BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the PassThrough Application of Questar)

Gas Company for an Adjustment)
In Rates and Charges for) Docket No. 07-057-09
Natural Gas Service in Utah)
......)
In the Matter of the)
Application of Questar Gas)
Company to Amortize the)
Conservation Enabling Tariff) Docket No. 07-057-10
on the Account)
.....)
In the matter of the)
Application of Questar Gas)
Company to Amortize the)
Demand-side management deferred)
Docket No. 07-057-11
account balance.

Before Administrative Law Judge Steven F. Goodwill

October 31, 2007 - 9:34 a.m.

Location: Heber Wells Building 160 East 300 South Salt Lake City, Utah

Reporter: Lanette Shindurling, RPR, RMR, CRR Notary Public in and for the State of Utah

1	APPEARANCES
2	
3	FOR THE DIVISION:
4	MICHAEL L. GINSBERG ATTORNEY GENERAL'S OFFICE 160 East 300 South
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6	(801) 366-0353
7	FOR THE UTAH COMMITTEE OF CONSUMER SERVICES:
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11	TOP OVERSEND ON G. COMPANYA
12	FOR QUESTAR GAS COMPANY:
13	COLLEEN LARKIN BELL QUESTAR GAS COMPANY
14	180 East 100 South Salt Lake City, Utah 84145 (801) 324-5556
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1	PROCEEDINGS
2	THE COURT: All right. Let's go ahead and
3	go on the record.
4	This is a Public Service Commission
5	hearing in three different dockets, the applications
6	for which were submitted by Questar on October 4,
7	2007. Those dockets are: In the matter of the
8	Pass-Through Application of Questar Gas Company for
9	an Adjustment in Rates and Charges for Natural Gas
10	Service in Utah, Public Service Commission Docket
11	No. 07-057-09; In the matter of the Application of
12	Questar Gas Company to Amortize the Conservation
13	Enabling Tariff on the Account, Public Service
14	Commission Docket No. 07-057-10; and In the matter of
15	the Application of Questar Gas Company to Amortize
16	the Conservation Enabling Tariff excuse me. Maybe
17	I got those confused. 10 is the conservation
18	enabling tariff, and 11 is the demand-side management
19	deferred account balance. That's Public Service
20	Commission Docket No. 07-057-11.
21	I'm Steve Goodwill, administrative law
22	judge for the Commission, and I've been assigned by
23	the Commission to hear these matters. Notice of this

hearing was issued by the Commission on the 22nd of

October, 2007, with an erratum notice issued the

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1 following day, the 23rd of October, 2007.
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- 2 At this time I would like to go ahead and
- 3 take appearances, and we'll start with Questar.
- 4 MS. BELL: Colleen Larkin Bell for Questar
- 5 Gas.
- 6 MR. GINSBERG: Michael Ginsberg for the
- 7 Division of Public Utilities.
- 8 MR. PROCTOR: Paul Proctor on behalf of
- 9 the Utah Committee of Consumer Services.
- 10 THE COURT: All right. Thank you.
- I guess we'll just go ahead and turn to
- 12 Questar to start these out. We'll go ahead and deal
- with all three dockets at once here.
- Ms. Bell.
- MS. BELL: Yes. I would like to call my
- 16 first witness, Mr. Gary Robinson.

17

- 18 GARY ROBINSON,
- 19 called as a witness, having been duly sworn,
- 20 testified as follows:

- 22 EXAMINATION OF MR. ROBINSON
- 23 BY MS. BELL:
- Q Will you please state your full name for
- 25 the record.

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1 A. Gary Robinson.
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- 2 Q. And by whom are you employed?
- 3 A. Questar Gas Company.
- 4 Q. What is your title there?
- 5 A. Supervisor of regulatory affairs.
- 6 Q. And in your capacity as supervisor of
- 7 regulatory affairs, are you familiar with the
- 8 applications in -- dockets in this matter?
- 9 A. Yes, I am.
- 10 Q. And were these applications prepared by
- 11 you or under your direction?
- 12 A. Yes.
- 13 Q. Would you please provide a summary for us
- of each of these applications?
- 15 A. Okay. The first application is Docket
- No. 07-057-09, which is the regular pass-through
- 17 application. This filing is based on the September
- 18 2007 average projected gas prices from three
- 19 nationally recognized forecasting organizations.
- 20 This pass-through application reflects Utah gas costs
- of \$621 million. This represents an increase of -- a
- decrease, I'm sorry, of \$89.5 million, which is
- 23 broken out into a decrease of \$40 million in the
- supplier non-gas rates and \$54.5 million in the
- 25 commodity rates.

