for three years for those interruptible volumes it failed to interrupt. To the extent that the Company determines that providing firm service is operationally infeasible, then the customer will pay a demand charge that would have applied for those interruptible volumes it failed to interrupt for three years, beginning on July 1st following the failure to interrupt, but will continue to receive interruptible service."

Accordingly, those volumes which you failed to interrupt, as reflected on the attached worksheet, will be billed at the firm TS rate for the next three years beginning on July 1, 2017. Those volumes will be transported according to the terms and conditions applicable to firm transportation service as set forth in your Transportation Service Agreement and the Tariff.

If you have any questions, please contact me at 801-324-2942.

Sincerely,

A handwritten signature in blue ink that reads "Bruce R. Kentel". The signature is written in a cursive style with a large, prominent initial "B".

Account Name: Magnesium Corporation of America
 Contract No: 7670339
 Location No: 90320

Questar Gas Company

Questar Gas TS Service Agreement:

	1/6/2017		Dth		1/7/2017		Dth	
	Daily	Hourly			Daily	Hourly		
Firm Contract Limit	15,000	625.0			15,000	625.0		
Delivered to the city gate by marketer	15,085	628.5			18,440	768.3		

		1/6/2017		Total
Begin	End	Prior Usage	Curtailment Usage	
8 a.m.	9 a.m.	891		
9 a.m.	10 a.m.	873		
10 a.m.	11 a.m.	886		
11 a.m.	12 a.m.	867		
12 a.m.	1 p.m.	861		
1 p.m.	2 p.m.	867		
2 p.m.	3 p.m.		861	
3 p.m.	4 p.m.		869	
4 p.m.	5 p.m.		868	
5 p.m.	6 p.m.		871	
6 p.m.	7 p.m.		873	
7 p.m.	8 p.m.		872	
8 p.m.	9 p.m.		882	
9 p.m.	10 p.m.		893	
10 p.m.	11 p.m.		843	
11 p.m.	12 p.m.		792	
12 p.m.	1 a.m.		789	
1 a.m.	2 a.m.		774	
2 a.m.	3 a.m.		816	
3 a.m.	4 a.m.		866	
4 a.m.	5 a.m.		864	
5 a.m.	6 a.m.		871	
6 a.m.	7 a.m.		890	
7 a.m.	8 a.m.		873	
Total		5,245	15,367	20,612

		1/7/2017		Total
Begin	End	Curtailment Usage	After Usage	
8 a.m.	9 a.m.	889		
9 a.m.	10 a.m.	881		
10 a.m.	11 a.m.	858		
11 a.m.	12 a.m.	888		
12 a.m.	1 p.m.	854		
1 p.m.	2 p.m.		861	
2 p.m.	3 p.m.		867	
3 p.m.	4 p.m.		859	
4 p.m.	5 p.m.		866	
5 p.m.	6 p.m.		859	
6 p.m.	7 p.m.		870	
7 p.m.	8 p.m.		856	
8 p.m.	9 p.m.		865	
9 p.m.	10 p.m.		864	
10 p.m.	11 p.m.		857	
11 p.m.	12 p.m.		856	
12 p.m.	1 a.m.		851	
1 a.m.	2 a.m.		858	
2 a.m.	3 a.m.		879	
3 a.m.	4 a.m.		859	
4 a.m.	5 a.m.		839	
5 a.m.	6 a.m.		845	
6 a.m.	7 a.m.		845	
7 a.m.	8 a.m.		854	
Total		4,370	16,310	20,680

Minimum Hourly Rate Firm/Delivered 625.00
 Total Curtailment Hours 18

Minimum Hourly Rate Firm/Delivered 625.00
 Total Curtailment Hours 5

Gas Allowed to burn during curtailment (min hourly rate * curtailment hours) 11,250.0

Gas Allowed to burn during curtailment (min hourly rate * curtailment hours) 3,125.0

Penalty Dths (Curtailment Usage - Gas Allowed to burn during curtailment) 4,117.00

Penalty Dths (Curtailment Usage - Gas Allowed to burn during curtailment) 1,245.0

DNG Penalty 40
 Supplier Non Gas 0.17922
 Commodity Cost 4.92
 Penalty Rate: 45.09922

DNG Penalty 40
 Supplier Non Gas 0.17922
 Commodity Cost 4.92
 Penalty Rate: 45.09922

Penalty Charge \$ 185,673.49

Penalty Charge \$ 56,148.53

Total Penalty \$ 241,822.02

Penalty Charge may be different than billed amounts due to rounding or applicable taxes not shown here.

Additional Firm Requirement starting July 1, 2017 4117 Dth per day
 Current Annual Firm Rate of \$27.41

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 2

**QUESTAR GAS COMPANY
UTAH TRANSPORTATION SERVICE AGREEMENT**

Customer Name: US Magnesium LLC

Account Number: 5677760000

SA_ID(s) and Service Address(es):

SAID	SERVICE ADDRESS	PRIMARY/SECONDARY (Administrative Charge)	MAP POINT (Interconnect / Delivery Point into QGC System)	DCL	FIRM
5677760948	12.5 Mi N of I-80 Es FT, Grantsville, UT 84029	\$4,500	Wasatch Front 90164	28,000	15,000

Mailing Address: 238 North 2200 West, Salt Lake City, UT 84116-2921

Service Initiation Date: July 1, 2015 (upgrade to existing service)

This Transportation Service Agreement (TS Agreement) is entered into this 1st day of July, 2015, by and between Questar Gas Company, a Utah corporation ("Company") and US Magnesium LLC, a limited liability company ("Customer"). Company and Customer may be referred to herein individually as "Party" and collectively as "Parties." The Parties agree as follows:

1. Company shall provide transportation service in accordance with the terms, conditions and provisions in the Company's Utah Tariff filed with the Public Service Commission of Utah ("Commission") and as it may be amended from time to time ("Tariff").
2. Customer's will deliver its natural gas supply to Company at the Interconnect/Delivery Point(s) identified above and Company will redeliver Customer's supplies to Customer's service address(es) associated with the SAID(s) listed above. In accordance with the Tariff, Company reserves the right to require Customer to deliver its natural gas supplies to alternate Interconnect/Delivery Points identified by the Company when, in the Company's sole discretion, operational or other needs support such a change.
3. The maximum daily contract limit is 28,000 Dth (the "Maximum Daily Contract Limit"). Of that amount, the first 15,000 Dth/day shall be transported pursuant to Tariff terms and conditions applicable to firm transportation service. The remainder shall be transported pursuant to Tariff terms and conditions applicable to interruptible transportation service. Company shall only be obligated to transport the lesser of (a) the firm portion of the Maximum Daily Contract Limit, (b) the Customer's natural gas supply nomination, or (c) the amount delivered to Company on Customer's behalf by the upstream pipeline. If the TS rate schedule is modified or eliminated, this agreement will terminate. Customer and Company may then enter into a new agreement under the terms of the new applicable rate schedule.
4. Customer shall provide, or shall make arrangements for its upstream pipeline system to provide, measurement information and other information requested by Company concerning the volumes that have been delivered to Company on Customer's behalf. Customer shall provide, or cause its upstream pipeline system to provide measurement information on a daily basis, or as otherwise agreed to by the Parties in writing.

5. Service shall continue from the above service initiation date until **June 30, 2016**. Thereafter, either Party may terminate this agreement by providing ninety (90) days advance written notice of termination. Any imbalances at termination will be treated as month-end imbalances and must be eliminated in accordance with the provisions of the Tariff.

6. This Agreement shall be governed by and construed in accordance with Utah law, the Tariff and any applicable rules and regulations of the Commission and, to the extent that the Tariff or any applicable rules or regulations of the Commission conflict with or are inconsistent with this Agreement, now or in the future, the Tariff, Commission rules and regulations shall control. If any term of this Agreement is held to be illegal or in conflict with Utah law, the Tariff, or any applicable Commission rule or regulation, the validity of the remaining portion of the Agreement shall not be affected, and the rights and obligations of the Parties shall be construed as if the Agreement did not contain the particular term held to be invalid. Any legal action concerning this Agreement shall be filed in Salt Lake County, Utah and the Parties consent to personal jurisdiction and venue in Salt Lake County.

7. In the event it becomes necessary for either party to enforce its rights under this Agreement, with or without litigation, the prevailing party shall be entitled to recover all reasonable expenses, including attorney fees and costs, arising out of the enforcement of its rights.

8. Customer may not assign this Agreement without the written consent of Company.

9. All communications, consents and other notices shall be in writing and shall be hand delivered, sent by facsimile, or mailed, postage prepaid, as follows:

(a) If to Customer:

**US Magnesium LLC
ATT: Roger Swenson
238 North 2200 West
Salt Lake City, Utah 84116**

(b) If to Company:

Questar Gas Company
Attention: Director, Account and Community Relations
P.O. Box 45360
Salt Lake City, Utah 84145-0360

Or such other address as the Parties may designate from time to time, in writing. Any notice or mailing so given shall be effective when received, but in any event no later than three (3) days following the date of mailing.

10. This Agreement contains the entire agreement between the Parties concerning the provision of natural gas service to the SAID(s) identified above and it supersedes any prior agreement, verbal or written, regarding the same.

11. Each person signing this Agreement warrants that the person has full legal capacity, power, and authority to execute this Agreement for and on behalf of the respective party and to bind such party.

US MAGNESIUM LLC

Michael D Edmonds
Signature

P.S. ✓

Michael D Edmonds
Name

CFD
Title

8/15/13
Date:

QUESTAR GAS COMPANY

Susan S Davis
Signature

Susan S. Davis
Director, Account and Community Relations

Date: August 21, 2013

Account Representative: Bruce Rickenbach

117526

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 3

Bruce Rickenbach (Questar)

From: Bruce Rickenbach (Questar)
Sent: Tuesday, November 29, 2016 2:38 PM
To: 'roger.swenson@prodigy.net'
Subject: Questar Gas - Emergency/Interruption Contact Information
Attachments: Customer Contact Information.pdf

Hi Roger,

I hope you have been doing well.

The following is a quick review of information shared at our customer meeting.

Questar Gas (QGC) is preparing for the upcoming winter heating season. We need to assure your company contact information is correct. Please review the attached **Customer Information** sheet, and update all information for accuracy. Remember to sign at the bottom of the document and email the form to me as soon as possible whether you have made changes or not. We utilize a "Rapid Notify" system to alert our industrial and commercial customers of any interruptions or other important messages. This tool is an electronic calling, texting, and email system that sends simultaneous messages to ensure timely communications, so it is important to keep your contact information updated and to notify us of any changes

Transportation Services Customers (TS)

TS Customers are responsible for working with their marketer to understand the service being provided for their gas supply i.e. firm vs interruptible. Remember, if your gas is not delivered to the city gate (pipeline system to QGC distribution system), QGC is not responsible to supply gas to you, even if you have firm capacity on QGC. Also, gas delivered to you may be limited to your contracted firm amount or the daily nomination your marketer enters for you, whichever is less, so make certain you understand how your marketer enters gas nominations.

Interruption

The interruption season runs from November through March, interruptions due to unforeseen circumstances may occur at any time of the year. All interruptible gas volumes, both sales IS and transportation TS, are subject to interruption. Interruptions may be geographic, full or partial. Upon notice of an interruption from QGC, interruptible customers are required to switch to an alternative fuel source no later than two hours from notification. If you don't have an alternative fuel source, you must remain within your contractual firm usage limits within two hours after notification. During an interruption, your firm contract limit will be equal to your daily firm contract limit (DCL) divided by 24 for each hour of the interruption. If you fail to stop using your interruptible gas volumes, you will be charged a penalty for each DTH not interrupted. Also, those interruptible volumes will be moved to a firm rate schedule for three years. Detailed information on the interruption process can be found under sections 3.01, 3.02 and 4.01 of our natural gas tariff: <https://www.questargas.com/Tariffs/uttariff.pdf> or please contact me for further information concerning the interruption process.

Meter Communication (POTS lines)

QGC has repeatedly noted problems it has been experiencing communicating with POTS lines (plain old telephone service) to measure your gas consumption. This year, we are replacing all remaining POTS lines with cellular phone lines at our expense. This means you will no longer have to provide and pay for a POTS line. However, you will need to provide A/C power to the meter so that the cellular equipment will work. We really appreciate your help as we install this cellular equipment.

Dominion Resources and Questar Corporation Merger completed

On September 16, 2016, the merger of Dominion Resources, headquartered in Richmond, VA and Questar Corporation was finalized, forming one of the largest combined electric and natural gas energy companies. Questar Corporation, now Dominion Questar, will operate as a first-tier wholly owned subsidiary of Dominion with its principal operating companies Questar Gas, Questar Pipeline and Wexpro retaining their names at closing. A stipulation by both the Utah and Wyoming utility commissions mandates that no general rate case will be filed by Questar Gas Company until 2020.

Customer Meeting Presentations

Further additional information regarding rates, curtailment procedures, and other subjects from our September 8th customer meeting are also posted on our website at: <http://www.questargas.com/ServicesBus/BusinessServices.php>. If you have any questions please contact me. I will be happy to discuss in more detail either over the phone or in person.

Thanks,

-BR

Bruce Rickenbach
Questar Gas Company
Industrial and Municipal Accounts
Office: (801) 324-2942
Mobile: (801) 557-2375

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 4

Bruce Rickenbach (Questar)

From: ROGER SWENSON <roger.swenson@prodigy.net>
Sent: Monday, December 12, 2016 12:58 PM
To: Bruce Rickenbach (Questar)
Subject: Customer Info Sheet you sent on 11/29
Attachments: USMag_CustInfo_2016.pdf

Hi Bruce,

Here is the Cust info sheet back that you sent at the end of Nov.

I mentioned that the nat gas usage will be dropping a bit after January. They are telling me that production will be down about 35%. It will be a gradual drop starting in Jan and they should be down to the reduced level by Feb.

Roger

Customer Information

Wed October 19, 2016

Company: **US MAGNESIUM**
 SAID: 7677760339 Magnesium Corporation of America
 Address: **Rowley**
 City, State, Zip: **Rowley, UT 84029**
 SIC Code: **3339 PRIMARY NONFERROUS METALS, NEC**
 Account Rep: **Bruce Rickenbach**

Contact Name	e-Mail	Day Phone	Night Phone	FAX	Mobile Phone
Roger Swenson	roger.swenson@prodigy.net	801 532-1522 529		801 534-1407	801 541-2272
Thomas Tripp		801 532-1522 259		801 532-1522	
Mike Tucker	mtucker@usmagnesium.com	801 532-2043 1337			801 597-6834

Interruption Contacts	Title	Day Phone	Night Phone	FAX	Mobile Phone
1ST: Mike Tucker	Utility Supervisor	801 532-2043 1337			801 597-6834
2ND: Roger Swenson	Energy Consultant	801 532-1522 529		801 534-1407	801 541-2272

SAID#	Account Name	Type	Meter #	DGL	FIRM	RDU	Tax Xmpt	Agent Company
7677760339	Magnesium Corporation of America	UTTS	31000005 31000013	21,000	15,000	20,035	Y	CIMA

Code	Equip Description	Count	Input Rating	Total Input	Fuel Type	Alt Fuel	Comments
------	-------------------	-------	--------------	-------------	-----------	----------	----------

Do you anticipate any significant changes in your natural gas requirements this winter? Yes No
 If Yes, explain: less usage beginning in January 35% drop in average demand

I certify that the information listed above regarding our interruptible natural gas service on Questar Gas is correct. I understand that interruptible service is subject to periods of interruption. Our staff and alternate fuel system(s) will be prepared to interrupt natural gas service as soon as operationally possible within two hours of receiving notification from Questar Gas.

Signed: Roger Swenson Date: 12/12/2016

Bruce Rickenbach (Questar)

From: Bruce Rickenbach (Questar)
Sent: Tuesday, December 13, 2016 3:06 PM
To: ROGER SWENSON
Subject: Re: Customer Info Sheet you sent on 11/29

Hi Roger,
Thanks for getting this information to me. I will forward to the appropriate groups.
Hope you have a Merry Christmas and Happy Holidays.
Bruce

Sent from my iPad

On Dec 12, 2016, at 12:58 PM, ROGER SWENSON <roger.swenson@prodigy.net> wrote:

Hi Bruce,

Here is the Cust info sheet back that you sent at the end of Nov.

I mentioned that the nat gas usage will be dropping a bit after January. They are telling me that production will be down about 35%. It will be a gradual drop starting in Jan and they should be down to the reduced level by Feb.

Roger

<USMag_CustInfo_2016.pdf>

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 5

Field Data Request No. 1.15
Requested by US Magnesium, LLC
Date of QGC Response _____

FDR 1.15: Please provide an estimate (assuming current rates) of the total amount of the additional cost to USM over three years if USM's Daily Firm volume is increased to the amount used by USM during the January interruption.

Answer: The additional cost to USM for using 4,117 Dth above what was allowed, using current rates, is \$112,846.97 each year for three years for a total of \$338,540.91. Attached is a supporting schedule showing the calculation of the additional firm volumes of 4,117 Dth per day. That amount is multiplied by the current TS annual firm charge of \$27.41 per Dth to arrive at the \$112,846.97.

Prepared by: Bill Hunt, Regulatory Specialist, Questar Gas Company

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 6

Attachment 1.4

no-reply@ecnalert.com

To

roger.swenson@prodigy.net

Jan 6 at 11:11 AM

The Questar Gas service territory is experiencing extreme cold temperatures and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

Your allowable usage for each hour will be equal to the lesser of your firm contract amount divided by 24, or your scheduled quantity divided by 24, for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

If necessary please restrict your usage as soon as possible, but in no case more than two hours from this notice.

You will be notified by Questar Gas when the interruption is lifted.

Please call your nominating party (Marketing Agent) if you have any questions regarding your scheduled quantity or your Questar Gas representative with any questions regarding your firm contract limit.

Account.Management@Questar.com <no-reply@ecnalert.com>

To

roger.swenson@prodigy.net

Jan 7 at 6:46 AM

Effective January 7, 2017 at 1:00 pm Mountain Time, Questar Gas is lifting the service interruption for customers. Again this is effective January 7, 2017 at 1 pm mountain time. Please ensure your nominations meet your demand. Please contact your marketer or Questar Gas Representative for questions.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 7

Exhibit 4

- MIR3 INC0095206 Opened :: Using Smart Notice in conjunction w... (2)

● **OnSolve Support** <support@mir3.com>

Jun 13 at 11:14 AM

To roger.swenson@prodigy.net

Thank you for contacting OnSolve Support in regards to your request. We have logged a new support incident on your behalf, INC0095206. To provide additional information to INC0095206 please reply to this email. For a new request please email mir3support@onsolve.com. One of our team members will contact you as soon as possible.

Short description: Using Smart Notice in conjunction with LAN systems with extensions.

Description: Hello Roger,

Thank you for contacting OnSolve Support. As a quick recap, Extension dialing is done with macros taht are a bit intensive to set up but once done work pretty well. Like you suggested, I have also passed your contact information to the Sales department in case you want to explore more robust capabilities.

Regards,

Jake Shakhman OnSolve Support

Comments:

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 8

US Magnesium Exhibit 5

Customer Information

Company: **US MAGNESIUM**

Thu October 26, 2017

SAID: **7677760339** Magnesium Corporation of AmericaAddress: **Rowley**City, State, Zip: **Rowley, UT 84029**SIC Code: **3339 PRIMARY NONFERROUS METALS, NEC**Account Rep: **Brad Simons**

<u>Primary Business Contact</u>	<u>e-Mail</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>Mobile Phone</u>
Roger Swenson (Primary)	roger.swenson@prodigy.net	801 532-1522 529		801 541-2272
Thomas Tripp (Secondary)		801 532-1522 259		
Mike Tucker (Primary)	mtucker@usmagnesium.com	801 532-2043 1337		801 597-6834
Utility Control Room	xxxx	801 532-1105		

<u>Notification Contacts</u>	<u>e-Mail</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>Mobile Phone</u>
1ST: Utility Control Room	xxxx	801 532-1105		
1ST: Mike Tucker	mtucker@usmagnesium.com	801 532-2043 1337		801 597-6834
2ND: Roger Swenson	roger.swenson@prodigy.net	801 532-1522 529		801 541-2272

<u>Account Name</u>	<u>Rate Type</u>	<u>Daily Contract Limits</u>			<u>Agent Company</u>
		<u>DCL</u>	<u>FIRM</u>	<u>Interruptible</u>	
Magnesium Corporation of America	UTTS	21,000	15,000	6000	CIMA

Dominion Energy uses a mass notification software system to alert customers of important messages. The notification system will not dial to an automated answering system, such as a system requiring menu inputs or an extension. Please provide direct phone numbers only. Customer shall be responsible for the payment of any fees or penalties due to incorrect or incomplete contact information.

THE SIGNATORY BELOW ACKNOWLEDGES THAT HE/SHE HAS AUTHORITY TO SIGN ON BEHALF OF THE CUSTOMER IDENTIFIED HEREIN. BY SIGNING THIS DOCUMENT, CUSTOMER REPRESENTS AND WARRANTS THAT THE CUSTOMER CAN AND WILL DISCONTINUE NATURAL GAS USAGE WHEN CALLED UPON TO DO SO BY DOMINION ENERGY. CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THE FINANCIAL AND OTHER CONSEQUENCES ASSOCIATED WITH A FAILURE TO DISCONTINUE NATURAL GAS USAGE WHEN CALLED UPON TO DO SO.

CUSTOMER FURTHER UNDERSTANDS THAT IF THE CUSTOMER'S GAS IS NOT RECEIVED IN THE COMPANY'S SYSTEM, THE COMPANY IS NOT OBLIGATED TO SUPPLY THE GAS TO CUSTOMER. CUSTOMER FURTHER ACKNOWLEDGES THAT THE COMPANY IS ONLY OBLIGATED TO DELIVER ITS CONFIRMED NOMINATIONS. ANY GAS BURNED ABOVE THE CONFIRMED NOMINATION ON ANY GIVEN DAY IS DELIVERED ON AN OPERATIONALLY AVAILABLE BASIS, AND IS SUBJECT TO PENALTIES.

Signed: _____ Date: _____

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 9



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Hackers attack power plant’s safety systems

📅 Dec 18, 2017 👤 Jonny Bairstow 📁 Infrastructure & Generation , Smart Data , Top Stories 🔒 0



Image: Shutterstock

Hackers have **attacked the safety systems** of at least one power plant, halting operations.

That’s according to technology firm Schneider Electric and security company FireEye, which has as yet declined to disclose the nature or location of the facility.

The critical Triconex safety systems, which were developed by Schneider, help industrial control units used in nuclear, oil and gas plants operate properly.

The attack, which several experts have suggested could be state-sponsored, is thought to be the **first reported breach of a safety system** at an industrial plant by hackers.

A number of controllers entered a failsafe mode as the **hackers’ malware** attempted to reprogram them, causing related processes to shut down and allowing the plant to notice the attack.

Schneider Electric said: “While evidence suggests this was an isolated incident and not due to a vulnerability in the Triconex system or its program code, we continue to investigate whether there are **additional attack vectors**.”

A **cyber security training programme has been launched** to help the energy sector defend itself against people trying to hack its systems and damage vital infrastructure.

🔗 [attack, cyber, security, smart, threat, virus](#)

5

Related



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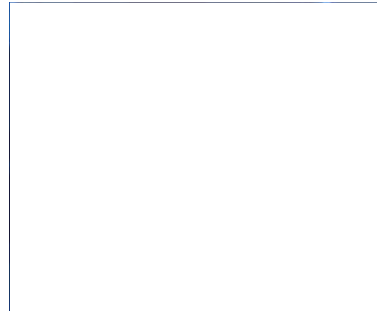
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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 10

Customer Information

Company: **US MAGNESIUM**

Thu October 26, 2017

SAID: **7677760339** Magnesium Corporation of America

Address: **Rowley**

City, State, Zip: **Rowley, UT 84029**

SIC Code: **3339 PRIMARY NONFERROUS METALS, NEC**

Account Rep: **Brad Simons**

<u>Primary Business Contact</u>	<u>e-Mail</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>Mobile Phone</u>
Roger Swenson (Primary)	roger.swenson@prodigy.net	801 532-1522 xxxx		801 541-2272
Thomas Tripp (Secondary)		801 532-1522 xxxx	ext 1259	
Mike Tucker (Primary)	mtucker@usmagnesium.com	801 532-2043 xxxx	1337	801 597-6834
Utility Control Room	xxxx	801 532-1105		

<u>Notification Contacts</u>	<u>e-Mail</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>Mobile Phone</u>
1ST: Utility Control Room	xxxx	801 532-1105	same	none
1ST: Mike Tucker	mtucker@usmagnesium.com	xxxx-xxxx	801597-6834	801 597-6834
2ND: Roger Swenson	roger.swenson@prodigy.net	801 532-1522 xxxx	801541-2272	801 541-2272

<u>Account Name</u>	<u>Rate Type</u>	<u>Daily Contract Limits</u>			<u>Agent Company</u>
		<u>DCL</u>	<u>FIRM</u>	<u>Interruptible</u>	
Magnesium Corporation of America	UTTS	21,000	15,000	6000	CIMA

What is the definition of "Day" and "Night"?
 Mobile phones are not allowed at plant and only direct line is listed as 801 532-1105 and should be used as Day and Night 1st contact!

Dominion Energy uses a mass notification software system to alert customers of important messages. The notification system will not dial to an automated answering system, such as a system requiring menu inputs or an extension. Please provide direct phone numbers only. Customer shall be responsible for the payment of any fees or penalties due to incorrect or incomplete contact information.

THE SIGNATORY BELOW ACKNOWLEDGES THAT HE/SHE HAS AUTHORITY TO SIGN ON BEHALF OF THE CUSTOMER IDENTIFIED HEREIN. BY SIGNING THIS DOCUMENT, CUSTOMER REPRESENTS AND WARRANTS THAT THE CUSTOMER CAN AND WILL DISCONTINUE NATURAL GAS USAGE WHEN CALLED UPON TO DO SO BY DOMINION ENERGY. CUSTOMER UNDERSTANDS AND ACKNOWLEDGES THE FINANCIAL AND OTHER CONSEQUENCES ASSOCIATED WITH A FAILURE TO DISCONTINUE NATURAL GAS USAGE WHEN CALLED UPON TO DO SO.
 Properly

CUSTOMER FURTHER UNDERSTANDS THAT IF THE CUSTOMER'S GAS IS NOT RECEIVED IN THE COMPANY'S SYSTEM, THE COMPANY IS NOT OBLIGATED TO SUPPLY THE GAS TO CUSTOMER. CUSTOMER FURTHER ACKNOWLEDGES THAT THE COMPANY IS ONLY OBLIGATED TO DELIVER ITS CONFIRMED NOMINATIONS. ANY GAS BURNED ABOVE THE CONFIRMED NOMINATION ON ANY GIVEN DAY IS DELIVERED ON AN OPERATIONALLY AVAILABLE BASIS, AND IS SUBJECT TO PENALTIES.

Signed: _____ Date: _____

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit 11

From: no-reply@ecnalert.com [<mailto:no-reply@ecnalert.com>]

Sent: Friday, January 06, 2017 11:13 AM

To: Mike Tucker

Subject: Message from Dominion Questar Corporation, UT

The Questar Gas service territory is experiencing extreme cold temperatures and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

Your allowable usage for each hour will be equal to the lesser of your firm contract amount divided by 24, or your scheduled quantity divided by 24, for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

If necessary please restrict your usage as soon as possible, but in no case more than two hours from this notice.

You will be notified by Questar Gas when the interruption is lifted.

Please call your nominating party (Marketing Agent) if you have any questions regarding your scheduled quantity or your Questar Gas representative with any questions regarding your firm contract limit.

From: Account.Management@Questar.com [<mailto:no-reply@ecnalert.com>]

Sent: Saturday, January 07, 2017 6:47 AM

To: Mike Tucker

Subject: Questar Gas

Effective January 7, 2017 at 1:00 pm Mountain Time, Questar Gas is lifting the service interruption for customers. Again this is effective January 7, 2017 at 1 pm mountain time. Please ensure your nominations meet your demand. Please contact your marketer or Questar Gas Representative for questions.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit D

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION AND COMPLAINT OF
US MAGNESIUM, LLC AGAINST
DOMINION ENERGY UTAH

Docket No. 17-057-13

**DIRECT TESTIMONY OF BRUCE RICKENBACH
FOR DOMINION ENERGY UTAH**

January 12, 2018

DEU Exhibit 1.0

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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Bruce Rickenbach. My business address is 1140 West 200 South, Salt Lake City, Utah.

Q. What is your title and area of responsibility?

A. I am the Supervisor of Account & Municipal Relations. My department is responsible for the management of our large commercial and industrial accounts.

Q. What is your experience and educational background?

A. I began working for the Company in 1984. I have worked in various areas including, meter reading, accounting, budget, and rates. For the last 22 years I have worked with the industrial and large commercial customers in account management. I have a Bachelor's of Science degree in Business Management from BYU.

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

A. The purpose of my testimony is to explain the events leading up to and through the interruption event of January 6-7, 2017, to explain how Dominion Energy Utah (Company) gave notice to US Magnesium LLC (US Magnesium) and other interruptible customers, how the Company has provided such notice during past interruptions, how the Company's current automated notification system differs from previous notification systems, and to respond to information contained in the Direct Testimony of Roger Swenson and Mike Tucker.

II. INTERRUPTION PROCESSES

Q. Please describe the nature of interruptible service.

A. The Company offers interruptible service under Section 3 of its Utah Natural Gas Tariff

23 No. 500 (Tariff). Section 3.01 provides: “Interruptible service is subject to interruption at
24 any time.” Section 3.02 of the Tariff further provides: “Upon notice from the Company,
25 Interruptible customers are required to interrupt as soon as is operationally possible, but
26 no later than two hours from notice.”

27 **Q. Is each interruptible customer required to provide the Company with updated**
28 **contact information?**

29 A. Yes. Section 3.02 of the Tariff states that “The Company requires each interruptible
30 customer to provide, and update as necessary, contact information that enables the
31 Company to immediately notify a customer of a required interruption. In the event the
32 Company is unable to notify a customer using the contact information, the customer may
33 be subject to the charges and penalty as described below.”

34 **Q. Does the Tariff require that customers provide a primary or backup contact?**

35 A. No. Customers provide the Company with a Customer Information Sheet containing
36 contact information for as many contacts as the customer chooses. The Company
37 attempts to contact every contact listed on the Customer Information Sheet. The contacts
38 aren’t designated as or considered “primary” or “backup.” We send notices to all of the
39 contacts listed on the sheet. For example, DEU Exhibit 1.1 is the US Magnesium
40 Customer Information Sheet that was provided to the Company less than a month before
41 the January 6-7, 2017, interruption.

42 **Q. Please describe DEU Exhibit 1.1.**

43 A. DEU Exhibit 1.1 is an example of the type of Customer Information Sheets the Company
44 received from customers during the timeframe at issue in this matter. It contains names,

45 email addresses, day telephone numbers, night telephone numbers, fax numbers, and
46 mobile phone numbers for general contacts. It also contains the same information for
47 "Interruption contacts."

48 **Q. Does the Customer Information Sheet necessarily identify contacts as "primary" or**
49 **"secondary?"**

50 A. Not typically. As you can see, on DEU Exhibit 1.1, US Magnesium identified Mike
51 Tucker as a "1st" contact and Roger Swenson as a "2nd" contact. The Company does not
52 distinguish. It provides notice to all interruption contacts listed on the sheet.

53 **Q. How does the Company notify interruptible customers of an interruption?**

54 A. The Tariff is silent on how the notification must take place, leaving that to the Company's
55 discretion. The Company has more than 500 transportation customers with more than
56 1300 individual contact numbers and does not have the staff to make personal calls to
57 each one. Beginning in 2012, the Company began utilizing an automated notification
58 system that provides notice automatically by emailing each e-mail address and texting
59 each cell phone number listed on the Customer Information Sheet. The system also sends
60 automated voice messages to all telephone numbers on the Customer Information Sheet.

61 **Q. Can the Company's system dial through to extensions and leave voice messages at**
62 **extensions?**

63 A. No. The Company's current system does not have that capability. To the Company's
64 knowledge, this capability is not currently available for its system.

65 **Q. Has the Company changed the automated system it uses to provide notice of**
66 **interruption to interruptible customers?**

67 A. Yes. During the 2016-2017 heating season, the Company utilized a system called the
68 SNS system. From about 2014 to 2016, the Company utilized a system called "Rapid
69 Notify." Both systems function largely the same.

70 **Q. You indicated that the SNS system cannot dial through a switchboard to an**
71 **extension. Did the Rapid Notify system have that capability?**

72 A. No. The rapid notify system could not connect through a phone extension or a
73 switchboard. That is why Dominion Energy Utah requires each customer to provide an
74 additional phone number for each contact on the Customer Information Sheet.

75 **III. THE JANUARY 6-7, 2017, INTERRUPTION**

76 **Q. Are you familiar with the events leading up to the January 6-7, 2017, interruption**
77 **that is the subject of this docket?**

78 A. Yes. At the time I was a Senior Account and Community Relations Representative at
79 Dominion Energy Utah, and was the Company representative responsible for the US
80 Magnesium account. As such, I was involved in most communications with US
81 Magnesium, and communicated with Roger Swenson in order to obtain DEU Exhibit 1.1.

82 **Q. What kind of service was US Magnesium receiving during the 2016-2017 heating**
83 **season?**

84 A. US Magnesium had both firm transportation service and interruptible service. A copy of
85 the US Magnesium Transportation Service Agreement (TSA) with Dominion Energy
86 Utah is attached as DEU Exhibit 1.2. US Magnesium contracted for 15,000 Dth/day of
87 firm transportation service, and an additional 13,000 Dth/day of interruptible service (for
88 a total of 28,000 Dth/day).

89 **Q. Did you tell US Magnesium how the Company would provide notice in the event of**
90 **an interruption during the 2016-2017 heating season?**

91 A. Yes, I did. DEU Exhibit 1.3 is a copy of an email I sent to Mr. Swenson on November
92 29, 2016. It is a form we used to communicate important matters to each transportation
93 customer at the commencement of the heating season. In the email, I told Mr. Swenson
94 that “[w]e utilize a ‘Rapid Notify’ system to alert our industrial and commercial
95 customers of any interruptions or other important messages. This tool is an electronic
96 calling, texting, and email system that sends simultaneous messages to ensure timely
97 communications, so it is important to keep your contact information updated and to notify
98 us of any changes.” I also provided Mr. Swenson a reminder about the Tariff provisions
99 governing interruptible service and US Magnesium’s obligations should the Company
100 call an interruption.

101 **Q. Did you detail the penalties that US Magnesium would incur if it failed to interrupt?**

102 A. Yes. In DEU Exhibit 1.3, I informed US Magnesium that if it failed to interrupt when it
103 was properly called upon to do so, it would be charged a penalty for each Dth not
104 interrupted, and that the interruptible volumes not interrupted would be moved to a firm
105 rate schedule for three years.

106 **Q. When did US Magnesium provide its updated Customer Information Sheet?**

107 A. I provided US Magnesium with a copy of the previous Customer Information Sheet, for
108 its convenience. Mr. Swenson provided me with the updated Customer Information
109 Sheet on December 12, 2016. Mr. Swenson signed the sheet. A copy of that sheet is
110 attached to my testimony as DEU Exhibit 1.1.

111 **Q. Can you describe the events of January 6-7, 2017?**

112 A. Yes. I've attached as DEU Exhibit 1.4, a table outlining those events for convenience.
113 Column A shows the time and date of each identified event. Column B details the actions
114 taken by Dominion Energy Utah at that time, Column C shows any action taken by US
115 Magnesium at that time and Column D shows action taken by CIMA, US Magnesium's
116 Marketing Agent.

117 **Q. What is a Marketing Agent?**

118 A. A Marketing Agent purchases supplies for transportation customers, ships those supplies
119 on the interstate pipeline system to Dominion Energy Utah's system, and delivers them to
120 Dominion Energy Utah for redelivery to the transportation customer. Marketing Agents
121 are also responsible for making nominations on both the interstate pipeline system and on
122 Dominion Energy Utah's system to ensure that required supplies arrive. CIMA was US
123 Magnesium's Marketing Agent during the 2016-2017 heating season.

124 **Q. What was the first event of note on January 6, 2017?**

125 A. Sometime, prior to the interruption, US Magnesium's Marketing Agent told US
126 Magnesium "to be expecting a call" from Dominion Energy Utah, presumably because an
127 interruption was likely. I have attached, as DEU Exhibit 1.5, an email that Mr. Swenson
128 sent to me indicating as much.

129 **Q. What happened next?**

130 A. At 11:11 a.m. MST, Dominion Energy Utah deployed its SNS system to notify
131 interruptible customers that they would need to interrupt within 2 hours. It also notified
132 firm transportation customers that they would have to limit their usage to the lesser of

133 their firm usage or to the scheduled quantity (confirmed nomination) on Dominion
134 Energy Utah's System. I have attached as DEU Exhibit 1.6, a copy of the Dominion
135 Energy Utah email that was sent to Roger Swenson. This document was produced by US
136 Magnesium in response to Dominion Energy Utah's data requests issued in this docket.
137 As you can see, the email went to Mr. Swenson and was received on January 6th at 11:11
138 a.m. It says, "Firm load demand on the Questar Gas distribution system requires that
139 Questar Gas implement a *service interruption for customers with interruptible load.*"
140 (emphasis added). It also says, "Your allowable usage for each hour will be equal to the
141 lesser of your firm contract amount divided by 24, or your scheduled quantity divided by
142 24, for each hour of the interruption."

143 **Q. Did US Magnesium have a "firm contract amount"?**

144 A. Yes. DEU Exhibit 1.2 shows that its firm contract amount was 15,000 Dth/day.

145 **Q. Mr. Swenson suggests that, because the email came from no-reply@ecnalert.com it**
146 **was not clearly from Dominion Energy Utah (Questar Gas Company). How do you**
147 **respond?**

148 A. On January 6, 2017, Dominion Energy Utah was known as Questar Gas Company. The
149 text of the email makes clear that it is an interruption on the Questar Gas system. Given
150 that Mr. Swenson had been warned to watch for such notice, it is curious that he did not
151 respond.

152 **Q. Did Mr. Swenson contact you to ask about the authenticity of the email?**

153 A. No. In fact, prior to the filing of his direct testimony, Mr. Swensen has never asserted to
154 Dominion Energy Utah that he questioned the authenticity of the email.

155 **Q. What happened next?**

156 A. Within minutes, the same email was sent to Mike Tucker, the only other individual
157 identified on the US Magnesium Customer Information Sheet. DEU Exhibit 1.7 is a copy
158 of the email Mr. Tucker received. It was provided to Dominion Energy Utah in response
159 to data requests in this docket. As you can see, Mr. Tucker received the email at 11:13
160 a.m.

161 **Q. Did Mr. Tucker ever contact you to ask about the authenticity of the email?**

162 A. No. In fact, prior to the filing of his direct testimony, Mr. Tucker has never asserted to
163 Dominion Energy Utah that he questioned the authenticity of the email.

164 **Q. Did Dominion Energy Utah provide notice of the interruption in any other ways?**

165 A. Yes. As you can see, on lines 5 and 6 of DEU Exhibit 1.4, Dominion Energy Utah left
166 voice messages for both Mr. Tucker and Mr. Swenson at 11:15 a.m. DEU Exhibit 1.8 is
167 a copy of an email with an attachment showing the confirmation that the SNS system left
168 messages on Mr. Tucker's cell phone and Mr. Swenson's cell phone.

169 **Q. Did the Company provide any other form of notification?**

170 A. Yes. As I mentioned, the SNS system sends emails, makes voice calls, and sends text
171 messages. As you can see on lines 7 and 8 of DEU Exhibit 1.4, the SNS system sent text
172 messages to Mr. Swenson's cell phone and to Mr. Tucker's cell phone. DEU Exhibit 1.8
173 also evidences that text messages were sent to both.

