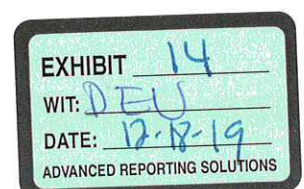


P.S.C.U. Docket No. 19-057-02  
OCS Data Request No. 11.12  
Requested by the Office of Consumer Services  
Date of DEU Response November 26, 2019

- OCS 11.12: Pensions. Refer to DEU Exhibit 6.0R – Rebuttal Testimony of Alan Felsenthal, page 7, lines 175 – 177, which states: “In its last general rate case (Docket No. 13-057-05), DEU included, and the Commission approved, a pension accrual amount of \$8.18 million.”
- a. Please provide the source documentation supporting the inclusion of the \$8.18 million pension accrual amount.
  - b. Please provide a citation to the Commission’s Order in Docket No. 13-057-05 that indicates that a pension accrual amount of \$8.18 million was approved.
  - c. Please provide the sections of the Company’s filing in Docket No. 13-057-05 that shows the amount of pension expense requested in that case (i.e., testimony sections and or exhibit sections) and information supporting any adjustments made to the amount requested in the Company’s filing resulting in the \$8.18 million referenced in Mr. Felsenthal’s testimony.

Answer: OCS 11.12 Attachment 1 is the settlement model from the general rate case in Docket 13-057-05. The \$8.18 million discussed by Mr. Felsenthal is shown in the tab “Labor Forecast” in cell G11. In that case, an adjustment of -\$3,805,815 was made to pension and OPEB expense in settlement. This adjustment is discussed in the partial settlement stipulation on page 4, paragraph b. This stipulation is attached as OCS 11.12 attachment 2. The orders in this case can be found on the Utah Public Service Commission website at <https://psc.utah.gov/2016/06/27/docket-no-13-057-05/>.

Prepared by: Kelly B Mendenhall, Director, Regulatory & Pricing



	Labor Expense					
	2009	2010	2011	2012	2013	2014
Expense						
Early Retirement Expense	30,096,847.17	29,970,842.97	30,399,884.00	30,559,774.00	32,856,565	34,208,786
Early Retirement Savings				2,438,000.00		
Other Incentive					(1,956,086)	(2,274,358)
Incentive Accrual Expense	6,604,093.32	6,895,263.94	6,445,359.00	4,750,241.00	4,800,000	4,981,375
Allocated Charges	10,082,480.60	9,737,281.52	407,532.00	251,261.00		
Other Expense	1,081.26	22,209.96	1,049,905.00	1,291,304.00	1,365,697	1,417,302
Total Labor Expensed	46,784,502.35	46,625,598.39	38,302,680.00	39,290,580.00	37,066,176	38,333,105
Pension Expense			8,025,675.02	11,799,476.64	10,223,793	8,180,535
Other Labor Overhead Expense	27,351,130.76	28,334,034.91	15,376,790.98	15,037,406.36	17,246,354	18,043,684
Affiliated Labor (560)	1,736,004.87	1,572,517.88	9,428,616.00	9,641,383.00	10,536,988	10,966,689
Affiliated Labor Overhead (561)	666,090.32	1,020,181.46	7,205,031.00	8,645,629.00	9,513,819	9,071,581
Total Labor/Labor Overhead Expens	76,537,728.30	77,552,332.64	78,338,793.00	84,414,475.00	84,587,131	84,595,594
Year-to-Year % change		1.33%	1.01%	7.76%	3.2%	0.0%

Colleen Larkin Bell (5253)  
Jenniffer Nelson Clark (7947)  
Questar Gas Company  
333 S. State Street  
P.O. Box 45433  
Salt Lake City, UT 84145-0433  
(801) 324-5556  
(801) 324-5935 (fax)  
Colleen.bell@questar.com  
Jenniffer.clark@questar.com

*Attorneys for Questar Gas Company*

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

IN THE MATTER OF THE APPLICATION OF QUESTAR GAS COMPANY TO INCREASE DISTRIBUTION RATES AND CHARGES AND MAKE TARIFF MODIFICATIONS	Docket No. 13-057-05  <b>PARTIAL SETTLEMENT STIPULATION</b>
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Pursuant to Utah Code Ann. § 54-7-1 and Utah Admin. Code R746-100-10.F.5, Questar Gas Company (Questar Gas or Company); the Division of Public Utilities (Division); the Office of Consumer Services (Office); the UAE Intervention Group; Nucor Steel-Utah, a Division of Nucor Corporation; Utah Asphalt Pavement Association; and the Federal Executive Agencies (collectively Parties) submit this Partial Settlement Stipulation in resolution of some of the issues raised in the Company's Verified Application in this docket.

## PROCEDURAL HISTORY

1. On July 1, 2013, Questar Gas filed its Verified Application and direct testimony with the Utah Public Service Commission (Commission) seeking an order authorizing a total revenue requirement of \$313.4 million based on a test period ending December 31, 2014 (Verified Application). The Verified Application was filed pursuant to the filing requirements, Utah Admin. Code R746-700-1, *et seq.*
2. On July 22, 2013, the Commission issued its Scheduling Order setting dates for filing testimony, technical conferences, and hearings.
3. On August 13, 2013, a technical conference was held to discuss and provide information on the Company's models used in its Verified Application. The Company explained its models, demonstrated how Parties and other intervenors could modify inputs and assumptions and responded to questions regarding the models.
4. Since the Verified Application was filed, both the Division and the Office have performed on-site audits and the Parties and other intervenors have conducted discovery. In conjunction with these audits and discovery, Parties and other intervenors have asked and Questar Gas has responded to more than 800 data requests and posted them on its "V Bulletin" website for the convenience and review of all intervenors.
5. On October 30, 2013, the non-Company Parties and many other intervenors filed direct testimony. On November 12, 2013, the Parties and other intervenors engaged in Confidential Settlement discussions regarding the Verified Application. Subsequently, the Parties continued to engage in confidential settlement discussions and have reached agreement on the portions of the Company's Verified Application specifically outlined herein.

## TERMS AND CONDITIONS

### Revenue Requirement, Rate Spread, and Rate Increase

6. In settlement of revenue requirement and rate spread issues in this case, the Parties submit this Partial Settlement Stipulation for the Commission's approval and adoption. Settlement Stipulation Exhibit 1, which shows the stipulated revenue requirement adjustments and which is incorporated in this Partial Settlement Stipulation, begins with the Company's requested revenue requirement of approximately \$313,358,742 (line 1) based on an average test period ended December 31, 2014. The Parties agree for purposes of settlement to make the adjustments outlined below to calculate a revenue requirement amount of \$306,182,401 (line 19, column A), before making any adjustments for Return on Equity (ROE).

7. The Parties agree for purposes of settlement to the revenue requirement adjustments shown on Settlement Stipulation Exhibit 1. A brief summary of each adjustment is listed below. A settlement model is being provided in "13-057-05 settlement model.xls", attached hereto as Settlement Stipulation Exhibit 2 (Settlement Model) that includes all of the settlement adjustments.

a. The Parties agree for purposes of settlement to adjust the Inflation Factors to reflect the 2<sup>nd</sup> quarter Global Insight inflation percentages. This increases the revenue requirement by \$194,820 (Settlement Stipulation Exhibit 1, line 2).

PARTIAL SETTLEMENT STIPULATION  
DOCKET NO. 13-057-05

- b. The Parties agree for purposes of settlement to the Pension and OPEB expense adjustments of \$3,805,815. This reduces the revenue requirement by approximately<sup>1</sup> \$3,805,815 (line 3).
- c. The Parties agree for purposes of settlement to a Fines and Penalties adjustment that reduces the revenue requirement by approximately \$4,437 (line 4).
- d. The Parties agree for purposes of settlement to an Economic Development adjustment that reduces the revenue requirement by approximately \$260,242 (line 5).
- e. The Parties agree for purposes of settlement to a Telecom Rent adjustment that reduces the revenue requirement by approximately \$76,182 (line 6).
- f. The Parties agree for purposes of settlement to a Lobbying Expense adjustment that reduces the revenue requirement by approximately \$7,237 (line 7).
- g. The Parties agree for purposes of settlement to an O&M adjustment that reduces the revenue requirement by approximately \$167,491 (line 8).
- h. The Parties agree for purposes of settlement to a Distrigas allocation adjustment that reduces the revenue requirement by approximately \$107,356 (line 9).
- i. The Parties agree for purposes of settlement to a Questar Gas Labor adjustment that reduces the revenue requirement by approximately \$255,394 (line 10).
- j. The Parties agree for purposes of settlement to a Questar Corporation Labor adjustment that reduces the revenue requirement by approximately \$406,416 (line 11).

