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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

	)	
TARIFF NAME:	)	Docket No. 06-057-T04
Application to Remove	)	
GSS and EAC and	)	TRANSCRIPT OF
Implement CET Rates	)	PROCEEDINGS
from Questar Gas	)	
Company's Tariff	)	PUBLIC WITNESS
	)	HEARING
	)	

February 8, 2007 \* 4:30 p.m.

Location: Public Service Commission  
160 East 300 South, Hearing Room Salt Lake City, Utah

Richard M. Campbell, Commissioner  
Ted Boyer, Commissioner  
Ron Allen, Commissioner

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WITNESS

PAGE

Jeffery B. Edwards

4

Dick M. Braithwaite (via phone)

13

Clare Geddes (via phone)

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## P R O C E E D I N G S

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COMMISSIONER CAMPBELL: All right. Let's

go back on the record. This is the portion of our hearing where we receive public testimony. Those members of the public that wish to provide testimony, they can either provide sworn or unsworn testimony. If it's sworn the attorneys are permitted to cross-examine the witnesses. If it's unsworn we'll put it on the record and take notice of it.

It looks like at this time we have one person signed up, Jeff Edwards. Do you want to come forward, please? Do you wish to provide sworn or unsworn testimony?

MR. EDWARDS: Sworn testimony.

COMMISSIONER CAMPBELL: Okay. Would you raise your right hand to the square? Do you swear the testimony you're about to give in this proceeding is the truth, the whole truth and nothing but the truth, so help you God?

MR. EDWARDS: I do.

COMMISSIONER CAMPBELL: Thank you. Please be seated. I'm going to turn the time over to Mr. Proctor to ask some preliminary questions.

/

1 /

2 JEFFERY B. EDWARDS,

3 called as a witness, being first duly sworn, was

4 examined and testified as follows:

5 DIRECT EXAMINATION

6 BY MR. PROCTOR:

7 Q. Mr. Edwards, would you state your full  
8 name and business address, please.

9 A. Jeffrey B. Edwards, 201 South Main, Salt  
10 Lake City, Utah, Suite 2010.

11 Q. On whose behalf are you appearing here  
12 today?

13 COMMISSIONER CAMPBELL: Let's go off the  
14 record.

15 (Off the record.)

16 COMMISSIONER CAMPBELL: Back on the  
17 record. Mr. Proctor?

18 MR. PROCTOR: Thank you.

19 Q. (BY MR. PROCTOR) Mr. Edwards, on whose  
20 behalf are you appearing here today?

21 A. I'm President and Chief Executive Officer  
22 of the Economic Development Corporation of Utah.

23 Q. And I understand you have a statement you  
24 would like to provide?

25 A. I do.

26

1 Q. Please.

2 A. Okay. I appreciate the opportunity to be  
3 here today.

4 MR. BALL: Mr. Chairman, excuse me. I'm  
5 sorry, Mr. Edwards.

6 Mr. Chairman, my understanding is that Mr.  
7 Edwards and the Economic Development Corporation of  
8 Utah are parties to this case, having been granted  
9 intervention. It's further my understanding that the  
10 Commission ordered that it would hear from such  
11 parties at the main hearing that started at nine  
12 o'clock this morning. I'm, therefore, objecting to  
13 Mr. Edwards showing up as a public witness at this  
14 hearing.

15 COMMISSIONER CAMPBELL: We're going to go  
16 ahead and allow him to proceed. There have been  
17 instances in the past where I know Mrs. Wolf, Ms.  
18 Geddes and others have been parties to the case, but  
19 have made their statements during the Public Witness  
20 portion.

21 So go ahead and please proceed with your  
22 statement.

23 MR. EDWARDS: I'm here today on behalf of  
24 the Board of Trustees of the organization the  
25 Economic Development Corporation of Utah and our 230

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1 business and civic members. We want to express  
2 support for the removal of the GSS and EAC rates from  
3 the Questar Company's rate tariff.

4 Let me briefly explain our mission as an  
5 organization. We provide economic development  
6 services throughout the state. We're a private  
7 nonprofit corporation. We're funded by public  
8 contributions from the cities and counties of the  
9 State, private contributions from businesses, as well  
10 as funds from the Governor's Office of Economic  
11 Development.

12 Our mission is to do three things: To  
13 help new jobs locate in our State through recruiting  
14 efforts; to help retain jobs in our State through  
15 retention of businesses who are here, to help them to  
16 be successful, and also to provide economic research  
17 to the public in general.

