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dba Dominion Energy Utah*

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Dominion
Energy Utah to Increase Distribution Rates and
Charges and Make Tariff Modifications

Docket No. 19-057-02

**DOMINION ENERGY UTAH'S
PETITION FOR AGENCY
REVIEW AND REHEARING
OF COMMISSION ORDER ISSUED
FEBRUARY 25, 2020**

Pursuant to Utah Code §§ 54-7-15 and 63G-4-301, and Rule R746-1-801 of the Utah Administrative Code, Questar Gas Company dba Dominion Energy Utah (“Company” or “Dominion Energy”) hereby submits this Petition for Agency Review and Rehearing of the Public Service Commission of Utah’s (“Commission”) February 25, 2020 Report and Order (“Order”) on the limited issue discussed in this application. For the reasons set forth below, Dominion Energy respectfully requests that the Commission grant review and/or rehearing of its Order and rectify the error in the Order that is discussed below.

I. THE ORDER INCORRECTLY ASSUMES THE COMPANY'S FILINGS CONTAINED A TYPOGRAPHICAL ERROR.

On pages 13 and 14 of the Order, the Commission states:

DEU also proposes “[b]ased on an average 2020 test [year], any investment above \$82.6 million that is put into service on or after January 1, 2019, should be included in the [ITP]. . . . Additionally, the effective date of an incremental surcharge related to the [ITP] should be set on or after March 1, 2020.” DEU’s calculation of the \$82.6 million value is presented in DEU Exhibit 1.15. No party commented on this issue. *We find the date of January 1, 2019 is a typographical error* in DEU’s application and, consistent with DEU Exhibit 1.15, should be January 1, 2020, the start of the Test Year for this case.

In light of our decision not to increase the ITP spending cap (except for inflation), we have updated DEU’s Exhibit 1.15 to reflect that ITP investment above \$80.4 million (rather than \$82.6 million) that is put into service on or after January 1, 2020 should be included in the ITP. We also find that DEU’s recommendation that it provide verification in an upcoming proceeding to ensure no ITP costs have been included twice is reasonable because it increases program transparency.

(Emphasis added). Because the 2019 date included in the Company’s filings was not a typographical error, the Company provides the following clarification and requests that the Commission modify the Order to reflect the correct date—January 1, 2019—and further adjust the Order to the extent necessary to reflect that change, as discussed in more detail below.

In its filings in this docket, the Company included forecasted infrastructure program (“ITP”) investment for 2019 and 2020 for purposes of calculating its revenue requirement. All other prior capital investment was accounted for in actuals in the December 2018 base period included in the rate case model. As such, when the new base DNG rate took effect on March 1, 2020, it included any actual tracker spend occurring prior to January 1, 2019, as well as additional forecasted spend after January 1, 2019. The tracker rate was set to \$0 to avoid double counting for purposes of determining the Company’s revenue requirement in this proceeding. As the Company forecasted its 2019 and 2020 ITP investment for its revenue requirement, the “clock” for purposes of tracking the Company’s ITP investment threshold should also start January 1, 2019, not January 1, 2020. Only when cumulative investment in service following

January 1, 2019 exceeds the amount included in base rates, or the \$80.4 million figure established by the Commission in the Order, should the Company be allowed to adjust the tracker surcharge to include that incremental investment.

DEU Exhibit 1.15, which is attached as Exhibit A shows the Company's forecast and related calculations for purposes of its revenue requirement calculations. It shows the forecasted amounts for ITP investment for both 2019 and 2020. Column D, Line 13 of DEU Exhibit 1.15 shows the total forecasted 2019 investment in service, which amounts to \$50,089,630. Column D, Line 27 of the same exhibit shows the forecasted 13-Month average 2020 included in Rate Base, which amounts to \$32,466,650. The cumulative total for ITP investments in the revenue requirement calculation is the sum of the 2019 forecast of \$50,089,630 and the 2020 forecast of \$32,466,650, or \$82,556,280, as shown on Line 28 of DEU Exhibit 1.15. This amount was adjusted down to \$80 million in the Order. Thus, any amount beyond this \$80 million Commission adjusted figure should be recovered through the tracker. Because the \$80 million includes the sum of 2019 investment and an average of 2020 investment, the tracking of costs should begin January 1, 2019.

