

APPLICATION OF QUESTAR GAS ) Docket No. 07-057-03  
COMPANY TO AMORTIZE THE )  
CONSERVATION ENABLING TARIFF ) APPLICATION

All communications with respect to  
these documents should be served upon:

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APPLICATION  
AND  
EXHIBITS

May 4, 2007

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APPLICATION OF QUESTAR GAS	)	Docket No. 07-057-03
COMPANY TO AMORTIZE THE	)	
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Questar Gas Company (Questar Gas or the Company) respectfully submits to the Utah Public Service Commission (Commission) for approval of this application for an amortization of the CET balance and an adjustment to the distribution non-gas cost portions of its Utah GS-1 natural gas rates.

If the Commission grants this application, typical residential customers using 80 decatherms per year will see an increase in their yearly bills of \$1.92 (or 0.27%). The Company proposes to implement this request by charging the new rates effective June 1, 2007.

In support of this application, Questar Gas states:

1. Questar Gas' Operations. Questar Gas, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's present rates, charges, and general conditions for natural gas service in Utah are set forth in Questar Gas' PSC Utah Tariff No. 400. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Preston, Idaho area. Under the terms of agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

2. CET Stipulation Order. In the order approving the CET Stipulation in Docket No. 05-057-T01 the Commission authorized Questar Gas to establish and utilize a

CET balancing account, Account 191.9 of the Uniform System of Accounts. This filing is made under §2.11 of Questar Gas' PSC Utah Tariff No. 400, which sets forth procedures for recovering the allowed DNG revenue per customer by means of periodic adjustments to rates and amortizations of this account.

3. Test Year. The test year for this application is the 12 months ending May 31, 2008.

4. Amortization of Account No. 191.9 Balance. The Company proposes to amortize the March 2007 ending debit balance (undercollection) of \$844,035 by applying a per Dth increase to the GS-1 and GSS DNG rates as set forth in Exhibit 1.1. This amortization of the debit balance not only amortizes the \$844,035, but also reverses the amortization of the credit balance that was approved for these rate schedules in Docket No. 06-057-10. The change in the typical customer's bill referred to in paragraph 7 includes these changes.

5. Proposed Tariff Sheets. Questar Gas' proposed Utah GS-1 and GSS rate schedules reflect the amortization as explained in paragraph 4 (Exhibit 1.2). These proposed tariff sheets assume that the Commission also approves the rates proposed in Docket No. 07-057-02 (Pass-Through Application).

6. Change in Typical Customer's Bill. The annualized consolidated change in rates calculated in this application is a 0.27% increase, or an increase of \$1.92 per year for a typical GS-1 residential customer using 80 decatherms per year. The projected month-by-month changes in bills are shown in Exhibit 1.3.

7. Exhibits. Questar Gas submits the following Exhibits in support of its request to amortize the CET balance:

- |             |                                 |
|-------------|---------------------------------|
| Exhibit 1.1 | Rate per Dth Comparison         |
| Exhibit 1.2 | Proposed Tariff Sheets          |
| Exhibit 1.3 | Effect on GS-1 Typical Customer |

WHEREFORE, Questar Gas respectfully requests that the Commission, in accordance with the Order approving the CET Stipulation and the Company's commission-approved tariff:

1. Enter an order authorizing Questar Gas to implement rates and charges applicable to its Utah natural gas service that reflect an amortization in GS-1 and GSS DNG rates, as more fully set out in this Application; and
2. Authorize Questar Gas to implement its rates effective June 1, 2007.

DATED this 4th day of May 2007.

Respectfully submitted,

QUESTAR GAS COMPANY

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C. Scott Brown (4802)  
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STATE OF UTAH            )  
                                      :  
COUNTY OF SALT LAKE )

Alan K. Allred, being first duly sworn upon oath, deposes and states: He is the President and Chief Executive Officer of Questar Gas Company; he has read the foregoing application; and the statements made in this application are true to the best of his knowledge and belief.

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Alan K. Allred

Subscribed and sworn to before me this 4th day of May 2007.

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Notary Public  
Residing in Salt Lake City, Utah