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<sup>1</sup> The dollar change to revenue requirement will be different based on the order of operation that the adjustments are made and on the final Return on Equity that is approved by the Commission. These numbers represent approximate amounts.

k. The Parties agree for purposes of settlement to a Change in Long Term Debt Cost rate from 5.23% to 5.25%. This increases the overall revenue requirement by approximately \$97,036 (line 12).

l. The Parties agree for purposes of settlement to a Rate Base adjustment that reduces the overall revenue requirement by approximately \$1,410,234 (line 13).

m. The Parties agree for purposes of settlement to an adjustment to the Construction Not Classified, Account 106, that reduces the overall revenue requirement by approximately \$467,392 (line 14).

n. The Parties agree for purposes of settlement to a non-specified adjustment to the rate base that reduces the overall revenue requirement by \$500,000 (line 15).

o. The Parties agree for purposes of settlement to make an adjustment to the intercompany return based on the Commission approved Return on Equity (line 16).<sup>2</sup>

8. When all stipulated adjustments are included, the result is a total revenue requirement before Return on Equity adjustments of approximately \$306,182,401 (applying the Company-recommended 10.35% ROE), \$298,673,230 (applying the Division-recommended 9.45% ROE), or \$297,421,702 (applying the Office-recommended 9.3% ROE) respectively (Settlement Stipulation Exhibit 1, line 19).<sup>3</sup> Subtracting the average test period volumetric revenues of approximately \$294,396,591 results in a revenue deficiency of \$11,785,809

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<sup>2</sup> Questar Corporation charges Questar Gas a return on equity for assets that are owned by Questar Corporation but used by Questar Gas. The return is based on the Commission-allowed return on equity for Questar Gas. Any adjustment from the currently allowed 10.35% will result in an adjustment to the intercompany return.

<sup>3</sup> The Parties recognize that if another ROE were applied, or ordered in this case, the numbers set forth in paragraph 8 would change. For illustrative purposes, the Parties have included numbers reflective of the ROEs proposed by the Company, the Division and the Office, respectively.

(applying the Company-recommended 10.35% ROE), \$4,276,639 (applying the Division-recommended 9.45% ROE), or \$3,025,110 (applying the Office-recommended 9.3% ROE) as shown on line 21.

### **Interruption Testing**

9. The Parties agree, for purposes of settlement, that the Company will not conduct Interruption Testing, as detailed in the Verified Application. Instead, the Company's Utah Natural Gas Tariff No. 400 (Tariff) will be modified to contain the following terms of service:

a. 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 Mechanism.

b. If a customer fails to interrupt when called upon by the Company to do so, then beginning on July 1<sup>st</sup> 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 1<sup>st</sup> following the failure to interrupt, but will continue to receive interruptible service.

10. Additionally, each interruptible customer will, as a condition of service, provide the following:



a. By February 28<sup>th</sup> of each year<sup>4</sup>, 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.

#### **Interruptible Gas Supply Call Option**

11. The Parties agree, for purposes of settlement, that the language Section 5.04 of the Company's Utah Natural Gas Tariff PSCU 400 (Tariff) that requires customers to offer to sell their gas supplies to the Company during periods of interruption will be modified as follows: The sentence in Section 5.04 of the Tariff that reads "Customers must, as a condition of interruptible transportation service by the Company, offer to sell their gas supplies to the Company for its use during periods of interruption in serving firm sales customers in accordance with the following conditions" will be modified to say that "Customers may offer to sell their gas supplies to the Company, and 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 Company, and Company agrees to buy it, such sale shall be made upon the following conditions:"

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<sup>4</sup> For 2014, this deadline will be extended until April 30, 2014, consistent with Paragraph 16 of this Partial Settlement Agreement.

12. Subsection (5) of Section 5.07 of the Company's Tariff will be stricken, and replaced with the following: "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."