174 **Q. Mr. Swenson suggests that the message was not clearly a Dominion Energy Utah
175 message because it came from a number "76127." How do you respond?**

176 A. Again, the text of the message references a Questar Gas interruption. Mr. Swenson had

177 been told to expect such a message from Questar Gas (as Dominion Energy Utah was
178 known at the time). He did not contact me to ask if it was authentic nor did he ever raise
179 any issue relating to the authenticity of the text until filing his direct testimony. The same
180 is true for Mr. Tucker.

181 **Q. Mr. Swenson is concerned that notice was insufficient because the automated calls**
182 **did not dial through the switchboard to telephone extensions. How do you respond?**

183 A. As I mentioned before, the Company obtains as many points of contact as it can. It sends
184 voice messages, emails and text messages because if one form of contact fails, others will
185 succeed. It is important to note, however, that the SNS voice message did go to the US
186 Magnesium switchboard and that the switchboard system disconnected the call. In
187 response to data requests in this matter, US Magnesium provided an email chain detailing
188 some of the events of January 6, 2017. I have attached that email chain to my testimony
189 as DEU Exhibit 1.9. On page 6 of DEU Exhibit 1.9, Mr. Tucker tells Mr. Swenson that
190 “We did get a phone message on the 801 532 1105 line telling us not to respond and if we
191 wanted to repeat it hit any button for which we have no buttons on this phone but if we
192 need buttons we can change that also. The board operator hung up after hearing the
193 message.”

194 **Q. Mr. Swenson also notes that Dominion Energy Utah has changed its customer**
195 **information sheet to clarify for customers that the SNS system cannot dial through**
196 **to extensions. Do you view this as problematic?**

197 A. No. Dominion Energy Utah is always seeking to improve communication and systems
198 and we regularly update our forms in an effort to achieve continuous improvement. We

199 made this update to ensure that each customer is aware that extensions are not effective.
200 Fortunately, we have always had multiple ways to contact customers, and if one form of
201 communication fails, the others succeed. In this case, US Magnesium successfully
202 received multiple forms of notification.

203 **Q. What happened next?**

204 A. Shortly after 11:00 a.m. MST, Dominion Energy Utah sent similar notices of interruption
205 to all of its transportation customers' Marketing Agents, including US Magnesium's
206 Marketing Agent. At 12:08 p.m. US Magnesium's Marketing Agent forwarded a copy of
207 Dominion Energy Utah's notice to US Magnesium and indicated that he would keep
208 customers up to date as information became available. The Marketing Agent said "Please
209 note below the interruptible curtailment notice from Questar Gas. Questar is requesting
210 customers with interruptible gas usage to reduce their usage to the lesser of their
211 nominated volume or their firm contract amount . . . *If you do not have firm capacity with
212 Questar Gas please reduce your usage to zero during the curtailment period until further
213 notice.*" (emphasis added). US Magnesium provided a copy of this email in response to
214 data requests in this matter, and I have attached it to my testimony as DEU Exhibit 1.10.
215 In his testimony, William Schwarzenbach details how US Magnesium's Marketing Agent
216 both received notice of the interruption, and reduced nominations on US Magnesium's
217 behalf to match US Magnesium's firm contract limit of 15,000 Dth.

218 **Q. Did Dominion Energy Utah provide any additional notice to US Magnesium of the**
219 **interruption on January 6, 2017?**

220 A. Yes. In the afternoon of January 6, 2017, I made a courtesy call to Mr. Swenson on his

221 cell phone. He answered and we spoke. I asked if he had received the notice of
222 interruption. He indicated that he was traveling, but that he had received the notice. Mr.
223 Swenson briefly spoke of operational procedures that would occur in order to get US
224 Magnesium's usage within firm contractual limits, and that was the extent of the phone
225 call. Mr. Swenson later confirmed that he received the email. I have attached, as DEU
226 Exhibit 1.09, an email Mr. Swenson sent to Mr. Tucker and copied to me. In it he confirmed: "I
227 was traveling that day and didn't see the email until I got computer service but I had some calls."

228 **Q. Did he ask you to call any others at US Magnesium?**

229 A. No. It was a very short telephone call. My purpose in calling was to confirm US
230 Magnesium had received the message. Once I was able to confirm that US Magnesium
231 had received the notice, the telephone call ended.

232 **Q. Was that the only contact US Magnesium had from its Marketing Agent regarding**
233 **the interruption?**

234 A. No. DEU Exhibit 1.10 shows that, shortly after 5:00 p.m., US Magnesium's Marketing
235 Agent forwarded another communication from Dominion Energy Utah indicating that
236 Dominion Energy Utah was considering lifting the interruption during the day on January
237 7, 2017.

238 **Q. What happened next?**

239 A. Sometime after Mr. Tucker's shift ended, he read the text message and the email
240 message. DEU Exhibit 1.11 is a chain of emails provided by US Magnesium in response
241 to data requests in this matter. On page 5 of DEU Exhibit 1.09, Mr. Tucker stated to Mr.
242 Swenson; "I did get the text on my phone but the phone was in my office and I was in the

243 plant and never seen it until I checked my phone later that night. I thought we were ok
244 because of the email from [US Magnesium's Marketing Agent] which I obviously
245 misunderstood."

246 **Q. How long did the interruption continue?**

247 A. The interruption continued throughout the night and into the day on January 7, 2017. It
248 concluded at 1:00 p.m. on January 7th.

249 **Q. Did US Magnesium ever, during January 6th or in the evening after Mr. Tucker had**
250 **received the notices, interrupt its interruptible volumes and limit its usage to its firm**
251 **contract amount?**

252 A. No it did not. Mr. Schwarzenbach's DEU Exhibit 2.2 details that US Magnesium's usage
253 did decrease slightly in the evening, but not down to the firm contract limit.

254 **IV. PREVIOUS PRACTICE WITH US MAGNESIUM**

255 **Q. US Magnesium has alleged that in the past, the Rapid Notify system could dial**
256 **through to extensions and, as a result, they received notice of past interruptions.**
257 **How do you respond?**

258 A. It is true that US Magnesium has properly responded to notices of interruption in the past.
259 However, the Rapid Notify system is no different than the SNS system in terms of
260 telephone extensions. Rapid Notify did not dial through a switchboard to an extension.

261 **Q. During prior interruptions did you personally call someone at US Mag?**

262 A. Yes. It is my practice to personally contact the larger users in the event of an interruption.
263 For US Magnesium, I typically contacted Roger Swenson and, though I do not recall the
264 contents of specific calls, I would have contacted him directly.

265 **Q. Why did you contact Roger Swenson rather than a plant manager?**

266 A. I have been the Dominion Energy Utah representative for US Magnesium for more than
267 ten years. During that time, Roger Swenson has typically been my contact at US
268 Magnesium. We would occasionally involve another US Magnesium contact for
269 operational issues. For purposes of interruption, we utilize our automated system to
270 contact everyone listed on the Customer Information Sheet. In addition, I contacted Mr.
271 Swenson as a courtesy.

272 **Q. When was the last interruption before January 6, 2017?**

273 A. The Company issued an interruption on December 31, 2014, at approximately 8:55 a.m.
274 The Company used an automated notification system (Rapid Notify) to notify Roger
275 Swenson and Clarence Gonzales on that occasion. US Magnesium decreased its usage
276 after notification and only incurred a small penalty. It is significant to note that US
277 Magnesium responded to this notice, even though the automated notification system did
278 not dial through to direct extensions. In other words, US Magnesium responded to the
279 other forms of notification it received in response to this interruption, which included
280 emails, texts, and messages to cell phone numbers.

281 **Q. Was US Magnesium penalized during the December 31, 2014, interruption?**

282 A. The penalty was very minor. On that day, they reduced their usage to a level where their
283 penalty was only 32 Dth.

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

285 A. Yes.

State of Utah)

) ss.

County of Salt Lake)

I, Bruce Rickenbach, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. Except as stated in the testimony, any exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.

Bruce Rickenbach

SUBSCRIBED AND SWORN TO this ____ day of January, 2018.

Notary Public

State of Utah)

) ss.

County of Salt Lake)

I, Bruce Rickenbach, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. Except as stated in the testimony, any exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.



Bruce Rickenbach

SUBSCRIBED AND SWORN TO this 9th day of January, 2018.



Notary Public



CERTIFICATE OF SERVICE

This is to certify that on January 12, 2018, a true and exact copy of the foregoing

DIRECT TESTIMONY OF BRUCE RICKENBACH was emailed to the following:

Gary A. Dodge
Phillip R. Russell
HATCH, JAMES & DODGE
gdodge@hjdllaw.com
prussell@hjdllaw.com

Division of Public Utilities

Patricia Schmid
pschmid@agutah.gov
Justin Jetter
jjetter@agutah.gov
Chris Parker
chrisparker@utah.gov
William Powell
wpowell@utah.gov

Office of Consumer Services

Steven Snarr
stevensnarr@agutah.gov
Robert Moore
rmoore@agutah.gov
Michele Beck
mbeck@utah.gov
Cheryl Murray
cmurray@utah.gov

/s/Leora Price _____

Customer Information

Wed October 19, 2016

Company: **US MAGNESIUM**
SAID: **7677760339** Magnesium Corporation of America
Address: **Rowley**
City, State, Zip: **Rowley, UT 84029**
SIC Code: **3339 PRIMARY NONFERROUS METALS, NEC**
Account Rep: **Bruce Rickenbach**

Contact Name	e-Mail	Day Phone	Night Phone	FAX	Mobile Phone
Roger Swenson	roger.swenson@prodigy.net	801 532-1522 529		801 534-1407	801 541-2272
Thomas Tripp		801 532-1522 259		801 532-1522	
Mike Tucker	mtucker@usmagnesium.com	801 532-2043 1337			801 597-6834

Interruption Contacts	Title	Day Phone	Night Phone	FAX	Mobile Phone
1ST: Mike Tucker	Utility Supervisor	801 532-2043 1337			801 597-6834
2ND: Roger Swenson	Energy Consultant	801 532-1522 529		801 534-1407	801 541-2272

SAID#	Account Name	Type	Meter #	DCL	FIRM	RDU	Tax Xmpt	Agent Company
7677760339	Magnesium Corporation of America	UTTS	31000005 31000013	21,000	15,000	20,035	Y	CIMA

Code	Equip Description	Count	Input Rating	Total Input	Fuel Type	Alt Fuel	Comments
------	-------------------	-------	--------------	-------------	-----------	----------	----------

Do you anticipate any significant changes in your natural gas requirements this winter? Yes No
If Yes, explain: less usage beginning in January 35% drop in average demand

I certify that the information listed above regarding our interruptible natural gas service on Questar Gas is correct. I understand that interruptible service is subject to periods of interruption. Our staff and alternate fuel system(s) will be prepared to interrupt natural gas service as soon as operationally possible within two hours of receiving notification from Questar Gas.

Signed: Roger Swenson Date: 12/12/2016

QUESTAR GAS COMPANY UTAH TRANSPORTATION SERVICE AGREEMENT

Customer Name: US Magnesium LLC

Account Number: 5677760000

SA_ID(s) and Service Address(es):

SAID	SERVICE ADDRESS	PRIMARY/SECONDARY (Administrative Charge)	MAP POINT (Interconnect / Delivery Point into QGC System)	DCL	FIRM
5677760948	12.5 Mi N of I-80 Es FT, Grantsville, UT 84029	\$4,500	Wasatch Front 90164	28,000	15,000

Mailing Address: 238 North 2200 West, Salt Lake City, UT 84116-2921

Service Initiation Date: July 1, 2015 (upgrade to existing service)

This Transportation Service Agreement (TS Agreement) is entered into this 1st day of July, 2015, by and between Questar Gas Company, a Utah corporation ("Company") and US Magnesium LLC, a limited liability company ("Customer"). Company and Customer may be referred to herein individually as "Party" and collectively as "Parties." The Parties agree as follows:

1. Company shall provide transportation service in accordance with the terms, conditions and provisions in the Company's Utah Tariff filed with the Public Service Commission of Utah ("Commission") and as it may be amended from time to time ("Tariff").
2. Customer's will deliver its natural gas supply to Company at the Interconnect/Delivery Point(s) identified above and Company will redeliver Customer's supplies to Customer's service address(es) associated with the SAID(s) listed above. In accordance with the Tariff, Company reserves the right to require Customer to deliver its natural gas supplies to alternate Interconnect/Delivery Points identified by the Company when, in the Company's sole discretion, operational or other needs support such a change.
3. The maximum daily contract limit is 28,000 Dth (the "Maximum Daily Contract Limit"). Of that amount, the first 15,000 Dth/day shall be transported pursuant to Tariff terms and conditions applicable to firm transportation service. The remainder shall be transported pursuant to Tariff terms and conditions applicable to interruptible transportation service. Company shall only be obligated to transport the lesser of (a) the firm portion of the Maximum Daily Contract Limit, (b) the Customer's natural gas supply nomination, or (c) the amount delivered to Company on Customer's behalf by the upstream pipeline. If the TS rate schedule is modified or eliminated, this agreement will terminate. Customer and Company may then enter into a new agreement under the terms of the new applicable rate schedule.
4. Customer shall provide, or shall make arrangements for its upstream pipeline system to provide, measurement information and other information requested by Company concerning the volumes that have been delivered to Company on Customer's behalf. Customer shall provide, or cause its upstream pipeline system to provide measurement information on a daily basis, or as otherwise agreed to by the Parties in writing.

5. Service shall continue from the above service initiation date until **June 30, 2016**. Thereafter, either Party may terminate this agreement by providing ninety (90) days advance written notice of termination. Any imbalances at termination will be treated as month-end imbalances and must be eliminated in accordance with the provisions of the Tariff.

6. This Agreement shall be governed by and construed in accordance with Utah law, the Tariff and any applicable rules and regulations of the Commission and, to the extent that the Tariff or any applicable rules or regulations of the Commission conflict with or are inconsistent with this Agreement, now or in the future, the Tariff, Commission rules and regulations shall control. If any term of this Agreement is held to be illegal or in conflict with Utah law, the Tariff, or any applicable Commission rule or regulation, the validity of the remaining portion of the Agreement shall not be affected, and the rights and obligations of the Parties shall be construed as if the Agreement did not contain the particular term held to be invalid. Any legal action concerning this Agreement shall be filed in Salt Lake County, Utah and the Parties consent to personal jurisdiction and venue in Salt Lake County.

7. In the event it becomes necessary for either party to enforce its rights under this Agreement, with or without litigation, the prevailing party shall be entitled to recover all reasonable expenses, including attorney fees and costs, arising out of the enforcement of its rights.

8. Customer may not assign this Agreement without the written consent of Company.

9. All communications, consents and other notices shall be in writing and shall be hand delivered, sent by facsimile, or mailed, postage prepaid, as follows:

(a) If to Customer: **US Magnesium LLC
ATT: Roger Swenson
238 North 2200 West
Salt Lake City, Utah 84116**

(b) If to Company: **Questar Gas Company
Attention: Director, Account and Community Relations
P.O. Box 45360
Salt Lake City, Utah 84145-0360**

Or such other address as the Parties may designate from time to time, in writing. Any notice or mailing so given shall be effective when received, but in any event no later than three (3) days following the date of mailing.

10. This Agreement contains the entire agreement between the Parties concerning the provision of natural gas service to the SAID(s) identified above and it supersedes any prior agreement, verbal or written, regarding the same.

11. Each person signing this Agreement warrants that the person has full legal capacity, power, and authority to execute this Agreement for and on behalf of the respective party and to bind such party.

US MAGNESIUM LLC	QUESTAR GAS COMPANY
Signature <u>Michael D Edmonds</u> <i>RC</i>	Signature <u>Susan S. Davis</u>
Name <u>Michael D Edmonds</u> <u>CFO</u>	Susan S. Davis Director, Account and Community Relations
Title _____	Date: <u>August 21, 2013</u>
Date: <u>8/15/13</u>	Account Representative: Bruce Rickenbach

117526

Bruce Rickenbach (Questar)

From: Bruce Rickenbach (Questar)
Sent: Tuesday, November 29, 2016 2:38 PM
To: 'roger.swenson@prodigy.net'
Subject: Questar Gas - Emergency/Interruption Contact Information
Attachments: Customer Contact Information.pdf

Hi Roger,

I hope you have been doing well.

The following is a quick review of information shared at our customer meeting.

Questar Gas (QGC) is preparing for the upcoming winter heating season. We need to assure your company contact information is correct. Please review the attached **Customer Information** sheet, and update all information for accuracy. Remember to sign at the bottom of the document and email the form to me as soon as possible whether you have made changes or not. We utilize a "Rapid Notify" system to alert our industrial and commercial customers of any interruptions or other important messages. This tool is an electronic calling, texting, and email system that sends simultaneous messages to ensure timely communications, so it is important to keep your contact information updated and to notify us of any changes

Transportation Services Customers (TS)

TS Customers are responsible for working with their marketer to understand the service being provided for their gas supply i.e. firm vs interruptible. Remember, if your gas is not delivered to the city gate (pipeline system to QGC distribution system), QGC is not responsible to supply gas to you, even if you have firm capacity on QGC. Also, gas delivered to you may be limited to your contracted firm amount or the daily nomination your marketer enters for you, whichever is less, so make certain you understand how your marketer enters gas nominations.

Interruption

The interruption season runs from November through March, interruptions due to unforeseen circumstances may occur at any time of the year. All interruptible gas volumes, both sales IS and transportation TS, are subject to interruption. Interruptions may be geographic, full or partial. Upon notice of an interruption from QGC, interruptible customers are required to switch to an alternative fuel source no later than two hours from notification. If you don't have an alternative fuel source, you must remain within your contractual firm usage limits within two hours after notification. During an interruption, your firm contract limit will be equal to your daily firm contract limit (DCL) divided by 24 for each hour of the interruption. If you fail to stop using your interruptible gas volumes, you will be charged a penalty for each DTH not interrupted. Also, those interruptible volumes will be moved to a firm rate schedule for three years. Detailed information on the interruption process can be found under sections 3.01, 3.02 and 4.01 of our natural gas tariff: <https://www.questargas.com/Tariffs/uttariff.pdf> or please contact me for further information concerning the interruption process.

Meter Communication (POTS lines)

QGC has repeatedly noted problems it has been experiencing communicating with POTS lines (plain old telephone service) to measure your gas consumption. This year, we are replacing all remaining POTS lines with cellular phone lines at our expense. This means you will no longer have to provide and pay for a POTS line. However, you will need to provide A/C power to the meter so that the cellular equipment will work. We really appreciate your help as we install this cellular equipment.

Dominion Resources and Questar Corporation Merger completed

On September 16, 2016, the merger of Dominion Resources, headquartered in Richmond, VA and Questar Corporation was finalized, forming one of the largest combined electric and natural gas energy companies. Questar Corporation, now Dominion Questar, will operate as a first-tier wholly owned subsidiary of Dominion with its principal operating companies Questar Gas, Questar Pipeline and Wexpro retaining their names at closing. A stipulation by both the Utah and Wyoming utility commissions mandates that no general rate case will be filed by Questar Gas Company until 2020.

Customer Meeting Presentations

Further additional information regarding rates, curtailment procedures, and other subjects from our September 8th customer meeting are also posted on our website at: <http://www.questargas.com/ServicesBus/BusinessServices.php>. If you have any questions please contact me. I will be happy to discuss in more detail either over the phone or in person.

Thanks,

-BR

Bruce Rickenbach
Questar Gas Company
Industrial and Municipal Accounts
Office: (801) 324-2942
Mobile: (801) 557-2375

	A	B	C	D
1	TIME	Dominion Energy Action	US Magnesium Action	US Magnesium's Marketing Agent's Actions
2	Prior to January 6, 2017 at 11:00 a.m.			US Magnesium's Marketing Agent tells US Magnesium to be expecting a call from Dominion Energy Utah (then Questar Gas Company).
3	January 6, 2017 11:11 a.m.	Dominion Energy sends e-mail notice to interrupt within 2 hours to e-mail address for Roger Swenson.	Email is received. No action.	
4	January 6, 2017 11:13 a.m.	Dominion Energy sends e-mail notice to interrupt within 2 hours to e-mail address for Mike Tucker.	Email is received No action.	
5	January 6, 2017 11:15 a.m.	Voice message left at Roger Swenson's cell phone.	No action.	
6	January 6, 2017 11:15 a.m.	Voice message left at Mike Tucker's cell phone.	No action.	
7	January 6, 2017 11:15 a.m.	Text message sent to Roger Swenson's cell phone.	No action.	
8	January 6, 2017 11:15 a.m.	Text message sent to Mike Tucker's cell phone.	No action.	
9	January 6, 2017 11:15 a.m.	Voice Message sent to US Magnesium's switch board.	US Magnesium's switch board operator hangs up after hearing the message. No action.	
10	January 6, 2017 12:08 p.m.		No action.	US Magnesium's Marketing Agent forwards another copy of Dominion Energy's notice to interrupt within 2 hours to US Magnesium and promises to keep customers up to date as information becomes available.

11	January 6, 2017 At or before 1:30 p.m.		No action.	US Magnesium's Marketing Agent reduced nominations to the Dominion Energy system to match the firm contract limit of approximately 15,000 Dth.
12	January 6, 2017 Late afternoon	Bruce Rickenbach speaks with Roger Swenson via cell phone to ensure that US Magnesium had received notice of the interruption. Mr. Swenson confirms receipt.	No action.	
13	January 6, 2017 At or before 5:00 p.m.		No action.	US Magnesium's delivered supplies are reduced to approximately 15,000 Dth as a result of its marketer's 1:30 p.m. nomination change.
14	January 6, 2017 5:20 p.m.		No action.	US Magnesium's Marketing Agent notifies US Magnesium that Dominion Energy is considering lifting the service interruption effective January 7, 2017 at 1 p.m. MST. Mr. Medura again indicates he will "keep you posted".
15	January 6, 2017 After Mike Tucker's work shift.		Mike Tucker reads text message. No action.	
16	Remainder of interruption (January 6-7, 2017)		No action.	

Bruce Rickenbach (Questar)

From: ROGER SWENSON <roger.swenson@prodigy.net>
Sent: Friday, January 20, 2017 9:18 AM
To: Bruce Rickenbach (Questar)
Cc: Mike Tucker; Ron Thayer
Subject: Gas Interruption issues

Hi Bruce,

Your system telephonic system never got through to Mike Tucker. He is always out dealing with plant issues so an email is not the best way to go for an action like this. Matt Medura had been telling us to be expecting a call but Mike never got one.

You should put Sub 1 Control Room down as the contact before me. I always thought the calls would go to them.

Let's make sure the numbers are correct and that your system can get through the phone tree.

Roger

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Today at 9:00 AM

Mine: Plant 801-532-1522 ext 337 Mobile 801-597-6834

Sub One: 801-532-1522 ext 1445

I never received any call from them and misunderstood what Matt was telling me.

Attachment 1.4

no-reply@ecnalert.com

To

roger.swenson@prodigy.net

Jan 6 at 11:11 AM

The Questar Gas service territory is experiencing extreme cold temperatures and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

Your allowable usage for each hour will be equal to the lesser of your firm contract amount divided by 24, or your scheduled quantity divided by 24, for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

If necessary please restrict your usage as soon as possible, but in no case more than two hours from this notice.

You will be notified by Questar Gas when the interruption is lifted.

Please call your nominating party (Marketing Agent) if you have any questions regarding your scheduled quantity or your Questar Gas representative with any questions regarding your firm contract limit.

Account.Management@Questar.com <no-reply@ecnalert.com>

To

roger.swenson@prodigy.net

Jan 7 at 6:46 AM

Effective January 7, 2017 at 1:00 pm Mountain Time, Questar Gas is lifting the service interruption for customers. Again this is effective January 7, 2017 at 1 pm mountain time. Please ensure your nominations meet your demand. Please contact your marketer or Questar Gas Representative for questions.

From: no-reply@ecnalert.com [<mailto:no-reply@ecnalert.com>]
Sent: Friday, January 06, 2017 11:13 AM
To: Mike Tucker
Subject: Message from Dominion Questar Corporation, UT

The Questar Gas service territory is experiencing extreme cold temperatures and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is also currently limited. Questar Gas is unable to provide additional supplies to make up for any shortfalls in the amount of gas being provided on your behalf to the Questar Gas system. As a result, even if you have enough firm capacity on the Questar Gas system to cover your usage, you are also required to limit your usage to not exceed the scheduled quantity being provided to the Questar Gas system for your use.

Your allowable usage for each hour will be equal to the lesser of your firm contract amount divided by 24, or your scheduled quantity divided by 24, for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

If necessary please restrict your usage as soon as possible, but in no case more than two hours from this notice.

You will be notified by Questar Gas when the interruption is lifted.

Please call your nominating party (Marketing Agent) if you have any questions regarding your scheduled quantity or your Questar Gas representative with any questions regarding your firm contract limit.

From: Account.Management@Questar.com [<mailto:no-reply@ecnalert.com>]
Sent: Saturday, January 07, 2017 6:47 AM
To: Mike Tucker
Subject: Questar Gas

Effective January 7, 2017 at 1:00 pm Mountain Time, Questar Gas is lifting the service interruption for customers. Again this is effective January 7, 2017 at 1 pm mountain time. Please ensure your nominations meet your demand. Please contact your marketer or Questar Gas Representative for questions.

Bruce Rickenbach (Questar)

From: Bruce Rickenbach (Questar)
Sent: Friday, January 20, 2017 9:56 AM
To: ROGER SWENSON
Subject: FW: SmartNotice - Dominion Questar Corporation, UT

Hi Roger,

The following is the time stamp information you requested.

You will notice that the time is listed under UTC, which is 7 hours ahead of MST (see below for explanation). The phone call went thru at approximately 11:15am on the 6th and was delivered to both of your cell phone answering services. Because your office numbers both list extensions, the phone calls to your office numbers could not be connected, and the phone call and voice mail message went straight to both of your cell phones. We also show an email and cell phone text message was delivered to both of you at approximately the same time.

I hope this information helps.


Bruce

FirstName	LastName	Phone1	AttemptTimeUTC	CallLength(sec)	Disposition	Email1
Roger	Swenson	8015321522	01/06/2017 18:15:09	46	DA	roger.swenson@questar.com
Mike	Tucker	8015322043	01/06/2017 18:15:04	121	DA	mtucker@usma.com

From: Shelly Foutin (Questar)
Sent: Friday, January 20, 2017 9:09 AM
To: Bruce Rickenbach (Questar)
Subject: FW: SmartNotice - Dominion Questar Corporation, UT

Description of reason for timestamp difference.

Shelly

 Studies show trees live longer when they're not cut down.
Please do not print this email unless you really need to.

From: Loraine Williams [<mailto:lwilliams@ecnetwork.com>]
Sent: Friday, January 20, 2017 8:07 AM
To: Shelly Foutin (Questar) <Shelly.Foutin@questar.com>
Subject: SmartNotice - Dominion Questar Corporation, UT

Good Morning Shelly!

The UTC (Universal Time Coordinated) is what appears on the Quick Notification Reports we sent to you regarding your launches. Please see the conversions below:

UTC = Coordinated Universal Time, or **Zulu**
PST = Pacific Standard Time (UTC - 8 hours)
ALDT = Alaskan Daylight Time (UTC - 8 hours)
PDT = Pacific Daylight Time (UTC - 7 hours)
MST = Mountain Standard Time (UTC - 7 hours)
MDT = Mountain Daylight Time (UTC - 6 hours)
CST = Central Standard Time (UTC - 6 hours)
CDT = Central Daylight Time (UTC - 5 hours)
EST = Eastern Standard Time (UTC - 5 hours)
EDT = Eastern Daylight Time (UTC - 4 hours)
AST = Atlantic Standard Time (UTC - 4 hours)
ALST = Alaskan Standard Time (UTC - 9 hours)
HST = Hawaiian Standard Time (UTC - 10 hours)

GREAT EYE FOR DETAIL Shelly!

Have a GREAT day!

Lorraine Williams-Strain
Operations Specialist

Emergency Communications Network
780 W. Granada Boulevard
Ormond Beach, FL 32174
lwiliams@ecnetwork.com
Phone: 386-676-0294 x1117
Toll Free: 866-939-0911 x1117
ECN Cares: Tell my manager how I'm performing

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FirstName	LastName	Phone1	AttemptTimeUTC	CallLength(sec)	Disposition	Email1	SMS1
Roger	Swenson	8015321522	01/06/2017 18:15:09	46	DA	roger.swenson@prodigy.net	8015412272
Mike	Tucker	8015322043	01/06/2017 18:15:04	121	DA	mtucker@usmagnesium.com	8015976834

Attachment 1.7

ROGER SWENSON <roger.swenson@prodigy.net>
To
Mike Tucker
CC
Bruce Rickenbach (Questar) Ron Thayer
Jan 19 at 5:12 PM

Hi Mike

I got an email today from CIMA asking why we had not dropped our usage down when we got this notice on the 6th. I was wondering if you got the notice on the 6th to drop down to our 15,000 per day (625 per hour rate). I was traveling that day and I didn't see the email until I got computer service but I had some calls. If we don't go down when we are curtailed the cost can be \$45/Dth.

Did we not drop down at all?

Roger
(801) 541-2272
Show original message
Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>
To
ROGER SWENSON
Jan 19 at 7:06 PM
No I done what I forecast they never said 15000 it was 19300
Sent from my Verizon, Samsung Galaxy smartphone
Show original message
Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>
To
Mike Tucker
Jan 19 at 8:48 PM
OK, I'll work them over a bit in the morning and find out where their system failed.

I'll let you know what we find as soon as I know what went on.

Thanks,

Roger
(801) 541-2272
Show original message
Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>
To

ROGER SWENSON

Jan 19 at 8:55 PM

I saved the emails I will forward them to you with the one they said an amount on. Sorry for the problem I did not understand that I had to go to 16,000 that would have been an entire turbine down for 2r hours.

Sent from my Verizon, Samsung Galaxy smartphone

Show original message

Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>

To

Mike Tucker

Jan 20 at 8:03 AM

There should have been some calls or text messages from Questar telling you what to do.

It would not have been a notice from CIMA.

Did you get any calls or text messages?

Roger

Show original message

Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Jan 20 at 8:31 AM

Matt J. Medura mjm@cima-energy.com

19,321 confirmed to US Mag. No cuts. Sorry guys this is on Questar.

Show original message

•

Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Jan 20 at 8:32 AM

No only emails from Matt and I sent those to you. They may have called Sub One not sure.

Show original message

Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>

To

Mike Tucker

Jan 20 at 8:38 AM

Yes, that message was about how much gas CIMA was pumping into the system. We are required to go down to the lower of our firm contract quantity of 15,000 Dths per day or how much gas we have coming into the system.

Matt's message was a bit confusing but the not cuts he was talking about are flows out of his supplies that could have dropped us below the 15,000 if the sources he was pulling gas from had frozen in.

So we should have gone down to 625/hour if you got the notice from Questar. Did you get any calls or text messages from Questar telling us we were being curtailed.

Roger

Show original message

Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>

To

Mike Tucker

Jan 20 at 8:41 AM

I think they lost the sub 1 phone number and if they did not call you we were not really notified.

Give me your numbers and the sub 1 number to get on there interruption call system.

With the 15,000 of firm all we have to do is make sure we are running just 2 turbines when an interruption is called.

When you give me the phone numbers I will pass them along to Questar and let them know you were not called.

Roger

Show original message

Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Jan 20 at 9:00 AM

Mine: Plant 801-532-1522 ext 337 Mobile 801-597-6834

Sub One: 801-532-1522 ext 1445

I never received any call from them and misunderstood what Matt was telling me.

Show original message

Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>

To

Mike Tucker

CC

Ron Thayer

Jan 20 at 10:28 AM

Mike,

It turns out their automated notification system cannot handle extensions. They automatically go to a cell number when the call does not go through.

They are looking into the problem with that.

They asked me if the Sub 1 has a direct number rather than the extension that could be used. I told them I did not think so but that I would ask.

They are working up the details of what went on with all customers during the curtailment. The curtailment was based on supply issues that the gas company was having but they still have the right to cut us off down to our 15,000 per day (625 per hour) load level. I made sure and told them that we know our supplier had made sure our gas was showing up. (At least that is what CIMA told us. There can be adjustments after the fact in the gas business.)

I am going to try and meet with them next Friday to go over the issues. They could slam us for the extra 5,000 Dths at \$45 but I think it unlikely since it was their own problem but we will see. I'll keep you informed of any news on that front.

If we do not have a direct number for Sub 1 a solution might be a cell phone dedicated for Sub 1. I am still not sure that is a full proof solution but do you think that would be possible?

Roger
(801) 541-2272
Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>
To
'ROGER SWENSON'
Jan 20 at 10:57 AM
I will request our IT&T group for a cell phone in Sub One.
Show original message
Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>
To
Mike Tucker
Jan 20 at 11:02 AM
Thanks, I think that will help with my Questar discussions.

Roger
Show original message
Reply Reply to All Forward More

ROGER SWENSON <roger.swenson@prodigy.net>
To
Mike Tucker
Jan 20 at 10:02 AM
Mike,

They say a call went through to your cell number. Did you get a message or a text?

Roger
Show original message

Reply Reply to All Forward More

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Jan 20 at 10:55 AM

I did get the text on my phone but the phone was in my office and I was in the plant and never seen it until I checked my phone later that night. I thought we were okay because of the email from Matt which I obviously misunderstood.

There is no direct line to Sub One and there is no cell phone.

If they are going to contact me by my cell phone then I will always have it on my person while I am in the plant. I have never done this in past but can start.

Mike Tucker <mtucker@usmagnesium.com>

To

ROGER SWENSON (roger.swenson@prodigy.net)

Jan 26 at 10:52 AM

Roger

We did get a phone message on the 801 532 1105 line telling us not to respond and if we wanted to repeat it hit any button which we have no buttons on this phone but if we need buttons we can change that also. The board operator hung up after hearing the message.

Mike

[Reply](#) [Reply to All](#) [Forward](#) [More](#)

ROGER SWENSON <roger.swenson@prodigy.net>

To

Mike Tucker

Jan 27 at 7:52 AM

So, we just need to make sure that the operator knows what to do when Dominion/Questar calls. All we can do to get down to the 625 Dths per hour max is to drop to 2 turbines if we are running 3. If we are just running 2 turbines we would be fine.

I was hoping to sit down with them today and talk about the penalty calculation but they are still deciding what kind of penalties to hit people with. I have told them we will fight them on the penalties because their system was not set up to work through the extensions on phone systems. We will see how it goes. If it comes down to a fight I will let you know.

Roger

Show original message

[Reply](#) [Reply to All](#) [Forward](#) [More](#)

Mike Tucker <mtucker@usmagnesium.com>

To

'ROGER SWENSON'

Jan 27 at 8:14 AM

Thanks I will ensure that they know what to do if they get a message from Dominion/Questar on the red phone and we will go to 2 turbines until released from the curtailment.

Mike

Attachment 1.6

Matt J. Medura <mjm@cima-energy.com>
CC
SLC_Scheduling
Jan 6 at 12:08 PM

Please note below the interruptible curtailment notice from Questar Gas. Questar is requesting customers with interruptible gas usage to reduce their usage to the lesser of their nominated volume or their firm contract amount. As the interruption may be less than 24 hours Questar will apply an hourly ratable volume to your usage for a partial interruption for the day. If you do not have firm capacity with Questar Gas please reduce your usage to zero during the curtailment period until further notice.

We do not have confirmed nomination volumes for the current cycle as of yet. I will keep customers up to date as information becomes available.

Best,

Matt Medura
Sr. Marketing Rep., Western Division
CIMA ENERGY LTD
299 South Main Street, Suite 1300
Salt Lake City, UT 84111
Office: (801) 883-8350
Cell: (801) 953-4630
Fax: (801) 961-4001

AIM: mmedura
<http://www.linkedin.com/pub/matt-medura/2/694/b99/>
mjm@cima-energy.com
www.cimaenergy.com

From: Brent Bakker (Questar) [mailto:Brent.Bakker@questar.com]
Sent: Friday, January 06, 2017 11:19 AM
To: brent.turner@bp.com; Brian Harris <brian.harris@hollyfrontier.com>; Bruce Rigby <bruce@summitcorp.net>; 'bruce.evans@pacificorp.com'; Bryce Wallnutt (bryce.wallnutt@centerpointenergy.com) <bryce.wallnutt@centerpointenergy.com>; Carrie Fye <carrie.fye@centerpointenergy.com>; Chris Hoffman <chris.hoffman@bp.com>; Chris Pennock <cpennock@ie-cos.com>; Clark Wismer <clark.wismer@lafargeholcim.com>; Claudia Ward <wardcj2@chevron.com>; CMS <cms@cmsnaturalgas.com>; Craig Dinehart <Craig.DINEHART@dannon.com>; Curtis Chisholm <curtis@summitcorp.net>; Daryll Fuentes <dfuentes@usg.com>; Dave Imlay <powerdave@infowest.com>; Dave Reinhart <dave.reinhart@nucor.com>; David Huffines <david.huffines@bp.com>; dax@uamps.com; dhendrickson@energystrat.com; 'greg.fulkerson@shell.com'; 'harp@mercatoenergy.com'; IGI <igidispatch@bp.com>; 'jack@summitcorp.net'; Jacque Ciaccio <jciaccio@vistaenergymarketing.com>; James Van Fleet <james.vanfleet@sgcity.org>; Jaylyn Rowser <jalynp@yahoo.com>; Jeff Fishman

<jfishman@energystrat.com>; Joe Mayette <jmayette@usg.com>; Josh Trujillo - Seminole Energy Services, LLC (Joshua.trujillo@centerpointenergy.com) <joshua.trujillo@centerpointenergy.com>; Karen Cuthrell <karen.cuthrell@qepres.com>; Kent Christiansen (Johannes.christiansen@centerpointenergy.com) <johannes.christiansen@centerpointenergy.com>; 'kerry@mercatoenergy.com'; Kevin Headrick (kevin.headrick@centerpointenergy.com) <kevin.headrick@centerpointenergy.com>; Laura Rheume <Laura@cmsnaturalgas.com>; Lindsey Adams <Lindsey.Adams@bp.com>; Lyle Williams <lyle.williams@shell.com>; Matt J. Medura <mjm@cima-energy.com>; Michael Hyde <michael.hyde@bp.com>; Michelle Lokay <michelle.lokay@hollyfrontier.com>; Mike Madlena <mike.madlena@qepres.com>; Mikey Pannier <mpannier@cima-energy.com>; 'mmckeown@mobiusriskgroup.com'; Mobius notices <phys-notices@mobiusriskgroup.com>; 'ngum@chevron.com'; nominations@cargill.com; nominations@usenergyservices.com; Paul Atha <PAtha@vistaenergymarketing.com>; 'Qwize.Nelson@bp.com'; Reed Page <rpage@ie-cos.com>; Rob Merrill <rmerrill@ie-cos.com>; Saeid Saifzadeh <Saeid.Saifzadeh@sunproductscorp.com>; Shawn Blaser <shawn.blaser@qepres.com>; Shell <GX-SENA-HOUTHCC-ZZ-TRSENASanDiegoGasOperations@shell.com>; 'SMILLER@chevron.com'; 'srwh@chevron.com'; 'steph@mercatoenergy.com'; Vicki Berg <vicki_berg@cargill.com>; west.gas.schedulers@jpmorgan.com

Cc: Annette Thacker (Questar) <Annette.Thacker@questar.com>; Brad Markus (Questar) <Brad.Markus@questar.com>; Brad Simons (Questar) <Brad.Simons@questar.com>; Brent Bakker (Questar) <Brent.Bakker@questar.com>; Bruce Rickenbach (Questar) <Bruce.Rickenbach@questar.com>; Carol Boulden (Questar) <Carol.Boulden@questar.com>; Chad Campbell (Questar) <Chad.Campbell@questar.com>; Charles Penrod (Questar) <Charles.Penrod@questar.com>; Connie Marshall (Questar) <Connie.Marshall@questar.com>; Darren Shepherd (Questar) <Darren.Shepherd@questar.com>; Derby Flygare (Questar) <Derby.Flygare@questar.com>; Dixie Boyle (Questar) <Dixie.Boyle@questar.com>; Don Porter (Questar) <Don.Porter@questar.com>; Duane White (Questar) <Duane.White@questar.com>; James Bonnett (Questar) <James.Bonnett@questar.com>; Jennifer Beasley (Questar) <Jennifer.Beasley@questar.com>; Jim Grambihler (Questar) <Jim.Grambihler@questar.com>; Kaylene Deal (Questar) <Kaylene.Deal@questar.com>; Kent Dickson (Questar) <Kent.Dickson@questar.com>; Leslie Mariani (Questar) <Leslie.Mariani@questar.com>; Lindsay Owens (Questar) <Lindsay.Owens@questar.com>; Mark Christiansen (Questar) <Mark.Christiansen@questar.com>; Rory McDonald (Questar) <Rory.McDonald@questar.com>; Rosemary Pina (Questar) <Rosemary.Pina@questar.com>; Shelly Foutin (Questar) <Shelly.Foutin@questar.com>; Stephanie Gallegos (Questar) <Stephanie.Gallegos@questar.com>; Steve Chapman (Questar) <Steve.Chapman@questar.com>; Susan Davis (Questar) <Susan.Davis@questar.com>; TammyL Scott (Questar) <TammyL.Scott@questar.com>; Tina Faust (Questar) <Tina.Faust@questar.com>; Tom Willis (Questar) <Tom.Willis@questar.com>; Tyler Andreas (Questar) <TylerP.Andreas@questar.com>; William Schwarzenbach (Questar) <William.Schwarzenbach@questar.com>

Subject: QUESTAR GAS - Gas Supply Communication - Customer Interruption/Hold to Scheduled Quantity

The Questar Gas service territory experiencing extreme cold and supply constraints. Firm load demand on the Questar Gas distribution system requires that Questar Gas implement a service interruption for customers with interruptible load.