If the Company uses \$80 million as the threshold and begins tracking costs on January 1, 2020, as would be the case under the Order without any correction, the Company will be required to spend the 2019 investment but will not receive credit for making that spend. As a result, it will take 2020 and the majority of 2021 before the Company can recover costs through the infrastructure replacement tracker. This will effectively render the tracker null for a year, and the Company will lose \$50 million in cost recovery per annum until the next general rate case. Stated otherwise, if the approach in the Order applied, the Company would not be able to recover approximately \$50 million in investment occurring after January 1, 2020, because that

\$50 million would not be included in base rates or in a tracker surcharge. If the clock starts January 1, 2020, as currently ordered by the Commission, the spend level should only include the 2020 forecasted amount of \$30 million and not the total forecasted amount for 2019 and 2020 of \$80 million. By contrast, the Company's approach of using January 1, 2019 as the start date for tracking costs does not create the problems referenced above and is consistent with the manner with which these threshold costs have been tracked in prior general rate case proceedings.

Attached as Exhibit B is DEU Exhibit 1.11 from the Company's 2013 rate case, Docket 13-057-13. Lines 13 and 27 of that exhibit show the forecasted amounts the Company used for the years 2013 and 2014, to derive the stated ITP investment of \$84 million that was used to arrive at the Company's 2014 test period revenue requirement. In that case, the base DNG rate took effect on March 1, 2014 and the tracker surcharge was reduced to \$0. On October 1, 2014, the Company filed its first tracker surcharge filing, Docket No. 14-057-27, showing that it had exceeded the investment included in the base rate calculation. Exhibit 1.1, attached as Exhibit C, shows that from January 2013 through September 2014 the Company had placed more investment into service than the \$84 million threshold that had been determined in the 2013 general rate case.

The Company's proposal in this general rate case follows the same timing as occurred in the 2013 case. Using 2019 and 2020 forecasted investment with rates effective March 1, 2020 aligns with 2013 and 2014 forecasted investment with rates effective March 1, 2014. And, just as investment was tracked from 2013 forward in that case, the Company is proposing in this proceeding to track investment from January 1, 2019 forward.

A comparison of the Company's approved 2013 method, its proposed 2019 methodology, and methodology in the Order is shown in the table below:

(amounts in millions)	2013	2019 Proposed	2019 Commission Ordered
Year 1 Investment	\$62.1	\$50.1	\$50.1
Year 2 Investment	\$22.0	\$32.5	\$30
Total Threshold	\$84.1	\$82.6	\$80.1
Clock start date	Year 1 (2013)	Year 1 (2019)	Year 2 (2020)
Under-Recovery	\$0	\$0	\$50 million

As this comparison shows, the approach set forth in the Order is inconsistent with prior cases and would result in significant under-recovery by Dominion Energy. The Company is confident the Commission did not intend this outcome. As such, it brought this matter to the Commission's attention so that it can be promptly corrected.

Dominion Energy has met with both the Division of Public Utilities and the Office of Consumer Services and explained this error to them. Based on those discussions, Dominion Energy understands that the Division and the Office accept the Company's approach for tracking ITP investments.

RELIEF REQUESTED

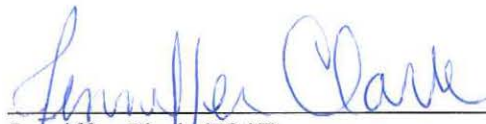
Based on the foregoing, the ITP investment approach followed by the Company in its filing in this matter is the correct methodology for tracking spending thresholds in the ITP. Further, as the Commission notes in the Order, no party disagreed or objected to the Company's calculation. Therefore, Dominion Energy respectfully requests that the Commission amend the Order to (i) correctly reference January 1, 2019 as the date on which Dominion Energy began forecasting its ITP investment for purposes of calculating its revenue requirement, not January 1,

2020; and (ii) edit the two paragraphs from pages 13 and 14 of the Order that are quoted above, as shown below:

DEU also proposes “[b]ased on an average 2020 test [year], any investment above \$82.6 million that is put into service on or after January 1, 2019, should be included in the [ITP]. . . . Additionally, the effective date of an incremental surcharge related to the [ITP] should be set on or after March 1, 2020.” DEU’s calculation of the \$82.6 million value is presented in DEU Exhibit 1.15. No party commented on this issue. *We find the date of January 1, 2019 is a typographical error* in DEU’s application and, consistent with DEU Exhibit 1.15, should be January 1, 2020, the start of the Test Year for this case.

In light of our decision not to increase the ITP spending cap (except for inflation), we have updated DEU’s Exhibit 1.15 to reflect that ITP investment above \$80.4 million (rather than \$82.6 million) that is put into service on or after January 1, 2020-2019 should be included in the ITP. We also find that DEU’s recommendation that it provide verification in an upcoming proceeding to ensure no ITP costs have been included twice is reasonable because it increases program transparency.

RESPECTFULLY SUBMITTED this 11th day of March, 2020.



