

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

)
In the Matter of the Application of Questar) DOCKET NO. 10-057-18
Gas Company to Amortize the Demand Side)
Management/Energy Efficiency Deferred)
Account Balance)
)
In the Matter of the Application of Questar) DOCKET NO. 11-057-04
Gas Company to Amortize the Demand Side)
Management/Energy Efficiency Deferred)
Account Balance)
)
In the Matter of the Application of Questar) DOCKET NO. 11-057-15
Gas Company to Amortize the Energy)
Efficiency Deferred Account Balance and for)
Tariff Modification)
)
In the Matter of the Application of Questar) DOCKET NO. 12-057-10
Gas Company to Amortize the Energy)
Efficiency Deferred Account Balance)
)
ORDER SETTING
FINAL RATES
)

ISSUED: January 24, 2013

SYNOPSIS

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

By The Commission:

The above-captioned matters are before the 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 prior orders in these matters. These rates are set to recover costs associated with amortizing Questar Gas Company's (Questar or Company) Demand Side Management (DSM) or Energy Efficiency Deferred Account Balance.

DOCKET NO. 10-057-18

Based on Questar's application, the Division's recommendation, and the testimony presented at the hearing, the Commission approved the Company's request to maintain the current amortization rate set in Docket No. 10-057-15 for the Company's energy efficiency programs, with an effective date of January 1, 2011.¹ The Commission approved this rate on an interim basis pending a Division audit of Questar's actual DSM program expenditures through October 2010.

On January 27, 2011, the Division filed its audit results of Questar's actual DSM program expenditures for the period June 2010 through October 2010. Based on its audit, the Division recommends the Company file a letter with the Commission verifying it has removed the cost of the "Get Well Soon" flowers from the DSM program and charge this expense to a below the line unregulated account. The letter to the Commission should also verify the Wyoming DSM expense adjustments as outlined in the Company's response to the Division's data request number 2.01 and explain any affect these adjustments have on the amortization rate. Subject to the Company filing this letter, the Division recommends the Commission approve Questar's DSM rates on a permanent basis.

On January 15, 2013, the Division filed a memorandum with the Commission recommending approval of Questar's actual DSM program expenditures for the period June 2010 through October 2010 and requesting the rate changes in this docket be made final. The Division explains Questar verified the costs in question in this case had been removed from the Utah DSM

¹ See Report and Order, issued December 28, 2010, Docket No. 10-057-18.

program and that Questar had taken additional steps to ensure Wyoming DSM costs are not included in Utah's DSM program.

DOCKET NO. 11-057-04

Based on Division and Questar testimony, and finding no opposition, the Commission approved Questar's request to increase the amortization rate set in Docket No. 10-057-18 for Questar's energy efficiency programs with an effective date of June 1, 2011.² The Commission approved this rate on an interim basis pending Division audit of Questar's actual energy efficiency program expenditures through March 2011.

On October 25, 2011, the Division filed its audit results of Questar's actual energy efficiency program expenditures for the period November 2010 through March 2011. The Division found multiple errors in the payment process for the five months audited. However, the Division states the errors are minimal and will not materially affect the proposed amortization amount of \$42 million. The Division also states corrections to these errors are now reflected in Company accounts and accrual computations in future periods. Except for these corrections, the Division states the actual energy efficiency expenditures through March 31, 2011, are the same as presented in the Company's Exhibit 1.2, page 2.

DOCKET NO. 11-057-15

Based on Questar's application and the Division's recommendation, the Commission approved Questar's request to decrease the amortization rate for the Company's energy efficiency programs, with an effective date of February 1, 2012.³ The Commission

² See Report and Order, issued May 31, 2011, Docket No. 11-057-04.

³ See Report and Order, issued January 24, 2012, Docket No. 11-057-15.

approved this rate on an interim basis pending Division audit of Questar's actual energy efficiency program expenditures.

On July 19, 2012, the Division filed its audit results of Questar's actual energy efficiency program expenditures for the period April 2011 through November 2011. Based on its audit, the Division states the actual energy efficiency expenditures through November 30, 2011, as presented in Questar's Exhibit 1.2, page 2, appear to be correct.

DOCKET NO. 12-057-10

Based on Questar's application, the recommendation of the Division, and the testimony presented at the hearing, the Commission approved Questar's request to decrease the amortization rate for the Company's energy efficiency programs, with an effective date of September 1, 2012.⁴ The Commission approved this rate on an interim basis pending Division audit of Questar's actual energy efficiency program expenditures.

On October 12, 2012, the Division filed its audit results of Questar's actual energy efficiency program expenditures for the period December 2011 through June 2012. Based on its audit, the Division states the actual energy efficiency expenditures through November 30, 2011, as presented in Questar's Exhibit 1.2, page 2, appear to be correct except for one error in the amount stated of \$76.94. This error was corrected in September 2012. On November 7, 2012, the Division filed a memorandum based on its October 12, 2012, audit results, recommending the Commission issue a final order in Docket No. 12-057-10 making the DSM amortization rate established in that docket final.

⁴ See Report and Order issued September 21, 2012 (memorializing August 21, 2012 oral ruling), Docket No. 12-057-10.

FINDINGS AND CONCLUSIONS

Based on Questar's applications, our previous decisions, and the audit reports and recommendations of the Division, we find the requested rate changes in the above-entitled matters amortizing the DSM Deferred Account Balance are just and reasonable and in the public interest.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that the interim rate changes requested by Questar Gas Company to amortize the DSM Deferred Account Balance in the above-entitled matters be placed in effect on a final basis.

DATED at Salt Lake City, Utah, this 24th day of January, 2013.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
G#241360

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the 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 fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, 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 Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 24th day of January, 2013, a true and correct copy of the foregoing ORDER SETTING FINAL RATES, was served upon the following as indicated below:

By Electronic-Mail:

Colleen Larkin Bell (colleen.bell@questar.com)
Jenniffer Nelson Clark (jenniffer.clark@questar.com)
Questar Gas Company

By Hand-Delivery:

Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

Administrative Assistant