18 We are currently involved in over 200  
19 recruiting projects that involve every area in the  
20 State, ranging from manufacturing to business  
21 services operations of all different types. And  
22 those are on both a national and a local scale. And  
23 I would be happy to provide more detail about those  
24 if anyone wishes.

25 From my perspective, this is a very  
26

1 exciting time as a state. We face many extraordinary  
2 opportunities, including the potential for greater  
3 economic growth and for prosperity, particularly in  
4 our rural communities.

5           The GSS and EAC rates levied require some  
6 rural customers to pay up to 35 percent more for gas  
7 service than their neighboring communities. This is  
8 clearly a disadvantage when it comes to economic  
9 development. The elimination of Questar's tariff  
10 fees will not only assist these areas in building up  
11 their economy, but on a single rate schedule would be  
12 more efficient to administer.

13           Rolling extension charges in the one  
14 general rate schedule will have a minimal impact on  
15 other customers. While the typical customer may see  
16 a very small increase, the state overall will reap  
17 benefits. There are certainly plenty of precedence.  
18 And I know the Commission has heard other options  
19 where cooperation and compromise has worked well.

20           As for our organization, we strongly  
21 encourage you to consider this proposal to remove  
22 these rates. I wanted to mention, too, that as an  
23 organization we bring -- we try to bring projects to  
24 communities all over the state. And as you are  
25 likely aware, there is a challenge in taking projects

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1 to rural communities that are in some cases ill  
2 prepared for them, and other cases communities that  
3 are anxious and willing and have all of the  
4 facilities and capabilities to have them happen. And  
5 finding opportunities for rural Utah sometimes can be  
6 rare and few and far between. And the last thing we  
7 need, in my opinion, is to have more barriers for  
8 rural economic development. And then the case that  
9 we're considering here is that here is a clear offset  
10 for companies to consider sites in rural communities  
11 where they have a disadvantage in terms of the  
12 specific action.

13 I wanted to cite one specific example, and  
14 that is a project that is known in our organization  
15 as Project Paperweight. We code name projects to  
16 protect the confidentiality of the projects of the  
17 companies that are considering these. This is a  
18 project that considered a site last year in Beaver  
19 County. This was a large industrial operation which  
20 would have been a significant user of natural gas.  
21 Because of the rates that were available to them as  
22 an industrial user in Beaver, this company elected  
23 not to consider Beaver for this project despite the  
24 fact that there was a land side available, there was  
25 adequate labor and support from the county and from  
26

1 the state. And instead, this project has located  
2 itself in St. George. It is also considering a site  
3 in Nevada as well, but it appears they are leaning  
4 towards Wasatch County -- or, excuse me, Washington  
5 County.

6 In my view, this is an example of a case  
7 where utility policy should really consider the needs  
8 of all areas and not just communities along the  
9 Wasatch Front, but rural communities should have an  
10 equal access to these kind of utilities.

11 COMMISSIONER CAMPBELL: All right. Are  
12 their questions for Mr. Edwards?

13 MR. BALL: Yes, please, Chairman.

14 Mr. Edwards, do you happen to know how  
15 many existing customers of Questar Gas would see a  
16 rate reduction as a result of this application?

17 MR. EDWARDS: I do not.

18 MR. BALL: If I were to represent to you  
19 that Questar has testified 8,600, would you find that  
20 strange?

21 MR. EDWARDS: I'm not an expert in that  
22 area, Mr. Ball, and I'm not familiar with that.

23 MR. BALL: Would you find it odd if I said  
24 that Questar had testified that 825,000 customers  
25 will be potentially affected by increasing rates as a

26

1 result of this application?

2 MR. EDWARDS: I believe that's the case  
3 before the Commission.

4 MR. BALL: My point here, Mr. Edwards, and  
5 I invite you to comment on it, is that we are not  
6 just talking about a difference between the Wasatch  
7 Front and rural areas, we're talking about a number  
8 of rural areas and a great majority, a huge majority,  
9 almost a 100 to 1 majority of the citizens of the  
10 state. Any comment?

11 MR. EDWARDS: I would go back to a  
12 statement I made earlier, Mr. Ball, which was to say  
13 that in my opinion, as a professional economic  
14 developer, that it is an unwise state policy to put  
15 rural communities at an additional disadvantage for  
16 rural and economic development projects by a punitive  
17 utility situation as we're talking about here.