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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing **DOMINION ENERGY UTAH'S PETITION FOR AGENCY REVIEW AND REHEARING OF COMMISSION ORDER ISSUED FEBRUARY 25, 2020** was served upon the following persons by email on March 11, 2020:

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2019 Tracker Investment

A	B	C	D	
1 Total Capital Budget	\$70,698,187 1/			
2 LESS Amount Remaining in 107 at Year End	<u>-\$20,608,522</u>			
3 Included 2019 Tracker Investment	\$50,089,665			
		Intermediate High	Cumulative	
	Feederline	Pressure	Balance	
4 January	\$0	\$0	\$0	0.00%
2 February	\$2,683,774	\$487,959	\$3,171,733	6.33%
3 March	\$6,378,728	\$1,159,769	\$10,710,229	15.05%
4 April	\$1,282,347	\$233,154	\$12,225,730	3.03%
5 May	\$3,030,823	\$551,059	\$15,807,612	7.15%
6 June	-\$1,389,733	-\$252,679	\$14,165,201	-3.28%
7 July	\$4,848,227	\$881,496	\$19,894,924	11.44%
8 August	\$1,809,689	\$329,034	\$22,033,647	4.27%
9 September	\$8,335,383	\$1,515,524	\$31,884,554	19.67%
10 October	\$3,711,515	\$674,821	\$36,270,889	8.76%
11 November	\$7,431,652	\$1,351,209	\$45,053,751	17.53%
12 December	\$4,261,128	\$774,751	\$50,089,630	10.05%
13 TOTAL	<u>\$42,383,533</u>	<u>\$7,706,097</u>	<u>\$50,089,630</u>	100%

2020 Tracker Investment

14 Total Capital Budget	\$80,000,000 2/			
15 ADD 2019 Investment Closed in 2020	\$20,608,522			
16 LESS Amount Remaining in 107 at Year End	<u>-\$23,320,000</u>			
17 Included 2020 Tracker Investment	\$77,288,522			
		Intermediate High	Cumulative	
	Feederline	Pressure	Balance	
18 January	\$0	\$0	\$0	0.00%
19 February	\$4,141,075	\$752,923	\$4,893,998	6.33%
20 March	\$9,842,405	\$1,789,528	\$16,525,931	15.05%
21 April	\$1,978,667	\$359,758	\$18,864,356	3.03%
22 May	\$4,676,574	\$850,286	\$24,391,216	7.15%
23 June	-\$2,144,363	-\$389,884	\$21,856,968	-3.28%
24 July	\$7,480,836	\$1,360,152	\$30,697,956	11.44%
25 August	\$2,792,358	\$507,701	\$33,998,015	4.27%

EXHIBIT A

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DEU Exhibit 1.15
Page 2 of 2

26 September	\$12,861,533	\$2,338,460	\$49,198,008	19.67%
27 October	\$5,726,883	\$1,041,251	\$55,966,143	8.76%
28 November	\$11,467,073	\$2,084,922	\$69,518,138	17.53%
29 December	\$6,574,940	\$1,195,444	\$77,288,522	10.05%
30 TOTAL	<u>\$65,397,980</u>	<u>\$11,890,541</u>	<u>\$77,288,522</u>	<u>100%</u>

27 13-Month Average included in Rate Base **\$32,466,650**

28 Total Tracker Investment included in Rate Base (Line 13 + Line 27) **\$82,556,280**

1/ Based on QGC Exhibit 4.16 Utah Rate Case Model.xlsx tab 101_106 PROJECTION cell I168 and I177.

2/ Based on 2020 tracker budget less amount remaining in CWIP at year end.

2013 Tracker Investment

		A	B	C	D
		Monthly		Intermediate High	Cumulative
		Change % 1/	Feederline 2/	Pressure 2/	Balance
1	January	3.58%	\$2,111,131	\$113,607	\$2,224,738
2	February	3.05%	1,796,758	96,690	4,118,186
3	March	0.91%	536,713	28,882	4,683,782
4	April	0.53%	315,341	16,970	5,016,092
5	May	1.95%	1,148,465	61,803	6,226,361
6	June	2.56%	1,508,777	81,193	7,816,330
7	July	21.61%	12,749,427	686,092	21,251,849
8	August	2.48%	1,464,629	78,817	22,795,296
9	September	37.84%	22,326,539	1,201,471	46,323,305
10	October	19.73%	11,638,276	626,297	58,587,878
11	November	6.97%	4,112,614	221,314	62,921,806
12	December	-1.20%	(708,670)	(38,136)	62,175,000
13	TOTAL	100.00%	\$59,000,000	\$3,175,000	