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1 If the Commission grants this application,
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- 2 the typical residential customer using 80 decatherms
- 3 per year will see a decrease in their yearly annual
- 4 bill of \$69.03, or 9.56 percent.
- 5 Q. Would you also provide us a summary of the
- 6 CET amortization application?
- 7 A. Okay. The second application is Docket
- 8 No. 07-057-10, which is the application to amortize
- 9 the balance in the conservation enabling tariff
- 10 balancing account. The Company proposes to amortize
- 11 the August 2007 ending debit balance, which is an
- undercollection of \$3,498,000 in the CET account. We
- propose to do this by applying a percentage increase
- 14 to the GS-1 and GSS distribution non-gas rates in the
- 15 manner that was set forth in the tariff sheets that
- 16 we filed with this application.
- 17 If the Commission grants this application,
- 18 the typical GS-1 residential customer using 80
- 19 decatherms per year will see an increase in their
- yearly bill of \$2.60, or .36 percent.
- 21 The third application before us is Docket
- No. 07-057-11, which is the application to amortize
- the balance in the demand-side management deferred
- 24 account.
- 25 Q. Would you please summarize this one too?

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1 A. Yes. The company proposes to amortize the
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- 2 August 2007 ending balance in the DSM deferral
- account of \$2,328,735. We propose to do this by
- 4 applying a 2.526 cents per decatherm increase to the
- 5 GS1 and GSS DNG rates. If the Commission grants this
- 6 application, the typical residential customer using
- 7 80 decatherms per year will see an increase in their
- 8 yearly bills of \$2.01, or .28 percent.
- 9 Q. Assuming that these three applications are
- 10 approved today, have you prepared tariff sheets to
- 11 show how each of these applications would change
- 12 rates?
- 13 A. Yes. With each of the applications the
- 14 tariff sheets stood on their own. I have prepared
- 15 some tariff sheets that I can hand out that show all
- 16 three applications combined, and also the effect on
- 17 the typical residential customer of all three cases
- 18 combined.
- 19 MS. BELL: I think I would propose at this
- 20 point that we hand those out and offer them as QGC
- 21 Exhibit 1.1 in dockets 07-057-09, 07-057-10, and
- 22 07-057-11.
- 23 THE COURT: If you would hand those out,
- 24 and we'll mark them as such.
- 25 MS. BELL: Let me clarify. That probably

- 1 should be Exhibit 1.
- THE COURT: All right. Yes, we'll mark
- 3 that as Exhibit 1.
- 4 MS. BELL: We would like to offer the
- 5 admission of this exhibit.
- 6 THE COURT: Any objection to the admission
- 7 of Exhibit 1 in the three dockets?
- 8 MR. GINSBERG: No.
- 9 THE COURT: Okay. They're so admitted.
- 10 BY MS. BELL:
- 11 Q. Mr. Robinson, does that conclude your
- 12 testimony?
- 13 A. Well, I can just point to the front page
- on Exhibit 1 and point out that if all three
- 15 applications were approved as filed, the effect on
- 16 the typical customer using 80 decatherms per year
- would be a decrease of \$64.38, or 8.92 percent.
- 18 MS. BELL: Thank you. Does that conclude
- 19 your testimony?
- THE WITNESS: Yes.
- 21 MS. BELL: Thank you.
- 22 THE COURT: Mr. Ginsberg, any questions
- for Mr. Robinson?
- MR. GINSBERG: Do you have another
- witness?