#### **FT-1 Qualifying Criteria**

13. Subparagraph (8) in Section 5.05 of the Company's Tariff will be stricken and replaced with the following:

"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."

#### **Rate Spread**

14. The Parties agree for purposes of settlement that for rate spread purposes, the rate spread will be calculated based on the Settlement Model. The Parties do not agree on whether the Settlement Model represents the proper way of calculating cost-of-service, and agree that any assumptions employed in that model should bear no precedential value in any other matter.

15. The Parties agree for the purpose of settlement that, beginning on March 1, 2014, the cost-of-service for the TS and IS classes will be 60% of the difference between the test-period revenue collected and the test period revenue that would be collected under the results of the Settlement Model. It is further agreed that in 2015, coincident with the effective date of the Company's first fall Infrastructure Rate-Adjustment Mechanism filing, the TS and IS classes will receive an adjustment so that their base rates collect 72% of the difference between the test-period revenue collected and the test period revenue that would be collected under the results of

the Settlement Model. It is also agreed that once the overall percentage increase to the TS class has been determined, the FT-1 class will increase by the same overall percentage increase as the TS class. The remaining revenue increase will be allocated to the GS, FS, and NGV rate classes as calculated in the "Settlement" tab in the Settlement Model. Settlement Stipulation Exhibit 3 shows an example of the calculation using the revenue requirement numbers discussed earlier at each proposed return on equity (10.35%, 9.45% and 9.3%), as shown in the above-referenced tab in the Settlement Model.

#### **Rate Schedule Adjustments**

16. The Parties agree that in 2014 only, the Company will extend the timeframes set forth in the Company's Tariff, as follows:

a. Section 2.01 of the Tariff shall be modified to indicate that in 2014 Customers shall have until March 30, 2014 to submit a request for firm sales service from an existing transportation service or interruptible sales service.

b. Section 4.01 of the Tariff shall be modified to indicate that in 2014 Customers shall have until March 30, 2014 to request to move to interruptible sales service from an existing transportation or firm sales service rate schedule.

c. Section 5.01 of its Tariff shall be modified to indicate that in 2014 customers shall have until March 30, 2014 to submit a written request to move from an existing firm or interruptible sales service to transportation service, and customers will have until April 30, 2014 to provide a fully executed contract and meet with the Company's telemetry technician.

#### **Infrastructure Rate-Adjustment Mechanism Pilot Program**

17. The Parties agree for purposes of settlement that the Company may continue its Infrastructure Rate-Adjustment Mechanism as a pilot program. The Parties agree for purposes of

settlement that the Infrastructure Rate-Adjustment Mechanism will be modified as more fully set forth below.

18. The Parties agree for purposes of settlement that the costs associated with the replacement of certain Intermediate High Pressure (IHP) beltlines shall be included in the Infrastructure Rate-Adjustment Mechanism pilot program, as more specifically described below.

19. The Parties agree for purposes of settlement that in identifying high pressure (HP) pipelines for replacement, the Company shall utilize the evaluation criteria as set forth in Settlement Stipulation Exhibit 4; and in identifying IHP pipe for replacement, the Company shall utilize the evaluation criteria set forth in Settlement Stipulation Exhibit 5. The Parties further agree that these criteria are evolving and may be expanded and modified as new and additional information and/or technology becomes available. The Company shall inform the Commission, the Office and the Division of any changes in the criteria set forth in Settlement Stipulation Exhibits 4 or 5.

20. The Company has created a Master List of all HP Feederlines, attached as Confidential Settlement Stipulation Exhibit 6. The Company has also identified certain HP pipelines for replacement utilizing the criteria set forth in Settlement Stipulation Exhibit 4. Those pipelines, their location, associated footage, and the currently-anticipated schedule for replacement, is set forth in Confidential Settlement Stipulation Exhibit 7.

21. The Company has also identified 70 miles of IHP beltlines for replacement utilizing the criteria set forth in Settlement Stipulation Exhibit 5. The beltlines scheduled for replacement in 2014 are delineated in Confidential Settlement Stipulation Exhibit 8. The Parties agree that on or before April 30, 2014, the Company will provide additional information about

the beltlines to be replaced in a form similar to that shown on Confidential Settlement Stipulation Exhibit 7.