2014 Tracker Investment

		Monthly		Intermediate High	Cumulative
		Change %	Feederline	Pressure	Balance
14	January	3.58%	\$1,968,003	\$178,909	\$2,146,913
15	February	3.05%	1,674,944	152,268	3,974,124
16	March	0.91%	500,326	45,484	4,519,935
17	April	0.53%	293,962	26,724	4,840,620
18	May	1.95%	1,070,603	97,328	6,008,551
19	June	2.56%	1,406,487	127,862	7,542,900
20	July	21.61%	11,885,059	1,080,460	20,508,419
21	August	2.48%	1,365,332	124,121	21,997,873
22	September	37.84%	20,812,876	1,892,080	44,702,828
23	October	19.73%	10,849,240	986,295	56,538,362
24	November	6.97%	3,833,793	348,527	60,720,682
25	December	-1.20%	(660,625)	(60,057)	60,000,000
26	TOTAL	100.00%	\$55,000,000	\$5,000,000	
27			Average 2014 Tracker Balance		\$21,958,434

1/ Based on rate base forecasted amount for account 376. Found in '13-057-05 Model.xls', RB Forecast tab.

2/ Based on 13-057-05 model.xlsx tab 101_106 PROJECTION tab cell F82.

QGC Infrastructure Re...ent Project Summary

Project	Description	A January-13	B February-13	C March-13	D April-13	E May-13	F June-13	G July-13	H August-13	I September-13	J October-13	K November-13	L December-13	
1	01007067	FL19- REPL HP PIPE, WEBER Co	1,935	-	95	(933)	(6,596)	-	-	-	-	-	-	
2	01008213	FL12- REPL HP NT9300 S, SLC	-	4,446	-	-	-	-	-	-	-	-	-	
3	01009359	FL17- REPL HP PIPE, LAYTON	-	14,552	-	(137)	-	-	-	-	-	-	-	
4	01009663	FL21-REPL HP PIPE, SLC	-	925	-	-	-	-	-	-	1,609	-	-	
5	01009666	FL25- REPL HP PIPE, LEHI	(748)	-	5,015	4,438	(124,943)	(1,276)	-	-	-	-	-	
6	01010104	FL14 REPL HP PIPE, TOOELE	-	-	90,000	-	-	11,030,733	-	1,127,579	37,565	1,688,510	(48,139)	51,285
7	01010105	FL50-REPL HP PIPE, HENEFER	-	-	-	-	-	-	7,619,565	-	591,917	-	359,887	
8	01010132	FL23- REPL HP PIPE, LOGAN	(10,946)	-	(472)	(26,874)	5,702	-	-	-	-	-	-	
9	01040064	FL24-REPL HP PIPE, PL GROVE	-	-	-	-	-	(5,517)	-	-	-	-	-	
10	01040158	FL41- REPL HP, BUTTERFIELD CN	-	-	-	-	-	10,293,561	-	(580,413)	-	-	153,194	
11	01040177	FL24-REPL BV & PIPE, PL GROVE	25	-	5	-	-	-	-	-	-	-	-	
12	01040200	FL35-REPL 10" 16", HERRIMAN	-	-	-	-	-	-	-	-	-	-	-	
13	01040251	FL15-REPL HP PIPE, HEBER	-	-	-	102,845	-	-	-	-	-	-	-	
14	01040277	FL35- REPL FL 13400 S, SLC	-	-	135,022	558,295	637	4,267	-	(288,132)	243	30,595	-	
15	01040420	FL22-REPL HP PIPE, OGDEN	-	-	1,989	139	-	-	-	-	-	-	-	
16	01040493	FL110-REPL HP PIPE, ROOSEVELT	7,262	-	356	(2,277)	2,277	-	-	-	-	-	-	
17	01040494	FL21-REPL HP PIPE, NO SALT LAK	-	-	-	-	14,431	-	-	-	-	-	-	
18	01040864	FL64-REPL 10" HP PIPE, MANTI	-	-	-	244	-	-	-	-	-	-	-	
19	01040999	FL14-REPL HP PIPE, SLC	-	75,136	856	144	-	-	-	-	-	-	-	
20	01041006	FL42-REPL PIPE @ FL26, OREM	-	-	-	-	-	-	-	-	-	-	6,384	
21	01041007	FL26-REPL PIPE @ FL42, OREM	-	-	-	-	-	-	-	-	-	-	2,096	
22	01041081	FL66-REPL 8" HP,CIRCLEVILLE	-	387,067	408	1,605	-	-	-	-	-	-	-	
23	01041173	FL21- REPL FL H5/SR193 LAYTON	-	-	-	-	-	-	-	-	-	-	-	
24	01041175	FL8-REPL 12" FL, MIDVALE	-	-	-	-	-	-	-	17,283,479	1,054,702	-	-	
25	01041176	FL20-REPL FL, SOUTH WEBER	-	-	-	-	-	-	-	2,943,420	-	-	-	
26	01041178	FL35-REPL FL, WEST JORDAN	-	-	-	-	-	-	-	-	-	-	-	