1 MS. BELL: No, just Mr. Robinson. He's

- 2 now available.
- 3 MR. GINSBERG: Just one or two.
- 4 BY MR. GINSBERG:
- 5 Q. In this particular case you actually for
- 6 the forecast of future gas costs did it a little
- 7 differently than in the past where you used three
- 8 different forecasting companies; is that right?
- 9 A. That's right. In the past we have used
- 10 just one forecasting company, Global Insights. In
- 11 this case we have proposed to use the average of
- 12 three different forecasting companies.
- 13 Q. And the reason you chose to do that was
- 14 the volatility of the various forecasts from each
- 15 other?
- 16 A. Yes. They seem to jump around quite
- independently of each other, and it is our opinion
- 18 that if we use the average of the three it will
- 19 decrease the volatility of the forecasts that we used
- 20 in the past years.
- 21 Q. The Division recommended that you do that
- 22 in future filings. Is that something the Company is
- 23 agreeable to do?
- 24 A. Yes. We're proposing to do this on an
- 25 ongoing basis.

- 1 MR. GINSBERG: Thank you. That's all.
- THE COURT: Mr. Proctor?
- 3 MR. PROCTOR: Yes, thank you.
- 4 BY MR. PROCTOR:
- 5 Q. Mr. Robinson, are you -- have you reviewed
- 6 the Division's October 18, 2007 memorandum in
- 7 connection with the 191 pass-through?
- 8 A. Yes, I have. I have it here before me.
- 9 Q. Good. On page -- the bottom of page 2 and
- 10 the top of page 3 it talks about the volatility that
- 11 was present in Global Insights' August and September
- 12 forecasts. And the Division says that that was one
- of the reasons you chose to average three forecasts.
- 14 Is that correct?
- 15 A. Yes, it is.
- 16 Q. As to SERA and the PIRA Energy Group, did
- 17 their August and September forecasts contain the same
- 18 variance between months as Global Insights did, or a
- 19 similar wide spread between one being an increase and
- 20 the other one being a decrease?
- 21 A. I believe you can look at Exhibit 1.10 to
- 22 the application of the pass-through, which has the
- 23 comparison of these three forecasts for three
- 24 different periods of time. And --
- 25 Q. Are those confidential numbers,

2	A. No. They're now a public document.
3	Q. So they varied also between August and
4	September, but not to the same degree. Is that fair?
5	A. That's right.
6	Q. Okay.
7	A. And the average seems to be less variable
8	when we use the average.
9	MR. PROCTOR: Thank you, Mr. Robinson.
10	That's all I have.
11	THE COURT: Anything further, Ms. Bell?
12	MS. BELL: Nothing further.
13	THE COURT: Mr. Ginsberg?
14	MR. GINSBERG: Marlin Barrow is the
15	Division's witness.
16	
17	MARLIN BARROW,
18	called as a witness, having been duly sworn,
19	testified as follows:
20	
21	EXAMINATION
22	BY MR. GINSBERG:
23	Q. Would you state your name for the record.
24	A. Marlin Barrow.

Q. And your responsibility in the Division is

Mr. Robinson? I don't want to --

1

1 to review and prepare the Division's recommendations

- dealing with these three dockets?
- 3 A. Yes, it is.
- 4 MR. GINSBERG: Why don't we go through the
- 5 three Division memorandums. The first one is dated
- 6 October 18, 2007 in Docket 07-057-09. Could we have
- 7 that marked maybe as DPU Exhibit 1?
- 8 THE COURT: All right, we'll mark it as
- 9 such.
- 10 MR. GINSBERG: And the second document is
- 11 the Division's memorandum dated October 18, 2007 in
- docket 07-057-10. Could we have that marked as DPU
- 13 2?
- 14 THE COURT: Yes.
- MR. GINSBERG: And then the third one is
- the Division's memorandum in 07-057-11. Could we
- have that marked as DPU 3?
- 18 THE COURT: We'll mark it as such.
- 19 MR. GINSBERG: And we handed out a
- 20 memorandum this morning which is called "Audit of
- 21 Actual DNG Revenues Associated with the CET
- 22 accounting entries," and could we have that marked as
- 23 DPU Exhibit 4?
- THE COURT: Yes, DPU 4.
- 25 BY MR. GINSBERG:

