



UTAH PUBLIC
SERVICE COMMISSION

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Barrie L. McKay
Vice President Regulatory Affairs

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 final cost summary report for 2013. Column A of Exhibit 1 shows the budget by project. On November 15, 2012, Questar Gas submitted a replacement plan to the Commission. This plan included anticipated budgets for 2013. Column B shows the costs incurred in 2013. Column C shows the variance for 2013 for each of these projects. Column D shows the actual or anticipated completion date for the infrastructure replacement projects. Exhibit 2 provides explanations for the variances found on Exhibit 1 column C.

The Company notes that a request to expand the Infrastructure Replacement Program to include Intermediate High Pressure (IHP) mains is currently pending an order from the Utah Public Service Commission, Docket 13-057-05. Spending on such projects in 2013 amounted to \$2,024,410, compared to the anticipated \$3,175,000 noted in Docket 13-057-05 QGC Exhibit 1.11. This difference is due to the exclusion of an Intermediate High Pressure project in the Provo area that had accrued costs for work other than replacement of mains as defined by the Infrastructure Replacement Tracker.

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
Vice President
Regulatory Affairs/Energy Efficiency

cc: Public Service Commission ✓
Office of Consumer Services