27	01041281	FL38-REPL 8" HP, ERDA	-	-	-	-	-	-	-	-	150,501	-	150	
28	01041294	FL36-REPL VLV & PIPE, HERRIMAN	-	-	-	52,104	-	-	31	-	(31)	-	-	
29	01041295	FL48-REPL 10" HP, TOOELE	-	-	-	-	-	-	-	-	-	178,784	4,106	
30	01041753	FL18-REPL HP HILL FLD RD, LAYT	-	-	-	-	-	-	-	-	-	-	269,807	
31	01041777	FL18-REPL 3000' OF 8" ARO, LAY	-	-	-	-	-	-	-	-	-	-	-	
32	01041905	FL34-REPL BV & HP PIPE, SLC	-	-	-	-	-	-	-	-	-	-	-	
33	01041933	FL6-REPL HP, COTTONWOOD HGTS	-	-	-	-	-	-	-	-	-	-	-	
34	01042033	FL6-REPL FL 3300S/UTCo, SLC	-	-	-	-	-	-	-	-	-	-	-	
35	01042134	FL23-REPL w/12" ARO, LOGAN	-	-	-	-	-	-	-	-	-	-	-	
36	01042231	FL6-REPL 1500' 12" PIPE, SANDY	-	-	-	-	-	-	-	-	-	-	-	
37	01042249	FL24-INST 10' OF 10" FBE HP,HI	-	-	-	-	-	-	-	15,552	252	(5)	-	
38	01042306	FL34-INST DIRECTIONAL BORE, SJ	-	-	-	-	-	-	-	-	-	-	-	
39	01041796	SL IHP-Repl 3000' of 16"	-	-	-	-	-	-	-	-	-	-	-	
40	01042424	SLIHP-REPL BL SL_3rd8th 1000 E	-	-	-	-	-	-	-	-	-	-	-	
41	01042813	SPRIHP-REPL BL PROVO 800W 400S	-	-	-	-	-	-	-	-	-	-	-	
42	01042818	SPRIHP-REPL BL 1100 N., NO SL	-	-	-	-	-	-	-	-	-	-	-	
43	01042820	SLIHP-REPL BL 100-300 SO, SLC	-	-	-	-	-	-	-	-	-	-	-	
44	FL6 Retirement	-	-	-	-	-	-	-	-	-	-	-	-	
45	FL8 Retirement	-	-	-	-	-	-	-	-	-	(36,510)	-	-	
46	FL20 Retirement	-	-	-	-	-	-	-	-	-	(56,364.00)	-	-	
47	FL25 Retirement	-	-	-	-	-	-	-	-	-	-	-	-	
48	FL41 Retirement	-	-	-	-	-	-	(2,172,372)	-	-	-	-	-	
49	FL35 Retirement	-	-	-	-	-	-	(146,049)	-	-	-	-	-	
50	FL14 Retirement	-	-	-	-	-	-	(226,875)	-	-	-	-	-	
51	FL50 Retirement	-	-	-	-	-	-	(56,219)	-	-	-	-	-	
52	SLC IHP Belt Lines	-	-	-	-	-	-	-	-	-	-	-	-	
53	Total Net Investment (101)	(2,471)	482,126	233,275	4,682	559,969	11,043,632	6,544	16,376,040	53,117	21,547,736	1,336,087	877,604	
54	Removal Costs (108)	(42,167)	-	(395)	(631)	(90,300)	(5,969)	1,588	(29,702)	(48,349)	(33,795)	-	-	
55	Already in rates	-	-	-	-	-	-	-	-	-	-	-	-	
56	Total investment not in rates	-	-	-	-	-	-	-	-	-	-	-	-	
57	Cumulative Plant Balances	(2,471)	479,655	712,930	717,612	1,277,581	12,321,213	12,327,756	28,703,796	28,756,913	50,304,650	51,640,736	52,518,340	
58	Cumulative Plant Balances (Less \$84 Mil)	(84,002,471)	(83,526,345)	(83,267,070)	(83,262,596)	(82,722,419)	(71,679,767)	(71,672,244)	(65,290,204)	(65,243,687)	(53,665,350)	(52,359,264)	(51,461,650)	
59	Book Depreciation Rate per Month	-	-	-	-	-	-	-	-	-	-	-	-	
60	Book Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	
61	Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	
62	Temporary Difference (Book/Tax Depr)	-	-	-	-	-	-	-	-	-	-	-	-	
63	DIT	-	-	-	-	-	-	-	-	-	-	-	-	
64	ADIT	-	-	-	-	-	-	-	-	-	-	-	-	
65	Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	
66	Qestar 13 Month Avg (ADIT) 1/	-	-	-	-	-	-	-	-	-	-	-	-	
67	Qestar 13 Month Avg (Accum Depr)	-	-	-	-	-	-	-	-	-	-	-	-	
68	Qestar 13 Month Avg (Plant Additions)	-	-	-	-	-	-	-	-	-	-	-	-	
69	Less \$84 Million	-	-	-	-	-	-	-	-	-	-	-	-	
70	Qestar 13 Mo Avg Not in Rates	-	-	-	-	-	-	-	-	-	-	-	-	

1/ ADIT is calculated using a 13 month average covering the test period.

