

2006
Lead - Lag
Study

Questar Gas Company

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INTRODUCTION

The purpose of this Lead Lag Study is to identify the lag days used in calculating the cash working capital component of working capital.

Cash working capital is defined as the amount of cash needed on hand by a utility to pay its daily operating expenses for the period between the time it provides services to its customers and the time it receives payment for those services. If, on the average, the time to collect revenues for services exceeds the time to pay the expenses for those services, the utility is experiencing a “net revenue lag” which requires cash on hand. If, on the other hand, the lag to pay expenses is longer than the lag to collect revenues, it is experiencing a negative “net revenue lag”.

During a recent review of Questar Gas Company’s revenue collections, it was found that in 2006 customers did not take as long to pay for natural gas service than they did in 2001 when the last lead lag study was done. Because of this, a new study was necessary to determine the appropriate lag days necessary to calculate the cash working capital component of working capital.

Revenues and expenses used in this lead lag study are consistent with those reported in the Company’s financial statements for the year ending December 31, 2006. The lead lag study is divided into the following elements: revenues, purchased gas, operating and maintenance expenses, and taxes. A lag period is established for each element based on the Company’s accounting and customer information systems. This report summarizes and explains the calculation of these lag periods and provides detail where feasible.

The results of the study are summarized on page 1.1.1. The “Revenues and Expenses” column on page 1.1.1 reflects the operating revenues and expenses (excluding depreciation and amortization) reported in the Company’s 2006 financial statements. The “Amount” column reflects cash revenues and expenses used to determine net lag days. Non-cash items are excluded. The “total revenue lag” is the lag period from the time service is provided to the time payment is received for services. The “total expense lag” is the period from the time goods and services are received by Questar Gas to the time they are paid for. The “Dollar Days” column is used to weight the lags and is equal to the Amount multiplied by the Lag Days. The total revenue and expense lags are calculated by dividing the total Dollar Days by the total Amount. The net of the total revenue lag and the total expense lag is the lag days applied to the daily cost of service to determine the cash working capital requirement. The “Reference” column refers to the pages of the report that document and describe the calculations. These pages are grouped under the numbered tabbed sections of the report.

Questar Gas Company
 2006 Lead Lag Study - Summary
 12 Months Ending December 31, 2006

	Revenues and Expenses	Amount for Lead-Lag	Days	Dollar Days	Reference
<u>Revenues Lag</u>					
Sales of Natural Gas	1,023,738,621	1,023,738,621	38.867	39,789,648,990	2.1.1
Other Revenues	40,848,534	40,848,534	47.025	1,920,902,314	2.1.1
Total Revenue Lag	1,064,587,155	1,064,587,155	39.180	41,710,551,303	
<u>Accounts Payable Lag</u>					
Gas Purchases	821,761,956	728,649,399	35.652	25,977,808,384	3.1.1
O&M From Affiliates and Misc. Vouchers	6,604,347	6,604,347	68.138	450,007,000	4.1.1
O&M Materials and Supplies	10,012,252	10,012,252	19.403	194,267,720	4.1.1
Total Accounts Payable Lag	838,378,555	745,265,998	35.722	26,622,083,104	
<u>Payroll & Payroll Overhead Lag</u>	71,683,612	71,683,612	20.590	1,475,965,572	5.1.1
<u>Taxes Lag</u>					
Taxes Other Than Income Taxes	15,437,919	15,437,919	79.550	1,228,086,456	6.1.1
Federal Income Taxes	17,606,660	17,606,660	62.178	1,094,746,885	6.1.1
State Income Taxes	2,942,096	2,942,096	49.080	144,398,094	6.1.1
Tax Collections				538,334,205	6.1.1
Total Taxes Lag	35,986,675	35,986,675	83.519	3,005,565,640	
Total Expense Lag	946,048,842	852,936,285	36.467	31,103,614,316	
Net Lag Days			2.713		

REVENUE LAG

Summary

The revenue lag is summarized on page 2.1.1.

Tariff Gas Sales

The primary revenue for Questar Gas Company is from retail sales of natural gas. Revenues from natural gas sales are accounted for in the Customer Information System. The lag for these revenues was calculated by splitting the lag into three components: service lag, billing lag, and collections lag.

Service Lag

The service lag is the midpoint of the time period from when the customer begins receiving service to the end of the period when the customer's meter is read. A new period begins when the meter is read. The customer's meter is read 12 times per year, thus there are 12 billing periods each year. The service lag is computed by dividing the number of days in the year (365) by the number of billing periods (12) and dividing that result by 2 to arrive at the average days from the midpoint to the end of the period. The average service lag is therefore 15.208 days.

Billing Lag

The billing lag is the period beginning when the meter is read to the time the customer's account is updated and the bill is prepared and mailed. After the meter is read, Questar requires four working days to process the customer's bill. Because of automated meter readers (AMR) and the cordaptix billing system, the average lag time is less than two days. The billing lag shown on page 2.3.7 was calculated by summing total lag days and dividing by total bills for 2006.

Collection Lag

The collection lag is the time interval from when the customer's account is posted and the bill is mailed to the time the customer pays for the service. The most efficient way to calculate the collection lag is to divide the average daily receivables balance by the average daily revenue for the same period. This calculation is shown on page 2.3.7.

Total Lag Days for Revenues Recorded in The CIS System

The service, billing, and collections lags are added together on page 2.2.1 to obtain the total lag days for CIS System revenues.

CNG Sales-Natural Gas Vehicles

A small accounts receivable system is used to record and track sales of natural gas for use in vehicles. It is also used to track the sales and/or lease of natural gas vehicle (NGV) equipment and the repairs of this equipment. Receipts totaling \$1,052,666 were tested for the year 2006 to determine the lag days for these revenues. The result is shown on page 2.5.1.

Sales for Resale

Field sales of natural gas from QGC's production properties is credited to QGC on the bills it receives from Wexpro; therefore, the lag days for payment of those bills is used as the lag days for sales for resale revenues (see page 2.6.1).

Other Operating Revenues

Other operating revenues account for about 3.8% of the total operating revenues for 2006. These revenues are generated from the sources noted below.

Most of the other revenues are billed in the CIS system and use the lag days for that system.