18 MR. BALL: Thank you.

19 Are you aware of the circumstances in  
20 which natural gas service was extended to those  
21 communities in rural areas in the first place?

22 MR. EDWARDS: I am.

23 MR. BALL: Can you talk a little bit about  
24 the economic development advantages of that  
25 arrangement?

26

1 MR. EDWARDS: In what regard?

2 MR. BALL: Well, tell us what your  
3 assessment as a professional economic development  
4 person are of the benefits of having natural gas  
5 there at all.

6 MR. EDWARDS: Well, clearly --

7 UNIDENTIFIED MALE: Is there anybody there  
8 for a pickup?

9 COMMISSIONER CAMPBELL: You've got the  
10 wrong number.

11 UNIDENTIFIED MALE: I just wanted to call  
12 in and comment. I am definitely against --

13 COMMISSIONER CAMPBELL: Sir, wait a  
14 minute.

15 UNIDENTIFIED MALE: -- for a rural  
16 pipeline extension because those folks down there  
17 signed a contract. They were well aware --

18 COMMISSIONER CAMPBELL: Sir, sir, sir?  
19 Can you hear me? You're out of order. We already  
20 have a witness right now on the stand. You'll have  
21 to wait your turn.

22 UNIDENTIFIED MALE: Well, I can't wait my  
23 turn because I'm due to go to a doctor in five  
24 minutes. So I just need to -- I just wanted to  
25 express my opinion, and that's what it is.

26

1                   COMMISSIONER CAMPBELL: All right. Thank  
2 you. Could we have your name?

3                   MR. BRAITHWAITE: Dick M. Braithwaite.

4                   COMMISSIONER CAMPBELL: All right. Thank  
5 you.

6                   MR. BRAITHWAITE: Braithwaite,  
7 B-R-A-I-T-H-W-A-I-T-E. And I'm from Sanpete so I've  
8 gone through this stuff before. And those people  
9 down in Beaver and those other places knew what they  
10 were getting into, they signed a contract. They  
11 should be held to the contract.

12                   COMMISSIONER CAMPBELL: All right. Thank  
13 you for your input.

14                   MR. BRAITHWAITE: Thank you.

15                   COMMISSIONER CAMPBELL: Let's go back to  
16 where we were.

17                   MR. EDWARDS: Could you restate your  
18 question, Mr. Ball?

19                   MR. BALL: Sure. I'm asking you if you  
20 would comment, from your perspective as an economic  
21 development professional, on the benefits to these  
22 communities of having natural gas as opposed to the  
23 situation before the service was extended into their  
24 communities.

25                   MR. EDWARDS: Well, certainly natural gas  
26

1 is an advantage to any community that has it in terms  
2 of not only providing for the residents of the  
3 community, but in attracting new business  
4 opportunities and in sustaining industrial operations  
5 in their community that require gas.

6 MR. BALL: At the time that they were  
7 seeking natural gas they represented that they were  
8 being -- that their natural gas was being impeded  
9 because they lacked it altogether, did they not?

10 MR. EDWARDS: I don't have any direct  
11 knowledge of that, no.

12 MR. BALL: I see. Thank you.

13 You spoke about Paperweight. It's my  
14 understanding that Paperweight is a company called  
15 ST Paper. It's further my understanding that they  
16 were talking about a plant that would offer perhaps  
17 around 40 or 50 jobs in Beaver County. Is that  
18 consistent with your understanding?

19 MR. EDWARDS: I can't name the company  
20 since the project has not been announced publicly.  
21 But that is the approximate number of jobs for that  
22 project.

23 MR. BALL: Right. In fact, the Deseret  
24 Morning News on Saturday, January the 20th, published  
25 an article which included a report that the  
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1 Governor's Office of Economic Development's latest  
2 approval was a tax rebate of up to \$1.92 million over  
3 ten years for ST Paper to build a toilet paper  
4 manufacturing facility in Washington County. The new  
5 facility could employ up to 140 --

6 COMMISSIONER CAMPBELL: I don't know how  
7 many of you have been on conference calls and  
8 somebody puts their phone on hold and it creates this  
9 sort of problem. So hopefully she'll call back.

10 MR. EDWARDS: I'm sorry, go ahead.

11 MR. BALL: Yeah. Is that consistent with  
12 your understanding as well?

13 MR. EDWARDS: Again, the company has not  
14 made an announcement about the project itself so I'm  
15 not at liberty to talk about the nature of the  
16 project.