Project	Description	M January-14	N February-14	O March-14	P April-14	Q May-14	R June-14	S July-14	T August-14	U September-14	V October-14	W November-14	X December-14
1	01007067	-	-	-	-	-	-	-	-	-	-	-	-
2	01008213	-	-	-	-	-	-	-	-	-	-	-	-
3	01009359	-	-	-	-	-	-	-	-	-	-	-	-
4	01009663	-	-	-	127	-	-	-	-	-	-	-	-
5	01009666	-	-	-	376	-	0	-	-	-	-	-	-
6	01010104	(108,733)	33,837	29,899	1,593	(82,209)	(6,541)	1,118	-	-	-	-	-
7	01010105	-	76,662	3,482	29,315	(85,935)	(3,871)	-	-	-	-	-	-
8	01010132	-	-	-	-	-	-	-	-	-	-	-	-
9	01040064	-	-	-	-	-	-	-	-	-	-	-	-
10	01040158	-	203,715	23,904	-	(113,003)	-	-	-	-	-	-	-
11	01040177	-	-	-	-	-	-	-	-	-	-	-	-
12	01040200	-	-	-	-	-	-	-	-	316,462	-	-	-
13	01040251	-	-	-	-	-	-	-	-	-	-	-	-
14	01040277	11,883	-	(31,882)	-	(2,088)	50	(4,489)	-	119	-	-	-
15	01040420	-	-	-	-	-	-	-	-	-	-	-	-
16	01040493	-	-	-	-	-	-	-	-	-	-	-	-
17	01040494	-	-	-	-	-	-	-	-	-	-	-	-
18	01040864	105,358	-	-	-	-	-	-	-	-	-	-	-
19	01040999	-	-	-	-	-	-	-	-	-	-	-	-
20	01041006	-	-	-	-	-	-	-	-	-	-	-	-
21	01041007	-	-	-	-	-	-	-	-	-	-	-	-
22	01041081	-	-	-	-	-	-	-	-	-	-	-	-
23	01041173	-	-	-	-	-	1,486,305	(8,710)	17,878	(2,656)	-	-	-
24	01041175	-	665,780	10,622	11,326	14,533	35,317	51,001	39,538	-	-	-	-
25	01041176	-	-	-	-	-	1,418,146	10,317	(258)	-	-	-	-
26	01041178	-	-	-	-	-	-	-	-	13,560,971	-	-	-
27	01041281	-	1,810	637	826	7	-	-	-	-	-	-	-
28	01041294	-	-	-	-	-	-	-	-	-	-	-	-
29	01041295	-	-	(2,275)	-	-	(1,976)	-	-	-	-	-	-
30	01041753	-	-	8,428	-	-	-	-	-	-	-	-	-
31	01041777	-	-	-	-	-	-	-	-	-	1,641,913	-	-
32	01041905	-	258,524	786	796	(4,725)	-	-	-	-	-	-	-
33	01041933	-	897,355	1,974	(1,340)	(12,562)	1,259	1,206	5,267	140	-	-	-
34	01042033	-	-	-	-	-	-	-	-	-	34,150,696	-	-
35	01042134	-	178,223	-	407	-	-	-	-	-	-	-	-
36	01042231	-	662,170	-	(141)	(246,021)	-	-	-	-	-	-	-
37	01042249	-	-	-	-	-	-	-	-	-	-	-	-
38	01042308	-	-	-	-	782,733	122	23,781	52	92	-	-	-
39	01041798	-	-	-	2,021,670	-	(13,456)	-	-	-	-	-	-
40	01042424	-	-	-	-	-	-	-	-	3,117,728	-	-	-
41	01042813	-	-	-	-	-	-	-	-	100,392	-	-	-
42	01042818	-	-	-	-	-	-	-	-	631,680	-	-	-
43	01042820	-	-	-	-	-	-	-	-	864,319	-	-	-
44	FL6 Retirement	-	-	-	-	-	-	-	-	-	(325,062)	-	-
45	FL8 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
46	FL20 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
47	FL25 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
48	FL41 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
49	FL35 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
50	FL14 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
51	FL50 Retirement	-	-	-	-	-	-	-	-	-	-	-	-
52	SLC IHP Belt Lines	(36,377)	-	-	-	-	-	-	-	-	-	-	-
53	Total Net Investment (101)	(27,869)	2,978,077	45,574	2,064,956	240,739	2,915,356	74,224	62,576	18,609,247	35,467,546	-	-
54	Removal Costs (108)	(5,549)	-	-	(2,074)	(6,698)	(891)	-	(1,096)	(1,979,215)	(243,856)	-	-
55	Already in rates	-	-	-	-	-	-	-	-	-	-	-	-
56	Total investment not in rates	-	-	-	-	-	-	-	-	-	-	-	-
57	Cumulative Plant Balances	52,490,471	55,468,549	55,514,123	57,579,079	57,819,819	60,735,175	60,809,399	60,871,976	79,481,223	114,948,769	114,948,769	114,948,769
58	Cumulative Plant Balances (Less \$84 Mil)	(31,566,829)	(28,531,481)	(28,485,877)	(28,420,921)	(28,180,181)	(23,254,825)	(23,190,601)	(23,129,024)	(4,518,777)	30,948,769	30,948,769	30,948,769
59	Book Depreciation Rate per Month	-	-	-	-	-	-	-	-	-	0.178%	0.178%	0.178%
60	Book Depreciation	-	-	-	-	-	-	-	-	-	55,192	55,192	55,192
61	Tax Depreciation	-	-	-	-	-	-	-	-	-	350,584	106,728	106,728
62	Temporary Difference (Book/Tax Depr)	-	-	-	-	-	-	-	-	-	(290,392)	(51,536)	(51,536)
63	DIT	-	-	-	-	-	-	-	-	-	(112,248)	(19,584)	(19,584)
64	ADIT	-	-	-	-	-	-	-	-	-	(112,248)	(19,584)	(19,584)
65	Accumulated Depreciation	-	-	-	-	-	-	-	-	-	513,726	458,534	403,342
66	Questar 13 Month Avg (ADIT) 1/	-	-	-	-	-	-	-	-	-	(385,256)	(437,496)	(437,496)
67	Questar 13 Month Avg (Accum Depr)	-	-	-	-	-	-	-	-	-	182,574	127,382	127,382
68	Questar 13 Month Avg (Plant Additions)	-	-	-	-	-	-	-	-	-	114,948,769	114,948,769	114,948,769
69	Less \$84 Million	-	-	-	-	-	-	-	-	-	30,948,769	30,948,769	30,948,769
70	Questar 13 Mo Avg Not in Rates	-	-	-	-	-	-	-	-	-	-	-	-