1 Q. You have any corrections to make in any of

- 2 these memorandums?
- 3 A. No, no corrections on the memorandums.
- 4 Q. I notice in your DPU Exhibit 11 you put
- 5 together a summary of the effect of the three
- 6 applications, and the number is slightly different
- 7 than -- the company's off one penny. Is that just
- 8 rounding?
- 9 A. Yes. The Company uses rounding in their
- 10 statements. I just didn't use rounding in my
- 11 statements when I calculated that. They're just
- 12 rounding theirs.
- 13 Q. Would you like to provide a summary of
- 14 these four memorandums and what your recommendations
- 15 are?
- 16 A. Yes. Regarding the first application,
- 17 07-057-09, the Company -- or the Division recommends
- that this decrease be approved on an interim basis.
- 19 The Division is in the process of completing its
- audit of the 191 account, but since this is a 2007
- 21 pass-through, that audit will not be completed until
- 22 later on or possibly until next year. Until that
- 23 time we recommend that these rates be on an interim
- 24 basis until we can complete the 2007 audit of the 191
- account, which we'll be beginning shortly.

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                  The Division notes in here, regarding the
 2
      use of three forecasting forecasts in order to arrive
 3
      at the future prices for gas prices, the Division
 4
      supports that application that the company recommends
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      in using those three just, because it does --in the
 6
      Division's position, it will remove some of the
 7
      volatility that is inherent in these future forecasts
 8
      which these gas prices are based on.
 9
                  We currently note in the application that
10
      there's approximately a $30 million overcollection
11
      that's still going to be amortized, and we would
12
      really like to see that overcollection be refunded
      back as soon as possible. And we believe by using
13
14
      three forecasts that maybe some of this volatility
15
      can be removed from these forecasts so that we don't
      get such a degree of variance between forecasted
16
      prices and what actually occurs in the market as we
17
18
      go from month to month.
19
                  The Division also notes in here that the
20
      difference between the Wexpro price that's included
      in this pass-through and the actual market price is
21
22
      narrowing somewhat because, as we can see, the Wexpro
23
      production, a lot of those earlier volumes that have
24
      very low cost gas that was produced at low cost is
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now being depleted, and the production that's now

- 1 coming on is being produced at a much higher price
- and we're starting to see that gap narrow to some
- 3 extent between the market and what the Wexpro
- 4 production is costing ratepayers.
- 5 It's still beneficial to the ratepayers,
- 6 but as noted in the memo, the Wexpro production is
- 7 currently priced out at about \$4.94, while the
- 8 commodity purchase price, the average price is about
- 9 \$5.44. So we do see a narrowing of that range
- 10 between Wexpro production and the purchase price.
- 11 That's about all I have to say on that
- 12 particular docket there other than, again, we
- 13 recommend that the rates be on an interim basis until
- we can complete the audit of the 2007 191
- 15 pass-through accounts.
- Regarding the Docket No. 07-057-10 for the
- 17 CET amortization, the Division recommended in that --
- 18 in the memo that those rates be on an interim basis
- 19 until we can complete a review of the billing system
- 20 to verify that the correct rate has been used in
- 21 determining the actual dollar amounts that are used
- in the calculation to come up with the CET deferral
- amounts.
- The Division auditors went over and
- 25 completed that audit I think on the 17th of October,

- 1 and that is the purpose of this one memo. I
- 2 mentioned in our memo that we would provide a memo to
- 3 the Commission at the completion of that audit,
- 4 recommending whether we should keep the CET
- 5 amortization on an interim basis or recommend another
- 6 final order be placed.
- We are in the process to recommend that we
- 8 are satisfied through the audit procedure that the
- 9 correct rate is being used in the billing of the
- 10 actual revenues determined in the CET deferral
- 11 amounts, so therefore we are prepared to recommend
- 12 that if the Commission approves the increase for the
- 13 CET amortization, that that be a final order
- 14 regarding that increase.
- 15 Also, regarding the amortization for the
- 16 BSM rate increase in Docket 07-057-11, the Division
- 17 recommends that that right now be on an interim
- 18 basis, basically because we need to complete an audit
- of the actual -- some of the actual expenditures
- 20 within this request just to verify the accuracy of
- 21 those dollars being requested. We have not completed
- that yet, but we hope to have that completed within
- 23 the next two or three weeks, and upon that completion
- 24 we will issue a recommendation regarding whether to
- 25 make this rate increase permanent or not.