Revenues from QGC's oil and gas production properties are credited to QGC on bills it receives from affiliates who operate these properties. An exception is for overriding royalty revenues. No bill is involved with these royalties, but checks are received directly from Questar Exploration for these revenues. Lag days for overriding royalties is calculated on page 2.8.1.

As ordered by the Commission in the final order of docket number 02-057-02, contributions in aid of construction (CIAC) are now recorded as a reduction to rate base rather than revenue. And since CIAC are no longer treated as revenues, they are no longer accounted for in the lead-lag study.

Questar Gas Company
 2006 Lead-Lag Study-Revenue Lag
 For the 12 Months Ending December 31, 2006

Account	Amount	Lag Days	Dollar Days	Reference
Sales of Gas				
480000 Residential Calendarized Revenues	662,607,054	38.911	25,782,502,347	2.2.1
481000 Industrial Sales	22,125,036	38.911	860,900,560	2.2.1
481003 Industrial Sales-CNG Sales Gas Vehicles	1,418,533	51.223	72,661,519	2.5.1
481004 Commercial Revenues	325,783,595	38.911	12,676,466,758	2.2.1
483 Sales for Resale	11,804,403	33.638	397,082,163	2.6.1
	<u>1,023,738,621</u>	<u>38.867</u>	<u>39,789,613,347</u>	
Other Operating Revenues				
487 Interest on Past Due Receivables-Gas	3,919,322	38.911	152,503,548	2.2.1
488 Misc Service Revenues	2,887,657	38.911	112,360,752	2.2.1
489100 Revenue from Transportation of Gas for Others	6,664,021	38.911	259,301,696	2.2.1
489101 Capacity Release Credits	287,025	41.926	120,338,452	2.7.1
490 Incidental Plant Prod Sales	5,775,354	38.911	224,723,051	2.2.1
492 Incidental Gasoline-Oil Sales	1,685,634	33.638	56,702,159	2.6.1
495 Other Gas Revenues	83,978	38.911	3,267,627	2.2.1
4951 Overriding Royalty Revenue from Celcius	14,054,628	62.678	806,980,577	2.8.1
4952 Oil Revenue Received from Wexpro	5,490,916	33.638	184,706,058	2.6.1
	<u>40,848,534</u>	<u>47.025</u>	<u>1,920,883,921</u>	
Total Revenue Lag	<u>1,064,587,155</u>	<u>39.180</u>	<u>41,710,497,268</u>	

Questar Gas Company
2006 Lead Lag Study - Lag Time For Collecting Revenues-CIS System
For the 12 Months Ending December 31, 2006

Line No.	Description	Lag Days	Reference
1	Service period to date meter is read (365 divided by 12 = 30.417 divided by 2)	15.208	
2	Average Lag in Days Between Bill Segment End Date and Bill Completion	1.882	2.3.7
3	Billing date to date collection is received	21.821	2.3.7
4	Total	<u>38.911</u>	

Questar Gas Company
 2006 Lead Lag Study - CIS System Revenue Lag From Meter Read Date to Collection Date
 12 Months Ending December 31, 2006

DAILY AR BALANCE

12/31/2005

GL Ending Balance
 71,250,969.68

		ADJ	BILL	PAY	Ending Balance
1	1/1/2006	32.86	-	-	71,251,002.54
2	1/2/2006	17.55	-	-	71,251,020.09
3	1/3/2006	49,797.85	9,275,844.45	(11,132,665.43)	69,443,996.96
4	1/4/2006	60,030.93	9,969,735.80	(10,010,462.97)	69,463,300.72
5	1/5/2006	32,743.62	15,629,467.87	(7,243,773.23)	77,881,738.98
6	1/6/2006	(41,110.94)	16,103,050.82	(6,699,360.26)	87,244,318.60
7	1/7/2006	2,134.47	-	-	87,246,453.07
8	1/8/2006	82.62	-	-	87,246,535.69
9	1/9/2006	12,847.36	13,082,391.43	(11,538,306.12)	88,803,468.36
10	1/10/2006	40,482.25	10,552,365.40	(6,304,478.48)	93,091,837.53
11	1/11/2006	51,895.69	15,362,306.66	(7,061,011.28)	101,445,028.60
12	1/12/2006	6,194.03	12,950,373.37	(5,540,373.96)	108,861,222.04
13	1/13/2006	(45,319.12)	12,878,490.88	(7,101,127.43)	114,593,266.37
14	1/14/2006	2,989.35	-	-	114,596,255.72
15	1/15/2006	32.86	-	-	114,596,288.58
16	1/16/2006	63,216.20	7,919,144.18	(10,469,342.07)	112,109,306.89
17	1/17/2006	41,986.79	12,472,232.77	(3,565,559.89)	121,057,966.56
18	1/18/2006	45,581.11	7,539,492.16	(6,328,307.12)	122,314,732.71
19	1/19/2006	68,522.24	12,559,439.82	(6,677,439.06)	128,265,255.71
20	1/20/2006	49,106.72	9,157,120.32	(5,865,310.00)	131,606,172.75
21	1/21/2006	93.17	-	-	131,606,265.92
22	1/22/2006	32.59	-	-	131,606,298.51
23	1/23/2006	75,460.40	12,730,036.99	(13,912,337.40)	130,499,458.50
24	1/24/2006	30,768.58	12,783,074.22	(6,430,552.98)	136,882,748.32
25	1/25/2006	27,897.62	10,095,041.60	(6,695,343.98)	140,310,343.56
26	1/26/2006	61,227.81	4,220,873.57	(6,377,547.52)	138,214,897.42
27	1/27/2006	14,160.65	960,423.58	(8,301,119.93)	130,888,361.72
28	1/28/2006	476.61	-	-	130,888,838.33
29	1/29/2006	3.46	-	-	130,888,841.79
30	1/30/2006	34,633.95	489,768.65	(13,670,068.65)	117,743,175.74
31	1/31/2006	30,003.35	11,125.21	(7,862,688.75)	109,921,615.55
32	2/1/2006	39,591.06	6,658,057.88	(8,008,975.98)	108,610,288.51
33	2/2/2006	27,662.74	8,477,650.79	(6,877,489.04)	110,238,113.00
34	2/3/2006	33,365.64	11,890,459.66	(10,107,290.01)	112,054,648.29
35	2/4/2006	1,595.80	-	-	112,056,244.09
36	2/5/2006	65.58	-	-	112,056,309.67
37	2/6/2006	108,261.84	20,475,887.18	(13,479,883.16)	119,160,575.53
38	2/7/2006	54,556.11	11,986,493.17	(6,819,720.00)	124,381,904.81
39	2/8/2006	46,015.16	12,638,456.23	(6,818,056.65)	130,248,319.55
40	2/9/2006	10,623.01	9,113,156.00	(6,152,920.68)	133,219,177.88
41	2/10/2006	(52,013.38)	9,763,027.62	(6,309,881.87)	136,620,310.25
42	2/11/2006	294.74	-	-	136,620,604.99
43	2/12/2006	16.43	-	-	136,620,621.42
44	2/13/2006	69,567.28	13,424,949.62	(12,269,720.88)	137,845,417.44
45	2/14/2006	34,674.54	10,754,638.85	(6,947,224.63)	141,687,506.20
46	2/15/2006	39,878.90	8,535,778.24	(6,561,201.21)	143,701,962.13
47	2/16/2006	23,631.54	10,238,707.93	(6,206,281.07)	147,758,020.53
48	2/17/2006	(73,366.62)	9,162,872.34	(6,144,123.82)	150,703,402.43
49	2/18/2006	213.16	-	-	150,703,615.59
50	2/19/2006	458.07	-	-	150,704,073.66
51	2/20/2006	1,528.84	-	-	150,705,602.50
52	2/21/2006	83,999.80	9,296,363.54	(14,699,725.69)	145,386,240.15
53	2/22/2006	40,407.54	8,377,621.46	(7,933,545.34)	145,870,723.81
54	2/23/2006	(59,677.57)	11,834,554.64	(7,012,324.59)	150,633,276.29
55	2/24/2006	(9,002.27)	4,060,757.93	(7,358,214.58)	147,326,817.37