1/ ADIT is calculated using a 13 month average covering the

Project	Description	Y January-15	Z February-15	AA March-15	AB April-15	AC May-15	AD June-15	AE July-15	AF August-15	AG September-15	AH October-15	AI November-15	AJ December-15
1	01007057	FL19- REPL HP PIPE, WEBER Co											
2	01008213	FL12- REPL HP N7/3300 S, SLC											
3	01009359	FL17- REPL HP PIPE, LAYTON											
4	01009663	FL21-REPL HP PIPE, SLC											
5	01009666	FL25- REPL HP PIPE, LEHI											
6	01010104	FL14 REPL HP PIPE, TOOEELE											
7	01010105	FL50-REPL HP PIPE, HENEFER											
8	01010132	FL23- REPL HP PIPE, LOGAN											
9	01040064	FL24-REPL HP PIPE, PL GROVE											
10	01040158	FL41- REPL HP, BUTTERFIELD CN											
11	01040177	FL24-REPL BV & PIPE, PL GROVE											
12	01040200	FL35-REPL 100' 16", HERRIMAN											
13	01040251	FL16-REPL HP PIPE, HEBER											
14	01040277	FL35- REPL FL 13400 S, SLCo											
15	01040420	FL22-REPL HP PIPE, OGDEN											
16	01040493	FL110-REPL HP PIPE, ROOSEVELT											
17	01040494	FL21-REPL HP PIPE, NO SALT LAK											
18	01040864	FL64-REPL 10" HP PIPE, MANTI											
19	01040999	FL14-REPL HP PIPE, SLCo											
20	01041006	FL42-REPL PIPE @ FL26, OREM											
21	01041007	FL26-REPL PIPE @ FL42, OREM											
22	01041081	FL66-REPL 8" HP,CIRCLEVILLE											
23	01041173	FL21- REPL FL 115/SR193 LAYTON											
24	01041175	FL8-REPL 12" FL, MIDVALE											
25	01041176	FL20-REPL FL, SOUTH WEBER											
26	01041178	FL36-REPL FL, WEST JORDAN											
27	01041281	FL38-REPL 8" HP, ERDA											
28	01041294	FL36-REPL VLV & PIPE, HERRIMAN											
29	01041295	FL48-REPL 10" HP, TOOEELE											
30	01041753	FL18-REPL HP HILL FLD RD, LAYT											
31	01041777	FL18-REPL 3000' OF 8" ARO, LAY											
32	01041905	FL34-REPL BV & HP PIPE, SLCO											
33	01041933	FL6-REPL HP, COTTONWOOD HGTS											
34	01042033	FL6-REPL FL 3300S/UTCo, SLCo											
35	01042134	FL23-REPL w/12" ARO, LOGAN											
36	01042231	FL6-REPL 1500' 12" PIPE, SANDY											
37	01042249	FL24-INST 10' OF 10" FBE HP,HI											
38	01042308	FL34-INST DIRECTIONAL BORE, SJ											
39	01041798	SL IHP-Repl 3000' of 16"											
40	01042424	SLIHP-REPL BL SL,3rd8th 1000 E											
41	01042813	SPRIHP-REPL BL PROVO 800W 400S											
42	01042818	SPRIHP-REPL BL 1100 N., NO SL											
43	01042820	SLIHP-REPL BL 100-300 SO, SLC											
44		FL8 Retirement											
45		FL8 Retirement											
46		FL20 Retirement											
47		FL25 Retirement											
48		FL41 Retirement											
49		FL35 Retirement											
50		FL14 Retirement											
51		FL50 Retirement											
52		SLC IHP Bell Lines											
53		Total Net Investment (101)	-	-	-	-	-	-	-	-	-	-	-
54		Removal Costs (108)											
55		Already in rates											
56		Total investment not in rates											