- 1 Q. I think that -- anything else?
- 2 A. No. That concludes my comments.
- MR. GINSBERG: That's all that we have.
- 4 THE COURT: Ms. Bell, anything for
- 5 Mr. Barrow?
- 6 BY MS. BELL:
- 7 Q. Mr. Barrow, just one quick question for
- 8 you. When do you anticipate, or when does the
- 9 Division anticipate completing the audit for the 191
- 10 account?
- 11 A. I believe right now they are just
- 12 concluding the audit for the 2006 account, and it's
- 13 the intent of the Division to begin the 2007 audit as
- 14 soon as possible. I don't know exactly how long it
- will take them to complete that audit, though.
- MS. BELL: Thank you. That's all I have.
- THE COURT: Mr. Proctor?
- MR. PROCTOR: Thank you.
- 19 BY MR. PROCTOR:
- 20 Q. Mr. Barrow, calling your attention to the
- 21 CET tariff memorandum dated October 18th. In that
- 22 memorandum you requested that the interim -- the
- 23 adjustment be interim; is that correct?
- 24 A. Yes.
- 25 Q. But now you've decided that it should be

- 1 permanent? Am I correct? Did I hear you correctly?
- 2 A. Well, yes. In the memo we stated that the
- 3 reason we wanted to have an interim increase on this
- 4 particular matter was the fact that we had not been
- 5 able to complete -- or verify whether the correct
- 6 rate was being used in the calculation of the actual
- 7 DNG revenue that is used to come up with an amount of
- 8 deferral into the CET account.
- 9 Q. And that's Mr. Norman's one-page
- 10 memorandum?
- 11 A. Yes.
- 12 Q. Also dated October 18, 2007?
- 13 A. Yes.
- Q. And was Mr. Norman's memorandum
- 15 distributed at the same time that you distributed the
- 16 October 18th recommendation for an interim
- 17 amortization?
- 18 A. No, no. His memo was -- he was in the
- 19 process of doing that as I was getting ready to file
- 20 this. So we just did not get that coordinated in
- 21 time.
- Q. And am I correct that this was only handed
- out to the parties today?
- 24 A. Yes, yes. I checked with Mr. Norman to
- 25 make sure that he was completely satisfied with his

1 memo after he passed it on to our process within the

- 2 Division, and he said yes.
- 3 Q. Okay, Mr. Norman is satisfied; but the
- 4 committee has not had the opportunity to review this
- 5 or the underlying audit papers. Is that correct?
- 6 A. No. No, they have not.
- 7 Q. So under that circumstance would the
- 8 Division be willing to resume its request for an
- 9 interim amortization for a period of time to give the
- 10 committee an opportunity to review the document that
- 11 we received just moments ago?
- 12 A. No. The Division hasn't any problem with
- doing that if the committee wishes to do that.
- 14 MR. PROCTOR: Okay. Thank you very much.
- 15 THE COURT: Mr. Barrow, just so that I
- 16 understand correctly: at this point, then, in Docket
- 17 07-057-10, the CET docket, with the introduction of
- 18 GPU Exhibit 4, the memo that Mr. Proctor was just
- 19 referring to, is there anything further that the
- 20 Division needs to do with respect to this docket?
- 21 THE WITNESS: No. As far as the Division
- is concerned, we are done with our audit procedure.
- 23 We just did not prepare a formal memo to the
- 24 Commission, which we can do if the Commission desires
- 25 to have that done. This just came up as we were

1 preparing for the hearing, and we thought maybe we

- 2 ought to bring it up here. But we can prepare a
- 3 formal memo to the Commission regarding this matter
- 4 if the Commission so desires.
- 5 THE COURT: Okay, thank you. We can
- 6 discuss that further in the hearing.
- 7 Mr. Ginsberg, any further of Mr. Barrow?
- 8 MR. GINSBERG: No.
- 9 THE COURT: And no further evidence at
- 10 this time?
- 11 MR. GINSBERG: No. That's all the
- 12 Division has.
- THE COURT: Mr. Proctor?
- MR. PROCTOR: The Committee has no
- 15 evidence to present.
- 16 THE COURT: Okay.
- 17 Let's just say with respect to DPU Exhibit
- 18 4, I believe that was marked but it wasn't admitted.
- 19 Is the Division offering that for admission?
- MR. GINSBERG: Yes.
- 21 THE COURT: Any objection to its
- 22 admission?
- MR. PROCTOR: No objection.
- MS. BELL: No objection.
- 25 THE COURT: We'll go ahead and admit it as

