

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Approval of the )  
Conservation Enabling Tariff Adjustment ) DOCKET NO. 05-057-T01  
Option and Accounting Orders )  
) ORDER EXTENDING  
) CONSERVATION ENABLING  
) TARIFF/DEMAND SIDE  
) MANAGEMENT PILOT PROGRAM  
)  
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ISSUED: March 18, 2009

By The Commission:

This matter is before the Commission on Questar Gas Company's (Company) Motion to extend the term of the Conservation Enabling Tariff and Demand-Side Management Pilot Program until at least December 31, 2009. They filed their Motion on February 17, 2009. No party responded to the Motion or otherwise opposed it.

On December 16, 2005, the Company, the Division of Public Utilities (Division) and Utah Clean Energy filed a Joint Application seeking approval of a Conservation Enabling Tariff (CET) and Demand-Side Management (DSM) Pilot Program. The parties later filed testimony in support of their Joint Application. On September 13, 2006, the Company, the Division, Utah Clean Energy, and the Utah Committee of Consumer Services (Committee) filed a Settlement Stipulation and the Commission approved that Stipulation on October 5, 2006. The Company implemented the CET on November 1, 2006, the first of the month following Commission approval of the Settlement Stipulation. The Settlement Stipulation provided that the CET/DSM Pilot Program would be implemented for a three-year term with a one-year review of the CET component of the Pilot Program.

On December 5, 2006 the Company requested approval of six energy-efficiency programs, a comprehensive market-transformation initiative and a DSM budget (DSM Application). On January 16, 2007, the Commission approved effective January 1, 2007, the DSM Application. The DSM component of the three-year Pilot Program is scheduled to end at the end of year 2009.

Pursuant to the Settlement Stipulation, the 1-year review hearings were held on September 18 and 19, 2007, to hear evidence and argument with respect to proposals for alternatives to or continuation of the CET during the remaining two years of its three-year Pilot Program. On November 5, 2007, the Commission issued an Order approving the continuance of the CET for the remaining two years of the Pilot Program. In that Order, the Commission also directed the Company to file a general rate case by March 2008.

The Company filed a general rate case on December 19, 2007. On December 22, 2008, the Commission issued its Report and Order on Cost of Service and Rate Design in the Company's general rate case (COS Order). The Commission directed the Company to review several issues prior to the Company's next rate case.

On January 20, 2009, the Company filed a Petition for Reconsideration, Review or Rehearing and Clarification of the COS Order. On February 9, 2009, the Commission issued an Order staying and vacating portions of the COS Order and granting review and rehearing. Central to the grant of rehearing were issues of the relationship between volumetric rates and the CET allowed revenue per customer.

The Company requests an extension of the continuation of the CET/DSM Pilot Program through the end of year 2009. With this extension of time, the CET and DSM components of the Pilot Program will have run a full three years and parties will have matching data and time periods to evaluate the CET balancing account, impacts to residential customers, and impacts to the Company. Additionally, an extension of the CET to continue through the end of 2009 will allow the Company and other stakeholders time to begin implementing some of the Commission's directives in the COS Order prior to filing a 2009 rate case.

The Company has represented to the Commission that the Division and Committee do not oppose the Company's request for an extension of the CET/DSM Pilot Program through the end of December 2009.

ORDER

The Commission finds that there is no opposition to the extension of the CET and DSM pilot program, and finds that extending the programs as moved by the Company is not against the public interest. The Commission hereby extends the CET and DSM pilot program until December 31, 2009.

Pursuant to Utah Code § 63G-4-301 and 54-7-15, an aggrieved party may request agency review or rehearing of this Order by filing a written request for review or rehearing with the Commission within 30 days after the issuance of the Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request

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for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of Utah Code §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 18<sup>th</sup> day of March, 2009.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard  
Commission Secretary

G#61081