		ADJ	BILL	PAY	Ending Balance
56	2/25/2006	179.10	-	-	147,326,996.47
57	2/26/2006	132.14	-	-	147,327,128.61
58	2/27/2006	(27,584.27)	488,018.03	(13,433,683.55)	134,353,878.82
59	2/28/2006	56,870.37	220,723.49	(7,975,681.77)	126,655,790.91
60	3/1/2006	54,999.62	6,411,511.72	-	133,122,302.25
61	3/2/2006	(99,506.93)	-	-	133,022,795.32
62	3/3/2006	-	19,826,387.25	-	152,849,182.57
63	3/4/2006	-	-	-	152,849,182.57
64	3/5/2006	-	-	-	152,849,182.57
65	3/6/2006	-	9,436,621.11	-	162,285,803.68
66	3/7/2006	83,925.56	6,976,004.27	-	169,345,733.51
67	3/8/2006	28,669.34	8,292,350.62	(50,779,651.46)	126,887,102.01
68	3/9/2006	-	9,283,317.33	-	136,170,419.34
69	3/10/2006	10,451.55	7,744,758.12	-	143,925,629.01
70	3/11/2006	-	-	-	143,925,629.01
71	3/12/2006	-	-	-	143,925,629.01
72	3/13/2006	59,409.60	-	-	143,985,038.61
73	3/14/2006	64,069.69	16,160,033.51	-	160,209,141.81
74	3/15/2006	-	9,078,763.61	-	169,287,905.42
75	3/16/2006	(185.30)	7,040,467.21	(38,937,702.07)	137,390,485.26
76	3/17/2006	-	7,706,381.41	-	145,096,866.67
77	3/18/2006	(18,314.15)	-	-	145,078,552.52
78	3/19/2006	-	-	-	145,078,552.52
79	3/20/2006	23,054.20	7,466,741.91	-	152,568,348.63
80	3/21/2006	40,145.19	7,721,476.53	-	160,329,970.35
81	3/22/2006	69,530.95	6,653,295.85	-	167,052,797.15
82	3/23/2006	-	-	-	167,052,797.15
83	3/24/2006	-	13,269,442.59	(38,941,763.00)	141,380,476.74
84	3/25/2006	-	-	-	141,380,476.74
85	3/26/2006	-	-	-	141,380,476.74
86	3/27/2006	-	-	-	141,380,476.74
87	3/28/2006	-	7,371,555.34	-	148,752,032.08
88	3/29/2006	-	647,348.26	-	149,399,380.34
89	3/30/2006	(106,143.21)	97,556.42	-	149,390,793.55
90	3/31/2006	(25,418.66)	50,465.48	(32,005,298.11)	117,410,542.26
91	4/1/2006	1,462.34	-	-	117,412,004.60
92	4/2/2006	106.19	-	-	117,412,110.79
93	4/3/2006	24,436.26	4,792,351.65	(10,246,061.45)	111,982,837.25
94	4/4/2006	(27,109.75)	7,052,303.73	(7,213,671.97)	111,794,359.26
95	4/5/2006	38,287.45	10,617,673.98	(6,087,845.48)	116,362,475.21
96	4/6/2006	18,536.43	9,200,499.91	(5,246,946.28)	120,334,565.27
97	4/7/2006	(123,479.58)	8,069,387.12	(4,497,668.48)	123,782,804.33
98	4/8/2006	1,459.86	-	-	123,784,264.19
99	4/9/2006	16.39	-	-	123,784,280.58
100	4/10/2006	9,132.97	10,114,775.67	(8,282,395.46)	125,625,793.76
101	4/11/2006	46,553.47	5,010,521.58	(4,833,171.17)	125,849,697.64
102	4/12/2006	35,283.11	7,183,570.13	(5,130,868.71)	127,937,682.17
103	4/13/2006	(83,366.62)	8,008,394.43	(4,371,853.95)	131,490,856.03
104	4/14/2006	(31,649.50)	7,052,106.09	(4,736,827.70)	133,774,484.92
105	4/15/2006	57.07	-	-	133,774,541.99
106	4/16/2006	132.05	-	-	133,774,674.04
107	4/17/2006	6,208.88	2,244,095.88	(7,365,949.95)	128,659,028.85
108	4/18/2006	55,069.15	10,767,793.24	(4,326,330.18)	135,155,561.06
109	4/19/2006	44,566.54	4,858,963.35	(4,239,951.50)	135,819,139.45
110	4/20/2006	(173,738.77)	4,976,188.18	(3,644,752.85)	136,976,836.01
111	4/21/2006	(35,680.40)	5,212,830.63	(4,926,502.90)	137,227,483.34
112	4/22/2006	(32.92)	150.60	-	137,227,601.02
113	4/23/2006	260.22	-	-	137,227,861.24
114	4/24/2006	2,011.42	3,770,494.37	(9,312,851.46)	131,687,515.57
115	4/25/2006	22,717.40	2,515,457.64	(4,932,510.99)	129,293,179.62
116	4/26/2006	15,667.44	2,571,454.71	(5,123,213.81)	126,757,087.96
117	4/27/2006	(164,798.90)	362,708.00	(4,906,712.72)	122,048,284.34