22. The Parties agree for purposes of settlement that the Company will provide reports related to the Infrastructure Rate-Adjustment Mechanism. Specifically, the Company will provide the following reports:

a. In November of each year, the Company will continue to file an annual budget for both HP and IHP replacements for the upcoming calendar year. Capital infrastructure investment may still be considered Construction Work In Progress (CWIP) at year end. Amounts recorded in CWIP at year end will not be included in the budget cap for the following year. The Company may request Commission approval to exceed the budget cap if there are exigent circumstances requiring immediate capital expenditures.

b. In April of each year, in the docket associated with that year's annual budget filing, the Company shall provide the following:

i. An updated Master List of all HP pipelines in its system, including new construction and replacement work. A current Master List is attached as Confidential Settlement Stipulation Exhibit 6.

ii. Updated HP and IHP project schedules (Confidential Settlement Stipulation Exhibits 7 and 8) explaining any material changes to the schedules set forth.

c. The Company will continue to file quarterly variance reports showing the actual expenditures in the program, as compared to the budget, and describing any material variances from the most-current replacement schedule.

23. The Parties agree for purposes of settlement that previously unscheduled pipeline replacements may be added to the HP replacement schedule set forth on Confidential Settlement

Stipulation Exhibit 7 or IHP replacement schedule that will be provided pursuant to paragraph 21 above, only with prior Commission approval. The Company may apply, at any time, for such approval.

24. The Parties agree for purposes of settlement that the Infrastructure Rate-Adjustment Mechanism shall be limited to a total of \$65 million per year to cover the costs associated with replacing both high pressure and intermediate high pressure natural gas facilities. The annual budget shall be indexed each year for inflation using the most recent corresponding Global Insight inflation rate reported as the "GDP Deflator."<sup>5</sup> The budget cap will be re-set in each general rate case.

25. The Parties agree for purposes of settlement that tracking of infrastructure replacement costs will not commence until the level of infrastructure investment in rates has been reached. Based on the test period, that investment level is \$84 million (\$62 million for high pressure and intermediate high pressure investment in 2013 and \$22 million for high pressure and intermediate high pressure investment in 2014). The Parties agree that the Division shall conduct its audit of the 2013 tracker investment and, in the event of any disallowance, those costs will be adjusted out of the next Infrastructure Rate-Adjustment Mechanism filing.

#### **Timing of Filing of Next General Rate Case**

26. The Parties agree for purposes of settlement that the Company will file its next general rate case no later than July 1, 2016.

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<sup>5</sup> If the Global Insight inflation rate is discontinued or is otherwise unavailable, the Company, the Division and the Office shall agree upon a substitute index. If the Company, the Division and the Office cannot agree upon a substitute index, then the Company shall, as part of its budget filing, apply to the Commission for the determination of the proper index to employ.

### **Interim Studies**

27. The Parties agree that in the Company's next general rate case, the Company will provide revenue neutral percentage changes for each rate schedule based upon the Company's cost-of-service study.

28. The Parties agree that on or before July 1, 2014, the Company will assemble a working group of interested stakeholders and the Company will study alternative IS and TS rate designs including, but not limited to: aggregation of meters, dividing the IS and TS classes, analysis related to customers with higher summer load, and analysis related to the FS load factor requirement.

### **Depreciation**

29. As required by prior Commission Order in Docket No. 07-057-13, the Company performed a depreciation study based upon 2012 data. The Company provided the depreciation study to the Parties and other intervenors in this docket on October 11, 2013. The Parties agree for purposes of settlement that the Company will file, in a separate docket, the depreciation study and will seek approval of new depreciation rates to become effective as ordered by the Commission. The Parties agree that upon approval of the new depreciation rates, these rates and reserve variance will be applied to the rate base in this Partial Settlement Agreement and the rate spread consistent with the results of the Settlement Model, and the revenue requirement and rates in this docket will be adjusted accordingly.

