

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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)	DOCKET NO. 07-057-13
)	Exhibit No. DPU 2.0 R
In the Matter of the Application of)	
Questar Gas Company to Increase)	
Distribution Non-Gas Rates and Charges)	Erratum Testimony and Exhibits
and Make Tariff Modifications)	Charles E. Peterson
)	
)	
)	

**FOR THE DIVISION OF PUBLIC UTILITIES
DEPARTMENT OF COMMERCE
STATE OF UTAH**

**Erratum Testimony of
Charles E. Peterson**

May 01, 2008

1 **Q. Please state your name and occupation?**

2 **A.** My name is Charles E. Peterson. I am employed by the Utah Division of Public
3 Utilities (“Division” or “DPU”) as a Technical Consultant.

4
5 **Q. Have you submitted direct testimony in this proceeding?**

6 **A.** Yes. I submitted direct testimony on March 31, 2008.

7
8 **Q. What is the purpose of your erratum?**

9 **A.** The purpose of this erratum is to correct the following Exhibits: DPU 2.3 and DPU
10 2.15. These exhibits are discussed on lines 159 to 181 and lines 919 to 929,
11 respectively of my direct testimony.

12
13 **Q. Please explain your correction to DPU Exhibit 2.15.**

14 **A.** The Division discovered that certain formulae in the ratio analysis had become
15 corrupted, and later discovered a few input errors. These changes resulted in some of
16 my qualitative assessments of some of the ratios to change (e.g. from “below
17 average” to “average,” or from “above average” to “average”). The revised exhibit is
18 numbered DPU Exhibit 2.15R. In addition to making the corrections mentioned
19 above, the exhibit standardizes all of the multi-year averages to cover the period
20 2002-2007, where there had previously been some variation.

21
22 **Q. Do these corrections change any of your previous conclusions?**

23 **A.** No. The overall result of these corrections is that there is no change to my
24 conclusions. As should be apparent on DPU Exhibit 2.15R, Questar Gas appears to
25 be an average company in relation to the comparable companies. This suggests that
26 the expected cost of equity should be about average as well.

27

28 **Q. Please explain the corrections on DPU Exhibit 2.3.**

29 **A.** As a result of correcting DPU Exhibit 2.15 including standardizing the range for the
30 averages to 2002 to 2007, the capital structure figures changed slightly and these
31 changes have been incorporated into the revised DPU Exhibit 2.3R.

32

33 **Q. Does DPU Exhibit 2.3R alter your conclusions regarding Questar Gas' requested**
34 **capital structure?**

35 **A.** No. The changes reflected on DPU Exhibit 2.3R are quite minor and do not affect the
36 conclusion that Questar Gas' requested capital structure is reasonable.

37

38 **Q. Does this conclude your erratum?**

39 **A.** Yes.