		ADJ	BILL	PAY	Ending Balance
118	4/28/2006	(25,578.35)	226,502.20	(5,185,250.80)	117,063,957.39
119	4/29/2006	-	5,292.01	-	117,069,249.40
120	4/30/2006	154.96	-	-	117,069,404.36
121	5/1/2006	(10,853.41)	2,227,337.90	(8,582,779.14)	110,703,109.71
122	5/2/2006	54,858.88	3,645,724.52	(8,088,599.71)	106,315,093.40
123	5/3/2006	41,416.67	5,523,115.87	(4,900,258.36)	106,979,367.58
124	5/4/2006	(83,240.51)	5,054,375.23	(4,622,310.94)	107,328,191.36
125	5/5/2006	(32,587.52)	3,088,331.29	(4,573,483.00)	105,810,452.13
126	5/6/2006	311.69	-	-	105,810,763.82
127	5/7/2006	1,046.85	-	-	105,811,810.67
128	5/8/2006	40,988.59	3,325,635.37	(7,496,793.59)	101,681,641.04
129	5/9/2006	38,611.70	3,306,154.40	(4,490,480.18)	100,535,926.96
130	5/10/2006	44,870.91	3,234,664.24	(4,395,215.02)	99,420,247.09
131	5/11/2006	(169,060.57)	3,169,280.39	(3,718,188.60)	98,702,278.31
132	5/12/2006	(21,048.34)	2,580,022.92	(3,890,123.50)	97,371,129.39
133	5/13/2006	16.44	-	-	97,371,145.83
134	5/14/2006	31.92	-	-	97,371,177.75
135	5/15/2006	(1,673.28)	3,001,909.97	(5,901,986.76)	94,469,427.68
136	5/16/2006	41,863.79	2,405,146.93	(3,206,126.66)	93,710,311.74
137	5/17/2006	33,733.27	2,283,903.04	(3,322,580.53)	92,705,367.52
138	5/18/2006	(135,550.35)	2,364,144.58	(2,856,429.26)	92,077,532.49
139	5/19/2006	(107,486.05)	3,727,863.03	(3,054,445.25)	92,643,464.22
140	5/20/2006	73.77	-	-	92,643,537.99
141	5/21/2006	148.41	-	-	92,643,686.40
142	5/22/2006	(32,946.39)	3,033,640.06	(5,698,413.40)	89,945,966.67
143	5/23/2006	454.53	2,665,020.43	(3,396,807.69)	89,214,633.94
144	5/24/2006	31,830.38	1,660,845.43	(3,469,292.46)	87,438,017.29
145	5/25/2006	(151,415.76)	1,404,206.21	(2,985,804.45)	85,705,003.29
146	5/26/2006	(26,895.92)	483,734.68	(3,219,212.72)	82,942,629.33
147	5/27/2006	474.66	(420.82)	-	82,942,683.17
148	5/28/2006	177.79	-	-	82,942,860.96
149	5/29/2006	276.59	90.52	-	82,943,228.07
150	5/30/2006	57,999.54	209,645.54	(5,836,339.24)	77,374,533.91
151	5/31/2006	9,687.93	346,417.33	(3,183,057.55)	74,547,581.62
152	6/1/2006	(151,677.47)	1,327,991.07	(5,128,602.85)	70,595,292.37
153	6/2/2006	(36,460.79)	1,364,452.22	(3,324,400.78)	68,598,883.02
154	6/3/2006	683.96	-	-	68,599,566.98
155	6/4/2006	79.61	-	-	68,599,646.59
156	6/5/2006	44,574.74	5,371,036.37	(5,028,108.30)	68,987,149.40
157	6/6/2006	(75,373.90)	1,992,392.85	(2,804,426.10)	68,099,742.25
158	6/7/2006	51,800.67	2,327,284.65	(2,640,278.62)	67,838,548.95
159	6/8/2006	(159,049.40)	2,377,971.80	(2,311,134.84)	67,746,336.51
160	6/9/2006	(17,267.95)	2,042,577.03	(2,316,884.06)	67,454,761.53
161	6/10/2006	1,744.14	(65.86)	-	67,456,439.81
162	6/11/2006	32.96	-	-	67,456,472.77
163	6/12/2006	15,013.76	2,761,434.48	(4,288,196.55)	65,944,724.46
164	6/13/2006	40,851.95	2,275,225.85	(2,569,869.04)	65,690,933.22
165	6/14/2006	113,299.88	1,741,339.74	(2,232,545.43)	65,313,027.41
166	6/15/2006	(181,418.28)	2,275,109.65	(2,146,680.56)	65,260,038.22
167	6/16/2006	(30,116.91)	2,412,849.04	(2,169,409.69)	65,473,360.66
168	6/17/2006	130.30	-	-	65,473,490.96
169	6/18/2006	99.06	-	-	65,473,590.02
170	6/19/2006	19,073.58	1,559,142.79	(4,102,448.68)	62,949,357.71
171	6/20/2006	(100,592.28)	2,127,502.72	(2,057,258.83)	62,919,009.32
172	6/21/2006	26,288.78	2,375,516.70	(2,038,020.67)	63,282,794.13
173	6/22/2006	(216,481.14)	1,954,793.94	(2,169,303.83)	62,851,803.10
174	6/23/2006	(60,162.25)	1,622,884.70	(2,217,006.44)	62,197,519.11
175	6/24/2006	981.96	(759.30)	(462.91)	62,197,278.86
176	6/25/2006	73.06	-	-	62,197,351.92
177	6/26/2006	(82,968.66)	1,810,596.16	(3,915,939.14)	60,009,040.28
178	6/27/2006	15,070.61	1,449,907.25	(2,385,389.80)	59,088,628.34
179	6/28/2006	29,144.45	1,634,105.61	(2,362,182.08)	58,389,696.32