17 MR. BALL: Okay. I didn't hear a "no"  
18 there.

19 MR. EDWARDS: But I'm not at liberty to  
20 speak about it, Mr. Ball.

21 MR. BALL: I understand. Thank you.

22 Now, are you aware that in this particular  
23 application Questar and those that support its  
24 application are representing that \$1.7 million a year  
25 should be transferred from existing customers in

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1 these rural expansion communities to the 825,000  
2 other customers? Are you aware of that?

3 MR. EDWARDS: Yes, I am.

4 MR. BALL: In your mind, how does \$1.7  
5 million a year ongoing for perhaps 40 jobs at a plant  
6 in Beaver County compare with \$1.92 million over 10  
7 years for 140 jobs in Washington County?

8 MR. EDWARDS: The comment that I'll make  
9 to you is that it is difficult to recall the last  
10 time there was an economic development project of any  
11 magnitude in Beaver County that actually created  
12 jobs. There is one new project in that community,  
13 and that's one that's in Milford to create a plastics  
14 development project with about 30 jobs. So I would  
15 submit that a project that could bring that kind of  
16 employment to a rural county like Beaver County is a  
17 valuable one and that there should be steps taken to  
18 ensure that Beaver County has the ability to compete  
19 for them.

20 MR. BALL: I guess what I'm asking you is  
21 about the economic efficiency of \$1.92 million over  
22 10 years for a plant employing up to 140 people and  
23 an alternative project costing \$1.7 million a year  
24 ongoing that might help a project employing 40 or 50  
25 people.

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1                   MR. EDWARDS: I think you're mistaking the  
2 situation by applying the rate difference for all of  
3 those communities, and in this case you're just  
4 considering a project in Beaver County.

5                   MR. BALL: Are there other projects?

6                   MR. EDWARDS: There are the opportunity  
7 for other projects. And my position is that we as a  
8 state should be willing to provide whatever  
9 assistance we can to take projects to Cleveland or to  
10 Elmo or to Clarkston or to other communities that are  
11 named here that are in need of economic development  
12 projects.

13                   MR. BALL: And I get into trouble here  
14 because I haven't filed testimony if I give my  
15 opinion. So I'll give you my opinion separately if  
16 you would like it.

17                   COMMISSIONER CAMPBELL: Thank you for  
18 that.

19                   MR. BALL: You're very welcome. It's been  
20 a long day for all of us.

21                   Let me see. In a more general sense, Mr.  
22 Edwards, do you think that people's utility rates are  
23 the ideal mechanism for subsidizing economic  
24 development around rural parts of the State of Utah?

25                   MR. EDWARDS: I think in this particular  
26

1 case, and as I understand it, I'm not an expert in  
2 gas pricing by any means, but the order of magnitude  
3 that we're talking about is asking the other  
4 ratepayers in the State to contribute 19 cents per  
5 month, is the rough number that I'm familiar with, to  
6 make this project happen. And in my view that's a  
7 reasonably fair trade to provide assistance to  
8 communities that otherwise just simply don't get  
9 opportunities.

10 MR. BALL: Earlier today it turned out  
11 that that number was an earlier and below par  
12 estimate. The more current estimate is more in the  
13 order of 30 cents a month, which of course is in the  
14 order of \$3.60 a year.

15 MS. BELL: Excuse me, Roger, I don't think  
16 that's accurate.

17 MR. BALL: Oh, okay. What is?

18 COMMISSIONER CAMPBELL: No.

19 MR. BALL: Never mind. We'll worry about  
20 that at another time.

21 Now, Mr. Edwards, as President and CEO of  
22 the Economic Development Corporation of Utah, I  
23 presume that you're appearing here today either by  
24 the direction of or with the knowledge or consent of  
25 your Executive Committee?

26

1 MR. EDWARDS: That's correct.

2 MR. BALL: Can you confirm for us, please,  
3 that membership of that Executive Committee includes  
4 Jerry Fenn, President of Qwest Communications in  
5 Utah, Alan Allred, President of Questar Gas Company,  
6 and Richard Wolje, President or whatever of  
7 PacifiCorp here in Utah?

8 MR. EDWARDS: It does. And it includes 25  
9 additional members that represent business and local  
10 communities, including the State of Utah.

