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- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Analysis of)
an Integrated Resource Plan for) DOCKET NO. 91-057-09
MOUNTAIN FUEL SUPPLY COMPANY.) SCHEDULING ORDER

ISSUED: April 22, 1992

BY THE COMMISSION:

In Mountain Fuel Supply's, ("MFS") or ("the Company"), last general rate case, Docket No. 89-057-15, the Commission in its November 21, 1990 Report and Order directed the parties to investigate gas planning and acquisition issues. In addition, the Commission ordered the Company to provide a long-term integrated resource plan (IRP) for its review. As pre-approved by the Commission, the Company was also ordered to provide funding necessary, to allow the Division and the Committee to contract with consultants for a management audit follow-up. Both parties have retained consultants who are currently reviewing the Company's IRP, which was submitted on September 30, 1991.

On May 24, 1991, the Commission established Docket No. 91-057-09 to further address gas planning and acquisition issues and to provide guidance to the Company on future IRPs.

On December 16, 1991, the Commission issued an Order on Draft Standards and Guidelines for Mountain Fuel's Integrated Resource Planning (IRP). The Commission held a technical workshop on January 17, 1992 to discuss the Company's submitted IRP and elicit comment on the draft guidelines. The Commission received written comments on the IRP guidelines on February 28, 1992. The comments are currently under review and a final order on guidelines will be forthcoming.

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The December 16, 1991 Order explained the Commission's objectives and purpose for issuing IRP guidelines, enunciated the Commission's preliminary decisions on threshold and procedural issues and detailed the draft guidelines. The draft guidelines require that the Company submit its IRP every two years, which is to include a one-year action plan, plus a second one-year plan developed in the off year outlining specific resource decisions for implementing the IRP the second year.

The Order further stated that MFS is to submit a new IRP in September of 1992 and a proposed public meeting schedule to insure that the Company's planning would include public input.

The Company filed its proposed public meeting schedule on January 10, 1992 and indicated that it would like to submit the new IRP in September 1993 because it would be very difficult to meet the 1992 deadline.

After consulting with the parties on an appropriate schedule for the submission of a new IRP, the Commission finds that a compromise on schedules is appropriate. The Commission orders the Company to issue a one year plan using its current Gas Contract Analyzer (GCA) model, amended to include agreed upon changes to be suggested by the Division's consultants, Theodore Barry and Associates. Theodore Barry will present a draft report of its findings on June 10, 1992.

The Commission instructs the Company to continue its work on the IRP in order to complete and submit a new IRP by September 30, 1993. The Company must integrate demand-side and supply-side resources in order to acquire gas energy services at the lowest

possible cost to consumers subject to reliability constraints. The Commission is particularly interested in the development of cost-effective demand-side programs aimed at capturing lost opportunities. The Company must augment its existing IRP to incorporate demand-side analysis by September 30, 1992.

The Commission Orders the following schedule for the Company's IRP process:

IRP Schedule

<u>Event</u>	<u>Date</u>
Presentation of Draft Report on IRP improvements by Theodore Barry and Associates.	June 10, 1992
Company Presentation of Progress on suggested improvements in GCA model and Progress Report on Demand-Side Analysis	Mid-July 1992
Submission of Operating Plan for 1993 using improved model and Demand-side additions to the Plan	Sept. 30, 1992
Presentation of 1993 Plan	Oct. 14, 1992
Future IRP Meetings for 1994 Plan	to be scheduled
Submission of New IRP for 1994	Sept. 30, 1993

DATED at Salt Lake City, Utah, this 22nd day of April, 1992.

/s/ James M. Byrne, Chairman

(SEAL)

/s/ Stephen C. Hewlett, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary