

Fourth Quarter
Variance Report
Redacted

March 2014
through
May 2014

Docket No. 13-057-04

Questar Gas Company
Fourth Quarter Variance Report
March 2014 – May 2014

Questar Gas Company (Questar Gas or Company) respectfully submits this Fourth Quarter Variance Report for the period March 2014 – May 2014. In order to provide a more complete analysis, the Company will identify the variance between the actual results and a deterministic run of normal temperatures, in addition to the base case projections created during the 2013 Integrated Resource Plan (IRP).

Weather Exhibits 1.1 – 1.3.

Exhibit 1.1 shows the spring was warmer than normal.

Gas Storage Exhibits 2.1 – 2.4.

[REDACTED]

[REDACTED]

Firm Sales Exhibits 3.1 – 3.4.

The variance between the actual and forecasted firm sales for the quarter is attributable to similar variance between the actual heating degree days and normal heating degree days for the same period. In all three months total actual heating degree days were below the normal baseline and resulted in firm sales levels that fell below the normal weather forecast. The variance in March is relatively small and seemingly out of proportion to the difference in actual and normal heating degree days shown in Exhibit 1.1. But heating degree days for the month varied by sharp peaks and valleys, exceeding the normal baseline in some instances and falling well below in others. The net effect was monthly usage only slightly below normal in total.

Gas Purchased from Third Parties Volume Variance Exhibits 4.1 – 4.3.

[REDACTED]

Gas Purchased from Third Parties Cost Variance Exhibits 5.1 – 5.3.

[REDACTED]

Gas Purchased from Third Parties Unit Cost Variance Exhibits 6.1, 6.2.

[REDACTED]

[REDACTED]

Cost-of-Service Gas

Exhibits 7.1 – 7.3.

[REDACTED]

[REDACTED]

	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Cost-of-Service Gas New Drill Component

Exhibits 8.1 – 8.3.

[REDACTED]

[REDACTED]

	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

¹ Recoupment is part of balancing in the well. The Company can allow its working interest partners to take more gas from a well knowing that at a later time the Company will take more gas than their working interest partner.

Supplemental Graphs

Exhibits 9.1 – 9.3.

Exhibits 9.1 and 9.2 show the total production and new drill by nomination group. Exhibit 9.3 shows the details on gas purchases.

Purchased Gas and Cost-of-Service Price Comparison

Exhibit 10.1, 10.2.

Exhibit 10.1 shows the price difference between cost-of-service gas and purchased gas. Exhibit 10.2 is a new exhibit that compares the actual price of purchased gas with the trailing twelve months (TTM) price of cost-of-service gas.

Gathering

In its Report and Order issued August 6, 2012 in Docket No. 12-057-07 (2012 Order), the Public Service Commission of Utah (Commission) directed Questar Gas to “provide a quarterly update of the activities associated with the [System Wide Gathering Agreement] (SWGA) in future IRP quarterly variance reports until the issues surrounding the SWGA are resolved.” 2012 Order at p. 8. As of the end of the fourth quarter, the parties have completed discovery and filed motions in the case. The court will hold hearings on those motions on September 30, 2014 and October 2, 2014. The court has not yet set a trial date.

DNG Action Plan Variance Report

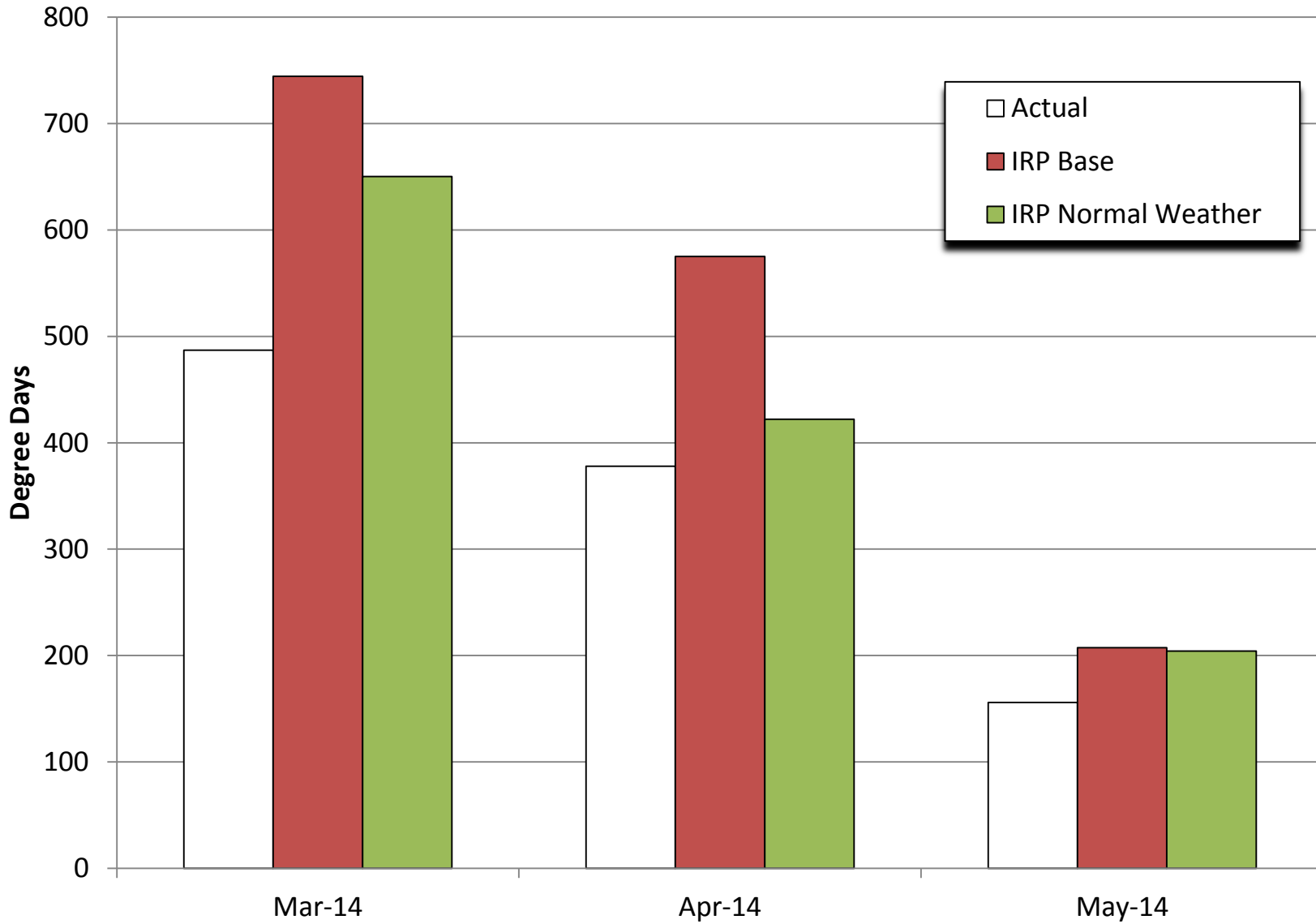
The first quarter variance report provided details on the Hunter Tap project. All other projects were on schedule and on budget during the fourth quarter.

