

APPLICATION OF QUESTAR GAS ) Docket No. 10-057-10  
COMPANY TO AMORTIZE THE )  
CONSERVATION ENABLING TARIFF )  
BALANCING ACCOUNT ) APPLICATION

All communications with respect to  
these documents should be served upon:

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APPLICATION  
AND  
EXHIBITS

June 24, 2010

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APPLICATION OF QUESTAR GAS	)	Docket No. 10-057-10
COMPANY TO AMORTIZE THE	)	
CONSERVATION ENABLING TARIFF	)	APPLICATION
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Questar Gas Company (Questar Gas or the Company) respectfully submits to the Utah Public Service Commission (Commission) for approval this application for an amortization of the Conservation Enabling Tariff (CET) balance, and an adjustment to the distribution non-gas cost portions of its Utah GS natural gas rates.

If the Commission grants this application, a typical GS residential customer using 80 decatherms per year will see a decrease in their yearly bills of \$5.06 (or 0.75%). The Company proposes to implement this request by charging the new rates effective August 1, 2010.

In support of this application, Questar Gas states:

1. Questar Gas' Operations. Questar Gas, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's charges and general conditions for natural gas service in Utah are set forth in the Questar Gas Company Utah Natural Gas Tariff PSCU 400 (Tariff). Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Preston, Idaho area. Under the terms of agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

2. Settlement Stipulation Order. In the order approving the Settlement Stipulation in Docket No. 05-057-T01, the Commission authorized Questar Gas to

establish and utilize a CET balancing account, Account 191.9 of the Uniform System of Accounts. This filing is made under §2.08 of the Tariff, which sets forth procedures for recovering the allowed distribution non-gas (DNG) revenue per customer by means of periodic adjustments to rates to amortize this account.

3. Test Year. The test year for this application is the 12 months ending July 2011.

4. Amortization of Account No. 191.9 Balance. Attached as Exhibit 1.1, is a summary of the CET accounting entries and monthly balances for July 2009 through May 2010. The \$1,857,014 shown on line 1, column F, of Exhibit 1.1 is the July 2009 balance that was used to calculate the CET amortization approved by the Commission in Docket No. 09-057-13. Column B of Exhibit 1.1 shows the monthly CET accrual amount, column C shows the amount amortized to customers each month, and column D shows the monthly interest calculation. The Company proposes to amortize the May 2010 ending credit balance (over collection) of \$3,471,074 (Exhibit 1.1, column F, line 11) by applying a percentage change to the GS DNG rates as set forth in Exhibit 1.2.

5. Proposed Tariff Sheet. Exhibit 1.3 shows the proposed GS rate schedule that reflects the amortization of the balance in Account 191.9 as explained in paragraph 4.

6. Change in Typical Customer's Bill. The annualized change in rates calculated in this application results in a \$5.06 (or 0.75%) decrease for a typical GS residential customer using 80 decatherms per year. The projected month-by-month bills are shown in Exhibit 1.4.

7. Exhibits. Questar Gas submits the following Exhibits in support of its request to amortize the CET balance:

- Exhibit 1.1            CET Accounting Entries, July 2009 through May 2010
- Exhibit 1.2            Calculation of Proposed Rates
- Exhibit 1.3            Proposed Tariff Sheet
- Exhibit 1.4            Effect on GS Typical Customer

WHEREFORE, Questar Gas respectfully requests that the Commission, in accordance with the Order approving the CET Stipulation and the Company's Tariff:

1.     Enter an order authorizing Questar Gas to implement rates and charges applicable to its Utah natural gas service that reflect an amortization of the CET balance by adjusting GS DNG rates on a uniform percentage basis as more fully set out in this Application.
2.     Authorize Questar Gas to implement the revised rates effective August 1, 2010.

DATED this 24<sup>th</sup> day of June 2010.

Respectfully submitted,

QUESTAR GAS COMPANY

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PROPOSED RATE SCHEDULES

P.S.C. Utah No. 400  
Affecting All Firm Sales Rate Schedules  
and Classes of Service in  
Questar Gas Company's  
Utah Service Area

Date Issued: June 24, 2010  
To Become Effective: August 1, 2010