- 1 DPU Exhibit 4.
- I guess I'll just kind of state my concern
- 3 now. I had a similar concern to that voiced by
- 4 Mr. Proctor, slightly different, in that our notice
- of hearing for this matter indicated that the hearing
- 6 would be held to consider these three applications
- 7 and the Division's recommendation that the Commission
- 8 approve them on an interim basis. And so I did have
- 9 a procedural concern that the notices did not
- 10 indicate that the Commission would be considering a
- 11 final approval in any of these three.
- MR. GINSBERG: We can certainly take this
- 13 Exhibit 4 and turn it into a formal memo, and then
- 14 anybody who wanted to I guess file anything or say
- anything about it would have that opportunity.
- 16 THE COURT: I think that makes sense.
- MR. GINSBERG: We thought that since it
- 18 had been finished it would make sense to bring it up
- 19 today.
- 20 THE COURT: Certainly, and I appreciate
- 21 that. And I think that makes sense, though,
- 22 Mr. Ginsberg. And I guess I'll leave that up to the
- 23 Division's discretion as to when to file that memo.
- 24 It may make sense to wait for the Committee to have
- 25 had its opportunity to conduct its analysis of DPU

1 Exhibit 4 and so forth and then make the Division's

- 2 final recommendation at that time.
- 3 MS. BELL: Mr. Goodwill, I have a
- 4 question. We certainly would not object to that
- 5 process if we want to put the memo out more formally,
- 6 but I just wonder what the process is going forward
- 7 to make these rates permanent.
- 8 THE COURT: I think as we've done in the
- 9 past with the pass-through, we probably would need to
- 10 come back into hearing to gather any additional
- 11 evidence, final memos from the Division, etc., based
- on their recommendation that it then go final. We'll
- 13 probably find ourselves back here on all three of
- 14 these dockets for our final order.
- MR. PROCTOR: If I may, Judge Goodwill,
- 16 has it not been the practice of the Commission,
- 17 however, to leave these in an interim status
- 18 sometimes for years, and then as a matter of
- 19 housekeeping, almost, come in and make them
- 20 permanent? I think that was the last -- the last one
- 21 that I recall, there must have been 10 or 12 very old
- 22 interim rate increases that were converted into
- permanent.
- Now, I don't know, I'm not going to
- 25 comment one way or another as to whether that's a

- 1 good process. But I think in this case there ought
- 2 to be a time limit. The Division would file its
- 3 memorandum with respect to the permanency or interim
- 4 character of the CET amortization with an
- 5 opportunity, reasonable time to respond at that
- 6 point.
- 7 And it may be that indeed the Committee
- 8 will be satisfied with all the information which the
- 9 Division I would think should provide, be obligated
- 10 to provide voluntarily; and at that point if there is
- 11 no objection to converting it to a permanent, then it
- 12 could be done on a pro forma basis.
- 13 However, if typically they're left in an
- 14 interim status until there's this housekeeping
- 15 proceeding, then that would be the appropriate thing
- 16 to do. We can do that right now and not have to
- worry about coming back.
- 18 THE COURT: I guess a couple of points. I
- 19 certainly don't think it's the Commission's intent to
- leave anything in an interim status longer than it
- 21 needs to be. I believe the Commission's response to
- 22 the memos that it gets from the Division when the
- 23 Division recommends that a certain interim rate be
- final, then we go ahead and hold a hearing and
- 25 consider that. Which we would do, as I stated to