Supply availability from upstream pipelines to the Questar Gas system is currently limited. Questar Gas is unable to provide additional supplies to make up for any short falls in the amount of gas being provided on behalf of your customers to the Questar Gas system. As a result, even if they have enough firm capacity

on the Questar Gas system to cover their usage, they have also been required to limit their usage to not exceed the scheduled quantity being provided to the Questar Gas system for their use.

Their allowable usage for each hour will be equal to the lesser of their firm contract amount divided by 24 or their scheduled quantity divided by 24 for each hour of the interruption. This will be calculated for each hour based on the scheduled quantity available for the applicable hours of the interruption.

Reply Reply to All Forward More

Matt J. Medura <mjm@cima-energy.com>
Jan 6 at 5:20 PM

Please see Questar Gas' notice below regarding the possible lifting of the interruptible curtailment tomorrow. Will keep you posted.

Matt Medura
Sr. Marketing Rep., Western Division
CIMA ENERGY LTD
299 South Main Street, Suite 1300
Salt Lake City, UT 84111
Office: (801) 883-8350
Cell: (801) 953-4630
Fax: (801) 961-4001
AIM: mmedura
<http://www.linkedin.com/pub/matt-medura/2/694/b99/>
mjm@cima-energy.com
www.cimaenergy.com

From: Tina Faust (Questar) [mailto:Tina.Faust@questar.com]
Sent: Friday, January 06, 2017 4:02 PM
To: Brent Bakker (Questar) <Brent.Bakker@questar.com>; brent.turner@bp.com; Brian Harris <brian.harris@hollyfrontier.com>; Bruce Rigby <bruce@summitcorp.net>; 'bruce.evans@pacificcorp.com'; Bryce Wallnutt (bryce.wallnutt@centerpointenergy.com) <bryce.wallnutt@centerpointenergy.com>; Carrie Fye <carrie.fye@centerpointenergy.com>; Chris Hoffman <chris.hoffman@bp.com>; Chris Pennock <cpennock@ie-cos.com>; Clark Wismer <clark.wismer@lafargeholcim.com>; Claudia Ward <wardcj2@chevron.com>; CMS <cms@cmsnaturalgas.com>; Craig Dinehart <Craig.DINEHART@dannon.com>; Curtis Chisholm <curtis@summitcorp.net>; Daryll Fuentes <dfuentes@usg.com>; Dave Imlay <powerdave@infowest.com>; Dave Reinhart <dave.reinhart@nucor.com>; David Huffines <david.huffines@bp.com>; dax@uamps.com; dhendrickson@energystrat.com; 'greg.fulkerson@shell.com'; 'harp@mercatoenergy.com'; IGI <igidispatch@bp.com>; 'jack@summitcorp.net'; Jacque Ciaccio <jciaccio@vistaenergymarketing.com>; James Van Fleet <james.vanfleet@sgcity.org>; Jaylyn Rowser <jalynp@yahoo.com>; Jeff Fishman <jfishman@energystrat.com>; Joe Mayette <jmayette@usg.com>; Josh Trujillo - Seminole Energy Services, LLC (joshua.trujillo@centerpointenergy.com) <joshua.trujillo@centerpointenergy.com>; Karen Cuthrell <karen.cuthrell@qepres.com>; Kent Christiansen

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Cc: Annette Thacker (Questar) <Annette.Thacker@questar.com>; Brad Markus (Questar) <Brad.Markus@questar.com>; Brad Simons (Questar) <Brad.Simons@questar.com>; Bruce Rickenbach (Questar) <Bruce.Rickenbach@questar.com>; Carol Boulden (Questar) <Carol.Boulden@questar.com>; Chad Campbell (Questar) <Chad.Campbell@questar.com>; Charles Penrod (Questar) <Charles.Penrod@questar.com>; Connie Marshall (Questar) <Connie.Marshall@questar.com>; Darren Shepherd (Questar) <Darren.Shepherd@questar.com>; Derby Flygare (Questar) <Derby.Flygare@questar.com>; Dixie Boyle (Questar) <Dixie.Boyle@questar.com>; Don Porter (Questar) <Don.Porter@questar.com>; Duane White (Questar) <Duane.White@questar.com>; James Bonnett (Questar) <James.Bonnett@questar.com>; Jennifer Beasley (Questar) <Jennifer.Beasley@questar.com>; Jim Grambihler (Questar) <Jim.Grambihler@questar.com>; Kaylene Deal (Questar) <Kaylene.Deal@questar.com>; Kent Dickson (Questar) <Kent.Dickson@questar.com>; Leslie Mariani (Questar) <Leslie.Mariani@questar.com>; Lindsay Owens (Questar) <Lindsay.Owens@questar.com>; Mark Christiansen (Questar) <Mark.Christiansen@questar.com>; Rory McDonald (Questar) <Rory.McDonald@questar.com>; Rosemary Pina (Questar) <Rosemary.Pina@questar.com>; Shelly Foutin (Questar) <Shelly.Foutin@questar.com>; Stephanie Gallegos (Questar) <Stephanie.Gallegos@questar.com>; Steve Chapman (Questar) <Steve.Chapman@questar.com>; Susan Davis (Questar) <Susan.Davis@questar.com>; TammyL Scott (Questar) <TammyL.Scott@questar.com>; Tom Willis (Questar) <Tom.Willis@questar.com>; Tyler Andreas (Questar) <TylerP.Andreas@questar.com>; William Schwarzenbach (Questar) <William.Schwarzenbach@questar.com>

Subject: QUESTAR GAS - Gas Supply Communication - Customer Interruption/Hold to Scheduled Quantity

Assuming extreme weather and supply constraints have subsided, QGC is considering lifting the service interruption effective January 7, 2017 at 1 pm MT. If restrictions are lifted, you will receive notice by 8 am on January 7, 2016. Otherwise the interruption remains in place until further notice
[Reply Reply to All Forward More](#)

Matt J. Medura <mjm@cima-energy.com>
Jan 7 at 11:24 AM

Please note the interruptible curtailment in effect is lifted at of 1 pm today. Also the OFO for Jan 2 forward is also lifted.

Best,

Matt

From: Tina Faust (Questar) <Tina.Faust@questar.com>
Sent: Saturday, January 7, 2017 6:48 AM
To: Brent Bakker (Questar); brent.turner@bp.com; Brian Harris; Bruce Rigby; 'bruce.evans@pacificorp.com'; Bryce Wallnutt (bryce.wallnutt@centerpointenergy.com); Carrie Fye; Chris Hoffman; Chris Pennock; Clark Wismer; Claudia Ward; CMS; Craig Dinehart; Curtis Chisholm; Daryll Fuentes; Dave Imlay; Dave Reinhart; David Huffines; dax@uamps.com; dhendrickson@energystrat.com; 'greg.fulkerson@shell.com'; 'harp@mercatoenergy.com'; IGI; 'jack@summitcorp.net'; Jacque Ciaccio; James Van Fleet; Jaylyn Rowser; Jeff Fishman; Joe Mayette; Josh Trujillo - Seminole Energy Services, LLC (joshua.trujillo@centerpointenergy.com); Karen Cuthrell; Kent Christiansen (johannes.christiansen@centerpointenergy.com); 'kerry@mercatoenergy.com'; Kevin Headrick (kevin.headrick@centerpointenergy.com); Laura Rheame; Lindsey Adams; Lyle Williams; Matt J. Medura; Michael Hyde; Michelle Lokay; Mike Madlena; Mikey Pannier; 'mmckeown@mobiusriskgroup.com'; Mobius notices; 'ngum@chevron.com'; nominations@cargill.com; nominations@usenergyservices.com; Paul Atha; 'Qwize.Nelson@bp.com'; Reed Page; Rob Merrill; Saeid Saifzadeh; Shawn Blaser; Shell; 'SMILLER@chevron.com'; 'srwh@chevron.com'; 'steph@mercatoenergy.com'; Vicki Berg; west.gas.schedulers@jpmorgan.com
Cc: Annette Thacker (Questar); Brad Markus (Questar); Brad Simons (Questar); Bruce Rickenbach (Questar); Carol Boulden (Questar); Chad Campbell (Questar); Charles Penrod (Questar); Connie Marshall (Questar); Darren Shepherd (Questar); Derby Flygare (Questar); Dixie Boyle (Questar); Don Porter (Questar); Duane White (Questar); James Bonnett (Questar); Jennifer Beasley (Questar); Jim Grambihler (Questar); Kaylene Deal (Questar); Kent Dickson (Questar); Leslie Mariani (Questar); Lindsay Owens (Questar); Mark Christiansen (Questar); Rory McDonald (Questar); Rosemary Pina (Questar); Shelly Foutin (Questar); Stephanie Gallegos (Questar); Steve Chapman (Questar); Susan Davis (Questar); TammyL. Scott (Questar); Tom Willis (Questar); Tyler Andreas (Questar); William Schwarzenbach (Questar)
Subject: RE: QUESTAR GAS - Gas Supply Communication - Customer Interruption/Hold to Scheduled Quantity REVISED

Questar Gas is lifting the service interruption for customers effective January 7, 2017 at 1 pm MT. Please ensure your nominations meet your demand.

[Reply Reply to All Forward More](#)

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit E

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION AND COMPLAINT OF
US MAGNESIUM, LLC AGAINST
DOMINION ENERGY UTAH

Docket No. 17-057-13

**DIRECT TESTIMONY OF WILLIAM F. SCHWARZENBACH
FOR DOMINION ENERGY UTAH**

January 12, 2018

DEU Exhibit 2.0

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1

I. INTRODUCTION

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

3 A. My name is Will Schwarzenbach. My business address is 333 South State Street, Salt Lake
4 City, Utah.

5 **Q. What is your title and area of responsibility?**

6 A. I am employed by Questar Gas Company dba Dominion Energy Utah (Company) as the
7 Manager of Gas Supply. I am responsible for state Gas Supply matters in Utah and
8 Wyoming. My qualifications are included in DEU Exhibit 2.1.

9 **Q. Please describe your experience relevant to this docket?**

10 A. I have worked for Dominion Energy Utah for 13 years. During this time I have worked in the
11 System Planning group within Engineering and the Gas Supply department. As Manager of
12 Gas Supply I am also directly involved in the daily management of purchasing and
13 nominations of gas supply and I was very involved in the system interruption that occurred
14 on January 6, 2017.

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

16 A. The purpose of my testimony is to provide a timeline of the gas supply of US Magnesium,
17 LLC (US Magnesium) on January 6th and 7th of 2017, and to discuss how the Company
18 followed its Tariff during this system interruption. I will also rebut some of the statements
19 made by Roger Swenson and Mike Tucker.

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II. INTERRUPTION

Q. Will you please provide a timeline of the interruption that occurred on January 6, 2017 and ended on January 7, 2017?

A. Yes. On January 6, 2017, the Company determined that an interruption would be required on its system for applicable sales and transportation customers.

Q. Does the Company's tariff provide guidance about how much notice needs to be given to customers?

A. Yes. Section 3.02, "Periods of Interruption" dictates that customers should be given at least two hours' notice to interrupt. Under the subsection "Schedule of Interruption" it states, "Upon notice from the Company, interruptible customers are required to interrupt as soon as is operationally possible, but no later than two hours from notice."

Q. Did the Company follow this tariff provision?

A. Yes. As Mr. Rickenbach explains in his testimony, the account management group sent voicemails, emails and text messages to all of the customers just after 11:00 a.m. on January 6, 2017. As DEU Exhibits 1.5 and 1.6 show, the email directs customers to "interrupt as soon as possible, but in no case more than two hours from this notice."

Q. Does US Magnesium agree that the Company's notice was sufficient under the Tariff?

A. No. That is the main issue in this complaint. US Magnesium believes that a direct call to the control room is the only notification that would meet the Tariff requirement. The testimony that US Magnesium submitted in this matter testimony suggests that the personal phone call, text messages, cell phone calls and emails do not constitute notification. This seems to be the only issue that the Utah Public Service Commission (Commission) needs to decide.

42 **Q. Did Dominion Energy Utah's Gas Supply group make any notifications, in addition to**
43 **those detailed in Mr. Rickenbach's testimony?**

44 A. Yes. On Friday, December 30, 2016, at 9:35 a.m., the Gas Supply group sent an email to all
45 Marketing Agents warning them that cold temperatures were expected and that nominating
46 parties needed to ensure their customers have adequate supply. On January 6, 2017, the
47 Dominion Energy Utah Gas Supply group also sent an email to all of the Marketing Agents
48 that nominate gas letting them know that the Company had called an interruption.

49 **Q. Mr. Rickenbach has indicated that US Magnesium did not change its usage as a result**
50 **of the notifications it received during January 6th and 7th, 2017. Did US Magnesium's**
51 **Marketing Agent change US Magnesium's nomination for gas deliveries on the**
52 **Dominion Energy Utah system on January 6, 2017?**

53 A. Yes. As DEU Exhibit 2.2 shows, US Magnesium's Marketing Agent reduced US
54 Magnesium's daily nomination from 19,615 Dth to 15,000 Dth plus fuel gas reimbursement
55 of 315 Dth. This 15,000 Dth is the amount of firm capacity US Magnesium has in their
56 contract. US Magnesium's Marketing Agent reduced the US Magnesium nomination of gas
57 supplies to the amount that US Mag was entitled to use on that day. DEU Exhibit 2.2 also
58 shows US Magnesium's usage during this period. As the data shows, US Magnesium
59 reduced a small amount during the middle of the night, but its usage was overall unchanged
60 during January 6th and 7th.

61 **Q. On line 251 of Mr. Swenson's testimony he states: "When Mr. Tucker retrieved his cell**
62 **phone and text messages that evening he had already made sure there was plenty of gas**
63 **coming to the system from the US Magnesium supplier." Does Exhibit 2.2 confirm this**
64 **statement?**

65 A. No. To the contrary, US Magnesium only had enough gas nominated to the Dominion
66 Energy Utah system to meet its firm contract limit. US Magnesium actually used far more
67 gas than had been delivered on its behalf. US Magnesium did not have adequate supply
68 coming from its supplier and continued to burn more gas than its supplier had provided. As
69 a result, as shown on the "penalty dths" line on US Magnesium Exhibit 5 page 3, US
70 Magnesium used a total of 5,362 Dth (4,117 Dth on Jan 6 and 1,245 Dth on Jan 7). These
71 were volumes that had been brought on the system for use by sales customers.

72 **Q. When the interruption was lifted on January 7th, did you communicate again with US**
73 **Magnesium's Marketing Agent?**

74 A. Yes. My department communicated with all of the Marketing Agents during the evening of
75 January 6th to let them know that we anticipated lifting the interruption during the day on
76 January 7, 2017. We followed up on the morning of January 7, 2017 to ensure that all
77 Marketing Agents were aware that the interruption had been lifted.

78 **Q. Did US Magnesium's Marketing Agent make any changes to US Magnesium's**
79 **nominations after receiving this information?**

80 A. Yes. US Magnesium's Marketing Agent increased nominations for January 7th to 20,221
81 Dth/day, which included fuel gas reimbursement.

82 **III. PENALTIES**

83 **Q. You indicated earlier that US Magnesium used a total of 5,362 Dths during the**
84 **interruption period, above its firm contract limit and above the amount delivered to the**
85 **Dominion Energy Utah system on its behalf. Does the Company's Utah Natural Gas**
86 **Tariff No. 500 (Tariff) provide any penalties for interruptible customers who fail to**
87 **interrupt when properly called upon to do so?**A. Yes. Under the "Failure to Interrupt"
88 subsection of section 3.02 it states, "A customer who fails to interrupt when properly called
89 upon by the Company to do so will incur a \$40-per-decatherm penalty for all interruptible
90 volumes utilized during the course of an interruption. We followed these provisions of our
91 Tariff to penalize US Magnesium.

92 **Q. US Magnesium claims this is unjust. How do you respond?**

93 A. This penalty language was incorporated into the Tariff during the Company's last general
94 rate case (Docket No. 13-057-05). *See* page 6 of Partial Settlement Stipulation, Docket No.
95 13-057-05, and Report and Order, Docket No. 13-057-05 dated February 21, 2014. The
96 Commission has already deemed the penalty, and the other provisions set forth in the Tariff
97 to be just and reasonable.

98 **Q. Was US Magnesium a party in that docket?**

99 A. Yes. The Commission granted US Magnesium intervention in that docket on November 7,
100 2013.

101

IV. FIRM DEMAND

102 **Q. Does the Tariff impose any other requirements upon interruptible customers who do**
103 **not interrupt when properly called upon to do so?**

104 A. Yes. Section 3.02 of the Tariff provides, "If a customer fails to interrupt when called upon
105 by the Company to do so, then beginning on July 1st following the failure to interrupt, the
106 customer will be moved from the interruptible rate schedule to an available firm rate
107 schedule for three years for those interruptible volumes it failed to interrupt." This provision
108 was also deemed to be just and reasonable in Docket No. 13-057-05. *See* Partial Settlement
109 Stipulation, Docket No. 13-057-05, page 6, and Report and Order, Docket No. 13-057-05
110 dated February 21, 2014.

111 **Q. Mr. Swenson argues that DEU cannot provide firm service to US Magnesium above**
112 **15,000 Dth per day based on usage on the feeder line and any constraints and that,**
113 **therefore, this requirement is unjust. Is this a true statement?**

114 A. Though, historically, the Company has not been able to serve US Magnesium at a firm level
115 above 15,000 Dth because of system constraints, it can do so now. Specifically, US
116 Magnesium can now be served at a higher level because the Company has contracted for
117 Firm Peak hour services. Based on its usage on January 6th/7th, its new firm demand will
118 increase from 15,000 Dth to 19,117 Dth.

119 **Q. Does the Tariff offer any further insight into Mr. Swenson's concern?**

120 A. Yes. The Tariff is quite specific. Section 3.02 of the Tariff states, "To the extent that the
121 Company determines that providing firm service is operationally infeasible, then the
122 customer will pay a demand charge that would have applied for those interruptible volumes it
123 failed to interrupt for three years, beginning on July 1st following the failure to interrupt, but

124 will continue to receive interruptible service.” Based on the Tariff provision, US Magnesium
125 needs to pay the demand charge regardless of whether the Company can serve them on a firm
126 basis at 19,117 Dth.

127 **V. PROPOSED TARIFF LANGUAGE**

128 **Q. In its Reply to the Company’s Answer in this docket, US Magnesium offers alternative**
129 **Tariff language detailing the appropriate means of providing notice of interruptions.**
130 **How do you respond?**

131 A. The Company opposes changing the language during the course of this docket. The
132 Company is in the process of revising the portion of its Tariff that pertains to transportation
133 customers, including the interruption section. The Company intends to file an Application
134 for Tariff Changes later this spring and suggests that we address these matters in that docket.
135 Though some of the language would be acceptable to Dominion Energy Utah (utilizing
136 reasonable efforts to provide back-up notifications, for example), the US Magnesium
137 language incorporates confusing terms like “best reasonable efforts.” It potentially imposes
138 an unreasonable burden upon Dominion Energy Utah to place live, personal direct phone
139 calls to its more than 500 interruptible customers. Therefore, the Company opposes that
140 suggested language.

141 **Q. Can you summarize your testimony?**

142 A. The sole issue in this proceeding is whether the Company provided adequate notice to US
143 Magnesium of the interruption. Mr. Rickenbach and I provide evidence that the Company
144 made actual contact with US Magnesium in several forms (direct personal call, text
145 messages, voice messages and email). The Company followed the terms and conditions of

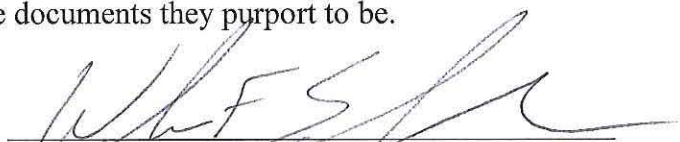
146 its Tariff in implementing the interruption, including those pertaining to notice. US
147 Magnesium, after receiving actual notice of the interruption, failed to heed the Company's
148 proper directive to interrupt its usage and, as a result, should be subject to the consequences
149 set forth in the Tariff.

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

151 A. Yes.

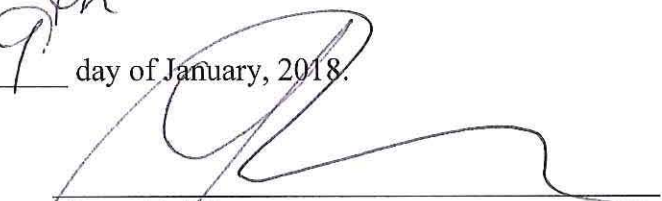
State of Utah)
) ss.
County of Salt Lake)

I, Will F. Schwarzenbach, being first duly sworn on oath, state that the answers in the foregoing written testimony are true and correct to the best of my knowledge, information and belief. Except as stated in the testimony, any exhibits attached to the testimony were prepared by me or under my direction and supervision, and they are true and correct to the best of my knowledge, information and belief. Any exhibits not prepared by me or under my direction and supervision are true and correct copies of the documents they purport to be.

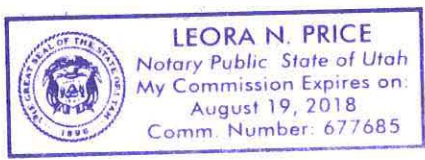


William F. Schwarzenbach

SUBSCRIBED AND SWORN TO this 9th day of January, 2018.



Notary Public



CERTIFICATE OF SERVICE

This is to certify that on January 12, 2018, a true and exact copy of the foregoing **DIRECT TESTIMONY OF WILLIAM F. SCHWARZENBACH** was emailed to the following:

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/s/Leora Price

Qualifications of William F. Schwarzenbach III

Current Responsibilities

As Manager of Gas Supply, I am responsible for managing the gas purchasing and nominations for Dominion Energy Utah. I supervise the activities of daily demand forecasting, gas purchasing for Dominion Energy Utah sales customers, managing cost-of-service supplies, managing gas supplies delivered to the Dominion Energy Utah city gates for transportation customers, managing imbalances with interconnecting pipelines, SENDOUT modeling and managing the Dominion Energy Utah Integrated Resource Planning (IRP) process. I am also responsible for analysis of transportation, storage, peak-shaving, and no-notice transportation contracts. I have been in the Gas Supply department since 2011.

Prior Responsibilities and Experience

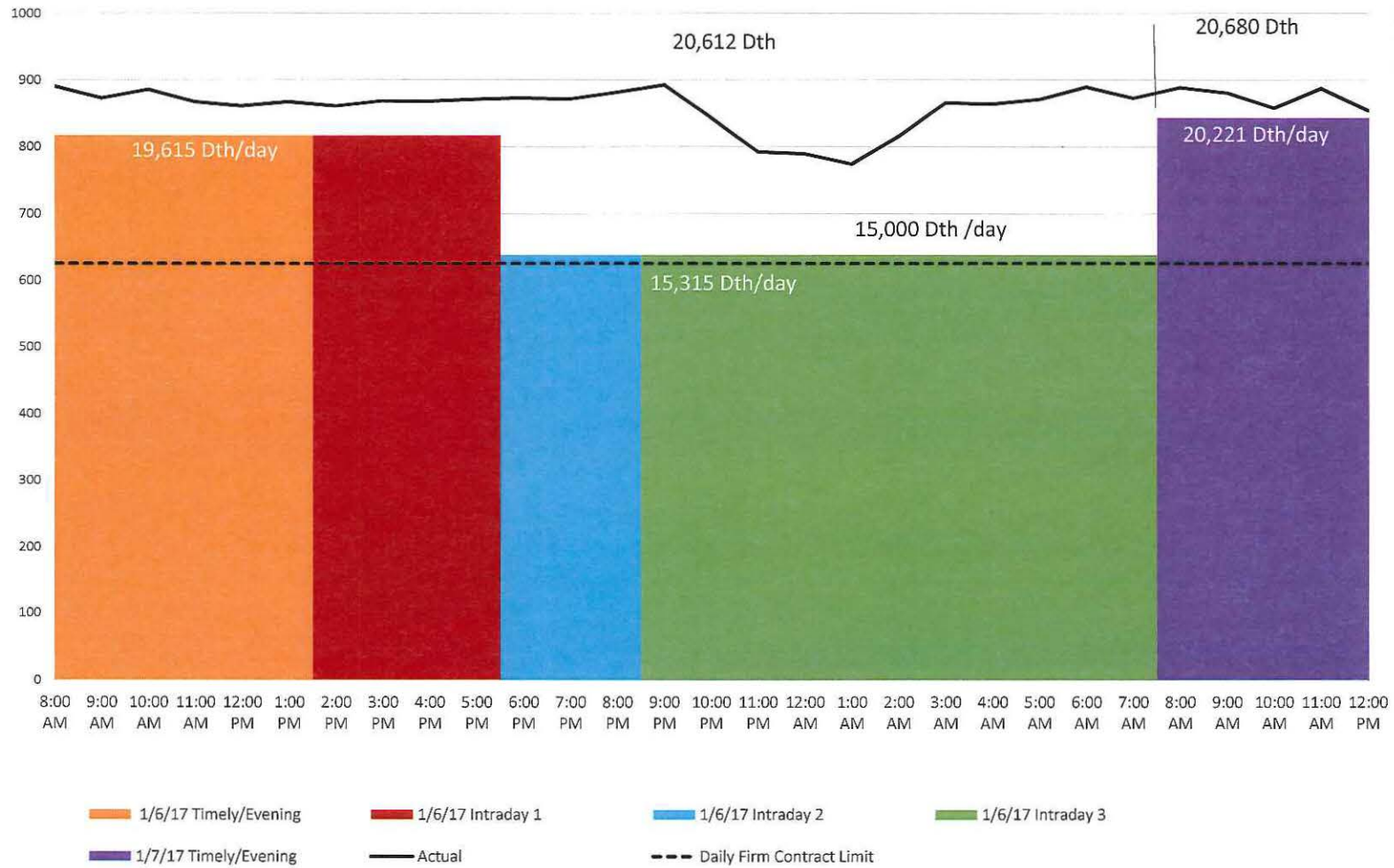
I was first employed by Dominion Energy Utah in 2004 as an Operations Engineer in the Engineering Department. While in the Engineering Department I worked mainly on system planning and analysis that focused on peak-day planning of the Dominion Energy Utah system.

Prior to Dominion Energy Utah, I worked for Washington Gas from 1998-2004 in its engineering department. While with Washington Gas, my primary responsibility was also system design to meet peak-day requirements.

Educational Background

I received a Bachelor of Science degree in Civil Engineering from Virginia Tech in 1998. I received a Masters of Business Administration degree from George Mason University in 2004. I am a registered Professional Engineer (PE) in the State of Utah.

Us Magnesium - January 6,7, 2017 - Scheduled Quantity vs. Usage



BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit F

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Attorneys for US Magnesium

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH


In the Matter of the Request for Agency Action And Complaint of US Magnesium, LLC against Dominion Energy Utah	Docket No. 17-057-13
--	-----------------------------

REBUTTAL TESTIMONY OF ROGER SWENSON

US Magnesium, LLC (“US Magnesium”) hereby submits the Rebuttal Testimony of Roger Swenson in this docket.

DATED this 26th day of January 2018.

HATCH, JAMES & DODGE

/s/ 

Phillip J. Russell
Attorneys for US Magnesium

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 26th day of January 2018 on the following:

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Phillip J. Russell
Attorneys for US Magnesium

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action And Complaint of US Magnesium, LLC against Dominion Energy Utah	Docket No. 17-057-13
--	----------------------

**Rebuttal Testimony of Roger Swenson
On Behalf of
US Magnesium, LLC**

January 26, 2018

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I. INTRODUCTION AND SUMMARY

Q. Please state your name and business address.

A. My name is Roger Swenson. My business address is 1592 East 3350 South, Salt Lake City, Utah 84106.

Q. Are you the same Roger Swenson who presented direct testimony in this docket?

A. Yes, I am.

Q. On whose behalf are you testifying in this proceeding?

A. My rebuttal testimony is submitted on behalf of US Magnesium, LLC (“US Magnesium”).

Q. What is the purpose of your rebuttal testimony in this case?

A. My rebuttal testimony responds to the direct testimony filed by William Schwarzenbach and Bruce Rickenbach in this matter.

Q. Mr Schwarzenbach testifies that the primary issue to be decided in this matter is whether the Company properly notified US Magnesium of the interruption, and he suggests that the fact that Questar’s notification system could not provide proper notice does not matter. What do you say to that?

A. I do believe that the issue in this matter can be condensed to a very clear point: US Magnesium provided to the Company contact information in case of an interruption as required by the Company’s tariff for interruptible service customers to avoid facing a penalty. As Section 3.02 of the tariff states: “The Company requires each interruptible customer to provide, and update as

23 necessary, contact information that enables the Company to immediately notify a
24 customer of a required interruption.”

25 US Magnesium complied with the tariff when it submitted to the
26 Company the Customer Information Sheet containing “Day Phone” Interruption
27 Contact numbers for the Company to contact US Magnesium in the event of an
28 interruption. The Company’s equipment simply could not dial through to
29 extensions and, therefore, could not utilize the Day Phone contact numbers
30 provided by US Magnesium—a fact that was not conveyed to US Magnesium
31 until *after* the interruption. Since cell phones are not allowed at the plant where
32 the Interruption Contact was working during the day, US Magnesium was relying
33 on the Company to be able to dial through to the Day Phone numbers it had
34 provided to the Company—phone numbers the Company had on file prior to the
35 interruption at issue in this docket. The Company cannot impose interruption
36 penalties under Section 3.02 of the Tariff unless it can show that it properly
37 notified the customer of an interruption.

38 The Company’s failure to inform US Magnesium that the recently-
39 installed automated call system could not dial through to extensions—and
40 therefore could not dial the Interruption Contact Day Phone numbers US
41 Magnesium had provided—demonstrates that the Company did not properly
42 notify US Magnesium of the interruption as required by the tariff. The
43 Company’s failure to inform US Magnesium that the automated notification
44 system could not dial through to extensions is particularly problematic in this case

45 for two reasons. First, US Magnesium has for many years provided the Company
46 with phone numbers with extensions for the Company to use to notify US
47 Magnesium in the event of an interruption and—for interruptions that predate the
48 January 6-7, 2017 interruption at issue here—the Company successfully used
49 those phone numbers with extensions to notify US Magnesium of interruptions.
50 Second, the Company had the Day Phone Interruption Contact phone numbers
51 with extensions on file and provided them to US Magnesium in December of
52 2016 to verify as Interruption Contact numbers on the Customer Information
53 Sheet. Given this history, the Company should have informed US Magnesium
54 that its automated notification system would no longer support phone numbers
55 with extensions. US Magnesium had no reason to believe otherwise.

56 **Q. Mr Schwarzenbach suggests the Company followed its tariff in regard to**
57 **providing notice for a curtailment. Do you agree?**

58 A. No, I do not. As Section 3.02 of the Company's tariff clearly states, "A customer
59 who fails to interrupt when properly called upon by the Company to do so will
60 incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the
61 course of an interruption." The key word in Section 3.02, and the key to the
62 dispute at issue here, is the word "properly." US Magnesium provided an active
63 phone number that it was relying on and the Company's system failed to make
64 contact with that phone number listed as the Interruption Contact with the Day
65 Phone number as shown below, taken directly from the Customer Information
66 Sheet:

<u>Interruption Contacts</u>	<u>Title</u>	<u>Day Phone</u>	<u>Night Phone</u>	<u>FAX</u>	<u>Mobile Phone</u>
1ST: Mike Tucker	Utility Supervisor	801 532-2043 1337			801 597-8834
2ND: Roger Swenson	Energy Consultant	801 532-1522 529		801 534-1407	801 541-2272

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84 **Q. What else is clear from the Interruption Contacts listed in the customer sheet**
85 **and what the Tariff states as a requirement?**

86 A. Section 3.02 of the Tariff states in a very clear manner the following; “The

87 Company requires each interruptible customer to provide, and update as

88 necessary, contact information that enables the Company to immediately notify a
89 customer of a required interruption.”

90 The Day Phone number to use is called out on the Customer Information
91 Sheet for the Interruption Contact as the number to use that would enable the
92 Company to immediately notify US Magnesium of an interruption. US
93 Magnesium would have been informed of the interruption and its need to reduce
94 use if the Company’s system could have dialed through the extensions. US
95 Magnesium was abiding by the tariff as it provided a phone number that would
96 have allowed it be immediately notified of the curtailment.

97 **Q. For reference what time of day did the interruption occur?**

98 A. The interruption occurred during the day, so US Magnesium was
99 expecting a proper notice at the Interruption Contact phone number listed on the
100 Customer Information Sheet as the Day Phone number. It did not know that
101 because of the Company’s actions in utilizing an automated phone system that
102 cannot dial through to extensions that the notification channel that US Magnesium
103 was relying on was useless.

104 **Q. Mr. Schwarzenbach mentions that marketing agent had been informed of the
105 interruption. What relevance does that notification have on this dispute?**

106 A. While it isn’t entirely clear what point Mr. Schwarzenbach seeks to make
107 by asserting that he had spoken with US Magnesium’s marketing agent, Section
108 3.02 of the Tariff clearly requires the Company to inform each customer—and not
109 their marketing agents—of interruptions.

110 For separate reasons, the Company must also notify marketing agents
111 about interruptions. The US Magnesium marketing agent must manage the gas
112 supplies to remain in proper balance with US Magnesium's usage. As Mr.
113 Schwarzenbach states, US Magnesium's marketing agent took actions expecting
114 that the Company would give proper notice to US Magnesium. The Company
115 notified US Magnesium's marketing agent that US Magnesium would be limited
116 to 15,000 Dth per day during the interruption and, since he did not know that
117 proper notice had not been given to US Magnesium, the marketing agent reduced
118 supply to the system to the 15,000 Dth level even though it had plenty of gas to
119 flow to meet the needs of US Magnesium.

120 **Q. Mr. Schwartenbach testifies that during the January 6-7, 2017 interruption**
121 **US Magnesium was using gas the Company purchased for sales customers.**
122 **How do you respond?**

123 A. Any gas that US Magnesium used above its firm contract limit of 15,000
124 Dth during the January 6-7, 2017 interruption was a result of the Company failing
125 to provide proper notice to US Magnesium at the Day Phone Interruption Contact
126 number on the Customer Information Sheet. Whatever caused the Company to
127 have insufficient volumes to meet demand during the curtailment did not affect
128 US Magnesium's marketing agent, which had additional volumes to flow to the
129 system to meet US Magnesium's demand those days. US Magnesium's
130 marketing agent reduced its volumes to the system in response to the Company's
131 notice of the interruption to address imbalance issues—and I understand it offered

132 to sell those volumes to the Company but that offer was not accepted. To the
133 extent that US Magnesium used gas during the interruption that was otherwise
134 intended for sales customers, the Company bears fault for failing to properly
135 notify US Magnesium of the interruption.

136 **Q. Mr. Schwarzenbach opposes changing the tariff in this docket and suggests**
137 **they will make changes as needed in some other more appropriate docket.**
138 **What do you have to say to that?**

139 A. The Company has indicated that it intends to open a new docket this
140 spring to address issues relating to tariff provisions for transportation customers.
141 I support the Company's efforts to revise the tariff as necessary to address the
142 tariff's obvious shortcomings and I request that the Commission require the
143 Company to address interruption notification issues as part of that docket.

144 **Q. Mr. Schwarzenbach states that the US Magnesium solution is to require the**
145 **Company to make 500 direct contacts with customers. Is that what you are**
146 **suggesting in this matter?**

147 A. No. In this matter I am suggesting that the Company failed to provide US
148 Magnesium with proper notice of the interruption because its automated
149 notification system could not use the contact number furnished by US Magnesium
150 as the Day Phone Interruption Contact number. This occurred because of the
151 Company's action in using this flawed automated system and/or because the
152 Company did not inform US Magnesium prior to the interruption that the Day
153 Phone Interruption Contact numbers were not supported by the notification

154 system. If US magnesium had been informed that the Company's automatic
155 notification system could not dial phone numbers with extensions, US
156 Magnesium would have acted prior to the interruption event to make sure a direct
157 dial line was available, just as we did when we found out the shortcoming of the
158 Company's system after the fact. We are not suggesting that they must go back to
159 a direct in person call for 500 customers at all. We are just disputing a penalty
160 based on the circumstances.

161 **Q. Mr. Schwarzenbach testifies on lines 37 and 38: "US Magnesium believes**
162 **that a direct call to the control room is the only notification that would meet**
163 **the Tariff requirement." Do you agree?**

164 A. No. I'm not sure why Mr. Schwarzenbach makes that statement. US
165 Magnesium has been clear throughout that a call to the Interruption Contact Day
166 Phone numbers listed on US Magnesium's Customer Information Sheet would
167 have been sufficient to provide US Magnesium with notice of the January 6-7,
168 2017 interruption.

169 Mr. Schwarzenbach seems be confusing US Magnesium's position in this
170 docket with US Magnesium's efforts to remedy the fact that the Company's
171 automatic notification system cannot dial through to phone numbers with
172 extensions. Since the January 6-7, 2017 interruption, and since learning that the
173 Company's notification system cannot dial through to phone numbers with
174 extensions, US Magnesium has worked with the Company to provide new

175 Interruption Contact numbers. In this effort, US Magnesium has installed a phone
176 in its control room with a phone number that does not have an extension.

177 **Q. Mr. Rickenbach testifies at lines 181-193 of his direct testimony regarding**
178 **DEU Exhibit 1.9, which are emails between you and Mike Tucker after the**
179 **January 6-7, 2017 interruption. In his testimony, Mr. Rickenbach asserts**
180 **that page 6 of that exhibit regards the Company's efforts to contact US**
181 **Magnesium regarding the interruption on January 6, 2017. Do you agree?**

182 A. No. Mr. Rickenbach's testimony misconstrues the purpose and context of
183 the emails on page 6 of DEU Exhibit 1.9. DEU Exhibit 1.9 contains a number of
184 email exchanges between Mr. Tucker and me. Pages 1-5 of the exhibit contain
185 emails that were sent on January 19 or 20, 2017 when I was obtaining information
186 from the Company regarding the interruption and why the Company had not
187 notified US Magnesium at the Interruption Contact Day Phone numbers listed on
188 the Customer Information Sheet.