Heating Degree Day Graphs

Exhibit 1.1 – 1.3

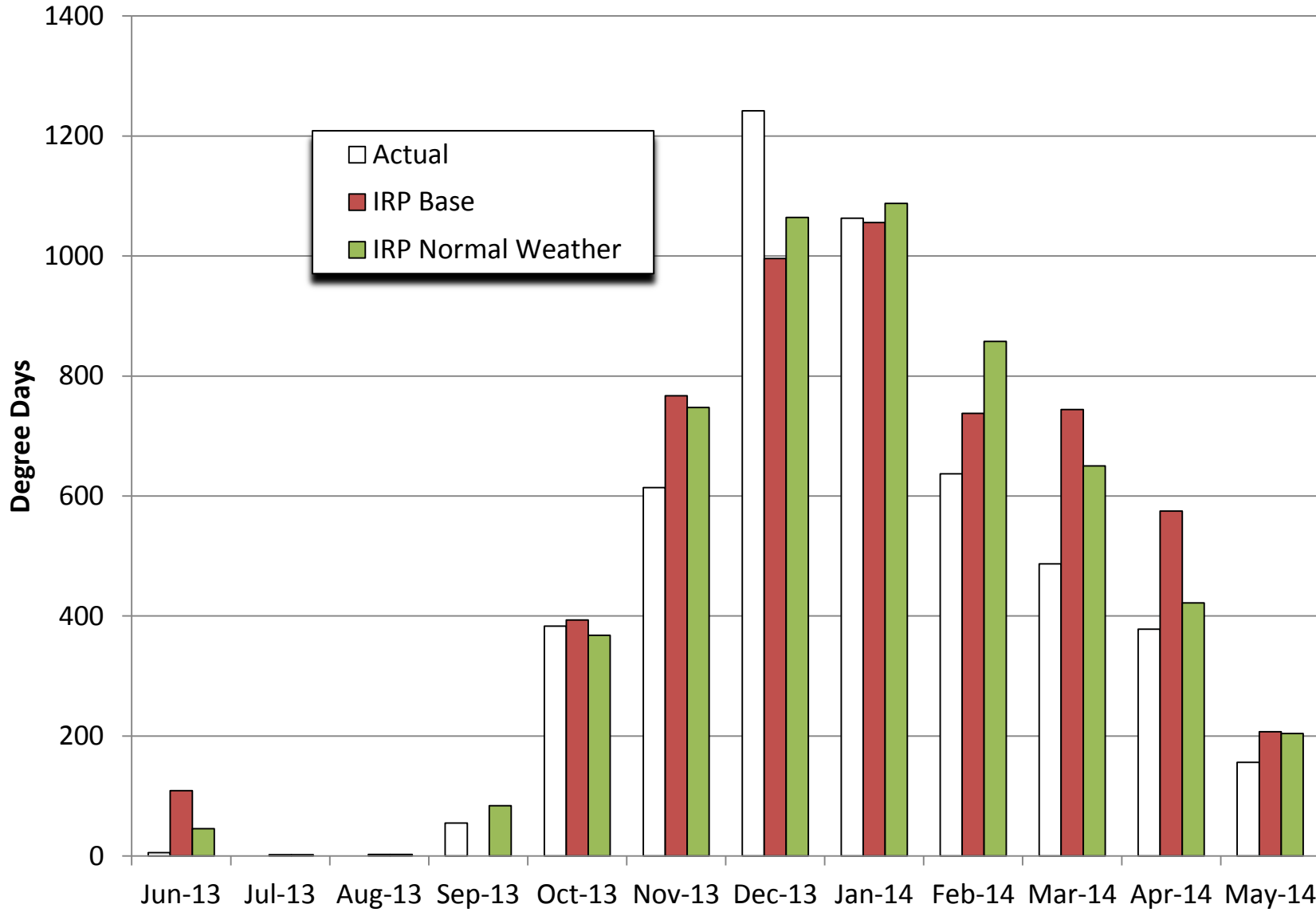
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Heating Degree Day Variance IRP Fourth Quarter: March to May

