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To: Public Service Commission

From: Division of Public Utilities
Philip Powlick, Director
Energy Section
Artie Powell, Manager
Marlin H. Barrow, Technical Consultant

Date: October 19, 2010

Subject: Additional Issues of the Division of Public Utilities

October 25, 2010 Technical Conference
Docket No. 10-057-12 In the Matter of the Consideration of the Various
Rate Design Issues, Cost of Service Issues and Other Issues Pursuant to
the Settlement Stipulation in Docket No. 09-057-16.

Pursuant to the Scheduling Order issued by the Public Service Commission of Utah on September 9, 2010 in Docket No. 10-057-12, the Division of Public Utilities submits the following two additional issues for the upcoming technical conference scheduled for October 25, 2010.

1. Any new BSF charges which Questar proposes should take into consideration the customer costs by BSF category as computed in Questar's existing allocated cost of service study. (This does not mean that all BSF charges must be at the level of the customer costs, but that the relationship between charges and costs should be consistent.)
2. There is an issue as to whether the existing seasonal differentials between rates are appropriate, and whether there will be bill impact issues if the seasonal differentials are increased.

In addition, the Division would like parties to be prepared to begin discussing the pros and cons of splitting the GS class, as well as discuss possible ways to accomplish a split or define the resulting new classes. The Division would like parties to be able to address whether, if an initial split into residential and commercial classes makes sense, if there are choices regarding splitting commercial customers into several rate classes and choices regarding further refining of residential class definitions.

CC: Judd Cook, Questar Gas Company
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