		ADJ	BILL	PAY	Ending Balance
180	6/29/2006	(169,530.51)	1,310,365.25	(2,085,109.09)	57,445,421.97
181	6/30/2006	(21,439.24)	291,020.45	(2,698,611.94)	55,016,391.24
182	7/1/2006	291.74	-	-	55,016,682.98
183	7/2/2006	8.80	-	-	55,016,691.78
184	7/3/2006	(41,586.93)	843,016.64	(4,770,309.39)	51,047,812.10
185	7/4/2006	-	-	-	51,047,812.10
186	7/5/2006	50,784.33	1,330,896.48	(3,377,098.19)	49,052,394.72
187	7/6/2006	(211,189.97)	5,375,648.11	(4,374,896.03)	49,841,956.83
188	7/7/2006	(30,769.33)	1,833,563.68	(2,715,563.17)	48,929,188.01
189	7/8/2006	478.40	-	-	48,929,666.41
190	7/9/2006	1,186.94	-	-	48,930,853.35
191	7/10/2006	(55,462.15)	1,396,545.90	(3,898,222.78)	46,373,714.32
192	7/11/2006	49,166.99	2,373,363.58	(2,256,595.58)	46,539,649.31
193	7/12/2006	47,376.31	1,926,607.87	(2,262,875.56)	46,250,757.93
194	7/13/2006	21,754.36	1,989,447.91	(4,404,668.69)	43,857,291.51
195	7/14/2006	(224,804.42)	1,978,755.33	(1,899,406.72)	43,711,835.70
196	7/15/2006	469.67	-	-	43,712,305.37
197	7/16/2006	8.75	-	-	43,712,314.12
198	7/17/2006	(48,111.02)	2,178,874.43	(3,245,767.05)	42,597,310.48
199	7/18/2006	43,668.95	1,762,343.84	(2,117,228.95)	42,286,094.32
200	7/19/2006	25,982.01	1,539,495.61	(2,146,408.41)	41,705,163.53
201	7/20/2006	(188,402.52)	1,647,115.06	(1,902,447.34)	41,261,428.73
202	7/21/2006	(26,273.03)	1,687,438.60	(2,185,781.61)	40,736,812.69
203	7/22/2006	580.30	-	-	40,737,392.99
204	7/23/2006	16.48	-	-	40,737,409.47
205	7/24/2006	(41,162.50)	1,587,478.32	(4,636,722.21)	37,647,003.08
206	7/25/2006	(104,048.14)	1,226,942.59	(1,262,188.44)	37,507,709.09
207	7/26/2006	28,920.25	974,639.92	(1,913,234.65)	36,598,034.61
208	7/27/2006	(167,632.20)	1,099,481.71	(2,048,202.90)	35,481,681.22
209	7/28/2006	(41,779.27)	309,304.57	(2,137,102.05)	33,612,104.47
210	7/29/2006	-	-	-	33,612,104.47
211	7/30/2006	-	-	-	33,612,104.47
212	7/31/2006	(50,981.41)	91,116.66	(3,586,599.72)	30,065,640.00
213	8/1/2006	35,608.02	1,021,505.17	(2,345,258.59)	28,777,494.60
214	8/2/2006	48,317.58	1,046,718.62	(2,424,298.36)	27,448,232.44
215	8/3/2006	(224,416.58)	3,119,616.03	(2,303,435.29)	28,039,996.60
216	8/4/2006	(17,783.27)	1,419,499.76	(2,144,986.34)	27,296,726.75
217	8/5/2006	570.24	(62.32)	-	27,297,234.67
218	8/6/2006	771.63	(2,750.24)	-	27,295,256.06
219	8/7/2006	(34,692.60)	1,107,416.66	(3,694,287.50)	24,673,692.62
220	8/8/2006	44,663.90	1,252,127.76	(2,387,385.21)	23,583,099.07
221	8/9/2006	52,778.13	1,552,912.81	(1,950,124.25)	23,238,665.76
222	8/10/2006	(143,096.05)	1,180,683.01	(1,778,381.84)	22,497,870.88
223	8/11/2006	(24,652.56)	1,305,778.78	(1,917,792.13)	21,861,204.97
224	8/12/2006	1,492.20	-	-	21,862,697.17
225	8/13/2006	-	-	-	21,862,697.17
226	8/14/2006	(54,089.99)	1,593,482.56	(3,249,342.30)	20,152,747.44
227	8/15/2006	40,482.62	1,808,121.94	(1,709,020.33)	20,292,331.67
228	8/16/2006	41,405.58	1,501,945.96	(1,901,090.85)	19,934,592.36
229	8/17/2006	(223,251.89)	1,388,788.34	(1,549,687.63)	19,550,441.18
230	8/18/2006	15,119.42	1,680,553.02	(1,757,514.76)	19,488,598.86
231	8/19/2006	180.66	-	-	19,488,779.52
232	8/20/2006	791.36	-	-	19,489,570.88
233	8/21/2006	(50,065.15)	1,236,309.57	(3,102,293.11)	17,573,522.19
234	8/22/2006	(91,474.90)	1,349,961.36	(1,649,432.46)	17,182,576.19
235	8/23/2006	36,389.54	1,650,694.34	(1,833,289.84)	17,036,370.23
236	8/24/2006	(171,060.81)	1,738,255.24	(1,674,022.51)	16,929,542.15
237	8/25/2006	(59,207.76)	726,327.04	(1,657,273.58)	15,939,387.85
238	8/26/2006	65.23	-	-	15,939,453.08
239	8/27/2006	-	-	-	15,939,453.08
240	8/28/2006	(41,854.16)	981,911.54	(3,142,833.24)	13,736,677.22
241	8/29/2006	38,736.65	745,428.91	(1,712,270.68)	12,808,572.10