189 By contrast, the emails on page 6 of the exhibit were sent on January 26
190 and 27 and did not regard the Company's failure to notify US Magnesium prior to
191 the interruption. Rather, the emails on page 6 of the exhibit reference US
192 Magnesium's efforts to provide an alternative Interruption Contact number, which
193 was necessitated by the fact that the Company's automated notification system
194 could not dial phone numbers with extensions. The first email message on page 6,
195 sent at 10:52 a.m. on January 26, 2017, refers to an effort on US Magnesium's
196 part to have the Company's automated system dial the phone number for the US

197 Magnesium operator. This test, which occurred on January 26, was unsuccessful.
198 As Mr. Tucker's email to me states, the message required the phone operator to
199 press buttons that the phone did not have. Subsequent tests using different phones
200 proved successful and, as discussed above, US Magnesium now has a phone in its
201 control room, which can be reached without dialing an extension so that the
202 Company can dial through to using its automated notification system.

203 **Q. Mr. Rickenbach states that the company does not distinguish between what**
204 **is listed as 1st Contact and the 2nd Contact. What should the company do if**
205 **that is the case?**

206 A. If the numerals of 1st and 2nd in this instance do not have meaning then the
207 Company should choose a different way to display the Interruption Contact
208 numbers on its Customer Information Sheet that does not imply some priority. 1st
209 and 2nd has some meaning to me and I would expect most any person just reading
210 the information, so they should change the sheet once again to be clear that a
211 contact is just a contact with no ordinal priority. As it stands there is an implied
212 priority and we just expected the sheet meant what it said and that the 1st contact
213 was Mr. Tucker and the 2nd contact was Mr. Swenson as listed. Regardless, the
214 Company failed to contact either the 1st or 2nd Day Phone Interruption Contact as
215 listed on the Customer Information Sheet, as both numbers contain extensions,
216 which the Company's automated notification system cannot dial.

217 **Q. Mr. Rickenbach admits that he knew that the Rapid Notify System would not**
218 **work, and he seems to imply that it just doesn't matter because there was a**
219 **2nd number that could be called. What do you say to that?**

220 A. It is again what the tariff clearly calls out that is the operative language
221 where the clear statement of the tariff states that the customer will provide a
222 contact information that will allow the Company to immediately notify the
223 customer concerning a curtailment. US Magnesium did, and the Company's
224 systems simply could not perform, and it is not the customers obligation to do
225 anything except meet the criteria of the tariff. The cell phone numbers were not
226 what US Magnesium was considering as the contact for immediate contact during
227 Day Hours since they could not be used at the plant. They were for contacting US
228 Magnesium during non-Day Hour time periods.

229 **Q. What else does Mr. Rickenbach say concerning the Customer Information**
230 **Sheet?**

231 A. Mr. Rickenbach states that he received the Customer Information Sheet
232 directly from me on December 12, 2016. I agree because I sent it to him directly
233 to him on that date abiding by the tariff provision that has been called out for
234 providing immediate contact information. That immediate contact was the phone
235 number with an extension for Mike Tucker and the phone number with extension
236 for Mr. Swenson.

237 **Q. What do you see as the clear statement of the Company's culpability in this**
238 **matter?**

239 A. Mr. Rickenbach admits he received the information that US Magnesium
240 was relying on based on the intent of the tariff. The Customer Information Sheet
241 provided a contact for interruption that would immediately notify US Magnesium.
242 He had this specific contact information delivered directly to him on December
243 12, 2016—information that he knew would not work because the Company's
244 automated notification system could not dial through to extensions and he did not
245 tell US Magnesium that the information provided as an Interruption Contact Day
246 Phone number would not work. He just seems to waive it off because the
247 Company had a second phone number, so they didn't need to worry about the
248 extensions that would not work. That indifference and oversight now leads to this
249 circumstance, in which US Magnesium faces a penalty of over \$580,000 because
250 the Company automatic notification system could not dial an extension.

251 **Q. Mr. Rickenbach does admit he called you directly. Do you agree with his**
252 **characterization of the call?**

253 A. My recollection of the substance of my discussion with Mr. Rickenbach
254 was that he was checking to see if the system had worked and it made me think he
255 was unsure of the system. In his testimony he suggests that we chatted about
256 curtailment issues, but I don't remember that. I know I suggested I could not do
257 anything about the circumstance as I was driving.

258 **Q. Mr. Rickenbach mentions he does not believe that it is problematic that the**
259 **Company has changed the Customer Information Sheet to now clearly state**
260 **that extensions will not work. Do you have any comment?**

261 A. I did not suggest that there was a problem with this change and I support
262 the Company clearly calling the shortcoming of their system out to anyone putting
263 down a contact number for immediate notification. If this would have been part of
264 the Customer Information Sheet in 2016 that Mr. Rickenbach had provided to me
265 for review, then US Magnesium would have provided different Day Phone
266 Interruption Contact numbers that do not have extensions and US Magnesium
267 would have been properly notified of the interruption.

268 **Q. What else is an important aspect of the testimony by Mr. Rickenbach that**
269 **you find worth mentioning?**

270 A. Mr. Rickenbach does not deny that some of the information, such as
271 emails and text messages sent by third parties to me and to Mike Tucker, was not
272 clearly from the Company. He simply says that US Magnesium was on alert about
273 the interruption and should have known that anything coming from any source—
274 even if there was no clear connection to the company—should have caused US
275 Magnesium to reduce demand. I strongly disagree. Under Section 3.02 of the
276 tariff, the Company cannot impose upon a customer a penalty for failing to
277 interrupt unless it first properly notifies the customer of the penalty. The tariff
278 requires the customer to provide contact information to the Company to use in the
279 case of an interruption. US Magnesium provided Day Phone Interruption Contact

280 numbers to the Company in the Customer Information Sheet. US Magnesium,
281 therefore, complied with its obligation under the tariff. The Company failed to
282 properly notify US Magnesium for the reasons stated above. The emails and text
283 messages from third parties were not clearly from the Company, and the
284 Company did not notify US Magnesium that it would receive notifications of
285 interruptions from third parties. As such, the emails and text messages did not
286 give proper notice of the interruption.

287 **Q. Does this complete your testimony in this matter?**

288 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit G

*Utah
Tariff*



**Dominion
Energy[®]**

*Dominion Energy Utah
Tariff*

*For Gas Service In The
State Of Utah*



DOMINION ENERGY UTAH TARIFF
FOR NATURAL GAS SERVICE
IN THE STATE OF UTAH

Approved By
THE PUBLIC SERVICE COMMISSION OF UTAH

PRINCIPAL OFFICE OF DOMINION ENERGY UTAH LOCATED AT:
333 SOUTH STATE STREET
SALT LAKE CITY, UTAH 84145-0360

TARIFF PSCU NO. 500 CANCELS AND SUPERSEDES
PSCU TARIFF NOS. 100, 200, 300 AND 400

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1. INTRODUCTION

1.01 SERVICE TERRITORY

This tariff covers all natural gas service rendered by Questar Gas Company dba Dominion Energy Utah (Company or Dominion Energy) in Utah at any point on the Company's system where there are facilities of adequate capacity.

Issued by C. L. Bell, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	17-04	1	June 1, 2017

2. FIRM SALES SERVICE

2.01 CONDITIONS OF SERVICE

The Company provides firm service for residential, commercial and industrial customers qualifying under the classification provisions of each firm sales rate schedule listed in Article 2. Customers initiating or increasing firm sales service must also meet the requirements of § 9.02.

FIRM SALES SERVICE RATE SCHEDULE RECLASSIFICATION

Changes in rate schedules may be allowed upon written approval of the Company when requested by the customer in writing. A change may be allowed after a customer has been on the current rate schedule for at least one full year, and if the customer demonstrates that a change in the use of natural gas has occurred that will cause the existing schedule to no longer be appropriate. A customer will be allowed to change rate schedules only on the first day of that customer's next billing cycle.

A request for firm sales service from an existing transportation service or interruptible sales service customer must be received by the Company by February 15th in any given year, except in 2014, when the date has been extended to March 30th. If approved, such a request will be effective on the first day of the customer's billing cycle which occurs on or after July 1st. Approval will be conditioned upon execution of a minimum two-year service agreement.

	Advice No.	Section Revision No.	Effective Date
Issued by C. L. Bell, VP & General Manager	17-04	1	June 1, 2017

2.02 GS RATE SCHEDULE

GS VOLUMETRIC RATES

	Rates Per Dth Used Each Month			
	Dth = decatherm = 10 therms = 1,000,000 Btu			
	Summer Rates: Apr. 1 - Oct. 31		Winter Rates: Nov. 1 - Mar. 31	
	First 45 Dth	All Over 45 Dth	First 45 Dth	All Over 45 Dth
Base DNG	\$1.72670	\$0.72670	\$2.34949	\$1.34949
CET Amortization	0.00000	0.00000	0.00000	0.00000
DSM Amortization	0.19054	0.19054	0.19054	0.19054
Energy Assistance	0.01409	0.01409	0.01409	0.01409
Infrastructure Rate Adjustment	<u>0.15178</u>	<u>0.06388</u>	<u>0.20653</u>	<u>0.11863</u>
Distribution Non-Gas Rate	\$2.08311	\$0.99521	\$2.76065	\$1.67275
Base SNG	\$0.56865	\$0.56865	\$1.21114	\$1.21114
SNG Amortization	<u>0.02371</u>	<u>0.02371</u>	<u>0.05050</u>	<u>0.05050</u>
Supplier Non-Gas Rate	\$0.59236	\$0.59236	\$1.26164	\$1.26164
Base Gas Cost	\$4.06830	\$4.06830	\$4.06830	\$4.06830
191 Amortization	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>
Commodity Rate	\$4.01936	\$4.01936	\$4.01936	\$4.01936
Total Rate	\$6.69483	\$5.60693	\$8.04165	\$6.95375

GS FIXED CHARGES

Monthly Basic Service Fee (BSF) :
For a definition of meter categories see § 8.03.

BSF Category 1	\$6.75
BSF Category 2	\$18.25
BSF Category 3	\$63.50
BSF Category 4	\$420.25

Annual Energy Assistance credit for qualified low income customers:

\$70.00

For a description of the Low Income Program see § 8.03 – Energy Assistance Fund.

GS CLASSIFICATION PROVISIONS

- (1) Service is used for purposes such as space heating, air conditioning, water heating, clothes drying, cooking or other similar uses.
- (2) Usage does not exceed 1,250 Dth in any one day during the winter season.
- (3) Service is subject to a monthly basic service fee.
- (4) Service is subject to Weather Normalization Adjustment as explained in § 2.05
- (5) All sales are subject to the additional local charges and state sales tax stated in § 8.02.



**DOMINION ENERGY UTAH
UTAH NATURAL GAS TARIFF
PSCU 500**

-
- (6) The Energy Assistance rate is subject to a maximum of \$50 per month. The Energy Assistance rate and Energy Assistance credit are subject to § 8.03.

Issued by C. L. Bell, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	17-05	2	June 1, 2017

2.03 FS RATE SCHEDULE

FS VOLUMETRIC RATES

	Rates Per Dth Used Each Month					
	Dth = decatherm = 10 therms = 1,000,000 Btu					
	Summer Rates: Apr. 1 - Oct. 31			Winter Rates: Nov. 1 - Mar. 31		
	First 200 Dth	Next 1,800 Dth	All Over 2,000 Dth	First 200 Dth	Next 1,800 Dth	All Over 2,000 Dth
Base DNG	\$0.81937	\$0.43937	\$0.03937	\$1.24572	\$0.86572	\$0.46572
Energy Assistance	0.01159	0.01159	0.01159	0.01159	0.01159	0.01159
Infrastructure Rate Adjustment	<u>0.06179</u>	<u>0.03313</u>	<u>0.00297</u>	<u>0.09394</u>	<u>0.06529</u>	<u>0.03512</u>
Distribution Non-Gas Rate	\$0.89275	\$0.48409	\$0.05393	\$1.35125	\$0.94260	\$0.51243
Base SNG	\$0.56865	\$0.56865	\$0.56865	\$1.17959	\$1.17959	\$1.17959
SNG Amortization	<u>0.02371</u>	<u>0.02371</u>	<u>0.02371</u>	<u>0.04919</u>	<u>0.04919</u>	<u>0.04919</u>
Supplier Non-Gas Rate	\$0.59236	\$0.59236	\$0.59236	\$1.22878	\$1.22878	\$1.22878
Base Gas Cost	\$4.06830	\$4.06830	\$4.06830	\$4.06830	\$4.06830	\$4.06830
191 Amortization	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>
Commodity Rate	\$4.01936	\$4.01936	\$4.01936	\$4.01936	\$4.01936	\$4.01936
Total Rate	\$5.50447	\$5.09581	\$4.66565	\$6.59939	\$6.19074	\$5.76057
Minimum Monthly Distribution Non-Gas Charge: (Base)				Summer	\$143.00	
				Winter	\$218.00	

FS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$6.75
Does not apply as a credit toward the minimum monthly distribution non-gas charge.	BSF Category 2	\$18.25
For a definition of meter categories, see § 8.03.	BSF Category 3	\$63.50
	BSF Category 4	\$420.25

FS CLASSIFICATION PROVISIONS

- (1) Load factor is defined to be: Average daily usage ÷ peak winter day. (Average daily usage is equal to the last 3 years of annual usage ÷ 1,095. Peak winter day is defined in Section 11 of this tariff.) If 3 years of annual usage is not available, the Company may estimate usage or use any available actual usage. Customers with a load factor of 40% or greater qualify for the FS Rate Schedule. Customers with a load factor below 35% do not qualify for FS service. If a customer's load factor falls below 40%, but is greater than 35%, the customer may remain an FS customer for one year, after which such customer must have a load factor of 40% or greater to continue to qualify for FS service.
- (2) Usage does not exceed 2,500 Dth in any one day during the winter season.
- (3) Service is subject to a minimum monthly distribution non-gas charge and a monthly basic service fee.

- (4) Minimum annual usage of 2,100 Dth is required.
- (5) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
- (6) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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2.04 NATURAL GAS VEHICLE RATE (NGV)

NGV VOLUMETRIC RATE

	Rate Per Dth Used
	Dth = decatherm = 10 therms = 1,000,000 Btu
Base DNG	\$5.42207
Energy Assistance	0.02455
Infrastructure Rate Adjustment	<u>0.45816</u>
Distribution Non-Gas Rate	\$5.90478
Base SNG	\$0.87398
SNG Amortization	<u>0.03644</u>
Supplier Non-Gas Rate	\$0.91042
Base Gas Cost	\$4.06830
Commodity Amortization	<u>(0.04894)</u>
Commodity Rate	\$4.01936
Total Rate	\$10.83456

NGV CLASSIFICATION PROVISIONS

- (1) Service is used for refueling natural gas-powered vehicles with compressed natural gas at Company-owned refueling stations.
- (2) All sales are subject to the applicable federal excise tax and the state sales tax described in § 8.02.
- (3) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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2.05 WEATHER NORMALIZATION ADJUSTMENT (WNA)

The monthly bill for each GS commercial customer and those residential customers that have not opted off the WNA, as explained in this section (see “Annual Option”), will be adjusted upward or downward to account for the variations in Distribution Non-Gas (DNG) revenues which are due to differences between the actual temperatures and normal temperatures for that customer's billing cycle.

CYCLE DEGREE DAY VARIANCE CALCULATION

Heating degree days (DD) will be calculated for each billing cycle and major climatological area of the Company's service territory. Heating degree days are calculated as the number of degrees Fahrenheit that any day's average of high and low temperatures is below 65°. The degree day deficiency for a billing cycle is the accumulation of degree days for all the days in the cycle. In calculating the WNA, degree days calculated from one of the Company's weather zones—Logan, Park City, Salt Lake City, Vernal, Price, Richfield, Cedar City, and St. George—will be used. Normal degree days for these weather zones will be calculated as the average temperatures over a thirty-year period. The degree day calculation formulas are as follows:

Actual Cycle DD = DD for Billing Cycle by Weather Zone

Normal Cycle DD = Normal DD for Billing Cycle by Weather Zone

Cycle DD Variance = (Normal Cycle DD) - (Actual Cycle DD)

BASE LOAD DTH

A Base Load Dth will be calculated for each customer to estimate the monthly non-temperature-sensitive usage. The calculation will be based on the customer's lowest usage of either the July or August billing period. The Base Load Dth will remain the same for one year. If the calculated Base Load is not representative of the customer's non-temperature-sensitive usage, the Company can adjust it to a more representative amount. When sufficient data is unavailable, the Base Load Dth will be estimated based upon historical data for similar customers in the same geographical area.

CYCLE USAGE PER DEGREE DAY

A cycle usage per degree day will be calculated for each customer each month by dividing that customer's temperature sensitive sales, which is the result of subtracting the Base Load Dth from the Actual Usage Dth, by the actual degree days for that customer's billing cycle using the weather station applicable for the customer's geographical area as explained above. The Cycle Usage Per Degree Day formula is as follows:

Cycle Usage per DD = (Actual Dth Usage - Base Load Dth) / Actual Cycle DD

WNA BILLING VOLUME AND BILL CALCULATION

Each customer's WNA Billing Volume, in Dth, is calculated by multiplying the Cycle Usage per Degree Day by the Cycle Degree Day Variance and adding or subtracting the result to the actual Dth usage. The customer's WNA Billing Volume is used to calculate the DNG portion of the bill. The customer's actual Dth usage is used to calculate the Supplier Non-Gas (SNG) and Commodity portions of the bill (See § 2.02). The WNA Dth formula is as follows:

$$\text{WNA Billing Volume} = ((\text{Cycle Usage per DD}) \times (\text{Cycle DD Variance})) + \text{Actual Dth Usage}$$

ANNUAL OPTION

Each summer, the Company will send a notice to all GS residential customers advising them that their bills will be weather-adjusted. Customers who do not want to have their bills weather-adjusted may opt out of WNA at this time. Customers whose bills are not weather-adjusted will remain off of WNA unless they respond to the annual notice.

WEATHER ZONES BY COUNTY

ZONE	COUNTIES
Cedar City	Beaver, Iron, Millard, Washington (Dammeron Valley, Diamond Valley, Enterprise, New Harmony, Veyo)
Logan	Cache, Franklin (Idaho)
Park City	Morgan, Rich, Summit, Wasatch, Weber (Eden, Huntsville, Liberty, Nordic Valley)
Price	Carbon, Emery, Grand, San Juan
Richfield	Garfield, Piute, Sanpete, Sevier
Salt Lake	Box Elder, Davis, Salt Lake, Tooele, Utah, Weber (except Eden, Huntsville, Liberty, Nordic Valley)
St. George	Washington (except Dammeron Valley, Diamond Valley, Enterprise, New Harmony, Veyo)
Vernal	Daggett, Duchesne, Uintah

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2.06 GAS BALANCING ACCOUNT ADJUSTMENT PROVISION

APPLICABILITY

The purpose of the Gas Balancing Account is to recover, on a dollar-for-dollar basis, purchased gas costs and gas-cost-related expenses. Gas commodity costs are market driven and fluctuate with market prices. Non-gas costs include costs to transport the gas to the customer, the cost of producing company-owned production associated with purchases under the Wexpro Agreement and certain other Commission-approved expenses.

This gas balancing account adjustment provision applies to the Supplier Non-Gas (SNG) component of all applicable rate schedules and the commodity component of all sales rate schedules contained in this Tariff.

For purposes of tracking and collecting CO₂ processing costs from transportation customers only, this account applies to the TS rate schedule. The CO₂ costs applicable to transportation customers shall be tracked and collected separately from the SNG and commodity costs subject to the balancing account accrual described below.

BALANCING ACCOUNT ACCRUAL

Each month a calculation will be made to determine the amount to be accrued into Account No. 191.1 of the Uniform System of Accounts, Unrecovered Purchased Gas Costs (Utah). A positive accrual reflects an under-recovery of costs and is debited to Account No. 191.1. A negative accrual reflects an over-recovery of costs and is credited to Account No. 191.1. Any applicable refund or out-of-period charge which reflects a change in the cost of gas for a prior period will be credited or debited respectively to the balancing account during the month the refund or charge is recorded in the Company books. Account No. 191.1 will be made up of two distinct parts, a commodity balance and an SNG balance, each of which is amortized separately pursuant to the surcharge rate determination described below. The monthly accrual (positive or negative) is determined by calculating the difference between the Cost of Gas and Gas Revenues as is described below.

Accrual = Cost of Gas - Gas Revenues where:

Cost of Gas

The cost of gas is the total of (1) Gas Cost Expenses, plus (2) Additional Gas Cost Expenses, less (3) Exclusions to Gas Costs, less (4) Other Revenues as described below:

- (1) Gas Cost Expenses include the following FERC Accounts. Items to be included in the accounts have been modified from FERC descriptions for use by Utah Gas utilities.
 - 758 Gas well royalties - This account shall include royalties paid for natural gas produced by the utility from wells on land owned by others.
 - 759 Other expenses - This account shall include the cost of labor, materials used and expenses incurred in producing and gathering

natural gas and not includible in any of the foregoing accounts.
Costs recorded in this account are:

- (a) Gathering commodity and demand expenses.
- (b) Credits for gathering for others.

- 800 Natural gas well head purchases - This account shall include the cost at well head of natural gas purchased in gas fields or production areas.
- 801 Natural gas field line purchases - This account shall include the cost, at point of receipt by the utility, of natural gas purchased in gas fields or production areas at points along gathering lines, and at points along transmission lines within field or production areas, exclusive of purchases at outlets of gasoline plants includible in account 802.
- 802 Natural gas gasoline plant outlet purchases - This account shall include the cost, at point of receipt by the utility, of natural gas purchased at the outlet side of natural gas products extraction plants.
- 803 Natural gas transmission line purchases - This account shall include the cost, at point of receipt by the utility, of natural gas purchased at points along transmission lines not within gas fields or production areas, excluding purchases at the outlets of products extraction plants includible in account 802.
- 804 Natural gas city gate purchases - This account shall include the cost, at point of receipt by the utility, of natural gas purchased which is received at the entrance to the distribution system of the utility.
- 806 Exchange gas - This account includes debits or credits for the cost of gas in unbalanced transactions where gas is received from or delivered to another party in exchange, load balancing, or no-notice transportation transactions. The costs are to be determined consistent with the accounting method adopted by the utility for its system gas.
- 808.1 Gas withdrawn from storage-Debit - This account shall include debits for the cost of gas withdrawn from storage during the year.
- 808.2 Gas delivered to storage-Credit - This account shall include credits for the cost of delivered to storage during the year.

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- 813 Other gas supply expenses - This account shall include the cost of labor, materials used and expenses incurred in connection with gas supply functions not provided for in any of the above accounts. These accounts are to be used for natural gas storage expenses. Costs recorded in this account are:
- (a) Liquid extraction and gas processing expenses.
 - (b) Price stabilization costs.
 - (c) Firm and peak storage commodity and demand costs.
 - (d) Wexpro Operator Service Fee.
 - (e) CO₂ gas processing expenses as provided in Docket No. 05-057-01, Order dated January 6, 2006.
- 858 Transmission and compression of gas by others - This account shall include amounts paid to others for the transmission and compression of gas of the utility.
- (2) Additional Gas Cost Expenses include:
- (a) The Carrying cost of working storage gas calculated by using the 13-month average balance in Account No. 164 and applying the pre-tax allowed return to calculate the monthly carrying cost on this investment. (Docket No. 01-057-14; Order dated August 14, 2002.)
 - (b) Gas supply litigation costs. (Docket No. 95-057-21, Order dated October 10, 1995)
 - (c) Cost incurred to improve price stability, including mark-to-market costs. (Docket Nos. 00-057-08 and 00-057-10, Order dated May 31, 2001)
- (3) Exclusions to Gas Costs which are considered for regulatory purposes in general rate case proceedings are as follows:
- (a) 10% of the transportation capacity release credits that are recorded in Account 858. (Docket No. 97-057-03, Order dated February 21, 1997)
 - (b) A portion of CO₂ processing costs specified in Docket No. 05-057-01, shall be recovered by direct charges to TS customers. (See "CO₂ Cost Recovery from TS Rate Schedule" below.)
- (4) Other Revenues include the following FERC Accounts, less related ad valorem taxes, outside interests, royalties on oil and liquid sales, and other applicable costs.
- 483 Sales for resale - This account shall include the net billings for gas sold where it is not economical to transport the gas to the service area of the utility.

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- 490 Sales of products extracted from natural gas - This account shall include revenues from sales of gasoline, butane, propane, and other products extracted from natural gas, net of allowances, adjustments, and discounts, including sales of similar products purchased for resale.
- 491 Revenues from natural gas processed by others - This account shall include revenues from royalties and permits, or other bases of settlement, for permission granted others to remove products from natural gas of the utility.
- 492 Incidental gasoline and oil sales - This account shall include revenues from natural gas gasoline produced direct from gas wells and revenues from oil obtained from wells which produce oil and gas associated with the Wexpro Agreement.
- 494 Interdepartmental rents (Wexpro oil sharing revenue) - This account shall include credits for rental charges made against other departments of the utility. In the case of property operated under a definite arrangement to allocate actual costs among the departments using the property, any allowance to the gas department for interest or return and depreciation and taxes shall be credited to this account.
- 495 Other gas revenues - This account includes revenues derived from gas operations not includible in any of the foregoing accounts specifically:
- 495007 - Overriding royalties
 - 495018 - Income oil sharing from Wexpro.

Gas Revenues

Gas revenues are the sum of the commodity and SNG revenues received from the firm and interruptible sales rate classes, less the allowance for bad debt related to these revenues and includes the revenue received from the transportation imbalance charge (See Section 5.01).

- (1) Commodity Revenues = The sum of each schedule's commodity rate multiplied by the respective volumes less the allowance for bad debt related to these revenues.
- (2) SNG Revenues = The sum of each firm and interruptible sales schedule's SNG rate multiplied by the respective sales volumes less the allowance for bad debt related to these revenues and includes the sum of the transportation imbalance charge revenues collected from transportation customers.

COMMODITY COST RATE DETERMINATION

No less frequently than semi-annually, the Company will file with the Commission an application for determination of the commodity cost rate. This commodity cost rate will be determined by 1) adding the projected test period gas costs from all supply sources (excluding interruptible gas supplies pursuant to § 4.01) less the supplier non-gas costs and other revenue credits, and 2) dividing by the projected test-period Utah sales.

SUPPLIER NON-GAS COST RATE DETERMINATION

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. Concurrently with the determination of costs (above), supplier non-gas costs will be adjusted by class (from those rate levels established in general rate cases) on a uniform percentage increase or decrease basis to reflect FERC-approved increases or decreases in the supplier non-gas cost related components of upstream pipeline suppliers' rates. The supplier non-gas cost adjustment will reflect the supplier non-gas revenue collected from the interruptible customers and 90% of the credit from released capacity collected from upstream interstate pipelines. The remaining 10% of capacity release credit will be recorded as DNG revenue.

CO₂ COST RECOVERY FROM FT-2, IT AND IT-S RATE SCHEDULES

Pursuant to the method approved in Docket No. 05-057-01, a portion of Dominion Energy Utah's CO₂ processing costs has been allocated to the TS class. Such costs shall be recovered from those classes through a separately stated charge that will be adjusted as necessary in proceedings that set commodity-cost rates.

The "two-way" carrying charge described below shall apply to over- and under-collections of CO₂ costs under this section.

AFFILIATE EXPENSE STANDARD

Wexpro expenditures included in the Company's 191 Account are governed by the Wexpro Agreement. All other affiliate expenses, unless otherwise approved by the Commission or subject to regulation by another governmental agency, shall be either (1) cost of service based or (2) competitive with the market for similar services at the time the contract for the services was entered into. The Company shall maintain adequate records of requests for proposals, bids, and agreements involving affiliate participation, including copies of date-stamped bids and other correspondence for regulatory audit and review. Nothing in this Tariff requires bidding for all procurements (e.g., spot purchases).

191 ACCOUNT ENTRIES

The Company shall provide 60 days prior notice of 1) an inclusion of a new account or the first time inclusion of other new material items, 2) the first-time inclusion of material costs to be included in approved FERC accounts 759 and 813, and 3) any material change involving the

exclusion of costs or revenues previously recorded within Account 191 for balancing account purposes. The notice may be by letter, application to the Commission, or in a pass-through filing made 60 days prior to the requested effective date. All such entries are provisional and subject to Commission approval, prior to their inclusion in any rate change made through the 191 Account process.

AUDIT PROCEDURES

All items recorded in the 191 Account are subject to regulatory audit. Adjustments to the 191 Account may be proposed on a retroactive basis for items identified in such regulatory audits that are not in compliance with 191 Account standards and procedures, not in compliance with prior orders of the Commission, or imprudently incurred.

Proposed adjustments shall be designated no later than one year after the end of the fiscal year being audited, or for Wexpro-related adjustments, no later than one year after completion of the applicable third-party monitors' audits. Proposed adjustments may be adopted by the Company without Commission review. If a proposed adjustment is not adopted by the Company, the proponent of the adjustment may seek Commission resolution of the proposed adjustment.

CONSIDERATION DISCLOSURE

The Company shall give regulatory notice of any consideration received by the Company or any affiliate not stated in any gas supply, transportation, gathering, or storage contract when the associated costs are included in a pass-through application.

SURCHARGE RATE DETERMINATION

No less frequently than annually, the Company will file with the Commission an application for establishment of a surcharge rate (positive or negative) to amortize both the commodity cost balance and supplier non-gas cost balance portions of the unrecovered purchased gas costs in Account 191.1. The new surcharge rate to be included in the total current commodity cost rate will be determined by dividing the commodity balance of Account 191.1 as of December 31 (or other time determined by the Commission) by the test-period sales for Utah. The supplier non-gas balance as of December 31 (or other time determined by the Commission) will be amortized by a uniform percentage increase or decrease of the magnitude necessary to amortize the balance over one year, given the test-year sales by class.

"TWO-WAY" CARRYING CHARGE

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, will be applied to the monthly balance in Account 191.1, as adjusted for the corresponding tax deferral balance in Account 283. The balance in Account 191.1 will be increased by the carrying charge during months when gas costs are under-collected and reduced when gas costs are over-collected.

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2.07 INFRASTRUCTURE RATE ADJUSTMENT TRACKER

The Infrastructure Rate-Adjustment Tracker (Tracker) allows the Company to track costs that are directly associated with Replacement Infrastructure, defined below, through an incremental surcharge to the GS, FS, IS, TS, MT, FT-1 and NGV rate schedules (Surcharge). The Surcharge is designed to track and collect costs of Replacement Infrastructure between general rate cases. The Company will file its next year's annual plan and budget describing the estimated costs and schedule for the Replacement Infrastructure with the Commission no later than November 15 of each year. In April of each year the Company shall provide an updated master list of all HP pipelines and updated HP and IHP project schedules. The Company will file quarterly progress reports describing the Replacement Infrastructure program.

REPLACEMENT INFRASTRUCTURE

Replacement Infrastructure is identified as new high-pressure feeder lines, and intermediate high pressure lines that are replacing aging high-pressure feeder lines and intermediate high pressure lines approved by the Commission, and as required to ensure public safety and provide reliable service. Factors considered in replacing infrastructure include, but are not limited to:

- (1) Age and performance of existing pipeline (e.g. vintage steels, seams, welds and coatings).
- (2) Reconditioned pipe (i.e. refurbished and reinstalled pipe).
- (3) Operating and maintenance history.
- (4) Pipeline safety compliance.
- (5) High Consequence Area or high population.

CALCULATION OF TOTAL SURCHARGE

The following components are included in the calculation of the Surcharge:

Replacement Infrastructure	\$X,XXX,XXX
Less: Accumulated Depreciation	XXX,XXX
Accumulated Deferred Income Tax	XXX,XXX
Net Replacement Infrastructure	\$X,XXX,XXX
Current Commission-Allowed Pre-Tax Rate of Return	10.79%
Allowed Pre-Tax Return	\$X,XXX,XXX
Plus: Net Depreciation Expense	XXX,XXX
Net Taxes Other Than Income	XXX,XXX
Total Surcharge	\$X,XXX,XXX

ASSIGNMENT TO CLASSES

The Surcharge will be assigned to each rate class based on the Commission-approved total pro rata share of the DNG tariff revenue ordered in the most recent general rate case. The Surcharge

assigned to each class will be collected based on a percentage change to the demand charge, if applicable, and each block of volumetric rates of the respective rate schedules.

ADJUSTMENT OF SURCHARGE

The Company may file semi-annually, but will file at least annually, an application to adjust the Surcharge. The Replacement Infrastructure must be in service when the application is filed. All items included in the Tracker are subject to regulatory audit consistent with the audit procedures in the “Gas Balancing Account,” Tariff § 2.06. At the time of the Company’s next general rate case all prudently incurred investment and costs associated with the Surcharge will be included in base rates.

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2.08 CONSERVATION ENABLING TARIFF (CET)

The CET is a mechanism designed to ensure that the Company only collects from GS customers the Commission-authorized revenue per customer. The CET applies only to the GS rate schedule.

DEFERRED ACCOUNT ACCRUAL

The Company shall record monthly over- or under-recoveries of authorized GS DNG revenue in the CET Deferred Account (Account 191.9). The Company may not accrue more than 5% of Base DNG revenue each calendar year ending October. The allowed revenue for a given month is equal to the allowed DNG revenue per customer for that month times the actual number of customers. The monthly accrual (positive or negative) is determined by calculating the difference between the actual billed GS DNG revenue and the allowed revenue for that month.

The allowed GS DNG Revenue per Customer per Month is as follows:

Jan	=	\$49.30	Apr	=	\$20.70	Jul	=	\$11.08	Oct	=	\$17.15
Feb	=	\$40.92	May	=	\$13.64	Aug	=	\$11.05	Nov	=	\$31.67
Mar	=	\$32.81	Jun	=	\$11.62	Sep	=	\$12.79	Dec	=	\$44.33

The formula for calculating the accrual each month can be shown as follows:

$$\begin{aligned} \text{Allowed Revenue (for each month)} &= \text{Actual GS Customers} \times \text{Allowed Revenue per Customer for that month} \\ \text{Monthly Accrual} &= \text{Allowed Revenue} - \text{Actual GS Revenue} \end{aligned}$$

AMORTIZATION OF ACCRUAL

At least annually, the Company will file with the Commission an application to amortize the balance (positive or negative) in Account 191.9. The balance will be amortized by a uniform percentage increase or decrease to the GS DNG block rates of the magnitude necessary to amortize the balance over one year. The Company may not amortize CET accruals amounting on a net basis to more than 2.5% of total Utah jurisdictional Base DNG GS revenues based on the most recent 12-month period at the time of the amortization.

“TWO-WAY” CARRYING CHARGE

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, shall be applied monthly to the CET Deferred Account balance, as adjusted for the corresponding tax deferral balance in Account 283. The CET Deferred Account will be increased by the carrying charge during months when the balance in the account represents revenue that is under-collected and reduced when over-collected.

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2.09 THERMWISE® ENERGY EFFICIENCY

ENERGY EFFICIENCY PROGRAMS

Since 2007 the Company has designed and implemented cost effective Demand-Side Management (DSM) programs that encourage residential and commercial customers receiving service on the GS rate schedule to purchase and install energy-efficiency products and appliances. The programs currently offered by the Company are detailed in the following sections:

- § 2.10 ThermWise® Appliance Rebates
- § 2.11 ThermWise® Builder Rebates
- § 2.12 ThermWise® Business Rebates
- § 2.13 ThermWise® Home Energy Plan
- § 2.14 ThermWise® Weatherization Rebates
- § 2.15 Low-Income Efficiency Program
- § 2.16 ThermWise® Authorized Contractors
- § 2.17 ThermWise® Energy Comparison Report

Qualifying appliances and/or measures will be eligible for rebates under only one of the above-listed programs. Program participants will be required to provide appropriate documentation as determined by the Company or its program administrator to ensure program eligibility requirements are satisfied.

DEFERRED ACCOUNT ACCRUAL

The Company shall record all energy efficiency-related expenses in the DSM Deferred Account (Account 182.4).

AMORTIZATION OF ACCRUAL

At least annually, the Company will file with the Commission an application to amortize the balance in Account 182.4. The balance will be amortized by a uniform increase or decrease to the GS DNG block rates of the magnitude necessary to amortize the balance over one year.

CARRYING CHARGE

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, shall be applied monthly to the DSM Deferred Account balance, as adjusted for the corresponding tax deferral balance in Account 283. The DSM Deferred Account will be increased by the carrying charge.

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2.10 THERMWISE® APPLIANCE REBATES

PROGRAM DESCRIPTION

Through the ThermWise Appliance Rebates program, the Company offers a rebate to residential customers receiving service on a GS rate schedule.

Except as otherwise provided in § 2.15, a rebate under the ThermWise Appliance Rebates program is paid directly to a customer for purchasing and installing a qualifying measure at a qualifying residence. Qualifying measures are listed below in the ThermWise Appliance Rebates Table. This includes the replacement of existing appliances as well as first-time installations.

Except as otherwise noted in the ThermWise Appliance Rebates Table, a customer may receive rebates for up to two of each type of measure purchased and installed per dwelling unit. For example, a rebate will be paid for up to two high-efficiency furnaces and two high-efficiency water heaters, etc., purchased and installed per dwelling unit.

QUALIFICATION REQUIREMENTS AND REBATE AMOUNTS

To receive a rebate, customers must submit a completed application form and required supporting documentation within 6 months of the purchase of the qualifying measure. The following requirements and rebates to customers are applicable for the ThermWise Appliance Rebates program measures.

Appliance Rebates Efficiency Measure	Minimum Efficiency Of New Equipment	Rebate Amount
Natural Gas Furnace – 92% AFUE	AFUE $\geq 92 < 95$	\$200.00
Natural Gas Furnace – 95% AFUE	AFUE $\geq 95 < 97.5$	\$350.00
Natural Gas Furnace – 95% AFUE with ECM	AFUE $\geq 95 < 97.5$ with ECM	\$400.00
Natural Gas Furnace – 98% AFUE with ECM	AFUE ≥ 97.5 with ECM	\$450.00
High-Efficiency Gas Storage Water Heater – Tier 2	EF ≥ 0.67	\$100.00
High-Efficiency Tankless Gas Water Heater – Tier 1	EF $\geq 0.82 < 0.90$	\$300.00
High-Efficiency Tankless Gas Water Heater – Tier 2	EF ≥ 0.90	\$350.00
High-Efficiency Condensing Gas Storage Water Heater	EF ≥ 0.90	\$350.00



Appliance Rebates Efficiency Measure	Minimum Efficiency Of New Equipment	Rebate Amount
High-Efficiency Hybrid Gas Water Heater	TE \geq 0.90	\$350.00
Residential Gas Boiler – Tier 1	AFUE > 85% < 95%	\$400.00
Residential Gas Boiler – Tier 2	AFUE \geq 95%	\$600.00
Solar Assisted Domestic Water Heating	Active system certified OG- 300 by SRCC	\$750.00
Solar Assisted Pool Water Heating	Active system certified OG-100 by SRCC	\$750.00
Direct-Vent Gas Fireplace	AFUE \geq 70%, intermittent ignition, heat rated, thermostat controlled with blower	\$200.00
Smart Thermostat	A list of manufacturers and rebate qualifying model numbers can be found at www.ThermWise.com . Participation is limited to 2 rebates per premise.	\$100.00
Definitions: AFUE Annual Fuel Utilization Efficiency ECM Electrically Commutated Motor EF Energy Factor TE Thermal Efficiency SRCC Solar Rating and Certification Corporation		

REBATE LIMITATIONS

Customers receiving rebates for qualifying equipment through the Appliance Rebate Program may not receive rebates for the same equipment through any other ThermWise Program. In order to qualify for a rebate, equipment must be purchased new, not used or leased.

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2.11 THERMWISE® BUILDER REBATES

PROGRAM DESCRIPTION

Residential homebuilders and owner-builders (Builder) can receive rebates/credits for implementing qualifying measures as shown below in the Builder Rebates Table, in newly constructed single and multi-family residences that are receiving service on the GS rate schedule.