**Basic Service Fee**

30. The Parties agree for purposes of settlement that the Basic Service Fee for each category of meter shall be as follows:

Category of Meter	Basic Service Fee
I	\$6.75
II	\$18.25
III	\$63.50
IV	\$420.25

**Firm Sales Rate Design**

31. For purposes of settlement the Parties agree that the volumetric rates in the GS and FS rate classes should be based on the cost curves set forth in the pre-filed direct testimony of Austin C. Summers. The rates shown in the tabs titled "Rate Design 60%" and "Rate Design 72%" of the Settlement Model have been designed to collect revenue using the Basic Service Fees shown in Paragraph 30, above. After applying the basic service fees, the remaining revenue requirement is spread among rate blocks using the cost curves to reduce intra-class subsidies. The summer block rates are calculated the same as the winter block rates, except that demand costs are only included in winter rates. For the GS class, the differential between block one and block two is set at \$1.00 for both summer and winter. For the FS class, the differential between blocks one and two will be \$0.38 and the differential between blocks two and three will be \$0.40. The Parties agree that these differentials provide a reasonable alignment to the Company's calculated cost curves.



### TS Rate Design

32. The Parties agree, for purposes of settlement, to the following TS rate design provisions:

a. Administrative Charge. The Administrative Charge will remain unchanged from current rates.

b. Rate structure. The TS rate schedule will incorporate the revised blocking structure proposed by the Company in its direct filing.

c. Basic Service Fee (BSF). The BSFs will be those shown in Paragraph 30.

d. Demand Charge. The demand charge will be determined by increasing current demand revenues and current volumetric revenues by an equal percentage sufficient to collect the balance of the TS test period revenue requirement pursuant to the results of the Settlement Model. The resulting percentage increase will be applied to the current demand charge of \$20.59/Dth (inclusive of the current Infrastructure Rate Adjustment).

e. Volumetric Charges. The volumetric charges will be determined by reducing the charges proposed by the Company in its direct filing for each of the four (new) rate blocks by an equal percentage sufficient to achieve the targeted volumetric revenues described in (d) above.

### FT-1 Rate Design

33. The parties agree for purposes of settlement to the following FT-1 rate design provisions:

a. The FT-1 demand charge will be set at 50% of the TS demand charge.

b. The FT-1 volumetric charges will be determined by reducing the charges proposed by the Company in its direct filing for each of the four rate blocks by an equal

percentage sufficient to achieve the targeted volumetric revenues pursuant to the results of the Settlement Model.

c. The FT-1 rate schedule will expressly permit customers to purchase interruptible transportation in excess of the firm demand amount to which they subscribe by paying the TS volumetric rates.

#### **IS Rate Design**

34. For purposes of settlement the Parties agree that the volumetric rates in the IS rate class should be apportioned as follows: 87.135% of the revenue requirement remaining after basic service fees have been removed will be paid through the first block, 12.797% will be paid through the second block, and .068% will be paid through the third block. These rates can be seen in tabs titled "Rate Design 60%" and "Rate Design 72%" of the Settlement Model.

#### **General**

35. The Parties agree that settlement of those issues identified above is in the public interest and that the results are just and reasonable.

36. The Parties have reached a full and final resolution of those issues identified above and that all other issues in this case should proceed upon the schedule set forth in the Order Modifying Scheduling Order and Notices of Hearing and Public Witness Day Hearing dated December 4, 2013 in this docket.

37. The Parties agree that no part of this Partial Settlement Stipulation, or the formulae or methods used in developing the same, or a Commission order approving the same, shall in any manner be argued or considered as precedential in any future case. This Partial Settlement Stipulation does not resolve, does not provide any inferences regarding, and the Parties are free to take any position with respect to, any issues not specifically identified and

settled herein. All negotiations related to this Partial Settlement Stipulation are privileged and confidential, and no Party shall be bound by any position asserted in negotiations. Neither the execution of this Partial Settlement Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle or practice of ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Partial Settlement Stipulation.

38. Questar Gas, the Division, and the Office each will, and other Parties may, make one or more witnesses available to explain and support this Partial Settlement Stipulation to the Commission. Such witnesses will be available for examination. So that the record in this docket is complete, all testimony, exhibits, and attachments to the Verified Application that have been filed on the issues resolved by this Partial Settlement Stipulation shall be admitted as evidence. The Parties shall support the Commission's approval of the Partial Settlement Stipulation. As applied to the Division and the Office, the explanation and support shall be consistent with their statutory authority and responsibility.