		ADJ	BILL	PAY	Ending Balance
242	8/30/2006	38,782.95	289,733.12	(1,736,314.68)	11,400,773.49
243	8/31/2006	(161,343.90)	235,982.00	(1,707,029.59)	9,768,382.00
244	9/1/2006	-	456,836.70	(1,714,008.57)	8,511,210.13
245	9/2/2006	-	-	-	8,511,210.13
246	9/3/2006	-	-	-	8,511,210.13
247	9/4/2006	-	49.46	-	8,511,259.59
248	9/5/2006	-	1,479,411.43	(3,994,053.69)	5,996,617.33
249	9/6/2006	(107,574.33)	3,851,912.93	(2,486,144.97)	7,254,810.96
250	9/7/2006	7,109.12	1,520,574.96	(2,136,666.17)	6,645,828.87
251	9/8/2006	(1,694.64)	1,834,210.73	(1,674,854.82)	6,803,490.14
252	9/9/2006	123.01	-	-	6,803,613.15
253	9/10/2006	338.39	-	-	6,803,951.54
254	9/11/2006	(51,355.06)	2,044,815.64	(2,948,583.81)	5,848,828.31
255	9/12/2006	21,857.18	1,836,379.37	(1,861,503.73)	5,845,561.13
256	9/13/2006	36,796.92	2,139,087.89	(1,625,772.41)	6,395,673.53
257	9/14/2006	(134,389.04)	1,986,858.41	(1,591,399.39)	6,656,743.51
258	9/15/2006	(30,472.52)	2,026,192.55	(1,516,280.87)	7,136,182.67
259	9/16/2006	1,352.36	1,637.39	-	7,139,172.42
260	9/17/2006	1,000.91	-	-	7,140,173.33
261	9/18/2006	(35,390.04)	1,830,997.96	(3,116,444.14)	5,819,337.11
262	9/19/2006	50,812.77	1,624,310.03	(1,906,367.24)	5,588,092.67
263	9/20/2006	48,929.98	2,164,419.59	(1,717,567.99)	6,083,874.25
264	9/21/2006	(129,601.19)	1,673,278.83	(1,586,441.39)	6,041,110.50
265	9/22/2006	(16,247.94)	1,710,873.91	(1,771,483.82)	5,964,252.65
266	9/23/2006	158.96	346.48	-	5,964,758.09
267	9/24/2006	237.25	-	-	5,964,995.34
268	9/25/2006	1,570.58	2,282,491.35	-	8,249,057.27
269	9/26/2006	(96,450.81)	1,950,323.07	-	10,102,929.53
270	9/27/2006	37,591.28	1,050,267.79	-	11,190,788.60
271	9/28/2006	(210,168.34)	388,291.30	-	11,368,911.56
272	9/29/2006	(35,100.25)	252,335.87	-	11,586,147.18
273	9/30/2006	(11,703.57)	(303.11)	(11,026,347.62)	547,792.88
274	10/1/2006	15.58	-	-	547,808.46
275	10/2/2006	(19,556.47)	1,314,195.39	(3,175,900.79)	(1,333,453.41)
276	10/3/2006	71,066.32	1,624,358.13	(2,725,055.92)	(2,363,084.88)
277	10/4/2006	26,993.77	3,937,450.06	(2,321,263.24)	(719,904.29)
278	10/5/2006	(142,678.78)	1,915,309.50	(2,144,854.73)	(1,092,128.30)
279	10/6/2006	(2,337.90)	2,022,917.99	(2,014,556.90)	(1,086,105.11)
280	10/7/2006	1,694.40	-	-	(1,084,410.71)
281	10/8/2006	-	-	-	(1,084,410.71)
282	10/9/2006	(9,392.33)	1,425,375.43	(2,914,540.08)	(2,582,967.69)
283	10/10/2006	55,583.47	3,118,700.55	(3,428,672.43)	(2,837,356.10)
284	10/11/2006	34,398.56	3,011,423.51	(2,636,633.96)	(2,428,167.99)
285	10/12/2006	(96,460.44)	2,087,258.97	(2,276,863.23)	(2,714,232.69)
286	10/13/2006	4,063.33	2,721,788.09	(1,921,145.95)	(1,909,527.22)
287	10/14/2006	2,713.31	171.94	-	(1,906,641.97)
288	10/15/2006	208.04	-	-	(1,906,433.93)
289	10/16/2006	14,378.94	3,135,884.56	(3,447,778.89)	(2,203,949.32)
290	10/17/2006	(97,631.60)	2,674,111.84	(2,089,285.17)	(1,716,754.25)
291	10/18/2006	25,189.27	2,618,447.95	(2,168,573.87)	(1,241,690.90)
292	10/19/2006	38,601.91	2,491,269.91	(1,659,838.24)	(371,657.32)
293	10/20/2006	(105,145.31)	3,720,673.14	(1,883,699.51)	1,360,171.00
294	10/21/2006	1,624.60	-	-	1,361,795.60
295	10/22/2006	49.44	-	-	1,361,845.04
296	10/23/2006	(9,316.76)	2,778,280.04	(4,196,392.89)	(65,584.57)
297	10/24/2006	50,185.37	2,325,656.26	(2,105,127.73)	205,129.33
298	10/25/2006	45,912.27	3,204,555.88	(4,177,808.04)	(722,210.56)
299	10/26/2006	(56,506.67)	2,323,930.55	(2,344,352.44)	(799,139.12)
300	10/27/2006	10,688.01	791,961.86	(2,323,549.47)	(2,320,038.72)
301	10/28/2006	859.02	-	-	(2,319,179.70)
302	10/29/2006	-	-	-	(2,319,179.70)
303	10/30/2006	(5,802.42)	267,027.10	(4,085,072.15)	(6,143,027.17)