A Builder can receive a rebate for a dwelling unit that qualifies for an energy efficient Whole House certification, based upon the rebate tiers described below. A builder may also receive rebates for additional measures, including the mandatory measures for Dominion Energy whole-home rebate measures.

Builders may elect to receive either a rebate check or a rebate credit for installing furnaces and/or 2 x 6 exterior walls which meet the minimum efficiency qualifications listed in the Builder Rebates Table. A rebate credit will be applied against the Company-assessed meter and service line costs (as defined in § 9.04). In the case where the rebate credit exceeds the meter and service line costs, a rebate check will be issued to the Builder for the overage. Rebate credits will be calculated using the established furnace and/or 2 x 6 exterior wall rebate amounts listed in the Builder Rebates Table. A rebate check will be the only payment option for all other measures (non-furnace and 2 x 6 exterior walls) listed in the Builder Rebates Table. Only newly constructed single family residences with natural gas space heating are eligible for participation in the rebate credit.

Rebates under the ThermWise Builder Rebates program will be paid/credited directly to a Builder for installation of qualifying energy-efficiency measures.

A Builder must take the following steps in order to receive a rebate credit:

1. Builder contacts the Company to begin service line and meter installation process.
2. Builder provides home construction details necessary to calculate service line and meter charges (e.g. setback footage, natural gas appliance types, btu input).
3. Builder submits the home's REScheck report to the Company and agrees in writing (by signing the Company's Service Line application) to install qualifying furnaces and/or 2 x 6 exterior walls.
4. Builder remits payment to the Company for the home's meter and service line charges, less rebate credit amount.

The Company will verify installation of rebate credit qualifying equipment in the participant home. If the Company determines through its verification process that the Builder did not install the qualifying equipment it agreed to install (step 3), the Company will invoice the Builder for the misapplied rebate credit as well as the meter and service line costs previously reduced by the rebate credit. Builders who fail to accurately report the equipment installed for rebate credits may be subject to disqualification from future rebate credits and/or participation in the ThermWise® Builder Rebates program.

WHOLE HOUSE CERTIFICATION

To be eligible for any of the whole house certification options a builder must install a qualifying furnace and water heater from the list of qualified measures in the ThermWise Builder Rebates Table.

HERS Index 62 or lower

Builders can receive a rebate for building a home which receives a HERS Index score of 62 or lower. The home must be certified by a HERS Rater and include qualified gas space heating and gas water heating in order for the builder to be eligible for a rebate.

HERS Index 55 or lower

Builders can receive a rebate for building a home which receives a HERS Index score of 55 or lower. The home must be certified by a HERS Rater and include qualified gas space heating and gas water heating in order for the builder to be eligible for a rebate.

HERS Index 48 or lower

Builders can receive a rebate for building a home which receives a HERS Index score of 48 or lower. The home must be certified by a HERS Rater and include qualified gas space heating and gas water heating in order for the builder to be eligible for a rebate.

ENERGY STAR® Bonus

Builders can receive a bonus rebate for building a home which is ENERGY STAR® certified and has received a HERS Index score. Field verification and ENERGY STAR® compliance certificate by a HERS will be required before ENERGY STAR® bonus rebate will be paid.

MULTIFAMILY

Builders can receive a rebate check for building multi-family residences which meet program requirements. The requirements for multi-family projects are the same as those for single family projects.

MEASURES, QUALIFICATION REQUIREMENTS AND REBATE AMOUNTS

To receive a rebate, Builders must submit a completed application form and all required supporting documentation within 6 months of the initiation of gas service. The ThermWise Builder Rebates Table provides applicable measures, qualifications and rebate amounts.

SINGLE FAMILY (SF) (4 or less) & MULTIFAMILY (MF) (5 or more) THERMWISE BUILDER REBATES TABLE			
Builder Rebates Efficiency Measure	Minimum Efficiency Qualification	Single Family Rebate Amount	Multifamily Rebate Amount
HERS Index 62 or lower	HERS Index score of 62 or lower and certification by a HERS Rater	\$100.00	\$50.00
HERS Index 55 or lower	HERS Index score of 55 or lower and certification by a HERS Rater	\$200.00	\$100.00
HERS Index 48 or lower	HERS Index score of 48 or lower and certification by a HERS Rater	\$300.00	\$150.00
ENERGY STAR® Bonus	Home must have certification by a HERS Rater and certified to ENERGY STAR® standards	\$50.00	\$25.00
2015 IECC 2 x 6 or Equivalent Exterior Wall	R-23 or IECC 2015 code equivalent	\$150.00	N/A
High-Efficiency Gas Water Heater – Tier 2	EF ≥ 0.67 Minimum 40 gallon capacity	\$100.00	\$100.00
High-Efficiency Condensing Gas Storage Water Heater	EF ≥ 0.90	\$350.00	\$350.00
High-Efficiency Hybrid Gas Water Heater	TE ≥ 90%	\$350.00	\$350.00
Tankless Gas Water Heater – Tier 1	EF ≥ 0.82 < 0.90	\$300.00	\$300.00
Tankless Gas Water Heater – Tier 2	EF ≥ 0.90	\$350.00	\$350.00
Natural Gas Furnace – 92% AFUE	AFUE ≥ 92 < 95	\$200.00	\$200.00
Natural Gas Furnace – 95% AFUE	AFUE ≥ 95% < 97.5%	\$350.00	\$350.00
Natural Gas Furnace – 95% AFUE with ECM	AFUE ≥ 95% < 97.5% with ECM	\$400.00	\$400.00
Natural Gas Furnace – 98% AFUE with ECM	AFUE ≥ 97.5% with ECM	\$450.00	\$450.00
Residential Gas Boiler – Tier 1	AFUE ≥ 85% < 95%	\$400.00	\$400.00
Residential Gas Boiler – Tier 2	AFUE ≥ 95%	\$600.00	\$600.00
Solar Assisted Domestic Water Heating	Active system certified OG-300 by SRCC	\$750.00	\$750.00

SINGLE FAMILY (SF) (4 or less) & MULTIFAMILY (MF) (5 or more) THERMWISE BUILDER REBATES TABLE			
Builder Rebates Efficiency Measure	Minimum Efficiency Qualification	Single Family Rebate Amount	Multifamily Rebate Amount
Solar Assisted Pool Water Heating	Active system certified OG-100 by SRCC	\$750.00	\$750.00
R-5 Windows	U-value \leq 0.22	\$2.50/sq.ft.	\$2.50/sq.ft.
Smart Thermostat	A list of manufacturers and rebate qualifying model numbers can be found at www. ThermWise.com . Participation is limited to 2 rebates per premise.	\$100.00	\$100.00

Definitions: AFUE Annual Fuel Utilization Efficiency HERS Home Energy Rating System ICEE International Energy Conservation Code SRCC Solar Rating and Certification Corporation TE Thermal Efficiency ECM Electrically Commutated Motor
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REBATE LIMITATIONS

Except as otherwise noted in the ThermWise Builder Rebates Table, Builders are eligible to receive rebates for a maximum of two (2) qualifying measures per measure type in each newly constructed dwelling unit. Mandatory space and water heating requirements exist in each Whole Home measure. Whole Home measures are limited to one rebate per qualifying newly constructed dwelling unit. Builders receiving rebates for qualifying equipment through the Builder Rebate Program may not receive rebates for the same equipment through any other ThermWise Program. In order to qualify for a rebate, equipment must be purchased new, not used or leased.

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2.12 THERMWISE® BUSINESS REBATES

PROGRAM DESCRIPTION

Through the ThermWise Business Rebates program, the Company offers prescriptive and custom rebates to a separately metered business unit receiving service on a GS rate schedule.

Prescriptive rebates are paid directly to a customer for purchasing and installing a qualifying measure at the qualifying business unit. Qualifying measures are listed below in the ThermWise Business Rebates Table. Qualifying measures include those that target cost-effective natural gas savings including retrofits of existing systems as well as first-time installations.

Custom rebates are paid directly to participants that provide submittals for a firm quantity of natural gas reduction through the installation of energy-efficient measures in return for a fixed price per decatherm rebate up to a cap equal to a percentage of the eligible incurred project cost. Eligible projects must be installed at separately metered commercial GS customer facilities.

COMMERCIAL ENERGY PLAN

Commercial GS customers are eligible to receive a commercial energy plan through an application process administered by the Company. The Company will in its sole discretion determine which customers are eligible for a commercial energy plan, based upon the Company's evaluation of qualifying factors including funding availability, the customer's ability to complete identified energy efficiency measures, potential energy efficiency opportunities at the customer's site, and technical feasibility of each measure. The Company may limit the funding amount for each project at its sole discretion.

PRESCRIPTIVE REBATE QUALIFICATION REQUIREMENTS AND AMOUNTS

To receive a prescriptive rebate, customers must submit a completed application form and all required supporting documentation. The following requirements are applicable to the ThermWise Business Rebates Program's prescriptive measures.

THERMWISE BUSINESS REBATES TABLE^{1,2}			
Business Rebates Efficiency Measure	Size Category Of New Equipment	Minimum Efficiency Of New Equipment	Rebate Amount
High-Efficiency Storage Gas Water Heater	Tier 2 ≤ 75,000 Btu/Hr Input	EF ≥ 0.67	\$100.00
	> 75,000 Btu/Hr Input	TE ≥ 82%	\$2.00 per kBtu/Hr Input
High-Efficiency Tankless Gas Water Heater	< 200,000 Btu/Hr Input	EF ≥ 0.82	\$2.00 per kBtu/Hr Input
	≥ 200,000 Btu/Hr Input	TE ≥ 82%	\$2.00 per kBtu/Hr Input

THERMWISE BUSINESS REBATES TABLE (Continued)			
Business Rebates Efficiency Measure	Size Category of New Equipment	Minimum Efficiency of New Equipment	Rebate Amount
High-Efficiency Clothes Washer	Commercial High-Efficiency Clothes Washer (Coin-operated/Laundromat)	MEF \geq 2.0 WF \leq 6.0	\$75.00
High-Efficiency Pre-Rinse Spray Valve	N/A	1.6 GPM (retrofit only)	\$32.00
Smart Thermostat	N/A	A list of measure requirements can be found at www.ThermWise.com .	\$0.07/sq. ft. up to the lesser of 50% of the project cost or \$100 per unit.
Natural Gas Furnace – 92% AFUE	N/A	AFUE \geq 92 < 95	\$200.00
Natural Gas Furnace – 95% AFUE	N/A	AFUE \geq 95% < 97.5%	\$350.00
Natural Gas Furnace – 95% AFUE with ECM	N/A	AFUE \geq 95% < 97.5% with ECM	\$400.00
Natural Gas Furnace – 98% AFUE with ECM	N/A	AFUE \geq 97.5% with ECM	\$450.00
Gas Boilers (hot water)	< 300,000 Btu/Hr Input	AFUE \geq 85%	\$2.00 per kBtu/Hr Input
	\geq 300,000 < 2.5 million Btu/Hr Input	TE \geq 90%	\$3.25 per kBtu/Hr Input
Gas Boilers (hot water)	\geq 2.5 million Btu/Hr Input	TE \geq 90%	\$3.25 per KBtu/Hr Input
Gas Boilers (steam)	< 300,000 Btu/Hr Input	AFUE \geq 85%	\$2.00 per kBtu/Hr Input
Gas Boilers (steam) (Except Natural Draft)	\geq 300,000 Btu/Hr Input	TE \geq 82%	\$2.00 per kBtu/Hr Input
Gas Boilers (Steam) (Natural Draft)	\geq 300,000 Btu/Hr Input	TE \geq 80%	\$2.00 per kBtu/Hr Input
Direct Contact Gas Water Heater	N/A	TE > 90%	\$1.10 per kBtu /Hr Input
High-Efficiency Gas Unit Heater	Non-condensing	TE \geq 83% - < 90%	\$1.25 per kBtu/Hr Input
	Condensing	TE \geq 90%	\$6.00 per kBtu/Hr Input

THERMWISE BUSINESS REBATES TABLE (Continued)			
Business Rebates Efficiency Measure	Size Category of New Equipment	Minimum Efficiency of New Equipment	Rebate Amount
Infrared Gas Heating System	N/A	Infrared Heating System (limited to replacing existing natural gas non-infrared heating systems or be installed as part of new construction project)	\$5.00 per kBtu/Hr Input
Modulating Infrared Heaters	N/A	Infrared Heating System (limited to replacing existing natural gas non-infrared heating systems or be installed as part of a new construction)	\$7.50 per kBtu/Hr Input
Modulating Infrared Heaters	N/A	Replacing existing infrared heating system	\$2.00 per kBtu/Hr Input
Condensing Indirect-Fired RTU (Rooftop unit)	$\geq 50,000$ Btu/Hr	TE $\geq 90\%$	\$5.00 per kBtu/Hr Input
Gas Boiler Outside Air Reset Control	N/A	Gas Boiler Outside Air Reset Control	\$250.00
Gas Commercial Fryer	N/A	Energy Star Qualified	\$500.00 per vat
Gas Steam Cooker	N/A	Energy Star Qualified	\$1,000.00 per unit
Gas Boiler Tune-up-Tier 1 ³	< 300 kBtu	Perform a qualifying tune-up that complies with the boiler tune-up program requirements worksheet (available at ThermWise.com)	Up to \$100.00
Gas Boiler Tune-up-Tier 2 ³	≥ 300 kBtu < 1,500 kBtu	Perform a qualifying tune-up that complies with the boiler tune-up program requirements worksheet (available at ThermWise.com) and yields an improvement in combustion efficiency	Up to \$150.00 per unit
Gas Boiler Tune-up-Tier 3 ³	$\geq 1,500$ kBtu		Up to \$250.00 per unit
High-Efficiency Gas Convection Oven	N/A	Energy Star Qualified	\$500.00 per oven

THERMWISE BUSINESS REBATES TABLE (Continued)			
Business Rebates Efficiency Measure	Size Category of New Equipment	Minimum Efficiency of New Equipment	Rebate Amount
High-Efficiency Gas Combination Oven	N/A	Energy Star Qualified	\$1,000.00 per unit
High-Efficiency Gas Griddle	N/A	Energy Star Qualified	\$300.00 per unit
Building Shell (Retrofit) – Roof Insulation	N/A	Minimum increment of R-10 ⁴	\$0.08/sq.ft.
Building Shell (Retrofit) – Wall Insulation	N/A	Minimum increment of R-10 ⁴	\$0.12/sq.ft.
High-Efficiency Condensing Gas Storage Water Heater	N/A	EF ≥ 0.90	\$350.00
Hybrid Gas Storage Water Heater	≥ 75,000 Btu/Hr Input	TE ≥ 90%	\$350.00
Combined Space/Water Heat	N/A	≥ 90% AFUE, must be considered one unit by manufacturer	\$450.00
High Efficiency Charboiler	N/A	Infrared only	\$1,000.00
Conveyor Oven	Conveyor width ≥ 25 inches	Listed as qualified product by Fishnick	\$1,000.00
Modulating Gas Dryer	N/A	Controller must modulate burner	\$75.00
Gas Dryer Moisture Sensor	N/A	Existing dryer must not contain a moisture sensor	\$25.00
Solar Assisted Pool Water Heating	Pool area must be less than 5,000 square feet	Active system certified OG-100 by SRCC	\$750.00
Demand Control Ventilation System (DCV)	N/A	A list of system requirements can be found at www.Thermwise.com	\$0.20/sq.ft. for conditioned space controlled by the DCV system

Definitions:	AFUE	Annual Fuel Utilization Efficiency
	ECM	Electrically Commutated Motor
	MEF	Modified Energy Factor
	WF	Water Factor
	EF	Energy Factor
	TE	Thermal Efficiency
	CEE	Consortium for Energy Efficiency
	BTU/Hr	British Thermal Units per Hour capacity
	kBTU/Hr	Thousands of British Thermal Units per Hour capacity

¹ Measures which are required by code are not eligible for rebates through the Business Rebate Program. Customers receiving rebates for qualifying equipment through the Business Rebate Program may not receive rebates for the same equipment through any other ThermWise Program.

² In order to qualify for a rebate, equipment must be purchased new, not used or leased.

³ Customers may receive only one (1) boiler tune-up rebate per boiler for the period of two years.

⁴ Rebates for retrofit installations of wall and roof installation apply only to the first increment of R-10 insulation added to the wall or floor. Additional increments of R-10 beyond the first are not eligible to receive a rebate.

CUSTOM REBATE QUALIFICATION REQUIREMENTS AND AMOUNTS

To be eligible for custom rebates through the ThermWise Business Rebates program, customers must submit specific information for each project and conduct energy engineering and commissioning at their own cost. Commissioning is the systematic process of ensuring that a building's complex array of systems is designed, installed and tested to perform according to the design intent and the building owner's operational needs. The commissioning of buildings will be most effective when considered throughout the planning stages and as early as schematic design. This project information will be provided in two reports: the Pre-Installation Report and Post-Installation Report. Rebates will be paid directly to participating customers who meet the program requirements.

STANDARD ANALYSIS MEASURE ELIGIBILITY

Qualifying measures include those that target cost-effective natural gas savings including retrofits of existing systems, improvements to existing systems and first-time installations where the system's efficiency exceeds Utah Energy Code or standard industry practice. With the exception of measures qualifying for a Simplified Analysis, the program does not explicitly specify eligible measures to provide program participants maximum flexibility in identifying potential projects. Participants may propose the inclusion of any measure that:

- Produces a verifiable natural gas reduction;
- Is installed in either existing or new construction applications;
- Has a minimum useful life of 7 years;
- Meets at least minimum cost-effectiveness requirements for the utility cost test; and
- Qualifies for the Simplified Analysis.

Measures that are excluded from consideration in this program include those that:

- Rely solely on changes in customer behavior;
- Merely terminate existing processes, facilities, or operations;
- Involve fuel-switching;
- Are required by state or federal law, building or other codes, or are standard industry practice; or
- Receive a rebate through any other Energy Efficiency program offered by the Company.

SIMPLIFIED ANALYSIS MEASURE ELIGIBILITY

A defined list of qualifying measures will be eligible for rebates utilizing a Simplified Analysis. These measures include:

- Air to Air Heat Exchanges
- Steam/Hot Water Pipe Insulation
- Boiler Controls
- Steam Traps

SIMPLIFIED ANALYSIS

Project-specific review procedures will be determined by the Program Administrator based on the measure submitted. Rather than completing the Pre-Installation Report in full, projects that qualify under the Simplified Analysis approach will instead need to submit a measure specific application, including identification of the project site and account information, including contact information and eligible Measure Costs. Eligible costs are based upon actual incremental expenses incurred by the customer in connection with the energy study, construction, installation, or implementation and commissioning of an eligible project. Costs may include equipment costs, engineering, consulting expenses, and labor costs. Expenses are subject to approval by the Program Administrator on a case-by-case review. For new construction facilities, eligible expenses are those that are additional and necessary to achieve energy efficiency levels that exceed standard industry practice. Measure specific parameters necessary to complete energy savings calculations are shown in the Simplified Analysis Table.

SIMPLIFIED ANALYSIS TABLE			
Air to Air Heat Exchanger	Pipe Insulation	Boiler Controls	Steam Traps
Discharge Air Temperature Setpoint (°F)	Nominal Pipe Size/Diameter (inches)	Boiler Size (kBtu/hr)	Total quality of steam traps in system
Space Temperature Setpoint (°F)	Pipe Material (i.e. steel, iron)	Boiler Efficiency (%)	Quantity of steam traps being replaced
Space Type	Bare Pipe Surface Temperature (°F)	Building Type/Space Type	Steam Traps being replaced have been verified as failed (Yes/No)
Space Type Occupied Hours (hrs/yr)	Insulated Pipe Surface Temperature (°F)	Supply Water Temperature Setpoint (°F)	Time since last steam trap testing and maintenance (Years)
Heat Exchanger Effectiveness (%)	Insulated Area (sq.ft.)	Boiler High/Low Limits (°F)	Steam Trap orifice size (Diameter-Inches)
Heat Exchanger Location	Insulation Layers (Type, Thickness)	Historical Gas Consumption	Steam system operating pressure (PSI)
Supply Air Volume (cfm)	System Application (hot water, steam, hot oil)		Hours of operation for the system
Exhaust Air Volume (cfm)	System run time (hrs/yr)		Boiler Efficiency (%)

Upon approval of the Simplified Analysis application, a site visit to verify the submitted values associated with the project and the Company will inform the customer of the approved rebate amount. The Company will pay a rebate when it verifies project completion and all requested information has been received from the customer.

ELIGIBLE MEASURE COSTS

Eligible measure costs are based upon the actual incremental expenses incurred by the customer in connection with the construction, installation or implementation, and commissioning of an eligible project. Costs may include equipment costs, engineering and consulting expenses, and internal labor costs. Expenses are subject to approval by the Company.

Customers shall provide cooperation and access as is reasonably required for the program administrator to make a determination of eligible costs. Acceptable documentation of eligible costs may include: invoices, work orders, cancelled checks and accounting system reports.

BASELINES FOR SAVINGS AND INCREMENTAL COSTS

Custom rebate measures are designed to encourage energy-efficiency improvements that go above and beyond the efficiency gains typically achieved in replacement or new construction projects. Consequently, savings and eligible measure costs will be based only on the difference between the efficiency and cost of the installed system and the baseline system. The baseline system is the current Utah Energy Code minimum efficiency standards, if such standards apply. In cases where standards do not exist, the baseline will be based upon standard industry practice as determined by the Company.

The Company may adjust baseline natural gas consumption and costs during the submittal review to reflect any of the following: energy codes, standard practice, changes in capacity, changes in production or facility use and equipment at the end of its useful life.

CUSTOM REBATE LEVELS

The Company will make a determination of custom measure rebate levels for the installation of measures. Pursuant to the Program Agreement the rebate level will be the lesser of:

- (a) \$10.00/decatherm per first year annual decatherm savings as determined solely by the Company; or
- (b) 50% of the eligible project cost as determined by the Company.

Savings Verification Opt-Out: If the customer chooses to not conduct the savings verification activities, the annual natural gas savings and the eligible measure costs will all be reduced by 20% and the rebate will be re-calculated using the provisions specified above. Measures for which the customer has “opted-out” of savings verification will not be eligible for additional rebates at a later date.

The customer is responsible for submitting the Pre-Installation Report and allowing time for the Company review prior to purchasing equipment. Subsequent to Company approval of a Pre-Installation Report, the customer shall be required to enter into a Program Agreement with the Company in order to be eligible for rebates. Projects that have been purchased or installed prior to Pre-Installation Approval may not be eligible for custom rebates under the ThermWise Business Rebates program.

COMPANY ASSISTANCE

The Company may provide technical support for the following as part of this program:

- Project application reviews and approvals – detailed engineering review of project applications for reasonableness and accuracy of customer-submitted gas savings calculations, methodology, and costing.
- Strategic Energy Management – service to engage business customers with a large portfolio of buildings and savings opportunities to offer detailed instruction on how to reduce their energy consumption and lower their utility bills at the portfolio level.

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- Commercial facility benchmarking – service that includes utility data review, preliminary facility audit, and benchmark comparison of facility energy use relative to the national population of similar buildings.

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2.13 THERMWISE® HOME ENERGY PLAN

PROGRAM DESCRIPTION

The ThermWise Home Energy Plan program offers an energy-efficiency plan to residential customers receiving service on the GS rate schedule.

The ThermWise Home Energy Plan program includes home energy plan and energy-efficiency measures listed in Home Energy Plan Table.

HOME ENERGY PLAN

The home energy plan includes two separate audit components: 1) a self-completed mail-in survey can be sent to the customer at no charge, or 2) a Company technician will conduct an in-home plan for a fee as described in the Home Energy Plan Table. In-home plans will include a blower door test to determine eligibility for air sealing measures. Customers that have previously received an in-home energy plan may request a second energy plan that includes only a blower door test to determine eligibility for air sealing measures. A participating customer will receive a customized report recommending home improvements that can be implemented to reduce natural gas usage.

During the in-home energy plan, the technician will offer certain energy-efficiency measures, identified in the Home Energy Plan Table, at no charge or with a rebate to the qualifying customer. A qualifying customer choosing to complete the energy plan process via the mail-in survey will be sent a packet containing appropriate energy-efficiency measures for the residence at no charge.

IN-HOME PLAN FEE

The Company will bill a customer a \$25.00 fee per dwelling unit. This fee will be refunded to the customer upon implementation of any Company energy-efficiency rebate measures related to Company-sponsored rebate programs. The Company will waive the \$25 fee for lower-income senior citizens over the age of 65.

Customers who have previously received an in-home energy plan and request a second energy plan that includes only a blower door test will also be billed a \$25.00 fee per dwelling unit. This fee will be refunded to the customer upon implementation of air sealing measures that qualify for a rebate under § 2.14 of the Tariff.

QUALIFICATION REQUIREMENTS AND REBATE AMOUNTS

Program efficiency measures that are offered to customers in conjunction with a Home Energy Plan are shown in the Home Energy Plan Table.



THERMWISE HOME ENERGY PLAN TABLE			
Home Energy Plan Efficiency Measure	Qualification Requirement Of Old Equipment	Minimum Efficiency Of New Equipment	Charge To Customer
Pipe Insulation ¹	Gas water heater, no pipe insulation	First 4 feet of hot water, first 2 feet of cold water	No Charge
Faucet Aerator ¹	Gas water heater, faucet of 2.75 GPM or more	Less than 2.0 GPM	No Charge
Low-Flow Shower Head ¹	Gas water heater, shower head of 3.0 GPM or more	Less than 2.5 GPM	No Charge
¹ Provided, if recommended.			

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2.14 THERMWISE® WEATHERIZATION REBATES

PROGRAM DESCRIPTION

The ThermWise Weatherization Rebate program targets residences receiving service on the GS rate schedule. A qualifying single-family residence is an existing structure that has up to four residential dwelling units. A qualifying multifamily residence is an existing dwelling having five or more residential dwelling units.

For qualifying multifamily residences, a pre-qualification inspection will be required.

The ThermWise Weatherization Rebates program will include weatherization-efficiency measures listed below in the Weatherization Rebates Table.

WEATHERIZATION EFFICIENCY MEASURES

A rebate for a qualifying weatherization efficiency measure will be offered as shown in the Weatherization Rebates Table. A customer will be required to have some measures installed by an Authorized Contractor in order to receive a rebate. See § 2.16 for a detailed description of the requirements, obligations and availability of the current list of Authorized Contractors.

QUALIFICATION REQUIREMENTS AND REBATE AMOUNTS

To receive a rebate, customers must submit a completed application form within 6 months of the installation date and all required supporting documentation. The following requirement and rebate amounts are applicable to the Weatherization Rebates efficiency measures. Rebates may be paid to a non-profit or governmental organization as more fully set forth in § 2.15, Low-Income Efficiency Program.

The following requirements are applicable to the ThermWise Weatherization Rebates program.

THERMWISE WEATHERIZATION REBATES TABLE				
Weatherization Rebates Efficiency Measure¹	Baseline	Minimum Efficiency of New Equipment	Authorized Contractor Installation Required²	Rebate Amount
R-5 Windows ^{3,4}	Existing home with gas heat	U-value \leq 0.22	No	\$2.50/sq. ft.
Attic Insulation ^{4,5}	Existing home with gas heat	Tier 1 - Minimum increment of R-19 or higher with a post installation value of at least R-38 but not more than R-60.	Yes	Tier 1 \$0.25/sq.ft.
	Existing home with gas heat	Tier 2 – An additional increment of at least R-11 with at least R-38 but not to exceed R-60		Tier 2 \$0.07/sq.ft.
Wall Insulation ^{4,6}	Existing home with gas heat	Increment of R-11 or higher	Yes	\$0.30/sq.ft.
Floor Insulation ^{4,6}	Existing home with gas heat	Increment of R-19 or higher	Yes	\$0.20/sq.ft.
Duct Sealing and Insulation ⁷	Existing home with gas heat that meets the program criteria	Must be done to Dominion Energy 2012 Duct Sealing & Insulation Specification posted on ThermWise.com	Yes	Single Family \$100 + \$5.25/ln. ft., not to exceed \$450.00
				Multifamily Structured \$100 + \$5.25/ln. ft. not to exceed \$250.00
Air Sealing ⁸	Existing single family home with gas heat, with Test-in	Must be done to Dominion Energy 2012 Air Sealing specifications posted on ThermWise.com	Yes	\$100.00 + \$0.18/sq.ft. conditioned floor area, not to exceed \$850.00

¹ These measures are available to existing dwelling units heated with natural gas. Multifamily dwelling units must have a pre-qualification inspection. Customers receiving rebates for qualifying measures through the Weatherization Rebate Program may not receive rebates for the same measures through any other ThermWise Program. Installations must comply with all local codes and ordinances.

² If yes, this measure must be installed by a ThermWise Authorized Contractor. Do it yourself installations are allowed for attic, floor and wall insulation.

³ Including sliding glass patio doors, but excluding all other doors (storm doors, wood and/or metal doors with windows). Energy performance of window assemblies and glazing products must be rated in accordance with NFRC. Site built windows or glass only will not qualify for a rebate in the residential weatherization program.

⁴ Eligible installations must be between a heated space and an unconditioned space or an area outside of the building envelope. An unconditioned space is defined as an area or room within a building that is not being heated or cooled, that has no fixed opening directly into an adjacent conditioned space, or which is outside of the building envelope.

⁵ Attic insulation will be available in homes that have not had the measure rebated with the ThermWise program in previous years. This measure will be available on a one-time basis per measure per premise. An exception to this rule will be in the event that additional attic insulation is recommended by a ThermWise Energy Plan or Home Performance audit for a premise which was previously rebated for attic insulation. In the case of such a recommendation, the homeowner will be eligible to participate in the Tier 2 attic insulation measure without additional participation in the Tier 1 measure. Another exception to this rule will be in the event a new owner qualifies and has installed insulation qualifying for a Tier 2 attic insulation rebate.

⁶ Floor and wall insulation may be eligible for multiple rebates when the work completed covers a portion of the dwelling not previously submitted for a rebate.

⁷ Eligible rebates are available only for work completed per the duct sealing and duct insulation specifications posted on ThermWise.com and are only available to dwelling units with heating ducts in unconditioned space. Unconditioned space is defined as an area or room within a building that is not being heated or cooled, that has no fixed opening directly into an adjacent conditioned space, or which is outside of the building envelope.

⁸ To be eligible for the Air Sealing measure a single-family dwelling must first be recommended by a ThermWise Energy Plan or Low-Income Efficiency Program audit. Air sealing will be available on a one-time basis per premise.

Definitions: U-Factor is the reciprocal of R-Value

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2.15 LOW-INCOME EFFICIENCY PROGRAM

PROGRAM DESCRIPTION

The Low-Income Efficiency Program is available to improve the natural gas efficiency for dwelling units of low-income residential customers receiving service on a GS rate schedule. Each year, in semi-annual payments, the Company will contribute \$250,000 (an annual total of \$500,000) to the Utah Department of Workforce Services, Housing and Community Development Division (HCD) for low-income Dominion Energy Utah customers. These funds are used by HCD to address only natural gas related issues. In addition to providing high-efficiency natural gas furnaces, when needed, the funds are used for correcting problems such as gas leaks, high carbon monoxide levels, inappropriate venting of natural gas appliances and adjustment of natural gas appliances. Customers apply for this assistance through the HCD.

An approved non-profit or governmental organization may apply for rebates under the ThermWise Appliance and Weatherization programs for qualifying measures listed in § 2.10 and § 2.14 of the Tariff. The qualifying measures must be installed with funding from other sources in order to be eligible for a rebate. Qualifying measures installed with funding from the Company's semi-annual payments to the HCD will not be eligible for ThermWise program rebates. The non-profit or governmental organization may file each month an electronic spreadsheet containing all of the information required to qualify each measure within 6 months of the measure installation date. Dominion Energy Utah will pay approved rebates directly to the non-profit or governmental organization. The non-profit or governmental organization must comply with all of the other requirements of each measure to be eligible for rebates, except as noted below.

Currently the HCD contracts with seven (7) Low-Income Efficiency Program Agencies to perform low-income efficiency activities. Those agencies are: Bear River Association of Governments, Salt Lake Community Action Program, Housing Authority of Utah County, Six County Association of Governments, Five County Association of Governments, Uintah Basin Association of Governments, and Southeastern Utah Association of Local Governments, all of which qualify as approved non-profit or governmental organizations (HCD implementation agencies).

In order to be eligible for an air sealing rebate, dwelling must first be tested by a ThermWise Home Energy Plan or an audit performed by one of the HCD implementation agencies.

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2.16 AUTHORIZED CONTRACTORS

MINIMUM CRITERIA

For those programs in which authorized contractors must provide services or products in order for the services or products to be eligible for a ThermWise rebate, contractors who desire to provide such services or products must enter into a written Authorized Contractor Agreement with the Company. The Authorized Contractor Agreement will include at least the following requirements:

1. Authorized Contractors must be licensed and in good standing to do business in all states in which they conduct business, and they and their employees, representatives and subcontractors, must have all necessary professional accreditations, registrations, training and licenses to perform all activities and services offered by the contractor, that are or may be eligible for a rebate under any of the ThermWise Energy Efficiency Programs.
2. Authorized Contractors must perform all work in a fashion that meets or exceeds all applicable statutes, rules, regulations, ordinances, codes, accepted industry standards, applicable program manual requirements and minimum standards set forth by the Company. Authorized Contractors must warrant that any work they perform that is eligible for a rebate under any ThermWise program is adequate and sufficient for its intended purpose and complies with those requirements set forth above.
3. Authorized Contractors must hold a minimum of \$2 million in general liability insurance, as well as sufficient levels of workman's compensation liability insurance and automobile liability insurance to meet any obligations or liabilities it may incur in providing services or products that are eligible for rebates under any ThermWise program or in complying with the applicable Authorized Contractor Agreement.
4. Authorized Contractors must be truthful and accurate in all representations related to the ThermWise Rebate Programs' promotion and rebate opportunities. Authorized Contractors may not represent that any contractor is an affiliate or subcontractor of the Company, or that the Company endorses any contractor's services or products. Authorized Contractors must not use The Company's corporate name, logo, identity, or any alleged affiliation on any marketing materials (printed, electronic or any other medium) without the Company's prior written consent.
5. Authorized Contractors must agree to defend and indemnify the Company against any and all liabilities related to the performance of work that is or may qualify for rebates under any ThermWise Energy Efficiency Program, minimum criteria set forth in this Tariff provision, and/or any representation or action by the contractor that relates in any way to the Company, the Company's name, trademark, or any of the Company's ThermWise Energy Efficiency programs.
6. Authorized Contractors will cooperate with the Company in resolving any and all customer complaints from any of the contractor's customers relating to work that is the subject of any ThermWise rebate application. Authorized Contractors must employ commercially reasonable efforts to resolve all such customer complaints, whether made directly to the Company or not, to the complaining customer's satisfaction including, but not limited to remedying, repairing, or replacing the deficiencies at the contractor's own expense and within a time frame acceptable to the complaining customer.

7. In addition to maintaining all applicable licenses, as referenced above; Authorized Contractors offering attic, wall and/or floor insulation services eligible for a rebate under the ThermWise Weatherization Rebates Program must also maintain one or more licenses required by the state in which the contractor performs work. Information about currently acceptable licenses can be found on the ThermWise website.
8. In addition to maintaining all applicable licenses, as referenced above, Authorized Contractors offering duct sealing and duct insulation services eligible for a rebate under the ThermWise Weatherization Rebates Program must also maintain one or more licenses required by the state in which the contractor performs work. Information about currently acceptable licenses can be found on the ThermWise website. Contractors must also submit certification they have obtained RESNET, BPI or other similar certification in order to perform work using required testing equipment and procedures.

DENIAL OF STATUS OF AUTHORIZED CONTRACTOR

Any Authorized Contractor who fails to comply with the minimum criteria set forth above, or who fails to comply with any term of the Authorized Contractor Agreement between the contractor and the Company, is subject to denial of Authorized Contractor status, and any work performed by a contractor not in good standing as an Authorized Contractor will be ineligible for rebates or other benefits under any ThermWise program that requires services or products to be provided by an Authorized Contractor. Removal from the Authorized Contractor program for failure to meet any minimum criteria or for breach of an Authorized Contractor Agreement is permanent and a contractor so removed will not be permitted to re-apply or to participate as an Authorized Contractor in the future. The Company also will not contract with a business entity seeking Authorized Contractor status which has a Contractor License “Qualifier” and “Classification” (as defined by the Utah Department of Professional Licensing in the Utah Construction Trades Licensing Act 58-55) in common with a previous Authorized Contractor whose status was terminated by the Company for cause.

CURRENT LIST OF AUTHORIZED CONTRACTORS

The Company maintains an up-to-date list of Authorized Contractors on ThermWise.com. A current list can be obtained by calling 1-888-324-3221 or by sending a request via e-mail to AuthorizedContractors@ThermWise.com.

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2.17 THERMWISE® ENERGY COMPARISON REPORT

PROGRAM DESCRIPTION

The ThermWise Energy Comparison Report allows customers to compare their natural gas usage with neighboring homes. The Comparison Report also encourages customers to employ natural gas saving measures and behaviors by providing customized tips which are shaped by a customer's past participation in any of the ThermWise programs.

COMPARISON CHARACTERISTICS

Customers are compared to the one-hundred closest homes in the same weather zone based on square footage and year built. Additionally, the Company employs a comparison of homes based on a "similarity index" of customer baseload, peak to base usage, and weather sensitivity. The Company may adjust the similarity index as necessary.

PARTICIPATION

All customers receiving service on a GS rate schedule are eligible to receive their Comparison Report. The Company's will (1) push the report to customers with higher usage relative to the comparison characteristics as determined by the Company; (2) provide the report to those customers who opt-in to be included in the push reports; (3) make the report available to all customers who want to generate a copy of the report through their online account at www.dominionenergy.com.

REPORT OPT-OUT

Customers receiving the push report may opt-out by contacting the Company.

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3. INTERRUPTIBLE SERVICE

3.01 CONDITIONS OF SERVICE

The Company provides interruptible to end-use commercial and industrial customers qualifying under the classification provisions of each interruptible rate schedule listed in this tariff. Customers on interruptible service rate schedules must also meet the requirements of § 9.02.

SERVICE AVAILABILITY

Interruptible service is available only to the extent that in the Company's judgment the service can be provided. In the case of sales service, the Company must also have sufficient gas supplies to provide this service without impairing its ability to serve firm sales service customers. Interruptible service is subject to interruption at any time. See Interruption Conditions in § 3.02.

STANDBY EQUIPMENT AND FUEL

It is the customer's responsibility to provide standby equipment and/or fuel, as deemed by the customer to be necessary, during periods of interruption (see § 3.02) or emergency service restrictions (see § 7.03).

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3.02 PERIODS OF INTERRUPTION

INTERRUPTION CONDITIONS

Service under interruptible service rate schedules is subject to temporary periods of interruption upon notice by the Company, whenever the Company determines interruption is required to serve firm sales service customers. Service may also be interrupted to inject gas into storage reservoirs, for maintenance or replacement of facilities or for other reasons related to serving firm service customers. Resumption of service will not occur until the Company, at its discretion, can fulfill the demand of its firm service customers. The Company shall notify customers when service may resume.

SCHEDULE OF INTERRUPTION

All interruptible service is subject to simultaneous interruption. Upon notice from the Company, interruptible customers are required to interrupt as soon as is operationally possible, but no later than two hours from notice. The Company requires each interruptible customer to provide, and update as necessary, contact information that enables the Company to immediately notify a customer of a required interruption. In the event the Company is unable to notify a customer using the contact information, the customer may be subject to the charges and penalty described below.

System emergencies, irregularities of weather or other operating conditions may require immediate interruption. At times there may be a need for interruption on an isolated portion of the Company's system. If the simultaneous interruption of a different portion of the system will not assist in remedying the situation that gives rise to the need for interruption, customers in those areas will not be subject to simultaneous interruption.