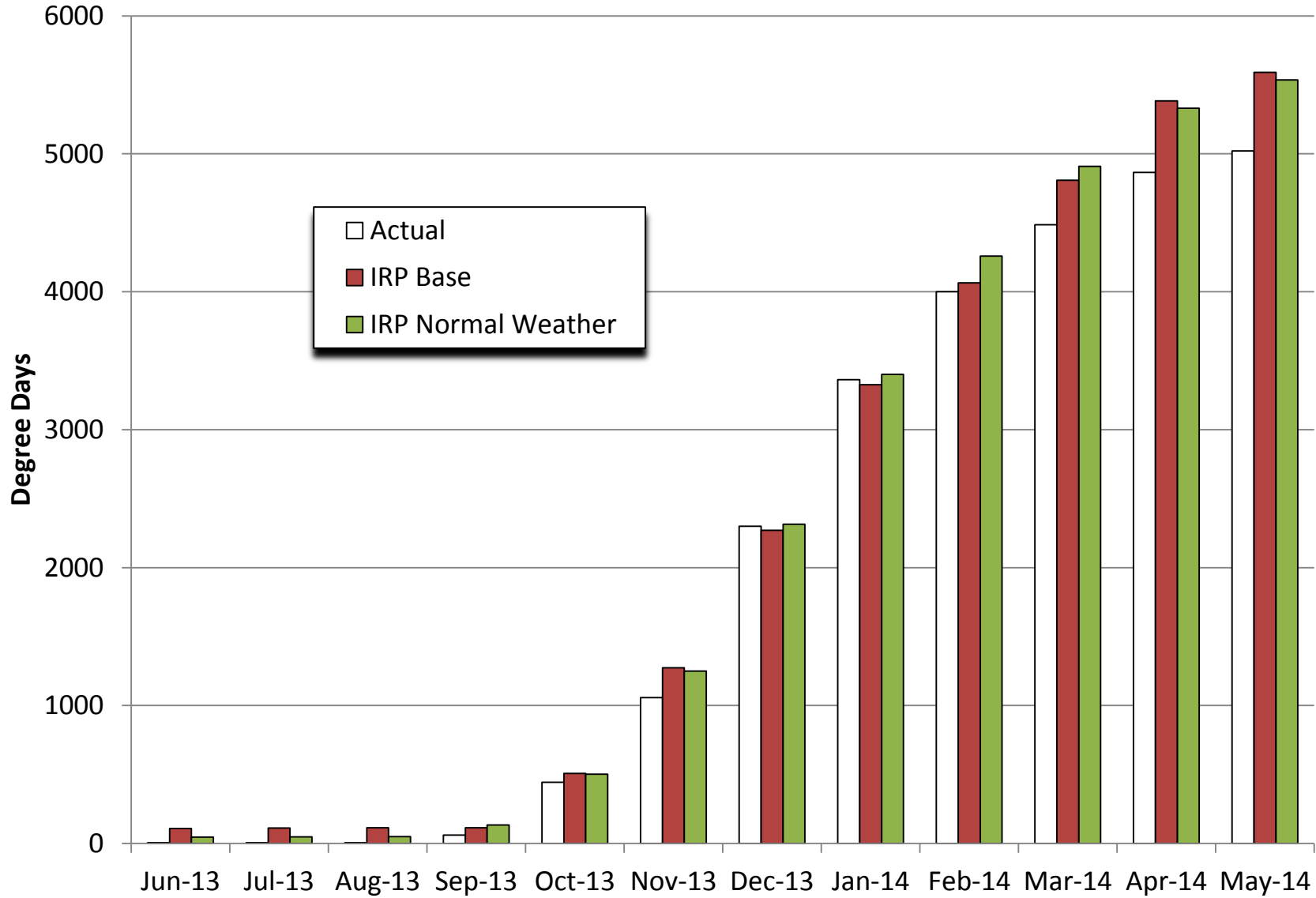


Heating Degree Day Variance

IRP Year: June 2013 to Present



Heating Degree Day Variance Cumulative Year-to-date: June 2013 to Present



Gas Storage Graphs
Exhibits 2.1 – 2.4
Docket No. 13-057-04

Clay Basin Month End Inventory

IRP Fourth Quarter: March to May

[REDACTED]

Aquifer Month End Inventory
IRP Fourth Quarter: March to May

[REDACTED]

Clay Basin Month End Inventory
IRP Year: June 2013 to Present

[REDACTED]