		ADJ	BILL	PAY	Ending Balance
304	10/31/2006	38,212.01	86,835.27	(216,839.80)	(6,234,819.69)
305	11/1/2006	44,314.48	2,163,473.22	-	(4,027,031.99)
306	11/2/2006	(76,746.11)	3,342,713.53	-	(761,064.57)
307	11/3/2006	8,752.28	6,346,815.48	-	5,594,503.19
308	11/4/2006	933.07	-	-	5,595,436.26
309	11/5/2006	1,004.73	-	-	5,596,440.99
310	11/6/2006	25,182.27	6,129,997.35	-	11,751,620.61
311	11/7/2006	34,629.80	4,436,416.89	-	16,222,667.30
312	11/8/2006	34,912.67	4,499,713.63	(17,765,465.12)	2,991,828.48
313	11/9/2006	(43,747.99)	4,558,205.31	-	7,506,285.80
314	11/10/2006	6,709.22	4,844,650.92	-	12,357,645.94
315	11/11/2006	1,680.28	-	-	12,359,326.22
316	11/12/2006	-	-	-	12,359,326.22
317	11/13/2006	(11,880.82)	5,473,476.44	-	17,820,921.84
318	11/14/2006	36,316.15	6,003,807.21	-	23,861,045.20
319	11/15/2006	847.86	5,352,628.87	-	29,214,521.93
320	11/16/2006	(55,119.95)	4,796,393.54	(14,103,920.28)	19,851,875.24
321	11/17/2006	337.74	5,043,184.11	-	24,895,397.09
322	11/18/2006	1,372.16	-	-	24,896,769.25
323	11/19/2006	-	-	-	24,896,769.25
324	11/20/2006	(3,947.22)	6,028,775.89	-	30,921,597.92
325	11/21/2006	(96,629.31)	4,707,883.03	-	35,532,851.64
326	11/22/2006	36,205.03	5,824,852.14	-	41,393,908.81
327	11/23/2006	-	-	-	41,393,908.81
328	11/24/2006	-	-	(16,839,935.38)	24,553,973.43
329	11/25/2006	-	-	-	24,553,973.43
330	11/26/2006	49.23	-	-	24,554,022.66
331	11/27/2006	(120,622.61)	2,591,072.91	-	27,024,472.96
332	11/28/2006	35,292.31	1,346,489.83	-	28,406,255.10
333	11/29/2006	30,332.91	181,701.25	-	28,618,289.26
334	11/30/2006	(40,106.02)	89,405.88	(19,690,185.81)	8,977,403.31
335	12/1/2006	23,287.12	3,770,920.98	(3,773,627.45)	8,997,983.96
336	12/2/2006	200.77	-	-	8,998,184.73
337	12/3/2006	199.63	-	-	8,998,384.36
338	12/4/2006	8,480.52	5,070,222.21	(7,176,626.55)	6,900,460.54
339	12/5/2006	58,805.40	9,080,013.30	(4,236,666.10)	11,802,613.14
340	12/6/2006	46,454.70	6,574,736.59	(3,608,148.92)	14,815,655.51
341	12/7/2006	153,829.15	5,323,905.84	(3,343,662.14)	16,949,728.36
342	12/8/2006	(4,800.64)	8,332,832.28	(3,068,385.51)	22,209,374.49
343	12/9/2006	3,104.41	-	-	22,212,478.90
344	12/10/2006	-	-	-	22,212,478.90
345	12/11/2006	4,523.99	8,325,607.13	(5,617,061.09)	24,925,548.93
346	12/12/2006	36,984.85	8,554,212.80	(3,427,500.06)	30,089,246.52
347	12/13/2006	12,920.20	9,626,559.34	(3,551,270.87)	36,177,455.19
348	12/14/2006	(55,847.48)	9,865,244.25	(2,907,352.31)	43,079,499.65
349	12/15/2006	(3,475.04)	9,700,731.59	(3,141,951.44)	49,634,804.76
350	12/16/2006	165.90	-	-	49,634,970.66
351	12/17/2006	-	-	-	49,634,970.66
352	12/18/2006	(849,023.81)	7,407,061.79	(6,934,024.86)	49,258,983.78
353	12/19/2006	(79,701.38)	8,677,280.77	(3,497,535.98)	54,359,027.19
354	12/20/2006	25,074.95	8,534,655.05	(4,336,465.18)	58,582,292.01
355	12/21/2006	(52,875.74)	8,084,873.83	(3,339,413.96)	63,274,876.14
356	12/22/2006	(13,158.35)	7,320,503.28	(4,790,418.11)	65,791,802.96
357	12/23/2006	31.98	-	-	65,791,834.94
358	12/24/2006	207.19	-	-	65,792,042.13
359	12/25/2006	-	-	-	65,792,042.13
360	12/26/2006	(21,477.19)	6,919,327.63	(10,116,208.58)	62,573,683.99
361	12/27/2006	20,103.62	2,641,927.38	(4,139,402.36)	61,096,312.63
362	12/28/2006	(42,429.04)	817,713.23	(4,617,957.05)	57,253,639.77
363	12/29/2006	32,621.74	217,901.04	(5,057,833.10)	52,446,329.45
364	12/30/2006	(2,410.43)	-	-	52,443,919.02
365	12/31/2006	-	-	-	52,415,332.24

ADJ	BILL	PAY	Ending Balance
			Gas Statistical as of 12-31-06
			52,415,332.24
			28,586.78 Difference
			24,381,964,745
			365
			66,799,903
		Average Daily Revenue	3,061,252
		Collection Lag Days (Avg. Receivables divided by Avg. Daily Revenues)	21.821

Total Lag Days	18,967,254
Total Bills	<u>10,079,866</u>
Average Lag	1.882

Questar Gas Company
 2006 Lead Lag Study - CIS System-Average Daily Revenues
 12 Months Ending December 31, 2006

Account No	Description	12 Months Revenues
480	Residential Sales	662,607,054
	Residential Unbilled	19,717,059 *
480	Commercial Sales	325,783,595
	Commercial Unbilled	(25,740,506) *
4810	Industrial Sales	22,125,036
	Industrial Unbilled	25,104,437 *
4891	Revenue - Transporting Gas of Others	6,664,021
	Transportation Unbilled	(467,551) *
487	Interest Charges on Past Due Receivables	3,919,322
488001	Reconnection Fees	2,592,684
488002	New Premise Fees	-
488003	Bad Check Charges	210,860
		<u>1,042,516,011</u>
2411	Sales Taxes Accrued & Billed	36,560,707
2411	Municipal Energy Tax Accrued & Billed	38,280,323
		<u>74,841,030</u>
	Total Revenues and Taxes	1,117,357,041
	Divide by Days	365
	Average Daily Revenue & Taxes Billed	<u>3,061,252</u>

*Excludes unbilled revenues which are not included in CIS System revenues. Unbilled revenues are recorded in the accounting records to calendarize revenues.