At the time of an interruption, the Company shall use reasonable efforts to advise customers of the cause of the interruption. When feasible, interruptions may be partial. In such event, interruptible transportation and sales customers will be required to interrupt partially on a pro rata basis based on representative daily use levels. However, customers who are unable to partially interrupt or who prefer to interrupt 100%, if at all, may, at the Company's discretion, be allowed to interrupt on an all-or-nothing basis. Initially customers who are allowed to interrupt on an all-or-nothing basis will be required to interrupt 100%. The Company will endeavor to balance interruptions between customers who interrupt partially and those who interrupt on an all-or-nothing basis over the course of a year, but in no event shall the Company be liable if it is unable to do so.

FAILURE TO INTERRUPT

A customer who fails to interrupt when properly called upon by the Company to do so will incur a \$40-per-decatherm penalty for all interruptible volumes utilized during the course of an interruption. Each failure to interrupt will result in the imposition of the per-decatherm penalty. Any such penalties recovered by the Company shall be credited to the ratepayers as a reduction to the Infrastructure Rate-Adjustment Tracker.

If any interruptible customer fails to reduce or discontinue use of natural gas, and in the case of a transportation customer failing to interrupt or reduce gas usage or nominations in accordance with this section, then the customer will pay the penalty and other charges as follows:

DNG Penalty	Supplier Non-Gas Cost	Commodity Cost
\$40.00/Dth	SNG rate from the IS Rate Schedule	Highest gas cost during period of interruption

If a customer fails to interrupt when called upon by the Company to do so, then beginning on July 1st following the failure to interrupt, the customer will be moved from the interruptible rate schedule to an available firm rate schedule for three years for those interruptible volumes it failed to interrupt. To the extent that the Company determines that providing firm service is operationally infeasible, then the customer will pay a demand charge that would have applied for those interruptible volumes it failed to interrupt for three years, beginning on July 1st following the failure to interrupt, but will continue to receive interruptible service.

Under no circumstances will the penalty provision be considered as giving the customer the right to use gas during a requested interruption or restriction of service. Customers failing to comply with interruption required by the Company may also be subject to immediate termination or restriction of service.

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4. INTERRUPTIBLE SALES SERVICE

4.01 CONDITIONS OF SERVICE

SERVICE ARRANGEMENTS

Each interruptible sales customer will be required to enter into a service agreement with the Company. Interruptible sales service customers must contract for service on an annual basis. Customers must apply for interruptible sales service on a service agreement form provided by the Company. The Company may reject applications if, in its sole discretion, the Company is not able to contract for or it does not have adequate gas supplies or acceptance of the customer would not provide benefit to firm sales customers. Applications providing the greatest benefit to firm sales customers will be accepted first.

A request for interruptible sales service from an existing transportation or firm sales service customer must be received by the Company by February 15th in any given year, except in 2014, when the date has been extended to March 30. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1st.

Additionally, each interruptible customer will, as a condition of service, provide the following:

- a. By February 28th of each year, except in 2014 when this deadline will be extended until April 30, 2014, a representative with authority to sign on behalf of the interruptible customer will represent and warrant that the customer:
 - i. Has and maintains a backup system capable of providing back-up service during an interruption, or otherwise is able to fully interrupt the interruptible portion of its gas service when required, and that the customer can and will interrupt when called upon to do so by the Company, and
 - ii. Understands and acknowledges the financial and other consequences associated with a failure to interrupt when properly called upon to do so.

DAILY CONTRACT LIMIT

The Company will, at its discretion, allow an interruptible sales customer to use natural gas in excess of its daily contract limit to be charged at the customer's contracted rate schedule. If the Company notifies the customer to limit usage to its contract amount, any usage beyond that limit will incur a penalty as described in § 3.02. The Company reserves the right to limit usage to the daily contract limit.

FACILITY MODIFICATIONS

Any cost to modify existing Company facilities or to install new Company facilities required to provide this service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe and efficient service and to ensure that proper billing and accounting can be performed.

SERVICE FOR NEWLY INSTALLED FACILITIES

Customers installing new facilities in the Company's service territory and requesting interruptible sales service may be served as an IS customer on a reasonable-efforts basis.

MINIMUM YEARLY CHARGE FOR IS CUSTOMERS

For billing purposes, at the end of each contract year, IS customer's annual bills will be adjusted in order to satisfy the minimum of a 15% load factor requirement. If a customer terminates service or if in the judgment of the Company the customer will not meet its minimum load factor requirement, the Company may assess the minimum yearly charge prior to the end of the contract year. The payment necessary to satisfy the minimum yearly charge will be calculated as follows:

Greater of \$3,000 or [(Peak Winter Day x 55 days) - (Annual Historical Use)] x Distribution Non-Gas Rates

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4.02 IS RATE SCHEDULE

IS VOLUMETRIC RATES

	Rates Per Dth Used Each Month		
	First 2,000 Dth	Next 18,000 Dth	All Over 20,000 Dth
Base DNG	\$0.43528	\$0.06573	\$0.03869
Energy Assistance	0.01471	0.01471	0.01471
Infrastructure Rate Adjustment	0.14681	0.02217	0.01305
Distribution Non-Gas Rate	\$0.59680	\$0.10261	\$0.06645
Supplier Non-Gas Rate	\$0.17922	\$0.17922	\$0.17922
Base Gas Cost	\$4.06830	\$4.06830	\$4.06830
191 Amortization	<u>(0.04894)</u>	<u>(0.04894)</u>	<u>(0.04894)</u>
Commodity Rate	\$4.01936	\$4.01936	\$4.01936
Total Rate	\$4.79538	\$4.30119	\$4.26503
Minimum Yearly Charge	Greater of \$3,000.00 or [(Peak Winter Day x 55 days) – (Annual Historical Use)] x Distribution Non-Gas Rates		
Penalty for failure to interrupt or limit usage to contract limits when requested by the Company.	See § 3.02.		

IS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$6.75
Does not apply as a credit toward the minimum yearly charge.	BSF Category 2	\$18.25
For a definition of BSF categories, see § 8.03.	BSF Category 3	\$63.50
	BSF Category 4	\$420.25

IS CLASSIFICATION PROVISIONS

- (1) Service on an annual contract basis available to commercial and industrial customers.
- (2) Customer must maintain the ability to interrupt natural gas service.
- (3) Customer's load factor is 15% or greater where load factor is defined to be: Actual or estimated average daily usage is at least 15% of peak winter day.
(Actual or Estimated Annual Use ÷ 365 days) ÷ Peak Winter Day ≥ 15% .
- (4) Service is subject to minimum yearly charge based on a 15% load factor requirement. See § 4.01. The charge is prorated to the portion of the year gas service is available. See § 8.03.
- (5) Customer must enter into a service agreement. See § 4.01.



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PSCU 500**

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- (6) Service is subject to a monthly basic service fee.
 - (7) Minimum annual usage of 7,000 Dth is required.
 - (8) All sales are subject to the additional local charges and state sales tax stated in § 8.02.
 - (9) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in §8.03.

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5. TRANSPORTATION SERVICE

5.01 CONDITIONS OF SERVICE

APPLICABILITY

This service applies to transportation of customer-acquired gas through the Company's distribution system from an approved interconnect point between the Company's distribution system and an upstream pipeline to a redelivery meter serving customer's premises. Each transportation service customer must identify in the contract the interconnect/delivery points(s) where it will deliver its natural gas supply into Dominion Energy Utah's system (approved point). Dominion Energy Utah reserves the right, as provided herein, to require each transportation customer to deliver its natural gas supplies to that approved point when, in Dominion Energy Utah's sole discretion, its operational needs support such a change from any alternate point that might currently be being used by the customer.

INITIAL SERVICE AGREEMENT

Each transportation customer will be required to enter into a service agreement with the Company. Transportation customers must contract for service on an annual basis.

A written request for transportation service from an existing firm or interruptible sales service customer must be received by the Company by February 15 in any given year, except in 2014, when the date has been extended to March 30. A fully executed contract and any other requirements must be received by the Company by February 28 of any given year, except in 2014, when the date has been extended to April 30. Customer must meet with Dominion Energy Utah's telemetry gas technician by April 15 of any given year, except in 2014, when the date has been extended to April 30. Any customer facilities required to facilitate telemetry, which may include power, phone lines or other, required by Dominion Energy Utah must be installed by customer and operational by May 15 of any given year. Questline access agreements must be received by Dominion Energy Utah by May 31 of any given year. If a customer fails to meet any of these deadlines, then customer will not be permitted to receive TS service during that year. If approved, such a request will be effective on the first day of that customer's billing cycle which occurs on or after July 1st.

TERM

Service shall be for a minimum of one year.

FEES, COSTS AND CHARGES

In the event that the Company incurs fees, charges or costs as a result of the transportation of a customer's gas to the Company's distribution system by an upstream pipeline the Company will

provide a statement of such charges or costs. The customer will reimburse the Company for all fees, charges or costs associated with such transportation.

ADMINISTRATIVE CHARGE

Customers taking service on rate schedules FT-1, MT, and TS will be billed an annual administrative charge of \$4,500 for each end-use site in equal monthly amounts. If a customer has more than one end-use site on contiguous property covered by a single gas purchase contract, a \$4,500 annual administrative charge will be billed to one end-use site. Other end-use sites for that customer will be billed a \$2,250 annual administrative charge. A customer will be required to pay the administrative charge for each month during a temporary discontinuance of service.

TRANSPORTATION IMBALANCE CHARGE

Customers taking service on rate schedules FT-1, MT and TS will be assessed a charge for daily imbalances that are outside of a 5% imbalance tolerance. "Daily imbalance" is defined as the difference between the customer's nominated volumes, less fuel, and the actual usage on any given day. When the Daily Imbalance exceeds 5% of the actual usage, the charge will be assessed based on the daily Dth imbalance rounded to the nearest tenth. This charge will include storage, no-notice transportation and other related costs incurred to manage imbalances. The charge is set forth on the transportation rate schedules and will be recalculated in each pass through filing and updated at least annually.

FUEL REIMBURSEMENT

A fuel reimbursement of 1.5% will apply to all transportation volumes. The reimbursement will be collected by redelivering 1.5% less volume than is received into the Company's distribution system for transportation.

FACILITY MODIFICATIONS

Any costs to modify existing Company facilities or to install new Company facilities required in order to provide service shall be paid to the Company by the customer in advance of construction, unless other arrangements have been made. All such facilities are the property of the Company. The Company may at its option withhold service until all necessary facilities are in place to ensure safe service and to ensure that proper billing and accounting can be performed. The Company will require telemetering equipment as a prerequisite to providing transportation service.

Customers may increase the daily contract limit if additional equipment is added or if operational changes necessitate firm service backup. All service is subject to the availability of new or additional service requirements shown in § 9.02.

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5.02 FIRM TRANSPORTATION SERVICE

The Company provides firm transportation service for industrial customers qualifying under the classification provisions of § 5.05 through § 5.08. Industrial customers initiating or increasing firm transportation service must also meet the requirements of § 9.02.

FIRM DEMAND CHARGE

Customers taking service on the TS and FT-1 rate schedule will be billed in equal monthly amounts an annual firm demand charge for each Dth of contracted firm transportation. Contracted firm transportation volumes are not subject to the interruption provisions outlined in § 5.04. A customer will be required to pay the firm demand charge for each month during a temporary discontinuance of service.

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5.03 MUNICIPAL TRANSPORTATION SERVICE (MT)

The Company provides MT firm service only for municipalities as defined in Utah Code Ann. § 10-1-104(5) or successor statute and under the classification provisions of § 5.06. Customers initiating or increasing MT firm service must also meet the requirements of § 9.02.

NOMINATIONS

The Company will provide MT customers with a daily estimate of usage for the MT service on the electronic bulletin board 24 hours in advance of the Company's nomination deadline. The estimated usage will be based on the same factors used by the Company to estimate the requirements of its sales customers and will include the required fuel reimbursement shown in § 5.01.

MT customers will be responsible for all nominations on upstream pipelines, as well as nominations to the Company, to ensure that sufficient gas supplies to meet the supplier's customers aggregate daily estimates of usage are delivered to the Company receipt point designated by the Company. In designating receipt points, MT service will have priority over Interruptible service. Firm sales service will have priority over MT, FT-1, and firm TS service. MT, FT-1 and firm TS service will have equal priority of delivery points.

The Company will have the right to issue operational flow orders (OFOs) directing the increase or decrease in nominated volumes.

IMBALANCES

The following imbalance procedures will be used to ensure that suppliers are providing the proper amount of gas for their MT customers and are not adversely impacting other suppliers or other customers on the Company's system.

Facilities Charge for Daily Balancing

MT customers shall pay a facilities charge for balancing services. The rate for this service is shown in § 5.06 and will be applied to all volumes billed by the Company to the MT customers.

Nomination Imbalance Penalty

Subject to the exceptions noted below, any delivery of gas by an MT customer to the Company above or below the estimated daily usage, as explained in the "Nominations" paragraph for MT service, will be assessed the penalty as provided for in the "Daily Imbalances" paragraph of § 5.09.

The MT customer may make imbalance nominations as provided for in the "Monthly Imbalances" paragraphs in § 5.09. The Nomination Imbalance Penalty will not apply to imbalance nominations or if the customer is complying with an OFO.

Treatment of Monthly Imbalances

Monthly imbalances will be treated as provided for in the “Monthly Imbalances” paragraphs of § 5.09.

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5.04 INTERRUPTIBLE TRANSPORTATION SERVICE**COMPANY INTERRUPTION**

Should interruptions be required, customers will be interrupted as described in § 3.02.

GAS PURCHASE ARRANGEMENT DURING PERIODS OF INTERRUPTION

Customers may offer to sell their gas supplies to the Company, and the Company may agree to purchase such gas supplies, for its use during periods of interruption in serving firm sales customers. If a customer opts to sell its gas supply to the Company, and the Company agrees to buy it, such sale shall be made upon the following conditions.

- (1) The customer's gas purchase contract may not preclude continued deliveries by its supplier during periods of interruption of the Company's transportation service.
- (2) Customer agrees that its gas purchase contracts will not allow, during a period of interruption, for the sale, exchange, transportation or beneficial use of Company-requested gas supplies for the benefit of anyone other than: (a) the Company, or (b) parties holding a pre-existing higher contractual priority to the gas supplies.

In no event will customer sell or exchange its gas supplies or otherwise interfere with the Company's ability to purchase customer's gas supplies during a period of interruption.

- (3) Upon notification of interruption of service by the Company, the customer agrees to immediately begin nominating the Company requested amount of gas and will continue such nomination during the period of interruption unless instructed otherwise by the Company.
- (4) The Company will require volumes equal to the average of the three most recently confirmed gas day nominations (less imbalance payback to customers) up to the amount of gas under contract to be available for purchase during an interruption, but will not require volumes in excess of the customer's representative daily use. Volumes not delivered upon request will be subject to the penalty described in (7) below.
- (5) All gas purchased by the Company under this provision shall be at the point where deliveries are made to the upstream pipeline system upon which the Company has contracted for transportation service or delivered directly to the facilities of the Company. The Company will make arrangements for transportation of these purchases during periods of interruption to its own distribution system. The Company's planned gas purchases under the provisions of this section shall be used to meet the requirements of firm sales customers, and all gas purchased is considered necessary to meet the needs of firm customers.

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- (6) The customer agrees to sell and the Company shall have the option to purchase customer's gas at the higher of the monthly market index price or the gas daily market index price, as defined in the Glossary.
- (7) For volumes that the Company requests to be nominated but which are not available to the Company because of the customer's unexcused failure to nominate (see § 7.02 or because customer has sold, exchanged, transported or otherwise used said gas for the benefit of anyone other than the Company in violation of subsection (2) above), the Company shall impose a penalty equal to the highest purchased gas cost during the period of interruption plus \$15/Dth for the volume of gas requested but not delivered.

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5.05 FIRM TRANSPORTATION SERVICE RATE SCHEDULE FT-1

FT-1 VOLUMETRIC RATES

Rates Per Dth Redelivered Each Month				
Dth = decatherm = 10 therms = 1,000,000 Btu				
	First 10,000 Dth	Next 112,500 Dth	Next 477,500 Dth	All Over 600,000 Dth
Base DNG	\$0.23673	\$0.22185	\$0.15574	\$0.03178
Energy Assistance	0.00030	0.00030	0.00030	0.00030
Infrastructure Rate Adjustment	0.03973	0.03723	0.02614	0.00533
Distribution Non-Gas Rate	\$0.27676	\$0.25938	\$0.18218	\$0.03741
Minimum Yearly Distribution Non-Gas Charge (base)				\$79,000
Daily Transportation Imbalance Charge per Dth (outside +/- 5% tolerance)				\$0.08457

FT-1 FIXED CHARGES

Monthly Basic Service Fee (BSF): (Does not apply as a credit toward the minimum yearly distribution non-gas charge) For a definition of meter categories see § 8.03.	BSF Category 1 BSF Category 2 BSF Category 3 BSF Category 4	\$6.75 \$18.25 \$63.50 \$420.25
Administrative Charge (See § 5.01).	Annual Monthly Equivalent	\$4,500.00 \$375.00
Firm Demand Charge per Dth (see §5.02)	Base Annual Infrastructure Adder Total Annual Monthly Equivalent	\$12.90 <u>\$2.16563</u> \$15.07 \$1.26

FT-1 CLASSIFICATION PROVISIONS

- (1) Industrial service on a minimum one-year agreement available to end use industrial customers who acquire their own gas supply and who will maintain a load factor of at least 50% where load factor is defined as: Actual or estimated average daily usage is at least 50% of peak winter day. (Actual or Estimated Annual Usage ÷ 365 days) ÷ Peak Winter Day ≥ 50%
- (2) Volumes must be transported to the Company's system under firm transportation capacity on upstream pipelines to interconnect points approved by the Company or on alternative transportation to approved interconnect points if customer's upstream firm transportation is disrupted.
- (3) Service is subject to a minimum yearly charge, an administrative charge, and a monthly basic service fee.
- (4) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, the balancing provisions in § 5.09 will apply.
- (5) Firm transportation service is only available to those customers who receive all of their natural gas service through the Company's facilities.

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- (6) All sales are subject to the applicable local charges and state sales tax stated in § 8.02.
 - (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.
 - (8) Annual usage must be at least 350,000 Dth plus an additional 225,000 Dth for every mile away from the nearest interstate pipeline. Distance from the interstate pipeline will be measured as the most feasible route that would be determined by a reasonable and prudent natural gas utility operator. A customer with another bona fide, lawful bypass option may be included in the FT-1 rate class upon approval by the Commission.
 - (9) FT-1 customers are permitted to purchase interruptible transportation in excess of the firm demand amount to which they subscribe by paying the TS volumetric rates.
 - (10) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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5.06 MT RATE SCHEDULE

MT RATE

	Rates Per Dth Used Each Month Dth = decatherm = 10 therms = 1,000,000 Btu
MT Volumetric	\$0.65141/Dth
Energy Assistance	0.00273/Dth
Infrastructure Rate Adjustment	0.06174/Dth
Distribution Non-Gas Rate	\$0.71588/Dth
 Daily Transportation Imbalance Charge (outside +/- 5% tolerance)	 \$0.08457/Dth

MT FIXED CHARGES

Monthly Basic Service Fee (BSF):		BSF Category 1	\$6.75
For a definition of BSF categories see § 8.03.		BSF Category 2	\$18.25
		BSF Category 3	\$63.50
		BSF Category 4	\$420.25
Administrative Charge (see § 5.01).	Annual		\$4,500.00
	Monthly Equivalent		\$375.00

MT CLASSIFICATION PROVISIONS

- (1) Service is used for a municipal gas system owned and operated by a municipality as defined by Utah Code Ann. § 10-1-104(5). The customer must enter into a minimum one-year contract specifying the maximum daily contract demand. If requested, the Company will provide MT customers with its forecast of the maximum daily demand for any contract period. The Company is not obligated to provide service in excess of the maximum daily contract demand.
- (2) Annual load factor is 15% or greater, where load factor is defined to be: Actual or estimated average daily usage is at least 15% of peak winter day.
(Actual or Estimated Annual Use ÷ 365 days) ÷ Peak Winter Day ≥ 15%
- (3) If the customer's gas is not delivered to the Company's system, the Company is not obligated to deliver gas to the customer. When the customer's gas is being delivered to the Company, the balancing provisions described in § 5.03 and § 5.09 will apply.
- (4) All sales are subject to any applicable local charges and sales tax stated in § 8.02.
- (5) Fuel reimbursement of 1.5% applies to all volumes transported. (See § 5.01).

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- (6) MT service is not required if it will subject the Company to regulatory jurisdiction by anyone other than the Commission.
- (7) An MT customer will be required to notify the Company before it proposes to extend service beyond the state of Utah or into a service area designated by the Federal Energy Regulatory Commission (FERC) pursuant to 7(f) of the Natural Gas Act. Such service extension will be cause for termination of MT service by the Company, unless it is demonstrated, prior to service extension, that an order has been issued by the FERC, or any other federal, state or local entity potentially exercising regulatory jurisdiction, showing respectively that the Company will not be subject to the regulatory jurisdiction of the FERC or other federal, state or local entity, and, with respect to an order issued by the FERC, that the Company will not lose any Hinshaw status that it may have. The Company may also terminate MT service commenced upon the issuance of any such order described above if the order is stayed or if an administrative or judicial appeal of such order results in a finding that providing the MT service subjects it to the jurisdiction of the FERC, or other federal, state or local entity, or results in a loss of any Hinshaw status it may have.
- (8) Service is only available for cities where the Company does not have a franchise or an existing distribution system.
- (9) For municipal customers with usage on more than one rate schedule, the usage for different rate schedules must be separately metered and subject to the appropriate administrative charge as provided for in the Administrative Charge paragraph of § 5.01.
- (10) The Energy Assistance rate is subject to a maximum of \$50.00 per month and other conditions as specified in § 8.03.

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5.07 TS RATE SCHEDULE

TS VOLUMETRIC RATES

	Rates Per Dth Redelivered Each Month			
	Dth = decatherm = 10 therms = 1,000,000 Btu			
	First 200 Dth	Next 1,800 Dth	Next 98,000 Dth	All Over 100,000 Dth
Base DNG	\$0.73301	\$0.47917	\$0.19596	\$0.07253
Energy Assistance	0.00073	0.00073	0.00073	0.00073
Infrastructure Rate Adjustment	0.04550	0.02974	0.01216	0.00450
Distribution Non-Gas Rate	\$0.77924	\$0.50964	\$0.20885	\$0.07776

Penalty for failure to interrupt or limit usage when requested by the Company See § 3.02

Daily Transportation Imbalance Charge per Dth (outside +/- 5% tolerance) \$0.08457

TS FIXED CHARGES

Monthly Basic Service Fee (BSF):	BSF Category 1	\$6.75
	BSF Category 2	\$18.25
For a definition of BSF categories see § 8.03.	BSF Category 3	\$63.50
	BSF Category 4	\$420.25
Administrative Charge (see § 5.01).	Annual	\$4,500.00
	Monthly Equivalent	\$375.00
Firm Demand Charge per Dth (see §5.02).	Base Annual	\$25.81
	Infrastructure Adder	<u>\$1.60184</u>
	Total Annual	\$27.41
	Monthly Equivalent	\$2.28

TS CLASSIFICATION PROVISIONS

- (1) Service is available to end-use customers acquiring their own gas supply.
- (2) Customer must accept redelivery of all volumes received by the Company for its account. Imbalances will be subject to the provisions of § 5.09.
- (3) Service is subject to a monthly basic service fee and an administrative charge.
- (4) The interruptible portion of transportation service is provided on a reasonable-efforts basis, subject to interruption at any time after notice and as otherwise provided under Section 3.
- (5) The Customer may offer to sell, and the Company may agree to purchase, the Customer's interrupted volumes in accordance with the provisions of § 5.04.
- (6) All states are subject to the additional local charges and state sales tax stated in § 8.02.



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- (7) Fuel reimbursement of 1.5% applies to all volumes transported; see § 5.01.
 - (8) The Energy Assistance rate is subject to a maximum of \$50 per month and other conditions as specified in §8.03.
 - (9) Customer meter must be a rotary or turbine meter or AL800 or larger diaphragm meter. If meter needs to be replaced it will be replaced at customers expense.

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5.08 NOMINATIONS**NOMINATION SCHEDULE**

A transportation customer must make nominations each day in accordance with the applicable North American Energy Standards Board (NAESB) Schedule for the quantity of natural gas (Dth) it desires to have transported on the succeeding gas day. All nominations must be placed in a manner specified by the Company.

The Company shall commence, upon receipt of volumes, to deliver equivalent quantities of natural gas less fuel reimbursement pursuant to § 5.01. A transportation customer shall provide the Company with permission to obtain from the customer's upstream pipeline transporter volumes delivered to the Company on the customer's behalf.

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5.09 IMBALANCES

A transportation customer must monitor the amount of gas delivered to the Company's system from any upstream pipeline less fuel reimbursement and its usage of gas at its premises. If necessary, a customer must make adjustments to maintain a balance between gas received to the Company's system less fuel reimbursement and its usage.

The Company may monitor customer usage through telemetered, electronic measurement equipment at the end use delivery site or otherwise. Imbalances between volumes received at an interconnect point by the Company from the upstream pipeline less fuel reimbursement and actual usage will be treated as provided in this section.

DAILY IMBALANCES

The Company will allow $\pm 5\%$ of a customer's volumes delivered from upstream pipelines as a daily imbalance tolerance window. In the event a customer's imbalance contributes to an aggregate imbalance that would 1) require the Company to take action to maintain system integrity, or 2) reasonably be expected to force the Company to materially alter its prior day's planned level of a) gas purchases, b) Company production, or c) storage injections or withdrawals, then the Company may, for the period that such conditions are reasonably expected to continue, require customers or nominating parties to adjust deliveries or usage, and/or to suspend all or a portion of the daily imbalance tolerance window. A customer or nominating party may adjust deliveries by directing a change in nominations, alter usage, or utilize park-and-loan or other services offered by the appropriate upstream pipeline.

The Company will provide notice of such restriction, to each affected nominating party not less than two hours prior to the first nomination deadline for the affected period or as soon as reasonably practicable, to the extent system integrity or upstream allocations allow. If other than written notice is initially provided, then subsequent written notice will provide the time of contact and the person contacted. Restrictions may be applied on a system-wide basis, a nominating-party-by-nominating-party basis, a customer-by-customer basis, or a geographic area basis, as circumstances reasonably require.

Notices of balancing restrictions will be provided to each affected nominating party and will include reasonable specificity regarding:

- (1) The duration and nature of the balancing restrictions imposed;
- (2) The events or circumstances that require the restrictions;
- (3) The type of imbalances that may be subjected to penalties; and
- (4) Actions that the customer or nominating party can take to avoid penalties.

If, after notice provided as above, a customer or nominating party fails to comply with balancing restrictions reasonably imposed by the Company, a balancing penalty of the greater of \$1.00/Dth or the absolute value of the difference between the monthly market index price and the gas daily market index price as defined in the glossary for the upstream pipeline from which the

deliveries were made or were to be made, plus \$0.25/Dth, except under conditions of force majeure, will be charged for those imbalances that adversely affect the system.

Customers or nominating parties may exchange or aggregate imbalances in order to avoid or mitigate penalties. Penalties that are not totally avoided by exchange or aggregation shall be borne by the customer or prorated among the customers as directed by the nominating party. If no direction is received, the Company will assign the imbalance to each of the nominating party's accounts on a pro-rata basis for all such accounts that are contributing to the imbalance that adversely affect the system on the tenth business day following the last day of the notice.

The Company reserves the right to take any action reasonably necessary to restrict deliveries or usage in order to maintain a balanced distribution system, when required for system integrity. A balancing penalty of up to \$25/Dth may be imposed in cases where a nominating party or customer has repeatedly ignored, after written notice, the Company's reasonable balancing restrictions. There is no daily imbalance tolerance during periods of interruption.

MONTHLY IMBALANCES

The Company shall allow a $\pm 5\%$ monthly imbalance tolerance window. The monthly imbalance tolerance window will be calculated by multiplying the sum of the volumes received at an interconnect point by the Company on a customer's behalf by $\pm 5\%$.

To remedy imbalances outside the $\pm 5\%$ monthly imbalancing tolerance window, the Company will permit customers to trade imbalances with other customers.

For customers choosing to participate in an open trading system and signing a trading agreement, the Company will make their imbalance information available to other participating customers. The information will be available on the Company's web site. Customers shall have the ability after gas day one of the following month to trade imbalances with other customers to reduce or eliminate imbalances. All contractual arrangements, exchange of consideration, documentation, and imbalance pricing will be the responsibility of the trading partners.

Once customers have agreed to trade their imbalances, each trading partner must notify the Company as required in the trading agreement. This notice to the Company will be deemed to be the Customer's direction to Company to make the imbalance trade on the Customer's account. If the trading partner's notices coincide, the Company will adjust customer's accounts to reflect the imbalance trade. When notices do not coincide, imbalances will not be considered traded. The Company will not be liable for any losses suffered by a customer if the trading partners are unable to finalize their trade after the Company has been notified of the trade and adjusted the Customer's accounts. The Company shall not be liable for any losses incurred by a customer if an imbalance trade is not noticed by both trading partners.

After the closing of the previous month, an additional 15-day period will be allowed for customers to bring any remaining imbalance within the $\pm 5\%$ tolerance window through nomination or imbalance trading. If the Company does not have final reported imbalance data on the Company's web site available to customers on the first day of the following month, an additional day will be allowed for each day the information is delayed. Nothing in this section is meant to prevent customers from taking make up actions sooner; however, the customer shall give prior notice to the

Company of the actions being taken to remedy the imbalance to allow the Company to schedule its operations. The Company reserves the right to limit a customer's nominations or usage when necessary to protect the integrity of the system. Any remaining imbalance may be cashed out in the following manner:

- (1) Positive imbalances may be purchased by the Company for the lesser of the transportation market index price, as explained below, or the commodity cost component of the Company GS rate schedule listed in the Article 2, each less \$1.00/Dth. The transportation market index price and the GS commodity cost component may, at the Company's discretion, be the price associated with the month in which the imbalance occurred or the month following the month in which the imbalance occurred.
- (2) Negative imbalances may be sold to the customer for \$1.00/Dth plus the greater of the transportation market index price or the GS commodity cost component listed in Article 2. The transportation market index price and the GS commodity cost component may, at the Company's discretion, be the price associated with the month in which the imbalance occurred or either of the two months following the month in which the imbalance occurred.

TRANSPORTATION MARKET INDEX PRICE

The transportation market index price is used in the imbalance cash out provisions outlined above. It is a monthly price relevant to the location of each customer's deliveries into the Company's distribution system and based on first-of-the-month index prices published by Platts Energy Trader. The pricing is as follows: (1) deliveries made north of the Company's Indianola gate station Questar Pipeline index price; (2) deliveries at or downstream of Indianola—Southern California Gas Company index price; and (3) deliveries in Grand and San Juan counties—Northwest Pipeline (Rocky Mountains) index price.

In the event that the first-of-the-month index prices listed above are unavailable from Platts Energy Trader, the Company will determine a transportation market index price using a similar index, publication, or comparable methodology.

IMBALANCES REMAINING AT CONTRACT TERMINATION

If a customer terminates transportation service, any supply imbalances will be treated as if they were month-end imbalances. Imbalances will be treated as outlined above. The $\pm 5\%$ monthly tolerance window shall not apply and customers must eliminate all imbalances. The Company is not responsible to facilitate an "imbalance trading" opportunity for customers due to contract termination; however, such customers may participate in the "imbalance trading" process after service termination for a 15-day period.

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6. EQUIPMENT LEASING

6.01 EQUIPMENT LEASING DISCONTINUED

As of the final order date in Docket No. 07-057-13, the Company no longer leases NGV equipment for:

- (1) Natural Gas Motor Vehicle Conversion Equipment
- (2) Natural Gas Compressors and Fueling Equipment

Any and all leases for such equipment entered into prior to this date will be honored under the former terms of Article 6 until such lease has expired.

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7. GENERAL PROVISIONS

7.01 TEMPORARY SERVICE

TEMPORARY NATURAL GAS SERVICE

Service which is of a temporary nature will be made only at the discretion of the Company. If such service is rendered, applicant will pay in advance for the cost of installing any main extension, service line, regulator, meter or other facility, removing such equipment or making it inoperable at the discontinuance of service.

If after three years of continuous service the customer can demonstrate to the satisfaction of the Company that usage will be of a permanent nature, the Company will determine the applicable firm or interruptible service rate schedule under which service will be permanently provided and will refund any of the installation and removal charges which were in excess of the charges which would have been made for permanent service.

TEMPORARY PROPANE SERVICE

The Company may, at its discretion, furnish temporary propane service either to an existing customer where interruption would otherwise result because of maintenance of the Company's distribution system or to a new customer if the dwelling is ready for occupancy and circumstances prohibit immediate installation of a service line. This service will not be available for construction heat purposes. The Company will determine which natural gas appliances may safely be operated on propane. Any propane supplied will be metered by the Company and usage will be billed on the applicable rate schedule based on equivalent Btu content of natural gas.

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7.02 LIABILITY AND LEGAL REMEDIES**LIABILITY**

The Company will endeavor at all times to provide steady and continuous service but will not be liable to the customer for failure, fluctuations or interruption of service.

The customer will indemnify the Company against all claims, demands, cost or expense for loss, damage, or injury to persons or property in any manner directly or indirectly connected with or growing out of the serving or use of gas service by the customer, at or on the customer's side of the point of delivery.

Neither the Company nor the customer will be liable to the other for any act or omission caused directly or indirectly by strikes, labor troubles, accidents, litigation, federal, state or municipal interference, or other causes not due to neglect, but the cause producing such act or omission will, when possible, be removed with all reasonable diligence.

COMPANY'S REMEDIES

The Company, in addition to all other legal remedies, may terminate service for any default or breach of the provisions of this tariff for the use of gas by the customer. No such termination or suspension will be made by the Company without written notice to the customer, stating how the tariff was violated, except in cases of theft of gas by the customer, dangerous leakage on the customer's side of point of delivery, or utilization by the customer of service in such a manner as to cause danger to persons or property.

Failure of the Company at any time to suspend or terminate service or to resort to any legal remedy, will not affect the Company's right to resort to any such remedies for the same or any future default or breach by the customer.

If service to the customer is terminated as provided in this section, the Company will charge a connection fee, as set forth in § 8.03.

THEFT OF GAS

Theft of gas occurs when a person obtains gas utility services, which are available only for compensation, by deception, tampering or other means designed to avoid the payment due for such utility services. Persons who obtain gas utility services through such means may be subject to civil suit or criminal prosecution.

To minimize and prevent the unlawful use of gas utility services, the Company will use the following procedures in cases dealing with customers who have discontinued gas service or who have had service terminated.

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- (1) If the customer breaks or removes the seal placed on the valve following a meter shut-off and restores service, a plug will be placed in the service line.
 - (2) If the customer restores service by removing or tampering with the plug, then the meter and regulator will be removed and/or the service will be cut at the main.

In cases where danger to residents or property is present as a result of tampering with Company property, or in cases where customer denies reasonable access to Company facilities, immediate termination will be accomplished by the procedure outlined in paragraph (2) above.

- (1) Before service will be restored, the customer must pay
- (2) For all gas consumed during the period of unauthorized gas use.
- (3) A connection fee as set forth in § 8.03.
- (4) For associated construction and repair costs.

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7.03 EMERGENCY SERVICE RESTRICTIONS

Emergency sales restrictions or interruptions may be necessary in the event of a major disaster or pipeline break. Such restrictions will generally be of short duration. Should the emergency be isolated to a portion of the Company's system, the restrictions will apply primarily to that area.

PRIORITY FOR TERMINATION OF SERVICE

To the extent practicable and prudent, restrictions will be made in the following order:

Termination Priority	Customers	Restriction
1st	Interruptible Service.	All use
2nd	Firm commercial and industrial service using more than 3,000 Dth per month.	All use
3rd	Firm commercial and industrial service using between 2,250 and 3,000 Dth per month.	All use
4th	Firm commercial and industrial service using between 1,500 and 2,249 Dth per month.	All use
5th	Residential and all remaining commercial and industrial service.	Isolation by area as required

PRIORITY FOR RESTORATION OF SERVICE

To the extent practicable and prudent, restoration of service will be made in the following order:

Restoration Priority	Customers
1st	Hospitals and other immediate social needs.
2nd	Residential service.
3rd	Firm commercial and industrial service using between 1,500 and 2,249 Dth per month.
4th	Firm commercial and industrial service using between 2,250 and 3,000 Dth per month.
5th	Firm commercial and industrial service using more than 3,000 Dth per month.
6th	Interruptible Service.

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7.04 CUSTOMER OBLIGATIONS**CUSTOMER INSTALLATION AND MAINTENANCE OF EQUIPMENT**

All pipes and appliances necessary to utilize service that are located beyond the Company's point of delivery, must be installed and maintained by and at the expense of the customer. The customer's pipes should be installed in a manner satisfactory to the Company for connection with the Company's pipes or apparatus and in compliance with approved gas installation codes and regulations for piping and any applicable local ordinances.

MAINTENANCE

All pipes, apparatus, instruments, meters and materials supplied by the Company will remain its property and will be returned by the customer in the same condition as when received by the customer, except for ordinary wear and depreciation. The Company may at any time examine, change, or repair its property on the premises of the customer and may remove all such property upon or termination of service or at any time thereafter. The Company will clear any stoppage in a service line at its own expense. Stoppage in the customer's fuel line will be cleared at the expense of the customer.

UNAUTHORIZED MAINTENANCE

The customer will not permit anyone other than those authorized by the Company to adjust, repair, disconnect, or in any way change the meter or other equipment of the Company, nor will any service line be connected, disconnected or removed, except by the Company's agent. In case of loss or damage to the property of the Company caused by unauthorized maintenance by the customer, the customer will pay to the Company the cost of repairing or replacing such property.

REPAIRS

The customer shall be liable to the Company for all damages or injuries to pipes, meters, apparatus or materials of the Company on the customer's premises caused by means other than normal wear and depreciation. In addition, where there is evidence that the customer has willfully or intentionally interfered with or caused injury to the Company's meter, service line, or any connection made to the customer's fuel line, the Company may, at its option, cut the service line in the street and/or remove the meter. The Company may deny future service to the customer until restitution is made by the customer to the Company. See also, § 7.02.

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7.05 RIGHT-OF-WAY AND ENVIRONMENTAL ISSUES

Every customer, applicant, individual or entity (Requestor) requesting the installation of pipelines and related facilities (Facilities) necessary or incidental to the furnishing of natural gas service will provide, as required by the Company, rights-of-way, easement, public utility easement, or other property rights (collectively “rights-of-way”) necessary for the Facilities.

The Requestor shall ensure that:

- (1) The right-of-way shall be free and clear of any hazardous, dangerous, or toxic chemical, waste, byproduct, pollutant, contaminant, compound, product or substance (collectively “hazardous materials”), the exposure to or the presence, use, management, handling, generation, manufacture, production, storage, treatment, release, threatened release, discharge, emission, disposal, transportation, remediation, cleanup, corrective action, abatement or removal of which is prohibited, controlled or regulated in any manner under any local, state or federal environmental laws or regulations (collectively “environmental laws”);
- (2) No retaining walls or deep-rooted trees or shrubs are allowed within the right-of-way without the Company’s prior written consent;
- (3) No building or other improvements are built or constructed over or across the right-of-way without the Company’s prior written consent;
- (4) No change is made to the contour of the right-of-way without the Company’s prior written consent; and
- (5) The right-of-way is lawfully authorized for the specific use proposed by Requestor, including the installation, operation, maintenance and repair of Facilities.

The Company may pursue available legal remedies to enforce these requirements. Rights-of-way may include lands remediated in accordance with applicable environmental and other laws, regulations, and orders; however, the Company shall not be precluded from imposing additional requirements to ensure proper environmental and safety conditions. Any associated costs and expenses shall be borne by Requestor.