39. The Parties agree that if any person challenges the approval of this Partial Settlement Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Partial Settlement Stipulation, each Party will use its best efforts to support the terms and conditions of the Partial Settlement Stipulation. As applied to the Division and the Office, the phrase "use its best efforts" means that they shall do so in a manner consistent with their statutory authority and responsibility. In the event any person seeks judicial review of a

Commission order approving this Settlement Stipulation, no Party shall take a position in that judicial review opposed to the Partial Settlement Stipulation.

40. Except with regard to the obligations of the Parties under paragraphs 37, 38 and 39 of this Partial Settlement Stipulation, this Partial Settlement Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission. This Partial Settlement Stipulation is an integrated whole, and any Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of this Partial Settlement Stipulation or imposes any material change or condition on approval of this Partial Settlement Stipulation, or if the Commission's approval of this Partial Settlement Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Partial Settlement Stipulation consistent with the order. No Party shall withdraw from the Partial Settlement Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Partial Settlement Stipulation, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Partial Settlement Stipulation, and no Party shall be bound or prejudiced by the terms and conditions of the Partial Settlement Stipulation.

41. This Partial Settlement Stipulation may be executed by individual Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

PARTIAL SETTLEMENT STIPULATION  
DOCKET NO. 13-057-05

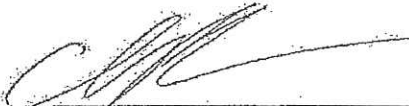
42. The Parties are authorized to represent that the intervenors in this docket that have not entered into this Settlement Stipulation either do not oppose or take no position on this Settlement Stipulation.

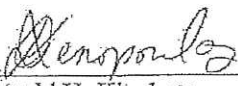
RELIEF REQUESTED

Based on the foregoing, the Parties request that the Commission issue an order approving this Partial Settlement Stipulation and adopting its terms and conditions.

RESPECTFULLY SUBMITTED: December 13<sup>th</sup>, 2013.

  
\_\_\_\_\_  
Barrie L. McKay  
Questar Gas Company  
*Vice President Regulatory Affairs*

  
\_\_\_\_\_  
Chris Parker  
Division of Public Utilities  
*Director*


  
\_\_\_\_\_  
Gerald H. Kinghorn  
Jeremy R. Cook  
Parsons Kinghorn Harris, P.C.

  
\_\_\_\_\_  
Michele Beck  
Office of Consumer Services  
*Director*

Damon E. Xenopoulos  
Brickfield, Burchette, Ritts & Stone, P.C.

*Attorneys for Nucor Steel - Utah, a Division of  
Nucor Corporation*

PARTIAL SETTLEMENT STIPULATION  
DOCKET NO. 13-057-05



Gary A. Dodge  
Hatch James & Dodge

*Attorney for UAE Intervention Group*



Reed Ryan  
The Utah Asphalt Pavement Association

*Executive Director*



Gregory Fike, Lt Col, USAF  
Federal Executive Agencies

*Chief, Utility Law Field Support Center*

**CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of the Partial Settlement Stipulation was served upon the following persons by e-mail on December 13, 2013:

Patricia E. Schmid  
Assistant Attorney General  
160 East 300 South  
P.O. Box 140857  
Salt Lake City, UT 84114-0857  
pschmid@utah.gov

Michele Beck  
Danny Martinez  
Utah Office of Consumer Services  
160 East 300 South, Suite 200  
PO Box 146782  
Salt Lake City, UT 84114-6782  
Telephone (801) 530-6480  
mbeck@utah.gov  
dannymartinez@utah.gov

Brent Coleman  
Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140857  
Salt Lake City, Utah 84114-0857  
brentcoleman@utah.gov

Chris Parker, Director  
Division of Public Utilities  
Heber Wells Building 4th Floor  
160 East 300 South  
Salt Lake City, Utah 84111  
chrisparker@utah.gov

Karen White  
Air Force Utility Law Field Support Center  
139 Barnes Drive, Suite 1.  
Tyndall Air Force Base, Florida 32403-5319  
Karen.White.13@us.af.mil

Gregory Fike, Lt Col, USAF  
Air Force Utility Law Field Support Center  
139 Barnes Drive, Suite 1.  
Tyndall Air Force Base, Florida 32403-5319  
Gregory.Fike@Us.Af.Mil