Questar Gas Company
2006 Lead-Lag Study - Lag Days for Natural Gas Vehicle Revenues
12 Months Ending December 31, 2006

	Amount	Lag Days	Dollar Days
Total Receipts Tested	\$1,052,666.21	51.223	\$53,920,300.20
Percent Tested	74.21%		

Questar Gas Company

2.6.1

2006 Lead-Lag Study

Bills From Wexpro-Operator Service Fee, Cost of Service,
Oil Sharing, and Cost of Service Royalty Revenues

Service Month	Invoice	Invc Date	Pymt Date	Midpoint	Gross Amt	Lag Days	Dollar Days
Jan-06	04-AR-934	2006-02-09	2006-02-21	1/15/2006	15,978,344	37	591,198,734
Feb-06	04-AR-889	2006-03-07	2006-03-16	2/15/2006	16,263,089	29	471,629,580
Mar-06	04-AR-886	2006-04-07	2006-04-13	3/15/2006	15,509,821	29	449,784,795
Apr-06	04-AR-878	2006-05-08	2006-05-11	4/15/2006	16,702,139	26	434,255,604
May-06	05-AR-909	2006-06-07	2006-06-29	5/15/2006	13,946,324	45	627,584,591
Jun-06	06-AR-890	2006-07-11	2006-07-14	6/15/2006	13,487,070	29	391,125,024
Jul-06	07-AR-888	2006-08-08	2006-08-18	7/15/2006	13,288,830	34	451,820,212
Aug-06	08-AR-880	2006-09-08	2006-09-27	8/15/2006	12,712,187	43	546,624,024
Sep-06	09-AR-888	2006-10-06	2006-10-17	9/15/2006	13,777,828	32	440,890,497
Oct-06	10-AR-936	2006-11-08	2006-11-17	10/15/2006	15,835,104	33	522,558,427
Nov-06	11-AR-904	2006-12-08	2006-12-15	11/15/2006	13,113,122	30	393,393,663
Dec-06	12-AR-960	2007-01-15	2007-01-24	12/15/2006	12,880,654	40	515,226,178
					173,494,511	33.638	5,836,091,329

Questar Gas Company
 2006 Lead-Lag Study
 Capacity Release Revenues

Service Month	Company	Invoice Invoice	Invoice Date	Pmt Date	Midpoint	Capacity Release Amount	Lag Days	Dollar Days
Jan-06	QPC	200601-395C	2/13/2006	2/24/2006	1/15/2006	\$125,594	39	\$4,898,172
Jan-06	Kern River	25140	2/8/2006	2/17/2006	1/15/2006	\$12,922	32	\$413,497
Feb-06	QPC	200602-414C	3/13/2006	3/23/2006	2/14/2006	\$126,599	39	\$4,937,375
Feb-06	Kern River	25195	3/10/2006	3/16/2006	2/14/2006	\$6,591	32	\$210,914
Mar-06	Kern River	25254	4/10/2006	4/19/2006	3/15/2006	\$2,728	34	\$92,735
Mar-06	QPC	200603-153C	4/13/2006	4/27/2006	3/15/2006	\$135,683	42	\$5,698,675
Apr-06	QPC	200604-155C	5/11/2006	5/30/2006	4/15/2006	\$188,174	45	\$8,467,814
May-06	QPC	200605-167C	6/13/2006	6/29/2006	5/15/2006	\$222,732	44	\$9,800,211
Jun-06	QPC	200606-169C	7/17/2006	7/27/2006	6/15/2006	\$290,648	42	\$12,207,222
Jul-06	QPC	200607-480C	8/14/2006	8/28/2006	7/15/2006	\$358,086	43	\$15,397,685
Aug-06	QPC	200608-172C	9/14/2006	9/25/2006	8/15/2006	\$293,463	40	\$11,738,507
Sep-06	QPC	200609-172C	10/13/2006	10/31/2006	9/15/2006	\$316,928	46	\$14,578,701
Oct-06	QPC	200610-494C	11/14/2006	11/27/2006	10/15/2006	\$234,403	42	\$9,844,924
Nov-06	QPC	200611-174C	12/14/2006	12/26/2006	11/15/2006	\$219,800	41	\$9,011,808
Nov-06	Kern River	25704	12/12/2006	12/22/2006	11/15/2006	\$259,404	37	\$9,597,952
Dec-06	QPC	200612-178C	1/12/2007	1/30/2007	12/15/2006	\$76,495	45	\$3,442,261
						<u>\$2,870,249</u>	<u>41.926</u>	<u>\$120,338,452</u>

Questar Gas Company
 2006 Lead-Lag Study
 Overriding Royalty Revenues from Questar Exploration (Account 495007)

Service Month	Mid-Point of Service	QGC Acctg. Month	Date Check/s Deposited	Amount	Lag Days	Dollar Days
Jan-06	1/15/2006	3/31/2006	3/16/2006	1,646,769	60	98,806,132
Feb-06	2/15/2006	4/30/2006	4/7/2006	79,137	51	4,035,964
Feb-06	2/15/2006	4/30/2006	4/17/2006	1,047,952	61	63,925,081
Mar-06	3/15/2006	5/31/2006	5/15/2006	1,017,649	61	62,076,618
Apr-06	4/15/2006	6/30/2006	6/16/2006	670,939	62	41,598,248
Apr-06	4/15/2006	6/30/2006	6/19/2006	222,655	65	14,472,571
May-06	5/15/2006	7/31/2006	7/19/2006	900,855	65	58,555,585
Jun-06	6/15/2006	8/31/2006	8/14/2006	549,904	60	32,994,250
Jun-06	6/15/2006	8/31/2006	8/17/2006	201,829	63	12,715,255
Jul-06	7/15/2006	9/30/2006	9/18/2006	984,247	65	63,976,077
Aug-06	8/15/2006	10/31/2006	10/17/2006	1,274,125	63	80,269,896
Aug-06	8/15/2006	10/31/2006	10/19/2006	2,089	65	135,784
Sep-06	9/15/2006	11/30/2006	11/20/2006	1,010,484	66	66,691,926
Oct-06	10/15/2006	12/31/2006	12/19/2006	606,359	65	39,413,346
Nov-06	11/15/2006	1/31/2007	1/16/2007	189,950	62	11,776,879
Nov-06	11/15/2006	1/31/2007	1/17/2007	1,112,004	63	70,056,245
Dec-06	12/15/2006	2/28/2007	2/15/2007	1,144,303	62	70,946,805
Dec-06	12/15/2006	2/28/2007	2/21/2007	213,734	68	14,533,916
				12,874,986	62.678	806,980,577