Further, if, in the Company's reasonable judgment, a condition exists on Requestor’s premises, whether prior to or subsequent to the granting of a right-of-way, or on the right-of-way itself, which is unsafe or hazardous, or presents an unacceptable environmental risk or liability, the Company may discontinue service or refuse to install facilities for new service to the Requestor. Service will not be reinstated or commenced until the Requestor demonstrates, to the Company's reasonable satisfaction, that the location is safe and free of any and all types of hazardous materials or any activity or hazardous condition on, under, above or related to the Requestor’s premises



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potentially giving rise to liability resulting from or based on any violations of any applicable environmental laws or the presence or migration of hazardous materials. The Company shall not be responsible for any costs, expenses, or other liabilities, including, but not limited to, liability associated with personal injury, death or property damage arising from the environmental remediation, cleanup, corrective action, abatement or removal of hazardous materials on the Requestor's premises

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7.06 MOBILE HOMES AND MOBILE HOME PARKS**CONDITIONS OF SERVICE**

For service to mobile home parks and mobile homes, the following conditions must be met:

- (1) Adequate right-of-way must be furnished for necessary facilities.
- (2) Mobile homes will not be set on or over an existing main or service line.
- (3) The mobile home to be served must be supported on all four corners in a manner which, in the opinion of the Company, will permit the safe installation of a service line connection.
- (4) The connection between the gas supply outlet and the mobile home fuel line will be made outside the mobile home by means of an approved type of connection of adequate flexibility not to exceed six feet in length.
- (5) At the time the Company turns the gas on at a mobile home, a meter spot test will be performed as indicated in § 9.01 of this tariff. If the mobile home is located in a master metered mobile home park, a manometer will be used to spot test the customer's piping.

DIRECT SERVICE TO MOBILE HOME NOT IN A PARK

The Company may provide direct service to an individual mobile home not located in a mobile home park, subject to the service conditions listed above. Such direct service may be classified by the Company as temporary service. The mobile home owner will have sole responsibility to notify the Company when gas is to be turned on or off at the mobile home.

DIRECT SERVICE TO MOBILE HOME IN A PARK

The Company will provide direct service to an individual mobile home located in a mobile home park subject to the Conditions Of Service listed above, and also the following:

- (1) The mobile home owner will have sole responsibility to notify the Company when gas is to be turned on or off at the mobile home.
- (2) The mobile home park owner must provide adequate protection for the gas risers and meters in a manner approved by the Company. If, for the convenience of the Company, the meter is located to require underground piping from the meter to the mobile home, the point of delivery will be the upward end of the gas riser which connects to the mobile home fuel line.

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- (3) The mobile home park owner or mobile home owner agrees to pay for the relocation of any service line required to provide direct service to a mobile home in a park.
 - (4) All equipment installed on the park owner's property by the Company will remain the property of the Company.

MASTER METERED MOBILE HOME PARKS

The Company will not serve new mobile home park applicants on a master meter. The Company will provide service to mobile home parks with existing master meters subject to the Conditions of Service listed above, and also the following:

- (1) The park owner will have sole responsibility to notify the Company when gas is to be turned on at a newly set mobile home. Discontinuance of service will conform with applicable state regulation (192.727(d)).
- (2) Gas furnished to the mobile home park cannot be resold by the owner or operator of the park. Gas used in the mobile home park will be billed to the park owner or operator at regular monthly intervals. The park owner may allocate a portion of such bill to each mobile home user on an appropriate basis (e.g., square feet of living space), the sum of such allocations not to exceed the total bill rendered to the park owner by the Company.
- (3) All equipment installed upon the park owner's property by the Company will remain the property of the Company.
- (4) No additional mobile home connections will be added to any existing master meter in a mobile home park.

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7.07 GAS QUALITY**APPLICABILITY**

Any natural gas supplies transported on or delivered to Dominion Energy Utah's system must conform to either FERC-approved tariff specifications or the requirements of this Tariff section 7.07, except as otherwise set forth below.

ACCEPTANCE OF GAS

If any gas supplies tendered for receipt to Dominion Energy Utah's system fail at any time to conform to the quality specifications set forth herein, Dominion Energy Utah may refuse to accept receipt of the non-conforming supplies. Dominion Energy Utah's refusal to accept non-conforming supplies does not relieve the Applicant of any of its obligations under this Tariff. Dominion Energy Utah will notify an Applicant when the Applicant's gas does not conform to Dominion Energy Utah's specifications. However, such notification does not relieve the Applicant of its responsibility to monitor test results and to take corrective action if needed. Dominion Energy Utah may elect to accept non-conforming natural gas supplies, in its sole discretion. Dominion Energy Utah's acceptance of gas supplies that do not conform to these specifications does not constitute any waiver of Dominion Energy Utah's right to refuse to accept similarly nonconforming gas.

GAS QUALITY SPECIFICATIONS

Dominion Energy Utah may refuse to accept gas that does not conform to the specifications listed below and other requirements set forth in this Tariff:

1. Interchangeability. The Wobbe Index of the gas shall not be less than 1,309 and not greater than 1,382. Wobbe Index is derived by dividing the higher heating value of the gas in Btu per standard cubic foot by the square root of its specific gravity with respect to air. Dominion Energy Utah defines "standard cubic foot" as a cubic foot of gas at 14.73 psia and 60 degrees Fahrenheit.
2. Hydrogen Sulfide. The gas shall contain no more than 0.25 grains of hydrogen sulfide, measured as hydrogen sulfide, per one hundred standard cubic feet [4 parts per million (ppm)].
3. Inert Substances. The gas shall not contain total inert substances in excess of 3 percent by volume and carbon dioxide (CO₂) in excess of 2 percent by volume.
4. Merchantability. The gas shall not contain dust, gums, gum-forming constituents, dirt, impurities or other solid or liquid matter that might interfere with its merchantability or cause injury to or interference with proper operation of the pipelines, regulators, meters, or other equipment of Dominion Energy Utah, or which shall cause the gas to become unmarketable.
5. Hazardous Substances. Except as otherwise expressly set forth herein, gas levels of substances shall not exceed levels deemed hazardous or toxic that are subject to regulation by the Environmental Protection Agency or any State agency having similar jurisdiction or authority.
6. Oxygen. The gas shall contain less than 1,000 ppm or 0.1 percent of oxygen by volume of gas.

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7. Temperature. The gas shall be delivered at a temperature not in excess of 120 degrees Fahrenheit or less than 35 degrees Fahrenheit at any receipt or delivery point.
 8. Total Sulfur. The gas shall not contain more than 5 grains of total sulfur per 1,000 standard cubic feet (MSCF) or 8.4 parts per million by volume (ppmv), of which not more than 2 grains shall be mercaptan sulfur.
 9. Water Vapor. The gas shall contain no more than 5 pounds of water vapor per million standard cubic feet.
 10. Liquids. The gas tendered for transportation at a receipt point shall not contain any free liquids of any nature and shall have a Cricondenthem Hydrocarbon Dew Point (CHDP) of 15 degrees Fahrenheit or less.
 11. CHDP Calculation. Dominion Energy Utah shall perform the CHDP calculations using, in Dominion Energy Utah's sole discretion, the Peng-Robinson calculation or other industry-recognized equation of state and C9+ gas chromatograph composition analysis. In the event of a dispute over calculated CHDP temperature at a given receipt point, Dominion Energy Utah's calculated value shall control unless the disputing party can clearly identify the cause of the error.

BIOMETHANE

Definitions

The following definitions shall apply in interpreting this Section 7.07 of Dominion Energy Utah's Utah Natural Gas Tariff.

“Applicant” means a producer seeking to deliver Biomethane directly to the Dominion Energy Utah system.

“Biogas” means gas that is produced from the anaerobic decomposition of organic material. The gas is a mixture of methane, carbon dioxide, and other constituents, and must be conditioned into Biomethane prior to receipt into the Dominion Energy Utah system.

“Biomethane” means Biogas that meets the gas quality standards of this tariff, and any other standards imposed by Dominion Energy Utah in its sole discretion, and any applicable standards for injection into a common carrier pipeline. Biomethane must be free from bacteria, pathogens and any other substances injurious to utility facilities, customer equipment or people, or other constituents that would cause the gas to be unmarketable.

“Hazardous Waste Landfill” means all contiguous land and structures, and other appurtenances and improvements, on the land used for the treatment, transfer, storage, resource recovery, disposal, or recycling of hazardous waste. The facility may consist of one or more treatment, transfer, storage, resource recovery, disposal, or recycling hazardous waste management units, or combinations of these units.

Additional Facilities

Applicants seeking to deliver Biomethane for transportation on Dominion Energy Utah’s system shall bear all actual costs for engineering and construction or modification of any facilities that Dominion Energy Utah deems, in its sole discretion, to be necessary, appropriate or convenient. Such facilities may include, but are not limited to, taps, valves, piping, measuring equipment, gas sampling equipment, odorizing equipment, pressure regulation equipment, land rights, permits, communication equipment, software programming, and scheduling systems. All such equipment shall be and remain the property of Dominion Energy Utah. Applicant shall enter into agreement(s) with Dominion Energy Utah addressing such engineering, construction, modification and payment.

Requirements

Dominion Energy Utah may, but is not required to, accept Biomethane for transportation or delivery on its system if it determines, in its sole discretion, that:

1. The Biomethane is free from bacteria, pathogens and any other substances injurious to utility facilities or people, or other constituents that would cause the gas to be unmarketable;
2. The Biomethane can be delivered into Dominion Energy Utah’s existing high-pressure system at a point with sufficient flows and pressures to enable blending sufficient to ensure proper dilution of constituents;
3. Delivery of the Biomethane into Dominion Energy Utah’s system will not jeopardize the integrity or normal operations of Dominion Energy Utah’s system or otherwise adversely affect Dominion Energy Utah’s customers; and
4. The Biomethane complies with any gas quality specifications including those set forth above and any additional specifications required by Dominion Energy Utah.

Additionally, if Dominion Energy Utah determines that it will accept an Applicant’s Biomethane into its system, the Applicant shall pay for any initial and ongoing testing and/or monitoring of the Biomethane, as well as any baseline and/or ongoing monitoring of Dominion Energy Utah’s system that Dominion Energy Utah, in its sole discretion, deems necessary, appropriate or convenient.

Dominion Energy Utah will not accept Biogas or gas sourced from Hazardous Waste Landfills into its system. Applicant must certify and provide documentation or other suitable proof that any Biomethane source feedstock was not derived or collected from a hazardous waste landfill, as defined herein.

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8. GENERAL BILLING PROVISIONS

8.01 GAS MEASUREMENT

METERING

The Company will supply the customer with gas to each separate building or structure only through the metering facilities furnished and owned by the Company. The Company will determine the place for setting or resetting a meter. The customer will furnish shelter or protection satisfactory to the Company for any meter installed on the customer's premises. When the customer fails to provide adequate meter protection, the Company may exercise remedies outlined in § 7.02.

POINT OF DELIVERY

All rate schedules apply to gas received at one point of delivery, the outlet of the Company's meter set. Multiple delivery points to a single customer may be combined as one point of delivery where it is desirable for the Company's operating convenience to render one bill. In no event shall multiple delivery points be combined into a single service agreement where the delivery points are not connected to the same service line.

MULTIPLE RATES

Interruptible sales customers are allowed to base load a portion of their usage on firm sales service. In such cases, gas delivered through the meter will be billed on a daily basis, if the data is available, in the following schedule order; GS, FS, IS. FT-1 transportation customers are allowed to base load their usage with interruptible transportation service and will be billed on a daily basis as follows: FT-1, TS. In every case the highest basic service fee will apply. Customers selecting multiple rates must specify a maximum daily contract limit by rate schedule. The billing for volumes exceeding contract limits will revert to the first rate block in subsequent rates.

MASTER METERING

Mobile Home Parks

The Company will not serve new mobile home park applicants on a master meter. For service to existing master metered mobile home parks see § 7.05.

Residential and Commercial Structures

New natural gas service to any residential or commercial structure will not be provided through a master meter unless it is determined by the Company that a master meter is the only feasible method of providing such service.

Industrial Structures

As determined solely by the Company on a case-by-case basis, two or more permanent industrial structures on adjacent private properties and owned by one individual or business entity may be served through a master meter.

METER READING INTERVALS

Meters will be read at regular intervals of approximately 30 days. Usage will be estimated using established calculation procedures if a meter read is not obtained. When the customer denies reasonable access to Company facilities, the Company may exercise remedies set forth in § 7.02.

METER TESTING BY COMPANY

At any time the Company may at its own expense test any of its meters. If a meter test shows evidence of tampering, the Company may proceed with any of the remedies set forth in § 7.02.

METER TESTING AT CUSTOMER'S REQUEST

Upon written request of the customer, the Company will promptly complete a meter test after receipt of such request. If such test shows the average error of the meter to be 3% or less, the customer will pay for the test if the meter has already been tested within the previous twelve months. See § 8.03. If a tested meter shows an average error of more than 3% (plus or minus), the Company will refund any overbilling if the meter is fast, and the customer will pay any under billing if the meter is slow, based on the nearest corresponding equal period of use by the customer at the premises when the meter was operating accurately. In instances where there is insufficient billing history of the customer at the premises, a reasonable consumption will be determined by the Company from monitored usage after the meter change. Correction of billing will be made in accordance with § 8.02.

NON-REGISTERING METERS

If the Company's meter fails to register at any time, the gas delivered or used by the customer during such failure, in the absence of a more accurate basis, may be determined using consumption from the customer's nearest corresponding equal period of usage at the premises when there was no such failure. In instances where the accurate operation of the meter cannot be determined or where there is insufficient billing history of the customer's usage at the premises, a reasonable consumption will be determined by the Company from monitored usage after the meter change. If necessary, the Company may use other established calculation procedures. Correction of billing will be made in accordance with § 8.02

METER ACCESS

The Company has the right of access to the customer's premises at all reasonable times, and the customer will permit and make provision for unobstructed access for the purposes of reading, inspecting, relocating or removing the meter, or for any other purpose pertaining to natural gas service as may be necessary for the protection of the Company, its facilities and/or the customer.

METER RELOCATION AND/OR SERVICE LINE CHANGE AT CUSTOMER REQUEST

If the customer requests that the meter or service line be relocated, the Company will determine the feasibility of the move and provide a cost estimate for the work. The estimate will be based upon, but not limited to, the current cost of service line installation, meter resetting, permit fees and service deactivation if required. Upon acceptance of the estimate and payment by the customer, the work will be scheduled and completed.

METER SIZING

The sizing and design of meter sets will be established by Company personnel on the basis of the expected deliverability requirements of the customer.

At a customer's request, the Company will review the deliverability requirements. If a meter set change is warranted, any such change will be made at the Company's convenience. A meter set change may require a different Basic Service Fee (BSF) as set forth in § 8.03.

If a meter set change is required, the customer will be charged for the meter set change on the basis of equipment, labor, material and supplies utilized, except when the change is due to Company error.

AVERAGE HEAT CONTENT

The average heat content of gas deliveries in the State of Utah will be approximately 1,020 Btu/cubic foot of gas measured at 14.73 psia and 60° F on a dry basis. However, the actual heat content may vary from location to location and will be determined and billed as indicated below. In any event, actual heat content will not vary outside the limits of 980 to 1,170 Btu per cubic foot.

VOLUME TO DTH CONVERSION

The Volume Multiplier as shown on the customer's billing statement adjusts the volume of gas as measured by the Company's meter to the actual heat content of gas as measured and sold in decatherms (the customer's actual Dth usage). The heat content of the gas flowing in the Company's lines will be the arithmetical average of the daily average heat content, as determined from recording calorimeters or other appropriate devices.

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8.02 BILLING PROCEDURES

SERVICE PERIOD

The billing of gas service will be made at regular intervals of approximately 30 days at the rates in effect for the service period. If more than one rate is in effect during the service period, bills will be prorated accordingly. Due to weekends, holidays, service terminations and initiations, it is not always possible to read meters on the same date each month resulting in a variance in the number of actual days in the service period. A standard billing period is approximately 30 days. If the billing period contains more or less days than the standard billing period, the block break points will be prorated proportionately to match the number of days in the billing period. The customer's actual Dth usage is billed using the appropriate block rates and the adjusted block break points as shown below.

Block Break Points (Dth)	X	Actual Billing Days	/	30	=	Adjusted Block Break Points (Dth)
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Fixed charges will be charged for each standard billing period so that a customer will receive 12 charges per year. An exception will occur for billing periods under 20 days when fixed charges will be assessed as follows:

Billing Periods 0 – 19 Days

Fixed Charges (\$)	X	Actual Billing Days	/	30	=	Adjusted Fixed Charge Amounts (\$)
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PRORATION PROCEDURE

For any billing period during which two or more approved rates are in effect, block break points for those affected customers will be prorated. The block break will be prorated proportionately to match the number of days for each effective rate in the billing period as follows:

Block Break Points (Dth)	X	Billing Days For Effective Rate	/	Actual Billing Days	=	Adjusted Block Break Points (Dth)
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The volumes for each billing period will then be prorated proportionately to match the number of days for each effective rate in the billing period as follows:

Billed Dth Usage	X	Billing Days For Previous Rate	/	Actual Billing Days	=	Dth Attributed To Previous Rate
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Billed Dth Usage	X	Billing Days For Current Rate	/	Actual Billing Days	=	Dth Attributed To Current Rate
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The customer's Dth usage attributed to each effective rate is then billed using the appropriate block rates, and the adjusted block break points. A similar calculation will yield the prorated result if there

are more than two approved rates in effect during the customer's billing period. The above procedure also applies to proration between winter and summer rates, where applicable.

Fixed charges will be assessed each billing period and will be based on the fee in effect at the time of billing.

BILLING ADJUSTMENTS

The Company will make every effort to ensure accuracy at the time new meter sets are completed.

When incorrect billings occur, the Company will have the right to make billing corrections regardless of the cause of error. Corrections will be limited to the periods described in the following table. The periods relate to the time immediately preceding the date of discovery of the error. The limitations described in this section do not apply to instances of customer fraud, theft of gas (see § 7.02), where access to meter has been denied (see § 8.01), or to sales taxes which are separately itemized when billed. A customer will be allowed to pay the amount due on a billing adjustment in equal payments without interest over a period equal to the time period over which the account has been adjusted.

Cause of Error	Adjustment Limitation
Non-registering meters	3 months
Slow registering meters	One-half the period since the last meter test, or 6 months, whichever is less
Fast registering meters	Same as slow registering meters or back to the date of the cause of the error, if date can be determined
Crossed Meters	24 months
All other errors (e.g., incorrect billing factors, incorrect service or rate class classification, incorrect meter reading or recording)	24 months
Transponder-related billing errors	6 months Back-billed amount may be paid over twelve months without interest

LOCAL CHARGES

Many municipalities have imposed a Municipal Energy Sales and Use Tax (MET), or a contractual franchise fee, or a combination of both on natural gas service. These local charges cannot exceed 6%, either separately or combined. Monthly bills for customers within the corporate limits of a municipality imposing any local charges will show a separately itemized line for each applicable local charge. The franchise fee is calculated by applying the franchise fee percentage to the total customer charges for gas service. The MET is calculated by applying the MET percentage to the total customer charges for gas service, including any franchise fee. In municipalities with both a franchise fee and an MET, the franchise fee percentage is allowed as a credit against the MET percentage. To reflect the credit of the franchise fee against the MET, the customer's bill will show a "net MET"

percentage, i.e. if the franchise fee is 2% and the MET is 6%, the net MET will be 4%. Local charges collected from customers are remitted to each municipality monthly along with a revenue report.

Some customers may qualify for an exemption from paying these taxes.

The Company is not responsible for collecting the MET from transportation service customers.

STATE CHARGES

Utah state sales tax is calculated by applying the sales tax percentage to the total customer charges for gas service, including any franchise fee. The amount collected from customers is remitted to the Utah State Tax Commission monthly along with a revenue report.

Some customers may qualify for an exemption from paying these taxes.

The Company is not responsible for collecting the sales taxes from transportation service customers.

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8.03 FEES AND CHARGES**BASIC SERVICE FEE (BSF)**

Customers taking service on rate schedules GS, FS, FT-1, MT, TS, and IS will be billed an annual BSF on a monthly basis for each meter installed. In no event will a customer be billed more than one BSF for each meter. A customer will be required to pay the BSF for each month during a temporary discontinuance of service.

The amount of the BSF is based on the meter capacity as shown in the table below:

Basic Service Fee Classification	
BSF Category	Meter Capacity in cu. ft./hr. @ Delivered Pressure
1	0 to 899
2	900 to 6,999
3	7,000 to 23,999
4	Greater than 24,000

CONNECTION FEE

When natural gas service is initiated or changed from one party to another at a premise, there will be a connection fee as set forth below. The connection fee is applicable to all customers. There may be additional charges for shut off non-pay customers in accordance with provisions below. Tax at the applicable state and local rates will be charged on any connection fee.

Full Connection Fee

This fee will be charged when initiation of service or a change of service is requested to a premises. This would normally involve the Company reading the meter, removing the meter seal, conducting a spot test on the premises and checking the appliances. A customer may arrange to pay the full connection fee in three equal monthly installments provided that the first of the three payments is made at the time service is initiated. There are circumstances in initiating or changing service at a premises in which the Company is only required to perform some of the activities listed above. In such cases, the following connection fees may apply.

Limited Connection Fee

This fee will be charged when initiation of service or a change of service is requested and the Company only reads the meter, removes the meter seal and conducts a spot test on the premises.

Read-only Connection Fee

This fee will be charged when only a meter read is required for the initiation or change of service at a premises.

Exemption

Rental property owner (RPO) accounts are exempt from connection fees where the RPO has a valid agreement with Company to leave service on to rental property during the interim between tenants. This exemption does not apply to RPO accounts initiated at the time of execution of the referenced agreement.

MINIMUM CHARGES

Minimum charges for firm or interruptible sales or transportation rate schedules are prorated to the period during which gas service is available. If a customer changes to a different rate schedule or discontinues service, any applicable prorated minimum charge will be due at the date of discontinuance of service or the change to a different rate schedule.

SECURITY DEPOSITS

To secure payment for service, the Company may require a security deposit from either an applicant or an existing customer under the circumstances listed below. When a security deposit is required by the Company, such security deposit will be held to be a guarantee fund. If the customer's account becomes delinquent, the Company may terminate service to the customer even if the amount of the security deposit and accrued interest is more than enough to pay the delinquent amount. The Company may also terminate service to the customer upon failure to pay a required security deposit.

Residential

The Company may require a security deposit equal to 1.0 times the highest monthly charge at the premises over the last 12 months from a residential customer with poor credit (e.g., a customer whose service has been terminated for non pay, or who has a history of poor credit or delinquency with the Company). A residential customer may also be required to pay a security deposit if service is or has been obtained through fraud and/or service diversion; upon filing bankruptcy; or for refusal to provide valid identification.

A residential customer may pay the security deposit in three equal monthly installments, provided that the first of the three payments is made at the time the deposit is required.

Non-Residential

Payment of a security deposit may be required at application for service if an has not previously established a normal credit status on a non-residential account with the Company. If a security deposit is not required at application for service or has been refunded to the customer, the Company may require a security deposit thereafter when a customer

demonstrates poor credit with the Company. A non-residential customer will be deemed to have poor credit if an account becomes 60 days delinquent within the first year of service and/or 90 days delinquent after the first year of service; if service is obtained through fraud and/or service diversion; upon filing bankruptcy or for refusal to provide valid identification. The security deposit for a non-residential customer will equal twice the highest monthly charge at the premises over the last 12 months.

Estimated Security Deposit

If a usage history is unavailable for the premises, the Company will estimate usage using established calculation procedures, which may include the input rating of the customer's gas equipment and historical temperature data.

Transfers

A security deposit may be transferred from one account to another with the originating customer. However, a security deposit is not transferable from one customer to another.

Refund or Application of Security Deposit

After timely payment of 12 consecutive monthly bills, a customer's security deposit, with interest, will be refunded to the customer. At the time a customer discontinues service, the security deposit plus accrued interest will be applied to any arrears and to the final bill, with any excess refunded to the customer.

Interest

Interest will accrue on a security deposit at the rate set forth below.

FINANCE CHARGES AND INTEREST

	Rate Per Month	Approximate Annual Rate
Finance Charges (Calculated on unpaid balance)		
Past due bills	1.00%	12.00%
Deferred Payment Agreements	1.00%	12.00%

Interest on Security Deposits – Monthly and annual rates based on Calculation Charge as described in § 8.07.

MISCELLANEOUS CHARGES

	Amount Of Charge
Returned check	\$ 20.00
Connection Fee	
Full Connection Fee	\$ 30.00
Limited Connection Fee	\$ 15.00
Read-only Connection Fee	\$ 8.00
After-hours Reconnection Fee	\$100.00
Additional charges where applicable	
Line plugged	\$ 50.00
Meter removed, and/or service disconnected at the main (plus street permit fee)	\$300.00
Special test of meter at customer's written request. See § 8.01 as to when this charge is applicable.	Minimum of \$25.00
Meter relocation at customer request. See § 8.01.	Labor & materials minimum of \$100.00

ENERGY ASSISTANCE FUND

The Energy Assistance Fund is intended to help qualified low-income customers pay for their natural gas utility bills.

Energy Assistance Funding

The Energy Assistance funding will be accomplished through a rate assessed to all customers on all rate schedules except qualified customers receiving Energy Assistance. The Energy Assistance rate is calculated based on an equal percentage for each rate class. A customer's Energy Assistance charge may not exceed \$50 per month.

Energy Assistance Eligibility

1. A customer must qualify annually through the Utah Department of Community and Culture or equivalent agency, to receive the Energy Assistance credit.
2. Eligible customers will receive a one-time credit on their monthly bill after the Company receives notification of their qualification.
3. Customers that receive HEAT assistance during a heating season will be exempt from the Energy Assistance rate in that same heating season.
4. Customers who receive the credit will not be assessed the Energy Assistance charge for 12 months following qualification.

Energy Assistance Balancing Account

Items in the Energy Assistance Balancing Account (Account 191.8) will include:

1. Energy Assistance rate collection.
2. Energy Assistance credit.
3. Administrative costs.
4. Interest expense.

No less than once per year, the Company will file with the Commission to adjust the Energy Assistance rate and the Energy Assistance credit to target the \$1.5 million funding level established in Docket No. 09-057-16. To the extent the Company collects or pays out more or less than \$1.5 million, these differences will be included in the filing.

Two-Way Carrying Charge

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, shall be applied to the Energy Assistance Balancing Account (Account 191.8) as adjusted for the corresponding tax deferral balance in Account 283. Interest will be assessed on the monthly balance of this account.

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8.04 PAYMENT PROCEDURES**PAYMENT SCHEDULE**

All bills are due and payable within 20 days of the billing date.

PARTIAL OR DELAYED PAYMENT

If a customer makes a payment that is less than the total amount of the bill rendered, the Company will apply the payment first to the oldest arrears and to accrued interest, and any remainder will be applied to the bill for current service. Gas service charges remaining unpaid at the time the next month's bill is processed will be subject to a monthly interest charge, as set forth in § 8.03. The monthly interest charge will continue to accrue on unpaid balances until paid in full.

RETURNED CHECKS

The Company will impose upon the customer a charge as set forth in § 8.03, for any check not honored by the customer's bank for any reason.

COLLECTION COSTS

Customer will be responsible for any court costs, attorney's fees and/or collection agency fees, incurred in the collection of unpaid accounts.

DEFERRED PAYMENT AGREEMENT (DPA)**Eligibility**

If a residential customer is unable to pay a delinquent balance in full on demand, the Company will offer a DPA provided the customer is not presently in default on a previous deferred payment agreement. If service has already been terminated, an eligible customer can have service restored at any time by paying or arranging to pay for the connection fee and agreeing to a DPA within 48 hours after service reconnection. The connection fee may be included in the total amount to be paid over the term of the DPA. DPAs to non-residential customers are offered only at the Company's discretion and terms.

Terms

The full amount of the DPA, plus finance charges as set forth in § 8.03, must be paid within 12 months or less and the customer must make the first monthly installment at the time the DPA is initiated. The customer agrees to pay all current bills for gas service when due, plus the monthly installment of the DPA. Accelerated payments or payment in full of the outstanding balance may be made at any time, however, accelerated payments will not relieve the customer of a monthly payment on the DPA.

Default

A customer in default on a DPA is subject to termination of service. To avoid termination, payment in full is required of the remaining deferred amount and any accrued arrears. Subsequent DPAs after default, will be offered at the Company's discretion.

Content

The deferred payment agreement can be written to include all outstanding charges for gas consumption, connection fees, and charges for accidental damage to equipment. The deferred payment agreement will not include security deposits, connection fees where theft of service is involved, or gas consumption or damages to equipment resulting from theft or attempted theft.

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8.05 BUDGET PLAN

To spread gas bill amounts evenly over the entire year, General Service customers may elect to utilize the Budget Plan and pay a predetermined monthly amount. On the basis of prior usage history or estimated usage, the customer's annual bill is computed under current rates and divided into 12 equal payments. Actual billings for customers utilizing the Budget Plan will be calculated each month according to the regular provisions of this tariff. The monthly budget plan payment amounts may be adjusted by the Company during the year if actual and accrued billings deviate substantially or if a rate change of 5% or greater is approved.

If at the end of the Budget Plan Year, there is an overpayment or an underpayment on an account, the customer's projected monthly budget plan payment amount will be adjusted, spreading the difference over the next 12 months, interest free, unless a customer requests an immediate refund or credit.

A customer will be dropped from the plan if two consecutive payments are missed, resulting in a 60-day delinquency. To be eligible for the Budget Plan, a customer's account must not be delinquent.

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8.06 INTEGRITY MANAGEMENT DEFERRED ACCOUNT

The purpose of the Integrity Management Deferred Account is to recover on a dollar-for-dollar basis, costs related to transmission and distribution integrity management programs. These programs are required by Pipeline and Hazardous Materials Safety Administration under the U.S. Department of Transportation.

BALANCING ACCOUNT ACCRUAL

Each month all integrity management costs will be accrued into the Uniform System of Account No. 182.313 Other Regulatory Asset – Pipeline Integrity and Account No. 182.314 Other Regulatory Asset – DIMP. All actual integrity management costs are to be recorded in these deferred accounts. Each month a credit entry will be made to these accounts with an offsetting debit entry to expense Account No. 887 that reflects a fixed monthly amount updated in each general rate case. This entry includes an amount related to projected current costs and an amount related to the over or under collection of prior period costs. Interest will be assessed monthly on the balance in the 182.313 and 182.314 accounts at the Commission approved carrying charge rate as described in § 8.07 – Calculation of Carrying Charge.

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8.07 CALCULATION OF CARRYING CHARGE

On or before March 1 of each year, the Company shall calculate an annual carrying charge and file a letter with the Commission reflecting this rate, to be effective on April 1 of each year. This charge shall be based on the average annual Aaa and Baa Corporate interest rates for the preceding calendar year. The calculated rate shall be applied to the following accounts:

- 182.3 Pipeline Integrity Management (TIMP & DIMP)
- 182.4 Energy Efficiency Account
- 191.1 Gas Pass Through Costs Account
- 191.8 Energy Assistance Account
- 191.9 Conservation Enabling Tariff
- 235.1 Customer Deposits

The current effective interest rate is 4.19%.

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9. INITIATION AND TERMINATION OF SERVICE

9.01 APPLICATIONS FOR AND INITIATION OF GAS SERVICE

METHODS OF APPLYING

Residential and non-residential applicants may apply for service either in person, in writing including electronically transmitted application, or by telephone. A security deposit may be required as more fully provided in § 8.03.

TENANT APPLICATIONS

A tenant will be allowed to make application for gas service to premises with a shared meter or a shared appliance (as defined in the glossary) provided the tenant acknowledges billing responsibility for the premises. Notice of discontinuance of service to a residential account shall be in compliance with § 9.05. A tenant will not be allowed to make application for gas service to premises with a master meter (as defined in the glossary).

RESALE OF GAS

The Company agrees to supply gas service to the customer for the purpose stated in the gas service application. The customer may not resell such gas for any purpose, except for use in vehicles after compression to a minimum of 500 lbs. This prohibition on resale applies to gas supplied through master meters for tenant use at the customer's premises. A customer may, however, allocate the total gas bill to individual units downstream of a master meter.

INITIATION OF GAS SERVICE

The Company will not initiate gas service for any customer unless it has received written notification from the local building code official, or their authorized representative, that the proper inspections called for by any required building or other code have been performed. In addition, the Company will perform a spot test on the customer's piping before initiating gas service. This spot test will consist of checking the existing piping to insure that with the meter turned on and all appliances turned off gas is not flowing through the meter. The spot test will be limited to the equipment and piping installed at the time of the test. The Company expressly reserves the right to refuse to set a meter for any customer whose piping does not pass this spot test. This spot test by the Company does not meet the requirement of the International Mechanical Code and cannot be relied upon by any party responsible to insure compliance with any building or other applicable code. The Company may also refuse to commence or continue service whenever in its judgment an installation is not in proper condition. No spot test by the Company, nor any failure by it to object to the customer's installation, nor the fact that it will make connections with the customer's installation, will render the Company in any way liable for any damage or injury resulting from any defective installation by the customer.

OTHER REQUIREMENTS

The Company will deny service to an applicant who has not paid or made arrangements to pay an outstanding balance from a prior account that is less than four years old. For completion and acceptance of an application, the applicant may be required to sign for service. In the absence of a signature, the delivery of natural gas service by the Company and the acceptance of service by the customer will be deemed to constitute an agreement by and between the Company and the customer for delivery and acceptance of natural gas service under the terms of this tariff. Valid personal identification (picture identification or two forms of signature identification) of an applicant or customer may be required at any time. Service may be denied or terminated for subterfuge, providing false information or failure to provide valid personal identification.

Issued by C. L. Bell, VP & General Manager	Advice No.	Section Revision No.	Effective Date
	17-04	1	June 1, 2017

9.02 NEW OR ADDITIONAL SERVICE**AVAILABILITY OF NEW OR ADDITIONAL SERVICE**

The Company will approve service for a new customer, an increase in gas requirements for an existing customer, and/or a change in rate schedule only when, in the Company's judgment, the service can be provided in a manner that will not impact the Company's ability to serve its existing customers. This discretionary determination preserves the Company's ability to serve existing customers and to provide for the orderly and equitable attachment of new loads to the Company's system, as well as to assure the most efficient utilization of the Company's available natural gas supplies. This determination will consider, but will not be limited to, the following:

- (1) A determination, using engineering data and analysis where necessary, that the Company's facilities are of adequate size and capacity to allow such service.
- (2) The overall cost of providing such service and the impact on the Company's rates and charges.
- (3) The location of required service in the Company's system, including considerations associated with an expanding market area.
- (4) The end-use of the natural gas, including type of use (e.g., feedstock, boiler, etc.), efficiency of use (e.g., co-generation, heat recovery applications, etc.) and applicability of customer process to development of an alternate fuel or energy.

The Company may make new or additional service available to customers on the basis of rate schedules in effect and circumstances prevailing at the time of application.

Changes in firm rate schedules may be allowed if the customer demonstrates that a permanent change in the use of natural gas has occurred that will cause the existing schedule to no longer be appropriate, as specified above and provided for in § 2.01. If a commercial or industrial customer chooses service under an interruptible rate schedule, any subsequent use of a firm rate schedule by that customer will be subject to the provisions of this section.

Availability of new or additional service under the above provisions will be at the Company's discretion.

AVAILABILITY OF SERVICE TO NEW SERVICE EXTENSION AREAS

Service to new areas will generally be provided under the main and service line extension provisions of § 9.03 and § 9.04. Where service under these provisions, as well as others provided herein, cannot be economically provided, service will be evaluated under the following terms and conditions.

- (1) In situations where the non-refundable payment cannot otherwise be collected, the Company may, at its option, offer an Extension Area Charge (EAC) in lieu of the non-refundable payment.

The EAC will be calculated to provide sufficient revenue to recoup the total non-refundable payment which would otherwise be collected in the new service extension area and allow the Company to recover a return on the deferred portion during the collection period. The Company shall include its justification for the EAC return and an evaluation of the rate in relation to the Company's cost of capital and cost of debt, and the carrying charge interest rate in effect at the time of the filing. Periodically the present value of the projected amount to be collected through the EAC will be compared with the non-refundable payment. If the present value of the projected amount to be collected is higher or lower than the non-refundable payment, the EAC expiration date will be adjusted accordingly.

The residential EAC will be a fixed monthly amount. The commercial EAC will be a variable amount based on the volume of gas used but will not be less than the residential charge.

The EAC will be assessed in conjunction with regular or extension tariff rates. A table describing areas where the EAC applies, the amount of the EAC and the scheduled expiration date is provided later in this section.

- (2) Facilities to new service areas may be constructed so long as service to existing customers will not be impaired, including the ability to serve new customers in existing service areas, and resources are available to build and maintain the required facilities in the new service extension area. In no event, will the Company, in any one year, be required to expend funds on new service extension area facilities in excess of 1% of the Company's net book value of gas plant-in-service at the beginning of the year.
- (4) In the event that the Company has multiple applications for service within new service extension areas, facilities with the greatest probability of investment payback and system contribution may be constructed first.

EXTENSION AREA CHARGE AND EXPIRATION DATE

The following table describes the areas in which the Extension Area Charge applies, the amount of the charge for residential and commercial customers and the date on which the charge is due to expire for each new extension area.

Extension Area Charges (All Charges Are In Addition To Regular Tariff Rates)				
Area Definition	Residential	Commercial		Estimated Expiration Date
	Monthly Charge	Monthly Charge	All Usage Over 45 Dth Per Month	
Brian Head and the area adjacent to the tap line serving this area.	\$30.00	\$30.00	\$2.7481/Dth	Nov. 1, 2014

Issued by C. L. Bell, VP & General Manager	Advice No.	Section Revision No.	Effective Date
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9.03 MAIN EXTENSIONS – COMPANY INSTALLED**APPLICABILITY**

This Section 9.03 applies to facilities to be installed by the Company and/or a Company-retained contractor.

INTERMEDIATE HIGH PRESSURE (IHP) MAIN EXTENSIONS

An applicant must pay an up-front cash contribution in aid of construction in advance of extension of IHP main. The cash contribution will be equal to the sum of the Main Extension costs for extending a main as defined below.

MAIN EXTENSION COSTS

The costs for extending a main shall include, but are not limited to the following: pipe; trenching; asphalt and cement cuts; asphalt and cement replacement; fill and compaction; permit fees; use of special equipment and facilities; accelerated work schedules, special crews or overtime wages to meet the applicant's request; or difficult construction problems due to rock, frost, etc. The customer will be given written notice of the main extension costs, which shall be due and payable prior to commencement of construction. If excess costs are incurred after commencement of construction, the costs will be paid by the customer.

HIGH PRESSURE MAIN EXTENSIONS

High-pressure main extensions will be made at the option of the Company and subject to terms and conditions that are based on Company policies and agreed upon between the Company and the applicant. Unless otherwise provided in the main extension contract, the general terms and conditions of this section will be applicable.

MAIN EXTENSIONS ESTIMATED TO COST MORE THAN \$200,000

If the main extension costs are estimated to exceed \$200,000, then the customer may request that the Company bid the job. Under such circumstances, the customer may review, at the Company's premises, the bids submitted from the Company's contractors. The customer shall maintain all bid information as highly confidential pursuant to R746-100-16.

DEFERRED PAYMENT OF CASH CONTRIBUTIONS IN AID OF CONSTRUCTION

The Company may, at its option, offer to defer payment of cash contributions in aid of construction. Where the terms and conditions of the main extension agreement include deferred payment of the costs for the main extension and other facilities necessary to provide service, periodic payments, payable over a period not to exceed five years, shall be established in an amount that will:

- (1) Provide sufficient contribution to recoup the total deferred main extension cost incurred by the Company, and
- (2) Provide revenue to the Company during the deferral period equal to that which would be allowed in rates for a like amount of investment in Utility Plant.

