

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Pass-through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah)) DOCKET NO. 09-057-12
In the Matter of the Application Of Questar Gas Company To Amortize the Conservation Enabling Tariff Balancing Account)) DOCKET NO. 09-057-13
In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance)) DOCKET NO. 09-057-14
)) REPORT AND ORDER

ISSUED: September 30, 2009

By the Commission:

This matter is before the Commission on the three Questar Gas Company applications named above. On September 1, 2009, Questar filed the three applications. On September 21, 2009, the Division of Public Utilities (Division) submitted its response, recommending the Commission approve the applications on an interim basis until it could complete an audit of the entries into the accounts associated with the applications. Its recommendation contained an analysis of each of the three applications, specifically addressing issues within each docket as follows:

- Docket No. 09-057-12 (191 Account, commodity and supplier non-gas (SNG) costs): 1) gas supply; 2) natural gas spot prices; 3) pricing hedges; 4) amortization of existing 191 account balance; 5) SNG costs; 6) 191 account rate details;
- Docket No. 09-057-13 (Conservation enabling tariff (CET) amortization): 1) rate details; 2) CET stipulation cap review;

DOCKET NOS. 09-057-12, 09-057-13, AND 09-057-14

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- Docket No. 09-057-14 (Demand Side Management (DSM) amortization): rate details.

In summarizing the effect of approving each application, the Division stated the following:

In Docket No. 09-057-12, [Questar] asks for approval to decrease both the supplier non-gas cost and the commodity rate components of the Company's Utah natural gas rates in order to pass-through an expected total decrease in gas costs of \$32,762,000. If approved, a typical GS customer, whose annual usage is 80 decatherms (Dths), will see a \$24.59 decrease in their annual bill.

Docket No. 09-057-13 is a request to amortize the CET balance in Account 191.9 of \$1,857,014 and adjust the CET component in Block 1 and 2 of the GS DNG rate class. If approved, a typical GS customer, whose annual usage is 80 Dths, will see a \$1.33 increase in their annual bill.

Docket No. 09-057-14 is a request to amortize a balance of \$42,927,605 in the Demand Side Management deferred account 182.4 and adjust the DSM rate component of the DNG rate for the GS rate class. If approved, a typical GS customer, whose annual usage is 80 Dths, will see a \$19.79 increase in their annual bill.

Division Recommendation, p. 1-2. The Division noted that if all three applications are approved, the cumulative effect is that a typical GS customer with an annual usage of 80 Dths, will see about a \$3.47 decrease in billing.

The Administrative Law Judge of the Commission conducted a duly-noticed hearing on the three applications Thursday, September 24, 2009. Jennifer Nelson was counsel for Questar. John Kennedy and Kelly Mendenhall testified on behalf of Questar. Michael Ginsberg was counsel for the Division. Marlin Barrow testified for the Division. Messrs. Kennedy and Mendenhall both supported the applications and provided a factual basis for their approval. Mr. Barrows again recommended approval of

the applications. No one lodged any objections to the interim approval of the applications pending the final Division audit.

ORDER

Based on the recommendation of the Division, the testimony presented at the hearing, and the applications, the Commission hereby approves the three applications on an interim basis, pending final Division audits. This approval is effective October 1, 2009.

DATED at Salt Lake City, Utah, this 30th day of September, 2009.

/s/ Ruben H. Arredondo
Administrative Law Judge

Approved and confirmed this 30th day of September, 2009, as the Report and Order of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary

G#63663 Docket No. 09-057-12
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G#63665 Docket No. 09-057-14