

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Questar
Gas Company to Amortize the Demand Side
Management Deferred Account Balance

DOCKET NO. 09-057-14
ORDER SETTING FINAL RATES

ISSUED: June 4, 2015

SYNOPSIS

Based on the memorandum of the Division of Public Utilities providing the results of its audit, the Commission makes final the rates and charges originally set as interim by previous order.

This matter is before the Public Service Commission of Utah (“Commission”) on the recommendations of the Division of Public Utilities (“Division”) to make final the interim rates ordered as just and reasonable and in the public interest by the Commission in a prior order in this matter. These rates are set to recover costs associated with amortizing Questar Gas Company’s (“Questar”) Demand Side Management (“DSM”) deferred account balance. Upon our review of this docket, we discovered that we failed to issue a final order following review of the Division’s audit. We do so now.

Based on Questar’s application, the Division’s recommendation, and the testimony presented at the hearing, the Commission approved Questar’s request to amortize the July 2009 DSM account ending balance of \$42.927 million by changing the amortization rate from \$0.20259 to \$0.44996 per decatherm applicable to GS DNG rates with an effective date of

October 1, 2009.¹ The Commission approved this rate on an interim basis pending a Division audit of Questar's actual DSM program expenditures.

On March 22, 2010, the Division filed its audit results of Questar's actual DSM program expenditures for the period January through July 2009. Based on its audit, the Division recommends the Commission approve the interim rates set in this docket on a permanent basis.

The Division's audit identified several non-DSM travel costs allocated to the DSM program which Questar has since removed. The Division also identified several travel-associated meals, the costs for which appeared to deviate from Questar's business meal policy. To prevent these issues in the future, the Division recommends Questar conduct a more thorough review of costs before charging them to the DSM Account and provide guidance to employees on its business meal policy. Finally, the Division noted a DSM-program energy auditor traveled from Cedar City to Northern Utah to help reduce a back-log in audit requests and recommended Questar consider cross-training operations employees to help alleviate the need for travel to Northern Utah from Cedar City.

The Division stated that during the audit Questar supplied copies of applicable documentation, invoices and/or schedules to support DSM charges which the Division reconciled with the amounts presented in QGC Exhibit 1.2, Page 2 of 2 of its September 1, 2009, application in this docket. The Division did not identify any material exceptions during its review and concludes that the actual DSM expenditures through July 31, 2009, as presented in QGC Exhibit 1.2, page 2 of 2, appear to be correct as stated.

¹ See Report and Order, issued September 30, 2009, Docket No. 09-057-14.

FINDINGS AND CONCLUSIONS

Based on Questar's application, our previous decision, and the audit report and recommendation of the Division, we find the requested rate change in this matter amortizing the DSM deferred account balance is just and reasonable and in the public interest.

ORDER

The interim rates requested by Questar Gas Company to amortize the DSM deferred account balance in this matter are approved as final.

DATED at Salt Lake City, Utah, this 4th day of June, 2015.

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DW#266649

Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the Commission within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of the request, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on the 4th day of June, 2015, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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