TEMPORARY SERVICE

Main extensions that, in the judgment of the Company, are for gas service of a temporary nature will be made only at the discretion of the Company. If the main is extended, applicant will pay in advance for the cost of installing the main and for removing the main or making it inoperable at the termination of service.

EFFECT OF PREVIOUS DEFAULT

The Company shall have no obligation to construct a main extension or enter into a contract to construct a main extension when the customer is in default in its obligations to the Company for gas service under an existing agreement to construct facilities or for making contributions or connecting load to a previously constructed main extension.

COMPANY'S FACILITIES

A contribution does not extend any ownership rights to the applicant. The main extension and all other facilities constructed by the Company for the purpose of rendering service to the customer shall at all times be and remain solely the property of the Company. The Company may utilize its facilities to render service to other customers as it sees fit without liability of any kind to the customer.

MAIN EXTENSION RIGHT-OF-WAY

Any main extension is subject to the right-of-way requirements itemized in § 7.05.

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	17-04	1	June 1, 2017

9.04 SERVICE LINE EXTENSIONS – COMPANY INSTALLED**APPLICABILITY**

This Section 9.04 applies to facilities to be installed by the Company and/or a Company-retained contractor.

Subject to the following, the Company will provide and install a service line to any applicant whose premises are along the route of any IHP main and abut on the street occupied by a main. Extension of mains will be made subject to the provisions of § 9.03. A cash contribution in aid of construction will be required from the applicant, in advance of construction. The cash contribution shall be equal to the sum of the total of Service Line Costs (defined below).

CONDITIONS

Each applicant for a service line will grant to the Company permission to go upon the applicant's premises to install, inspect, maintain, service and repair the service lines. In addition, the applicant must make no changes or alterations to the service line; must accept responsibility to safeguard the service lines from damage; must not construct or permit to be constructed any building or other improvement (excepting landscaping, walks and driveways) over or across the service line; and must immediately notify the Company of any defect or leak in the pipe. Applicant must pay any costs incurred for damage, repair, or relocation due to the failure or refusal of the applicant to perform all obligations expressly stated, and the Company will not be liable in any way for applicant's non-performance of those obligations.

TEMPORARY SERVICE

Service lines which in the judgment of the Company are for gas service of a temporary nature will be installed only at the discretion of the Company. If the service line is installed, the applicant will pay in advance for the cost of installing the service line and removing the service line, or making it inoperable at the termination of service.

OTHER SERVICE LINES

Service line agreements not specifically covered in this section will be entered into under terms and conditions agreed upon between the Company and the applicant.

SERVICE LINE COSTS

Service Line Costs shall include, but are not limited to the following: pipe; trenching; fill; riser; use of special equipment and facilities; accelerated work schedules; special crews or overtime wages to meet the applicant's request; or difficult construction problems due to rock, frost, etc. Service Line Costs do not include, and the customer shall not be responsible to pay for meter costs up

to the cost of a standard residential meter and bracket. Meter and bracket costs greater than the cost of a standard residential meter and bracket are included in Service Line Costs and are the responsibility of the customer. The customer will be given written notice of the Service Line Costs, which shall be due and payable prior to commencement of construction. If excess costs are incurred after commencement of construction, the costs will be paid by the customer.

DEFERRED PAYMENT OF CASH CONTRIBUTIONS IN AID OF CONSTRUCTION

Deferred payment of cash contributions for service lines may be offered according to the same terms described for main extensions in § 9.03.

EFFECT OF PREVIOUS DEFAULT

The Company shall have no obligation to construct a service line or enter into a contract to construct a service line when the customer is in default in its obligations to the Company for gas service under an existing agreement to construct facilities.

COMPANY'S FACILITIES

The service line and all other facilities constructed by the Company for the purpose of rendering service to the customer shall at all times be and remain solely the property of the Company. The Company may utilize its facilities to render service to other customers as it sees fit without liability of any kind to the customer.

SERVICE LINE EXTENSION RIGHT-OF-WAY

Any service line extension is subject to the right-of-way requirements itemized in § 7.05.

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	17-04	1	June 1, 2017

**9.05 MAIN EXTENSIONS – AND SERVICE LINES - INSTALLED BY
BUILDER/DEVELOPER-RETAINED QUALIFYING INSTALLER****DEFINITIONS**

For sections 9.05 and 9.06 only, “Natural Gas Facilities,” “Natural Gas Main,” “Natural Gas Service Line,” “Minimum System,” and “Qualifying Installer” shall have the meanings set forth in Utah Code Ann. 58-55-308.1.

APPLICABILITY

Pursuant to Utah Code Ann. 58-55-308.1 and the terms and conditions set forth in Sections 9.05 and 9.06, a customer, developer or builder (Builder/Developer) may contract with a Qualifying Installer to install new Natural Gas Mains (Main Extension) and/or Natural Gas Service Lines (Service Line). Main Extensions and Service Lines constructed pursuant to this Section 9.05 collectively will be referred to herein as “Facilities.”

CONTRACT BETWEEN THE COMPANY AND THE BUILDER/DEVELOPER

A Builder/Developer who desires to construct Facilities pursuant to this Section 9.05 will enter into a written contract with the Company that sets forth the terms and conditions under which such Facilities will be constructed, and under which the Company will accept conveyance of such Facilities and provide natural gas service utilizing such Facilities. The contract with the Builder/Developer shall contain terms and conditions similar to those the Company requires of its own contractors who construct similar natural gas facilities. The Builder/Developer shall be, and shall require the Qualifying Installer to be, subject to warranty, indemnification, and insurance requirements substantially similar to those required of the Company’s own contractors who construct Natural Gas Facilities for the Company. The contract must be fully executed and effective prior to the construction of any Facilities hereunder.

LIABILITY

The Builder/Developer and the Qualifying Installer assume all risks and liabilities arising from the construction of Facilities.

DESIGN AND ENGINEERING

The Company will be responsible for planning, designing, and engineering the Facilities in accordance with the Company’s standards for materials, design, and construction. The Company will bear costs associated with its design and engineering of the Facilities. The Builder/Developer and the Qualifying Installer will cooperate with the Company and provide the Company with any and all information required, in the Company’s reasonable discretion, to enable the Company to plan, design, and engineer the Facilities. Under no circumstance will the Company be responsible to pay a

Builder/Developer or Qualifying Installer for costs the Builder/Developer or Qualifying Installer incurs in providing information, and/or providing aid to the Company in order that the Company may complete the planning, designing, and/or engineering of Facilities.

INSTALLATION BY QUALIFYING INSTALLER

The Company shall be under no obligation to accept, own or provide natural gas service through any Facility constructed by any entity that is not a Qualifying Installer. The Builder/Developer and Qualifying Installer are prohibited from connecting to, modifying, or repairing the Company's existing natural gas facilities unless directed to do so by the Company. The Builder/Developer and Qualifying Installer shall bear all costs for repair, connection to, and/or modification of Company natural gas facilities or other third-party-owned facilities necessitated by the construction or installation of Facilities. The Company shall be under no obligation to accept completed Facilities, or to provide natural gas service utilizing such Facilities, until all such costs have been paid in full.

MATERIALS

Any Facility constructed hereunder will only be constructed utilizing Company-approved materials that meet Company specifications as well as those requirements set forth in applicable federal, state and local statutes, codes, rules, regulations, and ordinances, all of which are incorporated herein by reference as they may change from time to time.

BETTERMENT COSTS

The Builder/Developer shall bear all costs associated with construction of the Minimum System as determined by the Company. In the event that the Company requires the Builder/Developer and/or a Qualifying Installer to install a Main Extension that is greater than the Minimum System, the difference in cost shall be calculated based upon the Company's costs for installation of similar facilities in the Company's same construction zone.

INSPECTION

The Company will be solely responsible for inspecting and mapping the Facilities and for the collection and development of as-built notes. The Company will bear all costs associated with the inspection and mapping of Facilities. The Builder/Developer and the Qualifying Installer will coordinate with the Company to provide Company inspectors access to the site during the entirety of construction. The Builder/Developer's trench cannot be backfilled and compacted by the Qualifying Installer until all required Company inspection and mapping has been completed. The Builder/Developer and Qualifying Installer will provide the Company with no less than ten business days' advance notice of commencement of construction. The Company shall schedule all jobs efficiently, and will employ reasonable efforts to schedule each job in the order in which it was received. The Builder/Developer and Qualifying Installer shall make the worksite available for inspection by federal and state authorities at any and all times.

TESTING

The Qualifying Installer shall conduct all required testing of the Facilities under the direction of Dominion Energy Utah and at no cost or expense to Dominion Energy Utah.

DOCUMENTS

The Builder/Developer and Qualifying Installer shall provide Dominion Energy Utah with all documentation reasonably required by the Company relating to the Facilities, including but not limited to documentation relating to materials utilized in constructing the Facilities and the construction and testing of the Facilities.

INTERCONNECTION

The Qualifying Installer may only connect the Facilities to Company's existing natural gas facilities at the Company's direction and under the Company's supervision. The Company shall install all meters. The Builder/Developer and Qualifying Installer shall bear all costs associated with contractors, materials, and associated facilities involved with connecting a Main Extension or Service Line to other Company-owned natural gas facilities, except for the cost of a standard residential meter, bracket, and applicable taxes.

COMPLIANCE WITH APPLICABLE LAW AND COMPANY STANDARDS

The Builder/Developer and the Qualifying Installer shall comply with all applicable federal, state, and local statutes, codes, rules, regulations, ordinances, orders, tariff provisions, Company Standard Practices, Company Contractor Safety Manual, Company Policies, and Company Procedures, all of which are incorporated herein by reference as they may change from time to time, including but not limited to laws, rules, and regulations governing pipeline safety, materials, records, construction, licensing, health, safety, environmental conditions, and labor (collectively, Requirements). The Company will not accept conveyance of or provide natural gas service utilizing any Facility that it reasonably believes fails to comply with the Requirements.

RIGHTS-OF-WAY, FEE PROPERTY AND PERMITS

The Builder/Developer shall comply with all right-of-way requirements set forth in Section 7.05 of the Tariff. The Builder/Developer shall provide the Company with any and all rights-of-way, fee property, and/or permits that the Company deems, in its sole discretion, to be necessary for the ownership and operation of the Facilities. The Company shall not bear any costs associated with such rights-of-way, fee property, and/or permitting. Such rights-of-way and/or fee property shall be conveyed to the Company in the form utilized by the Company to procure its own rights-of-way and/or fee property, or in some other form that is acceptable to the Company, in its sole discretion. Such rights-of-way and/or fee property shall be conveyed free of hazardous materials (as defined by federal, state or local laws and Section 7.05 of this Tariff), contaminants or environmental conditions on, upon, or into the surface or subsurface of soil, water, or watercourses within or adjacent to the right-of-way or fee property. The Company shall be under no obligation to accept completed

Facilities, or to provide natural gas service utilizing such Facilities, until all such rights-of-way, fee property and/or permits have been conveyed to the Company.

CONVEYANCE

The Builder/Developer shall cause the Facilities to be conveyed to the Company, together with any rights-of-way and/or fee property reasonably required by the Company to provide natural gas service, free of hazardous materials (as defined by federal, state or local laws and section 7.05 of the Tariff), contaminants, or environmental conditions on, upon, or into the surface or subsurface of soil, water, or watercourses within or adjacent to the right-of-way or fee property. Conveyance shall be at no cost to the Company. All Facilities and property conveyed hereunder must be conveyed free and clear of all liens, claims, security interests, and any other encumbrances whatsoever. *See* Section 7.05 of the Tariff.

The Company shall be under no obligation to accept completed Facilities, or to provide natural gas service utilizing such Facilities, until all costs referenced in this Section 9.05 have been paid in full. The Company need not accept conveyance of or provide natural gas service utilizing any Facility that fails to comply with all Requirements set forth herein.

The Company's failure to discover or reject a defective Facility or a Facility not constructed in accordance with the Requirements is not deemed to be a waiver of the Company's rights set forth herein. The Builder/Developer shall be responsible to pay for repair or replacement of any Facility not constructed in accordance with the Requirements.

OWNERSHIP

Upon completion of conveyance, as detailed above, the Company will own, operate and maintain the conveyed Facilities. Upon completion of conveyance of a Facility, the Facility shall become and shall at all times remain solely the property of the Company. The Company may provide service to other customers from such Facilities and otherwise utilize them as it sees fit without liability of any kind to the Builder/Developer or to the Qualifying Installer.

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	17-04	1	June 1, 2017

9.06 QUALIFYING INSTALLER REQUIREMENTS**DEFINITIONS**

For sections 9.05 and 9.06 only, “Natural Gas Facilities,” “Natural Gas Main,” “Natural Gas Service Line,” and “Qualifying Installer” shall have the meaning set forth in Utah Code Ann. 58-55-308.1.

APPLICABILITY

Pursuant to Utah Code Ann. 58-55-308.1 and the terms and conditions set forth in this Section 9.06 a Builder/Developer (defined in Section 9.05 above) may contract with a Qualifying Installer to install new Natural Gas Main (Main Extension) or Natural Gas Service Line (Service Line) to serve a new facility, structure, or development. Main Extensions and Service Lines constructed pursuant to this Section 9.05 will be referred to herein, collectively, as “Facilities.” The installation of Facilities shall be referred to herein as “Work.” An individual or entity desiring to become a Qualifying Installer must comply with the requirements set forth in this Section.

QUALIFICATIONS

A Qualifying Installer must comply with the provisions of Utah Code Ann. 58-55-308.1. Additionally, prior to becoming a Qualifying Installer, each individual or entity must obtain all qualifications and meet all standards required by all applicable federal, state, and local statutes, codes, rules, regulations, ordinances, orders, tariff provisions, Company Standard Practices, Company Contractor Safety Manual, Company Policies, and Company Procedures, all of which are incorporated herein by reference as they may change from time to time, including, but not limited to, welder qualifications pursuant to American Petroleum Institute RP1104 and Department of Transportation Operator Qualification requirements, ASME B31Q, Department of Transportation drug and alcohol plan requirements, and any other requirements that Company also requires of its own contractors who install Facilities for the Company (collectively, Installer Requirements).

The Company is under no obligation to accept or approve anyone who has a documented history of unsafe work practices or violation of Utah Code Ann. 54-8a-1 *et seq.*, and/or any applicable Installer Requirements incorporated herein as they may change from time to time. The Company may determine, in its sole discretion, whether any violation or history disqualifies an individual or entity unqualified from becoming a Qualifying Installer. Any Qualifying Installer who ceases to meet all Installer Requirements and other requirements set forth herein, or who breaches any agreement with Dominion Energy Utah, shall immediately cease to be a Qualifying Installer.

CONSTRUCTION AND INSPECTION

In addition to complying with the provisions of Section 9.05 above, each Qualifying Installer must perform all Work under this Section with the best industry practices and in compliance with applicable standards, requirements, policies, and procedures including, but not limited to, the Installer

Requirements and any drawings, supplemental specifications, standards, permits, or other documents provided or made available to the Qualifying Installer.

A Qualifying Installer may not perform any Work pursuant to this Section without either the presence of a Company Inspector on the site, or approval from the Company to proceed in the Inspector's absence. Each Qualifying Installer performing Work under this Section must permit and facilitate inspection of such Work by Dominion Energy Utah, the Division of Public Utilities, or any other regulatory body with jurisdiction.

MATERIALS

Facilities will only be constructed utilizing Company-approved materials that meet the same Company specifications applicable to work conducted by Company-retained contractors.

DENIAL OR TERMINATION OF QUALIFYING INSTALLER STATUS

The Company may deny or terminate Qualifying Installer status, when an Applicant or Qualifying Installer fails to comply with or violates any term or condition set forth in Utah Code Ann. 58-55-308.1, Sections 9.05 and 9.06 of the Tariff, or any term or condition set forth in a contract with the Company.

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9.07 CUSTOMER'S NOTICE TO DISCONTINUE SERVICE

A customer may request discontinuance of service in writing or by telephone. Notice of discontinuance of service given to an employee away from a Company office will not be accepted as binding, formal notification to the Company.

OCCUPANT ACCOUNT HOLDER

A customer shall provide notice to the Company at least three days in advance of the day service is to be disconnected. The Company will complete the service disconnection or final meter read within four working days after the requested date.

RENTAL PROPERTY OWNER ACCOUNT HOLDER

At premises where tenants are residing, a rental property owner seeking discontinuance of service must advise the Company at least 10 days in advance of the day that service is to be discontinued and must also sign an affidavit stating that the requested disconnection is not a means of evicting tenants. The Company will post a notice of proposed disconnection on the premises in a conspicuous place and will make reasonable efforts to give actual notice to the tenants by personal visit or other appropriate means at least five days prior to the proposed disconnection.

If the premises are vacant, the rental property owner must advise the Company at least three days in advance of the day service is to be discontinued and must also sign an affidavit that there are no occupants.

A rental property owner who has signed an agreement to leave service on between tenants must notify the Company in writing to change such arrangement.

COMPLETION

The customer will be held responsible for all gas consumed until notice to discontinue service is given and a final meter read is taken or disconnection completed within four working days of the requested date. If the meter is not readily accessible, the customer will be responsible for providing access to complete a final read or disconnection.

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9.08 COMPANY'S TERMINATION OF SERVICE FOR NONPAYMENT

A customer having a utility service bill which remains unpaid beyond the next monthly billing date will receive a notice of delinquent account. To avoid termination and a reconnection charge, payment in full of a delinquent balance must be received and acknowledged by the Company's credit personnel prior to the expiration date of a final termination notice.

RESIDENTIAL TERMINATION NOTICE

A bill for residential service is considered to be delinquent when not paid within 20 days of the date the bill is rendered. The Company may terminate residential service by reason of nonpayment after issuing a notice of delinquent account and upon not less than 10 days' written notice of proposed termination. The notice of proposed termination will be sent to the account holder and to any third party previously designated by the account holder. Either before or after termination, the Company will allow an eligible residential customer to pay the delinquent balance plus interest over a 12-month period, or less, in accordance with § 8.04.

Occupant Account Holders

During the months of October through March, at least 48 hours prior to termination of service, the Company will make a good-faith effort to notify the account holder or an adult member of the household by telephone or personal visit of the scheduled termination. If personal notification cannot be made, the Company will leave written notice of proposed termination at the residence. The Company will make reasonable efforts to contact any designated third party personally before termination occurs. During the months of April through September, the 48 hour termination notice may be mailed.

Rental Property Owner (RPO) Account Holders

When the Company is terminating service for nonpayment by an RPO, at least five days prior to termination of service, the Company will post a notice of proposed termination on the premises in a conspicuous place and make reasonable efforts to give actual notice to tenants by personal visits or other appropriate means. Tenants may continue to receive service for an additional 30 days by paying the charges due for the 30-day period just past. At least 48 hours prior to termination of service the Company will make a good-faith effort to personally notify the RPO. If personal notification cannot be made, the Company will leave written notice of the proposed termination at the RPO's address, if possible, or notify the RPO by mail.

ILLNESS, INFIRMITY OR USE OF LIFE-SUPPORT EQUIPMENT

The Company will not terminate service, or will restore service to inactive accounts, for up to one month upon receipt of a physician's statement, preferably completed on the Company's form, identifying a health infirmity or serious illness of the customer or a person living in the customer's residence. The customer is responsible for payment for gas used during the period of continued service, in addition to prior delinquent bills. The Company will seek prior approval of the Public Service Commission before terminating service to a residence in which the customer has given the

Company written notice, including a physician's statement, that life-support equipment is being used at the residence.

NON-RESIDENTIAL TERMINATION NOTICE

The Company will give a non-residential customer at least 48 hours' written notice before terminating service because of non-payment.

RECONNECTION AFTER NONPAYMENT

To have service restored after termination for nonpayment, a customer must first pay a connection fee as set forth in § 8.03, and must also pay the delinquent balance in full or execute a Deferred Payment Agreement, if eligible. The customer has the option to include the connection fee in the total amount to be paid over the term of the deferred payment agreement consistent with the provisions of § 8.04. A Deferred Payment Agreement will be offered to non-residential customers only at the Company's discretion. The Company may also require a security deposit to secure payment of future gas bills. See § 8.03.

CUSTOMER / COMPANY DISPUTES

When a customer responds to a late notice or reminder notice, the Company's personnel will investigate any disputed issue and will attempt to resolve the issue by negotiation. During this investigation and negotiation, no action will be taken to terminate service if the customer pays the undisputed portion of the account. Any customer who is unable to resolve a dispute after contacting the Company to seek resolution may obtain informal review by the Division of Public Utilities by contacting them at local phone number (801-530-7622), (801-530-6652), toll free phone number (800-874-0904), or at <http://publicutilities.utah.gov/complain.html> on the internet. This could be followed by a formal review of the dispute by the Public Service Commission. No action will be taken during the review period to terminate service if the customer pays the undisputed portion of the account.

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10. APPENDIX

This appendix is provided for informational purposes only, and is supplemental to Commission required provisions.

10.01 UTAH STATE SALES TAX RATES

The Utah state sales tax is applied to gas service, connection fee, and any applicable franchise fee.

Date of latest update: January 1, 2014

Area or Locality	Residential	Commercial & Industrial
Beaver County	3.250%	5.950%
Beaver City	4.250%	6.950%
Box Elder County	3.250%	5.950%
Brigham City, Perry, Willard	3.800%	6.500%
Snowville	4.250%	6.950%
Cache County	3.600%	6.300%
Cache Valley Transit District, Hyde Park, Millville	3.850%	6.550%
Hyrum, Logan, Nibley, North Logan, Providence, Richmond, River Heights, Smithfield,	3.900%	6.600%
Carbon County	3.250%	5.950%
Price	3.650%	6.350%
Wellington	3.550%	6.250%
Daggett County	4.250%	6.950%
Davis County	3.800%	6.500%
Bountiful, Centerville, North Salt Lake, Woods Cross, West Bountiful	3.900%	6.600%
Duchesne County	3.250%	5.950%
Duchesne City	3.350%	6.050%
Roosevelt	3.650%	6.350%
Emery County	3.250%	5.950%
Garfield County	4.250%	6.950%
Boulder, Panguitch, Tropic	5.250%	7.950%
Grand County	3.250%	5.950%
Moab	5.150%	7.850%

Area or Locality	Residential	Commercial & Industrial
Iron County	3.250%	5.950%
Brian Head	5.250%	7.950%
Cedar City	3.350%	6.050%
Juab County	3.250%	5.950%
Millard County	3.250%	5.950%
Morgan County	3.250%	5.950%
Piute County	3.250%	5.950%
Rich County	3.250%	5.950%
Salt Lake County	4.150%	6.850%
Alta	5.650%	8.350%
South Salt Lake	4.350%	7.050%
San Juan County	3.250%	5.950%
Monticello	3.650%	6.350%
Sanpete County	3.250%	5.950%
Centerfield	3.350%	6.050%
Ephraim, Mt. Pleasant	3.550%	6.250%
Gunnison	3.650%	6.350%
Sevier County	3.250%	5.950%
Richfield, Salina	3.650%	6.350%
Summit County	3.350%	6.050%
Park City	5.250%	7.950%
Tooele County	3.250%	5.950%
Erda, Grantsville, Lakepoint, Lincoln, Stansbury Park	3.550%	6.250%
Tooele	3.650%	6.350%
Uintah County	3.350%	6.050%
Vernal	3.650%	6.350%
Utah County	4.050%	6.750%
Cedar Hills, Orem	4.150%	6.850%
Wasatch County	3.250%	5.950%
Heber	3.550%	6.250%
Midway	4.650%	7.350%
Park City East	5.150%	7.850%
Washington County	3.250%	5.950%

Area or Locality	Residential	Commercial & Industrial
Hurricane, Ivins, La Verkin, Santa Clara, St. George, Washington City	3.550%	6.250%
Springdale	4.850%	7.550%
Wayne County	3.250%	5.950%
Weber County	4.150%	6.850%

10.02 LOCAL CHARGE RATES FOR EACH MUNICIPALITY

Many municipalities have imposed a Municipal Energy Sales and Use Tax (MET) on natural gas service. The following table shows the MET imposed by each municipality. The MET cannot exceed 6%. The MET applies to gas service, connection fee, and any applicable franchise fee.

Date of latest update: January 1, 2014

Municipality	Municipal Energy or Franchise Tax
Alpine	6.0%
Alta	6.0%
American Fork	6.0%
Beaver	6.0%
Bluffdale	6.0%
Bountiful	6.0%
Brian Head	6.0%
Brigham City	4.0%
Castle Dale	3.0%
Cedar City	6.0%
Cedar Hills	6.0%
Centerfield	6.0%
Centerville	6.0%
Central Valley	6.0%
Charleston	5.0%
Clearfield	6.0%
Cleveland	6.0%
Clinton	6.0%
Corinne	4.0%
Daniel	4.0%
Delta	4.0%

Municipality	Municipal Energy or Franchise Tax
Draper	6.0%
Duchesne	6.0%
Eagle Mountain	3.0%
East Carbon	6.0%
Elmo	6.0%
Elk Ridge	6.0%
Elsinore	3.0%
Enoch	5.0%
Enterprise	6.0%
Ephraim	6.0%
Farmington	6.0%
Ferron	3.0%
Fielding	6.0%
Fillmore	6.0%
Fountain Green	5.0%
Garland	4.0%
Grantsville	6.0%
Gunnison	6.0%
Harrisville	6.0%
Heber City	6.0%
Helper	2.0%
Herriman	6.0%
Hideout	6.0%
Highland	6.0%
Hinckley	4.0%
Holden	3.0%
Holladay	6.0%
Huntington City	6.0%

Municipality	Municipal Energy or Franchise Tax
Hurricane	6.0%
Hyrum	6.0%
Ivins	4.5%
Kamas	4.0%
Kaysville	6.0%
LaVerkin	6.0%
Layton City	6.0%
Leeds	6.0%
Lehi City	6.0%
Lindon	6.0%
Logan	6.0%
Mapleton City	6.0%
Midvale	6.0%
Midway	6.0%
Milford	6.0%
Millville	6.0%
Minersville	6.0%
Moab	3.0%
Monticello	6.0%
Murray	6.0%
Mt. Pleasant	6.0%
Myton	5.0%
Naples	6.0%
New Harmony	6.0%
Nibley	6.0%
North Logan	3.0%
North Ogden City	6.0%
North Salt Lake	6.0%

Municipality	Municipal Energy or Franchise Tax
Ogden	6.0%
Orangeville	6.0%
Orem	6.0%
Panguitch	6.0%
Park City	6.0%
Parowan	6.0%
Payson	6.0%
Perry	6.0%
Plain City	6.0%
Pleasant Grove	6.0%
Pleasant View	6.0%
Price	6.0%
Providence	4.0%
Provo	6.0%
Randolph	5.0%
Richfield	3.0%
Richmond	6.0%
River Heights	5.0%
Riverton	6.0%
Roosevelt	6.0%
Roy City	6.0%
Salem	6.0%
Salt Lake City	6.0%
Sandy	6.0%
Santa Clara	6.0%
Santaquin	6.0%
Saratoga Springs	6.0%
Scipio	4.0%

Municipality	Municipal Energy or Franchise Tax
Smithfield	6.0%
South Jordan	6.0%
South Ogden	6.0%
South Salt Lake	6.0%
South Weber	6.0%
Spanish Fork	6.0%
Springville	6.0%
St. George	6.0%
Stockton	5.0%
Sunnyside	6.0%
Sunset City	6.0%
Syracuse	6.0%
Taylorsville	6.0%
Tooele	6.0%
Toquerville	6.0%
Tremonton	6.0%
Trenton	3.0%
Uintah	5.0%
Vernal	6.0%
Vineyard	6.0%
Washington City	6.0%
Washington Terrace	6.0%
Wellington	6.0%
Wellsville	5.0%
West Bountiful	6.0%
West Jordan City	6.0%
West Point	6.0%
West Valley City	6.0%

Municipality	Municipal Energy or Franchise Tax
Willard	6.0%
Woodland Hills	6.0%
Woodruff	6.0%
Woods Cross	6.0%

11. GLOSSARY

This Glossary is intended for convenience and reference use only. The operational provisions of this tariff are controlling in any case where there is an inconsistency.

A

account

A record of gas service as established by the Company upon acceptance of a customer's application for meter turn-on. See also, definition of "customer."

actual billing days

The number of days from the customer's previous meter read to the current meter read.

administrative charge

A charge based on administrative costs for transportation service rate schedules.

advice letter

Letter notifying Utah tariff holders of a tariff sheet change.

annual historical use

The actual quantity of natural gas (Dth) used by a customer during an annual contract term.

annual load factor

See load factor.

applicant

A prospective customer who applies for a main extension, service line and meter, or meter turn-on.

application

Main Extension Application--Written request completed on the Company's main extension application form for an extension of an existing main, either by the property owner or designated agent.

Service Line Application--Written request completed on the Company's service line application form for installation of a service line and meter, either by the property owner or designated agent.

Gas Service Application--Applicant's written, telephoned, or electronically transmitted request for initiation of gas service.

Interruptible Sales Service Application--Written request on Company's Service Agreement form to participate in the Company's interruptible sales service.

B**base load**

Gas required for non-seasonal purposes, such as water heating and cooking. In situations where a customer receives service on multiple rates, the daily contract limit for the firm rate class.

Basic Service Fee (BSF)

A fixed charge, determined by the applicable BSF category, that is charged periodically to a customer without regard to consumption.

Basic Service Fee (BSF) Category

Grouping of meters into four separate categories of capacity and cost. Used to determine applicable BSF charge.

billing month

Period of approximately 30 days upon which the customer's gas consumption is computed and bills are rendered.

block break point

The point at which volumes of billed Dth are charged at the next block rate in a declining block rate structure.

Btu

A British thermal unit, equivalent to the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit.

Budget Plan

Monthly payment plan available to a General Service customer under which the customer's estimated annual billing is divided into 12 monthly payments.

Budget Plan Year

The 12-month period that begins when a customer initiates or renews the budget plan.

business day

Week days exclusive of Company observed holidays.

C**calculated bill**

Bill based on estimated gas usage that considers usage relative to customers with similar usage history in the same geographical area during a previous billing period and the current usage by those same customers in the period being estimated.

calorimeter

An apparatus for measuring the heating value of a fuel.

capacity release

The temporary assignment of capacity held by the Company on an upstream pipeline. Capacity release will be offered on a "pre-arranged" basis, by a posting on the upstream pipeline electronic bulletin board or as otherwise required by the upstream pipeline FERC approved tariff.

commercial customer

Type of customer using natural gas service for space heating, air conditioning, water heating, clothes drying, cooking, or other applications in either a place of business engaged primarily in the sale of goods or services (including educational and health care institutions, local, state and federal government agencies, etc.) or master metered rental property.

Commission

Public Service Commission of Utah.

commodity cost

That portion of a rate for gas service that is based on those costs that are related to the volumes of gas used by the customer

Company

Questar Gas Company dba Dominion Energy Utah.

contract term

The period of time specified in an agreement between the customer and the Company for which service will be provided and received.

connection fee

A charge imposed to cover the average costs associated with initiation or reinstatement of service. Additional charges will be assessed in cases of unauthorized use.

contribution in aid of construction

That portion of total construction costs, over and above any allowances given by the Company, that is paid by the customer prior to commencement of construction of a main extension and/or service line.

customer

Individual, firm or organization classified as either a residential, commercial or industrial customer purchasing and/or transporting natural gas from the Company at each point of delivery, under each rate classification, contract, or schedule. See also definition of "account."

D**daily contract limit**

Contracted peak winter day use or other limit specified in customer's contract.

daily mean temperature

The sum of the high and low temperatures of the day divided by two.

days

Calendar days, unless otherwise specified.

default payment

An amount due from a customer if a main is extended or a service line is run for that customer and within two years the terms of the main extension and service line contracts are not met.

deferred payments agreement (DPA)

An installment payment plan by which a residential customer can pay a delinquent bill over a period of up to 12 months.

degree-day (heating)

A unit used in estimating fuel consumption, based upon temperature difference and time. For any day when the daily mean temperature is less than 65° F., there exist as many degree days as there are Fahrenheit degrees difference between the mean temperature of the day and 65° F. For example, if the mean temperature for the day is 55°, then there are 10 degree days (65° - 55°). When the daily mean temperature is 65° or more, there are zero degree days.

degree-day deficiency

The cumulation of degree days for a specified period of time. For example, in a billing period consisting of 31 days of gas usage, the degree-day deficiency is the sum of the daily degree days during the billing period.

degree-day factor

An average measurement of gas usage per degree-day unit.

delivered pressure

The pressure of the natural gas in, psia, as it enters the meter.

demand charge

That portion of a rate for gas service that is based on the maximum or peak-day needs of each customer.

discontinuance

Discontinuance of service is at the customer's request as opposed to termination of service by the Company for nonpayment or breach of contract.

E**Extension Area Charge (EAC)**

A monthly charge applicable in service extension areas in lieu of a lump sum non-refundable payment to be paid over a period of years and approved by the Commission.

F

firm service

Type of service offered to qualifying customers under a schedule or contract that anticipates no interruptions.

firm transportation service

Firm transportation service offered to any qualifying customer under the FT, TS or MT rate schedules.

fuel line

The gas piping owned and maintained by the customer between the meter and gas-operated equipment.

fuel reimbursement

Reimbursement collected by redelivering 1.5% less volumes than were received into the Company's distribution system for transportation service.

G

gas daily market index price

The Questar mid-point index price as published in Platt's Gas Daily Price Survey. If Platt's Gas Daily Price Survey is not available, then the Company will determine a gas daily market index price using a similar index, publication, or comparable methodology.

gas balancing account adjustment provisions

Provision for balancing the Company's actual purchased gas costs against the amount collected in rates. Also known as the "191 Account."

general service customer

One who receives service under the Company's GS rate schedule.

I

imbalance

A condition occurring when an interruptible transportation customer has a different amount of its own gas delivered into the Company's distribution system than is used less fuel reimbursement at the meter serving his premises.

imbalance tolerance window

A level of imbalance which customers are allowed under the balancing provisions.

industrial customer

Type of customer using natural gas service primarily for a process which creates or changes raw or unfinished materials into another form or product, including the generation of electricity.

input rating

The design rate of fuel acceptance by a burner, usually expressed in Btu per hour.

interconnect point

A point where customer-owned gas is received into the Company's distribution system.

interruption

Period when gas service is unavailable to interruptible customers; or period when emergency sales restrictions apply to customers because of a major disaster or pipeline break.

interruptible sales service

Interruptible sales service offered to any qualifying customers under the IS or ES sales service schedule.

interruptible transportation service

Interruptible transportation service offered to any qualifying customer under the TS transportation schedule.

L**load factor**

The ratio of the average usage requirement to the maximum winter usage requirement e.g., average daily usage divided by the usage on the peak winter day. See the Classification Provisions for each rate schedule for the definition applicable to interruptible sales service customers.

M**main**

Distribution supply line to which service lines may be connected for delivery to ultimate consumers. Mains generally run under city streets and do not cross the customer's property line.

maintenance charge

All equipment leased under the ELC will be repaired and maintained by the Company. An additional maintenance charge will be included with the lease charge for each equipment category.

master meter

A single meter used to measure the volume of gas delivered to multiple residential or commercial units, mobile home parks, or separate permanent structures.

maximum daily usage

The largest volume of gas delivered to a customer in one 24-hour period ending at 12 p.m.

meter

An instrument for measuring and indicating, or recording, the volume of gas that has passed through it.

minimum bill

Charge for having connected service even if no gas or less than a specified minimum amount of gas is used during the billing period.

minimum charge

Charge for having connected service even if no gas or less than a specified minimum amount of gas is used during the applicable period.

mobile home

A residential dwelling with a "T" code in the Company's billing records.

monthly market index price

Monthly market index price is the first-of-the-month index price of gas delivered from the pipeline immediately upstream from the city gate(s) as reported in Platts Energy Trader for the month in which the imbalance or gas purchase occurred. If the Platts Energy Trader publication is not available, then the Company will determine a monthly market index price using a similar index, publication, or comparable methodology.

multi-family dwelling

Residential buildings designated with an "A" code in the Company's billing records, which includes structures with two or more dwelling units.

Municipal Energy Tax (MET)

A tax levied by a municipality on the sale or use of natural gas or electricity

N**non-registering meter**

A meter that, upon reading, incorrectly indicates usage has not occurred or the usage registered is so minimal as to require a laboratory test for confirmation.

NGV

Natural gas powered vehicles.

P**peak winter day**

Customer's actual peak winter daily usage during the three most recently completed calendar years. When actual daily use is not available, the peak winter day will be estimated by multiplying the average daily usage for the customer's peak winter month by 1.4.

psia

Pounds per square inch absolute.

point of delivery

Outlet of the Company's meter installed to supply the customer with the service contracted for.

premises

An individually metered place of residence such as a single family dwelling or an apartment unit.

R**rate schedule**

The aggregate of rates, charges and provisions that define and characterize a rate class under which service is supplied to a customer.

redelivery point

A point of interconnection between Company and an end user, where customer-owned natural gas being transported is redelivered from the Company's distribution system to the customer's premises.

released capacity

Firm capacity on an upstream pipeline which is released by Dominion Energy Utah.

representative daily use

The peak daily usage experienced by a customer over the previous three calendar years or a number determined by the Company to be representative of a customer's peak daily use.

residential customer

Type of customer using natural gas service for space heating, air conditioning, water heating, clothes drying, or cooking in a personal residence such as a home, an apartment, or a condominium.

S**security deposit**

Amount required to secure payment of future gas bills which is imposed either at meter turn-on or when a customer has demonstrated poor credit with the Company.

service line

Gas pipe that carries gas from the main to the Company's meter.

service turn-on order

The work order signed by the applicant upon completion of meter turn-on and lighting of the customer's gas appliances. See also definition of "application."

shared appliance

An appliance serving more than one premises.

shared meter

A meter shared by a small number of premises, such as a duplex, or a home with a basement apartment.

standard billing period

A billing period that contains between 20 and 40 days.

summer billing months

April through October.

summer season

April 1 through October 31.

T**tail block rate**

The last block in any rate schedule.

tariff

The published volume of rate schedules, conditions of service and billing provisions under which natural gas will be supplied to customers by the Company.

temporary discontinuance of service

Discontinuance of service for any reason lasting less than twelve months. Service to a customer who discontinues service and who applies for resumption of service within twelve months at the same location will be deemed to be a temporary discontinuance of service.

termination

Termination of service is at the Company's discretion for nonpayment or breach of contract, as opposed to discontinuance of service at the customer's request.

trading partners

Transportation customers who have coordinated among themselves to exchange positive and negative imbalances in order to reduce or eliminate their individual imbalances with the Company.

U

upstream pipeline

A pipeline that may be used to transport gas to the Company's system.

usage

A measured consumption of natural gas, stated either in volumetric or thermal units.

V

Volume Multiplier

The factor used to convert the volume of gas as measured by the Company's meter to actual heat content of gas as sold in decatherms. It is a combination of several factors including altitude, gas pressure, the chemical composition of the gas, etc. Compressibility of the gas volume is calculated using the AGA Transmission Measurement Committee Report No. 8 Gross Characterization Method. The heat content and other gas component values flowing in the Company's lines will be determined daily from recording calorimeters or other appropriate devices, and averaged for the customer's billing period.

W

Weather Normalization Adjustment (WNA)

An adjustment to reduce the effect of variations in the monthly bill due to weather.

weather zone

A climatological area in which normal and actual weather data is gathered for use in calculating WNA.

winter billing months

November through March.

winter season

November 1 through March 31.

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	09-03	5	April 1, 2009

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request for Agency Action
And Complaint of US Magnesium, LLC
against Dominion Energy Utah

Docket No. 17-057-13

US Magnesium Exhibit H

76127

Questar Gas has called system capacity and supply reduction interruptions. Please review your email for more details.

1/6, 11:12a

Effective January 7, 2017 at 1:00 pm. Questar Gas is lifting the service interruption for customers. Please ensure your nominations meet your demand.

1/7, 6:46a