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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Public Service Commission of Utah
Ted Boyer, Chair
Ric Campbell, Commissioner
Ron Allen, Commissioner

From: Utah Division of Public Utilities
Phil Powlick, Director
Artie Powell, Energy Section Manager
Marlin Barrow, Technical Consultant

Date: September 8, 2009

Subject: Docket No. 09-057-12, Pass-Through application
Docket No. 09-057-13, Conservation Enabling Tariff
Docket No. 09-057-14, Demand Side Management

ISSUE

Questar Gas Company (Company) submitted three applications to the Utah Public Service Commission (Commission) on September 1, 2009. The net effect of these requests is a reduction in natural gas rates totaling \$6.7 million. The Company has identified and announced October 1, 2009 as the effective date of this change. The Action Requests submitted to the Division of Public Utilities (Division) by the Commission on September 1, 2009, identified November 2, 2009 as the due date for Division's response.

RECOMMENDATION

In response to the Action Requests, the Division recommends that the Commission schedule a hearing to address these issues during the week of September 21, 2009. The Division will prepare, in a separate memorandum, an analysis of all three filings, which will be filed with the Commission on September 14, 2009.

DISCUSSION:

Docket No. 09-057-12 is the 191 pass through adjustment for gas costs. This application proposes a decrease in the forecasted price of purchased gas resulting in a net decrease of \$32,762,000 in commodity rates. The proposed changes will result in a 3.72% reduction in the typical residential customer's bill.

Docket No. 09-057-13 is a request to adjust the CET amortization rate component of the GS DNG Rate Class. This request will amortize an under collected balance of \$1,857,000 under the Conservation Enabling Tariff, a net increase of \$1,410,000 from the previous request in Docket No 09-057-04. The amortization will be applied as a percentage increase to CET rate component of the GS DNG rate. The annualized change will result in a 0.20% increase in a typical residential customer's bill.

Docket No. 09-057-14 is a request to amortize a balance of \$42,927,605 in the DSM account, an increase of \$24,660,000 from the previous amount requested in Docket No 09-057-05. The proposed change will result in a 2.99% increase in the typical residential customer's bill.

All three of the proposed changes are requested to go into effect October 1, 2009.

CC: Barry McKay, Questar Gas Company
Michele Beck, Office of Consumer Services
Eric Orton, Office of Consumer Services