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1 Ms. Bell, we would do in all three of these dockets.
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- With respect to the timing, and
- 3 specifically, Mr. Proctor, you mentioned the CET
- 4 docket, I don't know if there's something unique to
- 5 that docket that would require some sort of a -- us
- 6 looking at a time limit for action to make these --
- 7 to make any interim rates final as opposed to the
- 8 typical pass-through that we have before us in the
- 9 DSN.
- 10 MS. BELL: I would just offer on behalf of
- 11 the company, the last -- I believe the last
- 12 application for CET amortization was approved by the
- 13 Commission on a final basis. So we do at least have
- 14 that one approved on final rates. We wouldn't object
- to this one being placed into effect on an interim
- 16 basis, but I think there is some sensitivity on
- 17 behalf of the Company to make sure that at some point
- 18 these rates are made final.
- 19 THE COURT: Mr. Ginsberg, I imagine the
- 20 Division will be filing its memo in short order.
- 21 MR. GINSBERG: Well, I think you'll find
- 22 that there will be a significant time difference
- 23 between the general pass-through audit and completing
- 24 that, which might not be -- right now they're just
- 25 talking about completing the 2006 one and making

- 1 these other two cases final.
- 2 So, you know, I think traditionally we
- 3 filed memos which are kind of a packet of orders that
- 4 have sort of been interim and closing them all at
- once. But I think we would file the memo making them
- 6 permanent whenever they're, in our opinion, able to
- 7 be made permanent. And if the Commission wants to
- 8 hold an individual hearing on each one of them, that
- 9 would be fine, or hold them until you could have a
- 10 whole bunch of them. That would all be acceptable.
- I don't think they'll all be done at the same time.
- 12 THE COURT: Right. And I don't think the
- 13 Commission would hold off to try to do them en masse.
- 14 If we got a memo regarding CET in relatively short
- order, we would deal with that on its own merit.
- 16 MR. GINSBERG: Well, I would imagine that
- one would be in short order, and the one on the
- demand side, the DSM costs, will just be in a couple
- of weeks, but the one for the '09 docket could be
- 20 months away.
- 21 MR. PROCTOR: I agree that the
- 22 pass-through, general pass-through audit is certainly
- 23 more complex, the CET much less so. However, the
- 24 future of the CET is pending before this Commission.
- 25 So under the circumstances, while these

- 1 rates ultimately could be made permanent regardless
- of the outcome of the decision, because it is --
- 3 that's the stipulation and the order of the
- 4 Commission. Nevertheless, it is still pending. And
- 5 that would be another reason why we ought to be given
- 6 appropriate opportunity and time within which to
- 7 evaluate the Division's change of position from
- 8 interim to permanent. And we'll certainly do it in
- 9 an expeditious manner, of course, so long as we can
- 10 get that information quickly.
- 11 THE COURT: Sure. I don't think it's
- 12 anybody's intent to not provide it in that time.
- MR. GINSBERG: Well, with respect to the
- 14 CET memo, whatever information the committee needs,
- it will be satisfied with the memo that we have
- 16 written. I would imagine that can all be done in a
- 17 relatively quick fashion.
- MR. PROCTOR: Thank you.
- 19 THE COURT: Anything further we need to
- 20 discuss on any of these three dockets? And I
- 21 understand we're looking at -- assuming that they're
- 22 approved at least on an interim basis, we're looking
- 23 at an effective date of tomorrow, the 1st of
- November?
- MS. BELL: Yes.

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THE COURT: And I'm guessing along the
 1
      lines of QGC Exhibit 1, Questar will just file one
 2
      tariff sheet when the Commission has issued its order
 4
      on all three to reflect the changes from all three.
 5
                  MS. BELL: Yes, that's what we anticipate.
 6
                  THE COURT: Okay. With that, we'll go
 7
      ahead and adjourn.
 8
                  MS. BELL: Thanks.
 9
                  MR. PROCTOR: Thanks.
            (Hearing was concluded at 10:05 a.m.)
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1	REPORTER'S CERTIFICATE
2	STATE OF UTAH)) ss.
3	COUNTY OF SALT LAKE)
4	I, Vicky McDaniel, Registered Professional
5	Reporter and Notary Public in and for the State of Utah, do hereby certify:
6	That the foregoing proceedings were taken
7	down by Lanette Shindurling in stenotype on October 31, 2007, at the place herein named, and was
8	thereafter transcribed by me and that a true and correct transcription of said proceedings, to the
9	best of my ability, is set forth in the preceding pages.
10	WITNESS MY HAND AND OFFICIAL SEAL this 4th
11	day of January, 2009.
12	
13	
14	Vicky McDaniel, CSR, RMR Notary Public
15	Residing in Salt Lake County
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