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November 10, 2005

HAND DELIVERED

Public Service Commission of Utah
400 Heber M. Wells Building
160 East 300 South
Salt Lake City, Utah 84111

**Re: Docket Nos. 04-057-04, 04-057-11, 04-057-13, 04-057-09 and 05-057-01,
Response of Questar Gas Company to Late-filed Public Witness Statements
of Claire Geddes and Roger J. Ball**

Dear Commissioners:

Questar Gas Company ("Questar Gas") provides this brief response to the public witness statements of Claire Geddes and Roger J. Ball filed in this matter on November 4, 2005. The statements oppose approval of the Gas Management Cost Stipulation ("Stipulation") between Questar Gas, the Utah Division of Public Utilities ("Division") and the Utah Committee of Consumer Services ("Committee") filed October 11, 2005 in this matter.

By way of background, the only parties that have intervened and participated in any substantial way in these dockets are the same parties that entered into the Stipulation in resolution of the issues in this matter. This occurred after a lengthy and thorough process of technical conferences and submission of testimony that was open to the public and that was concluded by April 15, 2005, almost six months prior to the filing of the Stipulation. During this entire period, Ms. Geddes and Mr. Ball sought and took no part on their own behalf in this matter.

Following the filing of the Stipulation on October 11, 2005, the Commission immediately provided public notice that it would hold a hearing on the Stipulation on October 20, 2005 at 1:30 p.m. and that there would be a public witness hearing on the Stipulation at 4:30 p.m. on the same day. The notice was legally proper and sufficient. In addition, the notice was obviously effective because two public witnesses appeared at the public witness hearing on October 20, 2005, one of whom is an individual residential customer who has not been involved in Questar

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Gas's Commission proceedings (unlike Ms. Geddes and Mr. Ball who have extensive experience with Commission proceedings).

Based on the foregoing, the Commission is not required to even accept or consider the untimely statements filed by Ms. Geddes and Mr. Ball. Nonetheless, Questar Gas has no objection to the Commission considering the statements as unsworn public witness statements.

Although there are good reasons why the Commission should not consider the statements as sworn statements on which it may base findings, the statements provide no valid basis for rejection of the Stipulation in any event. The statements consist principally of a recitation of history in prior dockets and proceedings followed by questioning of provisions of the Stipulation based on unwarranted assumptions without factual basis and opinion. It is apparent from the questions raised by Ms. Geddes and Mr. Ball that they have either not reviewed or have not comprehended the information provided in the technical conferences and the testimony filed in this matter which clearly establishes that coal bed methane is an increasingly important source of supply in the Rocky Mountain Region and in other parts of the United States and that Questar Gas's customers have realized substantial savings as a result of the availability of this gas in close proximity to Questar Gas's system. These facts are not merely unexamined contentions of Questar Gas as intimated by Mr. Ball. Rather, much of the information is a matter of public record, and the remainder is the opinion of qualified experts that have been carefully examined by the Division and Committee over a significant period of time, including by their separate retained and qualified independent consultants, prior to their entering into the Stipulation. Beyond recitation of the history of prior proceedings, Ms. Geddes' and Mr. Ball's statements are largely matters of opinion. If the Commission elects to treat the statements as sworn public witness testimony, Questar Gas respectfully suggests that the Commission make findings with respect to the inaccurate and unsupported opinions expressed in them.

The statements also contain significant legal argument which is clearly not the proper subject of "testimony" and is erroneous in any event. Ms. Geddes and Mr. Ball have not understood the purpose of this matter—to address the prudence of incurring current and future gas processing costs in current circumstances. Prior proceedings addressed the prudence of incurring past costs in far different circumstances and under an entirely different factual record. It is well established that the Commission is not bound by prior findings when circumstances have changed.

In summary, answers about what should have been done with coal bed methane ten years ago do not address what should be done with it today. The gas continues to be produced and to be an ever more important component of Questar Gas's available supplies. While Ms. Geddes



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and Mr. Ball are entitled to the view that this gas should be kept off Questar Gas's system, the record in this case clearly shows that such a view is uninformed and would be seriously harmful to the Company's customers if adopted by the Commission.

Please let us know if you have any questions or if we may provide any additional information regarding the foregoing.

Sincerely,

Gregory B. Monson
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Stoel Rives LLP

Attorneys for Qwest Corporation

cc: All Counsel of Record (by email)
Roger J. Swenson
Claire Geddes
Roger J. Ball