Christopher Thompson, Maj, USAF  
Air Force Utility Law Field Support Center  
139 Barnes Drive, Suite 1.  
Tyndall Air Force Base, Florida 32403-5319  
Christopher.Thompson.5@us.af.mil

Thomas Jernigan, Capt, USAF  
Air Force Utility Law Field Support Center  
139 Barnes Drive, Suite 1.  
Tyndall Air Force Base, Florida 32403-5319  
Thomas.Jernigan@us.af.mil

Dale Hatch, CFO  
Dunford Bakers, Inc.  
8556 South 2940 West  
West Jordan, UT 84088  
(801) 304-0400  
dhatch@dunfordbakers.com

Larry R. Williams, Corporate Counsel  
Summit Energy, LLC  
1245 E. Brickyard Road, Suite 210  
Salt Lake City, UT 84106  
larry@summitcorp.net

Gary A. Dodge  
HATCH, JAMES & DODGE  
10 West Broadway, Suite 400  
Salt Lake City, Utah 84101  
gdodge@bjdlaw.com

Roger Swenson  
US Magnesium LLC  
238 North 2200 West  
Salt Lake City, UT 84114-6751  
roger.swenson@prodigy.net

Damon E. Xenopoulos  
BRICKFIELD, BURCHETTE, RITTS & STONE, P.C.  
1025 Thomas Jefferson Street, N.W.  
800 West Tower  
Washington, D.C. 20007  
dex@bbrslaw.com

Jeremy R. Cook  
PARSONS KINGHORN HARRIS, P.C.  
111 East Broadway, 11<sup>th</sup> Floor  
Salt Lake City, UT 84111  
jrc@pkhlawyers.com

Kevin Higgins  
Neal Townsend  
ENERGY STRATEGIES  
215 S. State Street, #200  
Salt Lake City, UT 84111  
khiggins@energystrat.com  
ntownsend@energystrat.com

Travis R. Rigby  
CFO  
Utility Cost Management Consultants  
102 E. Cobblecreek  
Cedar City, UT 84721  
TravisR@ucmc-usa.com

Floyd J. Rigby  
CEO  
Utility Cost Management Consultants  
1610 West 100 North  
Saint George, UT 84770  
FloydR@ucmc-usa.com

Bruce Floyd Rigby  
Natural Gas Manager  
Utility Cost Management Consultants  
1703 Man O' War Drive  
Bluffdale, UT 84065  
Bruce@ucmc-usa.com

Ross Ford  
The Home Builders Association of the State  
of Utah  
9069 South 1300 West  
West Jordan Utah 84008  
ross@utahhba.com

Douglas E. Griffith  
KESLER & RUST  
68 South Main Street, 2<sup>nd</sup> Floor  
Salt Lake City, UT 84101  
dgriffith@keslerrust.com



Reed Ryan  
UTAH ASPHALT PAVEMENT  
ASSOCIATION  
7414 S. State Street  
Midvale, Utah 84047  
[reed@utahasphalt.org](mailto:reed@utahasphalt.org)

Michael McCandless  
Emery County Economic Development  
P.O. Box 297  
95 East Main St.  
Castle Dale, UT 84513  
[mikem@emery.utah.gov](mailto:mikem@emery.utah.gov)

David Blackwell  
Emery County Attorney  
EMERY COUNTY  
P.O. Box 249  
1850 North 550 West (Des Bee Dove Rd)  
215 S. State Street, #200  
Castle Dale, UT 84513  
[daveb@emery.utah.gov](mailto:daveb@emery.utah.gov)

William J. Evans  
Vicki M. Baldwin  
Parsons Behle & Latimer  
201 South Main Street, Suite 1800  
Salt Lake City, Utah 84111  
[bevans@parsonsbehle.com](mailto:bevans@parsonsbehle.com)  
[vbaldwin@parsonsbehle.com](mailto:vbaldwin@parsonsbehle.com)

DOUGLAS E. GRIFFITH  
KESLER & RUST  
68 South Main Street, 2<sup>nd</sup> Floor  
Salt Lake City, UT 84101  
Telephone: (801) 532-8000  
Facsimile: (801) 531-7965  
[dgriffith@keslerrust.com](mailto:dgriffith@keslerrust.com)



Handwritten signature of William J. Evans, written in cursive and underlined.