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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Public Service Commission
From: The Office of Consumer Services
Michele Beck
Cheryl Murray
Eric Orton

Date: March 16, 2012
Subject: Docket 12-057-04

In the Matter of the Application of Questar Gas Company to Provide Natural Gas Transportation Service to Serve the Lake Side Power Plant Facility.

Background

On March 2, 2012 Questar Gas Company (Company) filed its application for Utah Public Service Commission (Commission) approval of its Second Agreement for Firm Transportation to PacifiCorp's Lake Side Generating Facilities (Contract) that was entered into between the Company and PacifiCorp on February 15, 2012.

The Commission sent its Action Request on March 8, 2012 to the Division of Public Utilities (Division) which is due back to the Commission by April 6, 2012, with a special note stating that the filing contains propriety exhibits.

On March 15, 2012 Rocky Mountain Power petitioned to intervene.

Discussion

The Company filed testimony supporting the Contract and recommending its approval. The Company's testimony outlined several reasons that support approval of the Contract. Because of the confidential nature of the contract and testimony the specifics of the testimony and Contract are not mentioned in this memo. However, the Contract that is the subject of this docket is a multi-faceted Contract worth millions of dollars lasting decades. Therefore, because of the complexity of the issues within and surrounding this contract, it requires a thorough investigation and an in-depth regulatory proceeding.

The Office supports the Division's request that the Commission notice a scheduling conference, but additionally request that it is scheduled as soon as practicable to prevent unnecessary delay because the Contract is date sensitive. The Office may need to contract with an outside expert on pipeline issues to assist the Office in its investigation.

Recommendation

The Office recommends that the Commission notice a Scheduling Conference to be held as soon as practicable to establish a timeline for discovery, intervention, testimony and hearing in this matter.