11 MR. BALL: And those folks include \*Mayor  
12 Dolan of Sandy City, Mayor Anderson of Salt Lake  
13 City, Mayor LuAnn Christensen of Brigham City, Mayor  
14 Peter Caroon of Salt Lake County, Mayor Patrick  
15 Dunlavy of Tooele City. Let's see, who else.  
16 Commissioner Larry Ellertsen of Utah County, Mayor  
17 David Newton of West Jordan City, Mayor Dennis  
18 Nordfeldt of West Valley City, Mayor Daniel Snarr of  
19 Murray City, Mayor Joel Thomas of Spanish Fork City,  
20 all of these being communities whose citizens will  
21 pay more if this application is approved; is that  
22 accurate?

23 MR. EDWARDS: The membership that you've  
24 noted is accurate, yes.

25 MR. BALL: And so I'm curious to know,  
26

1 please, what position these Mayors and Commissioners  
2 took on this particular matter.

3 MR. EDWARDS: That's the purpose of my  
4 visit here today, Mr. Ball, is to express the opinion  
5 of our Executive Committee and our Board of Trustees  
6 to ask for the removal of these rates.

7 MR. BALL: So they all supported that, did  
8 they?

9 MR. EDWARDS: Yes, they did.

10 MR. BALL: Excellent. Thank you very much  
11 indeed.

12 I believe I'm done, Mr. Chairman.

13 COMMISSIONER CAMPBELL: Any questions?

14 All right.

15 Thank you, Mr. Edwards, for being here.

16 Do we have any additional public witnesses  
17 that want to provide testimony today? Okay. Thank  
18 you very much.

19 MR. BALL: Chairman, I believe that Ms.  
20 Geddes did call in intending to offer Public Witness  
21 testimony this evening.

22 COMMISSIONER CAMPBELL: She communicated  
23 to me earlier today, or yesterday, that if it was  
24 available on the 28th that she would rather comment  
25 on the stipulation.

26

1                   MR. BALL: I did hear from Clare after  
2 this morning's session that she hoped to testify  
3 today and on the 28th when she's had a chance to see  
4 the stipulation. May I have a moment to see if I can  
5 reach her on the phone and ask her if she would like  
6 to call back?

7                   COMMISSIONER CAMPBELL: Certainly.

8                   MR. BALL: Thank you.

9                   COMMISSIONER CAMPBELL: Let's go off the  
10 record for a minute.

11                   (Off the record.)

12                   MR. BALL: Ms. Geddes says, Chairman, that  
13 she would like to testify this evening, but she can't  
14 get through.

15                   COMMISSIONER CAMPBELL: You know what,  
16 that's all we've got. So do you have her number and  
17 we can just dial it from here?

18                   Hello, Ms. Geddes. You are now in the  
19 hearing room. It's my understanding that you wish to  
20 provide public testimony today?

21                   MS. GEDDES: I certainly do.

22                   COMMISSIONER CAMPBELL: Do you want to  
23 provide sworn or unsworn testimony?

24                   MS. GEDDES: Sworn.

25                   COMMISSIONER CAMPBELL: Okay. If you  
26

1 would raise your right arm to the square, do you  
2 swear that the testimony you're about to give in this  
3 proceeding is the truth, the whole truth and nothing  
4 but the truth, so help you God?

5 MS. GEDDES: I do.

6 CLARE GEDDES,  
7 called as a witness, being first duly sworn, was  
8 examined and testified as follows.

9 COMMISSIONER CAMPBELL: Thank you very  
10 much. Mr. Proctor.

11 DIRECT EXAMINATION

12 BY MR. PROCTOR:

13 Q. Ms. Geddes, would you state your name  
14 and --

15 COMMISSIONER CAMPBELL: Your microphone  
16 isn't on.

17 MR. PROCTOR: I apologize.

18 Q. (BY MR. PROCTOR) Ms. Geddes, would you  
19 state your name and on whose behalf you're appearing  
20 here today?

21 A. My name is Clare Geddes and I'm here  
22 representing myself.

23 Q. Is there a statement that you wish to make  
24 in reference to this docket?

25 A. Yes.

26

1 Q. Would you please go forward?

2 A. This is an issue that I've been involved  
3 with for years going back before House Bill 180 was  
4 passed at the behest of Questar. I'm very concerned  
5 about the idea that we're going to now use telephone  
6 bills -- not telephone bills, excuse me, our gas bill  
7 as an economic development tool. That Bill barely  
8 made it through and it was only with the help of  
9 Questar up there lobbying strenuously.

