



Questar Gas Company
333 South State Street
PO Box 45360
Salt Lake City, UT 84145-0360
Tel 801 324 5491 • Fax 801 324 5485
Barrie.McKay@Questar.com

August 23, 2012

Barrie L. McKay
General Manager, Regulatory Affairs & Energy Efficiency

Chris Parker
Utah Division of Public Utilities
Heber M. Wells Building, 4th Floor
P. O. Box 146751
Salt Lake City, UT 84114-6751

Dear Chris:

Questar Gas Company (Questar Gas or the Company) respectfully submits this report and its accompanying exhibit to the Utah Division of Public Utilities (Division) in accordance with the Report and Order approving the Settlement Stipulation issued June 3, 2010 in Docket No. 09-057-16. Paragraph 15 of the settlement stipulation states that, "The Company will file quarterly reports describing the progress of infrastructure replacement with the Division."

The attached Exhibit 1 is a status report for the first six months of 2012. Column A of Exhibit 1 shows the budget by project. On November 12, 2011, Questar Gas submitted a replacement plan to the Commission. This plan included anticipated budgets for 2012. However, three of the anticipated budgets have changed since the first quarter update. The budget for feederline 14 was reduced from \$16.5 million to \$9.5 million for 2012 because more of the project is now anticipated to be completed in 2013. The budget for feederline 25 increased from \$4.5 million to \$5.5 million due to higher expenditures related to the American Fork river crossing. Finally, the budget for feederline 35 increased from \$27 million to \$33 million to include the installation of a pig launcher/receiver.

Column B shows the costs incurred to date. There are several projects in the "Other" section that show a credit. The credit is due to a rebate from the contractor that installed the mains in 2011.

Column C shows the remaining budget for 2012 for each of these projects. Column D shows the anticipated completion date or actual completion date if the project is already in service.

Questar Gas will continue to provide quarterly feederline progress updates on an ongoing basis. If you or your staff has additional questions concerning these reports, please call me.

Sincerely,

Barrie L. McKay
General Manager
Regulatory Affairs/Energy Efficiency

cc: Public Service Commission
Office of Consumer Services

QGC Feeder Line Replacement Project Summary
 As of 6/30/2012

Project	A 2012 Budget	B Costs YTD 2012	C (A - B) Remaining Budget	D Completion Date
FL14				
1 01010104 - FL14- REPL 10" DROUBAY RD, TC		3,117,331		
2 01040190 - FL14-CONCEP 22,500' OF 24" FBE		26,054		
3 FL14 Total	1/ 9,500,000	3,143,385	6,356,615	October 2012
FL23				
4 01009120 - FL23-INST 130' OF 12" FBE ST H		518		
5 01010132 - FL23- REPL FL SEGMENTS, LOGAN		1,168,699		
6 FL23 Total	2,500,000	1,169,217	1,330,783	June 2012
FL25				
7 01009666 - FL25-REPL 65,500' OF 12" FBE		5,308,507		
8 FL25 Total	2/ 5,500,000	5,308,507	191,493	June 2012
FL35				
9 01040277 - FL35- REPL FL 13400 S, SLCO		23,336,852		
10 FL35 Total	3/ 33,000,000	23,336,852	9,663,148	October 2012
FL50				
11 01010105 - FL50-CONCEP PRELIM ENGINEERING		1,172,313		
12 FL50 Total	4,500,000	1,172,313	3,327,687	December 2012
Other				
13 01006824 - FL11		(5,125)		2010
14 01007067 - FL19		(34,634)		2010
15 01008213 - FL12		(31,069)		2011
16 01009182 - FL6		278		2011
17 01009221 - FL36		178,230		2014
18 01009253 - FL34		(2,280)		2012
19 01009341 - FL12		(200,529)		2011
20 01009359 - FL17		(28,650)		2011
21 01009372 - FL16		(6,236)		2013
22 01009410 - FL44		519		2011
23 01009441 - FL13		213		2011
24 01009497 - FL18		(19,250)		2011
25 01009612 - FL10		(31)		2011
26 01009662 - FL21		2,307		2013
27 01009663 - FL21		9		2013
28 01009716 - FL7		2,017		2011
31 01010051 - FL8		1,211		2012
32 01010098 - FL6		(4)		2012
33 01040064 - FL24		489,035		2011
34 01040078 - FL26		(3,470)		2011
35 01040158 - FL41		1,552,893		2013
36 01040177 - FL24		95,471		2011

1/ Expenditures for this project will be moved to 2013.

2/ The budget changed from \$4.5 to \$5.5 mm due to higher expenditures related to the American Fork river crossing.

3/ The budget changed from \$27 to \$33 mm to include a pigging equipment.

QGC Feeder Line Replacement Project Summary
 As of 6/30/2012

	A	B	C	D
Project	2012 Budget	Costs YTD 2012	(A - B) Remaining Budget	Completion Date
38 01040189 - FL11		(536,400)		2013
39 01040195 - FL26		1,853		2013
40 01040196 - FL71		(5,592)		2011
41 01040209 - FL38		8,887		2013
42 01040251 - FL16		769		2011
43 01040330 - FL71		5,716		2012
44 01040404 - FL42		2,674		2011
45 01040420 - FL22		217,951		2013
46 01040421 - FL53		211,868		2012
47 01040422 - FL70		41,624		2013
48 01040465 - FL26		13,816		2013
49 01040493 - FL110		15,917		2012
50 01040494 - FL21		30		2013
51 01040499 - FL89		58,462		2012
52 01041173 - FL21		6,756		2014
53 01041175 - FL8		11,169		2013
54 01041176 - FL20		21,973		2013
55 01041177 - FL22		3,476		2013
56 01041178 - FL36		9,006		2013
57 01040857 - FL41		1,083		2013
58 01040858 - FL41		409		2013
59 01040864 - FL64		29,156		2013
60 01040911 - FL26		10,474		2016
61 01040914 - FL52		13,409		2012
62 01040998 - FL71		796		2013
63 01040999 - FL14		3,534		2012
64 01041006 - FL42		(11,317)		2011
65 01041007 - FL26		40,700		2013
66 01041081 - FL66		43,146		2013
67 01041272 - FL52		42,053		2013
68 01041281 - FL38		4,927		2013
69 01041294 - FL36		37,758		2013
70 01041305 - FL88		3,194		2013
71 01041425 - FL24		32		2014
73 Other Total	2,000,000	2,300,733	(300,733)	
74 Grand Total	57,000,000	36,431,006	20,568,994	