57		Cumulative Plant Balances	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769	114,948,769
58		Cumulative Plant Balances (Less \$84 Mil)	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769	30,948,769
59		Book Depreciation Rate per Month	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%	0.178%
60		Book Depreciation	55,192	55,192	55,192	55,192	55,192	55,192	55,192	55,192	55,192	55,192	55,192
61		Tax Depreciation	204,941	204,941	204,941	204,941	204,941	204,941	204,941	204,941	204,941	204,941	204,941
62		Temporary Difference (Book/Tax Depr)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)	(149,749)
63		DIT	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)	(58,905)
64		ADIT	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)	(208,654)
65		Accumulated Depreciation	348,150	292,958	237,766	182,574	127,382	72,190	16,998	(38,194)	(93,386)	(148,578)	(203,770)
66		Questar 13 Month Avg (ADIT) 1/											
67		Questar 13 Month Avg (Accum Depr)											
68		Questar 13 Month Avg (Plant Additions)											
69		Less \$84 Million											
70		Questar 13 Mo Avg Not in Rates											

1/ ADIT is calculated using a 13 month average covering the

Calculation of Revenue Requirement

	Revenue Requirement
1 Total Net Investment	\$114,948,769
2 Less: Amount currently in rates	(\$84,000,000) 1/
3 Replacement Infrastructure in Tracker	<u>\$30,948,769 2/</u>
4 Less: Accumulated Depreciation	\$127,382 3/
5 Accumulated Deferred Income Tax	<u>(437,496) 4/</u>
6 Net Rate Base	<u>\$30,638,656</u>
7 Current Commission-Allowed Pre-Tax Rate of Return	10.79% 5/
8 Allowed Pre-Tax Return (Line 6 x Line 7)	\$3,305,911
9 Plus: Net Depreciation Expense	\$649,924 6/
10 Net Taxes Other Than Income (1.2% x Line 6)	<u>\$367,664</u>
11 Total Revenue Requirement	<u>\$4,323,499</u>
12 Revenue Requirement Previously Included in Rates:	\$0 7/
13 Incremental Revenue Request (Line 11 - Line 12)	\$4,323,499

1/ Per the Settlement Stipulation, paragraph 25 in Docket 13-057-05.

2/ See Exhibit 1.1 line 58, column V

3/ Accumulated depreciation will normally be negative, however in this case it's positive because of removal costs and retirements in October that sum to a higher amount than depreciation expense on the new tracker investment. See Exhibit 1.1 line 67, column X

4/ Depreciation for tax purposes is calculated using the average ADIT for the test period. See Exhibit 1.1 line 66, column X

5/ Current Commission allowed pretax return as shown in Section 2.07 of the Company's tariff

6/ Depreciation expense and accumulated depreciation calculated by multiplying the depreciation rate of 2.14% (rate approved in depreciation study Docket No. 13-057-19) by the net investment amount on line 3.

7/ Revenue requirement included in the tracker rate was reset to -0- with Docket 13-057-05 report and order.