10 What we did when we passed that Bill was  
11 we were told that this would be the economic  
12 development tool to help Southern Utah. Well,  
13 apparently that hasn't come to fruition, but we also  
14 in the same instant disadvantaged propane and other  
15 forms. There were people at the time, business  
16 people, who testified against that Bill for the fact  
17 that it would disadvantage their form of energy or  
18 heat by subsidizing Questar Gas. So now we're being  
19 told that we should go back and change all the rules  
20 from House Bill 180, which has since expired, and  
21 cancel the deals that they agreed to and we pay the  
22 costs.

23 Now, my question is, what happens if this  
24 doesn't fuel the economic development they think it  
25 should? Are we going to come back and say, well,

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1 this isn't doing the job so we've got to do a better  
2 situation?

3 To start with, I'm not against economic  
4 development, but we have agencies that do that. We  
5 don't do it through our utility bills. And there's  
6 not -- when you're doing that, how do we know just  
7 how much money we're throwing into economic  
8 development and who we're really disadvantaging and  
9 who we aren't? I mean, it's a real problem.

10 And I believe when the Commission turned  
11 down the Panguitch connection back in I think it was  
12 1997 because it was too large of a subsidy for one  
13 group against the rest, and I think that was a smart  
14 ruling then and I think it should stand for today. I  
15 have real concerns about how we can come back in  
16 after the fact and change all the rules. It does  
17 benefit one class. But I don't know that that even  
18 benefits economic development. There are so many  
19 issues that go into economic development. You are  
20 never going to be able to have a level playing field  
21 with rural Utah and cities. It just won't happen.

22 And asking us to pay more and use that as  
23 a tool I don't believe will help in the first place.  
24 And it didn't apparently last time they did it. So I  
25 would urge the Commission to do -- to not allow them  
26

1 to change that rate so that the rest of us pick up  
2 the cost. It's unfair to all the other customers.  
3 And if you want to do economic development, there  
4 should be legislation at the state level which makes  
5 it very clear and people have a chance to weigh in on  
6 that, not have it done down at the Public Service  
7 Commission where we don't know where this state  
8 legislature stands on this. And I think it would be  
9 a bad proposition to set this precedence.

10 Also, what happens when the next group  
11 wants to come in and say, we're economically  
12 challenged and we want you to bring a line out to our  
13 city and it isn't economically feasible? Who picks  
14 up the tab for that? Are we going to make that  
15 that's going to be our new guideline? I mean, do you  
16 do it for one and no one else? This is why I opposed  
17 it from day one.

18 The very reason that we're here addressing  
19 this is I didn't believe it would be an economic  
20 development tool that would really help them, and it  
21 hasn't been, but you're setting a precedence that you  
22 don't know where it's going to end up. So I would  
23 strongly urge the Commission to deny this and leave  
24 rates where they are now so that -- and if they want  
25 to come back and do economic development with utility

26

1 rates, which is a fool-hearty thing to do, then they  
2 should have to go to the state legislature.

3 COMMISSIONER CAMPBELL: Does that complete  
4 your statement?

5 MS. GEDDES: Yes.

6 COMMISSIONER CAMPBELL: Thank you very  
7 much.

8 Let's have any questions. Any questions?

9 MR. PROCTOR: No questions.

10 MR. BALL: No questions.

11 COMMISSIONER CAMPBELL: Thank you for that  
12 statement.

13 Anybody else? All right. Thank you very  
14 much. We will adjourn.

15 (The taking of the Public Witness

16 Hearing was concluded at 4:57 p.m.)

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C E R T I F I C A T E

STATE OF UTAH            )  
                              : ss.  
COUNTY OF SALT LAKE)

I, LANETTE SHINDURLING, a Registered Professional Reporter, Certified Realtime Reporter and Notary Public in and for the State of Utah, residing at Salt Lake City, Utah hereby certify;

That the foregoing proceeding was taken before me at the time and place herein set forth, and was taken down by me in stenotype and thereafter transcribed into typewriting;

That pages 1 through 27, contain a full, true and correct transcription of my stenotype notes so taken.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

WITNESS MY HAND and official seal at Salt Lake City, Utah, this 16th day of February, 2007.

\_\_\_\_\_  
LANETTE SHINDURLING, RPR, CRR  
Utah License No. 103865-7801