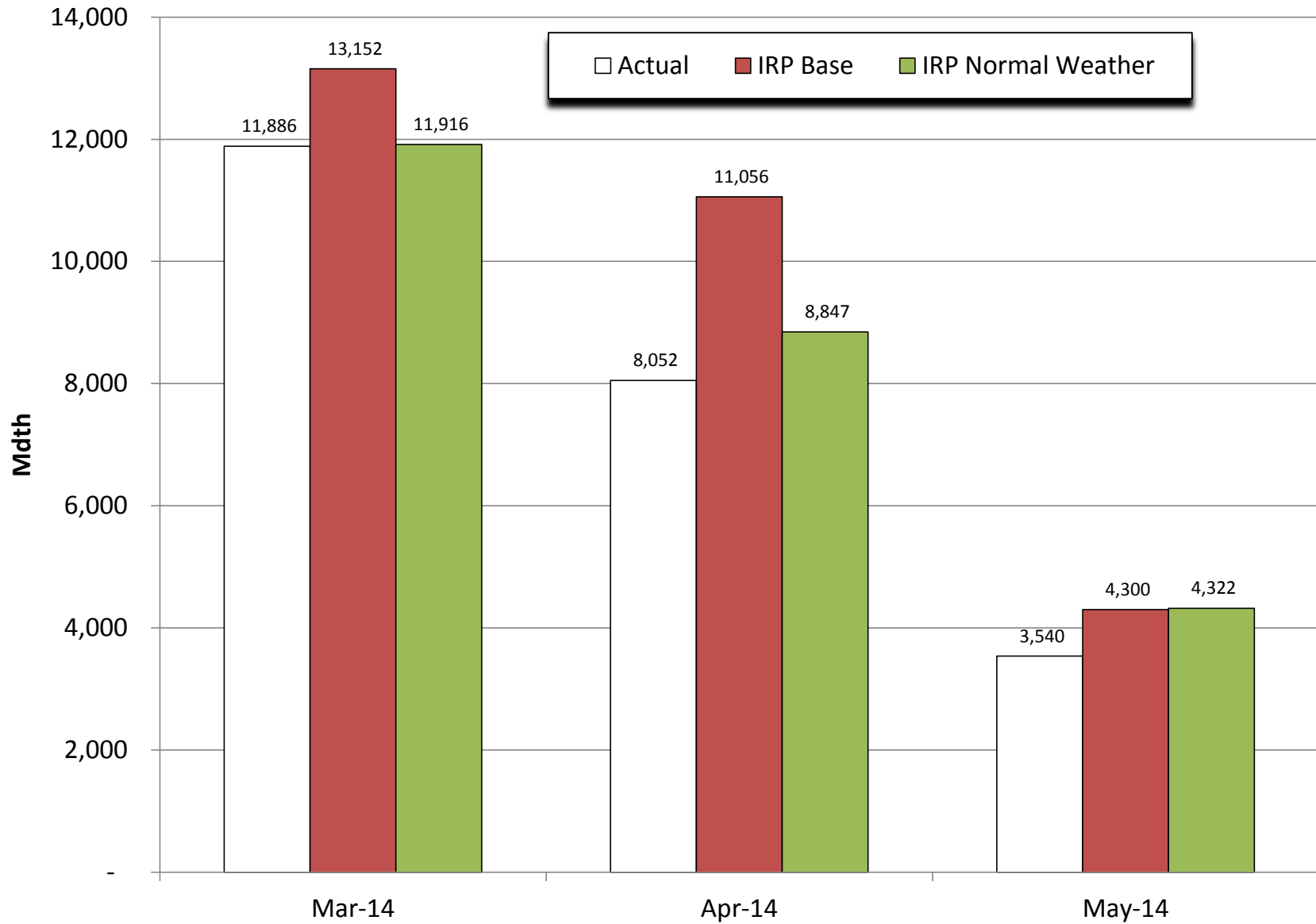
Aquifer Month End Inventory
IRP Year: June 2013 to Present

[REDACTED]

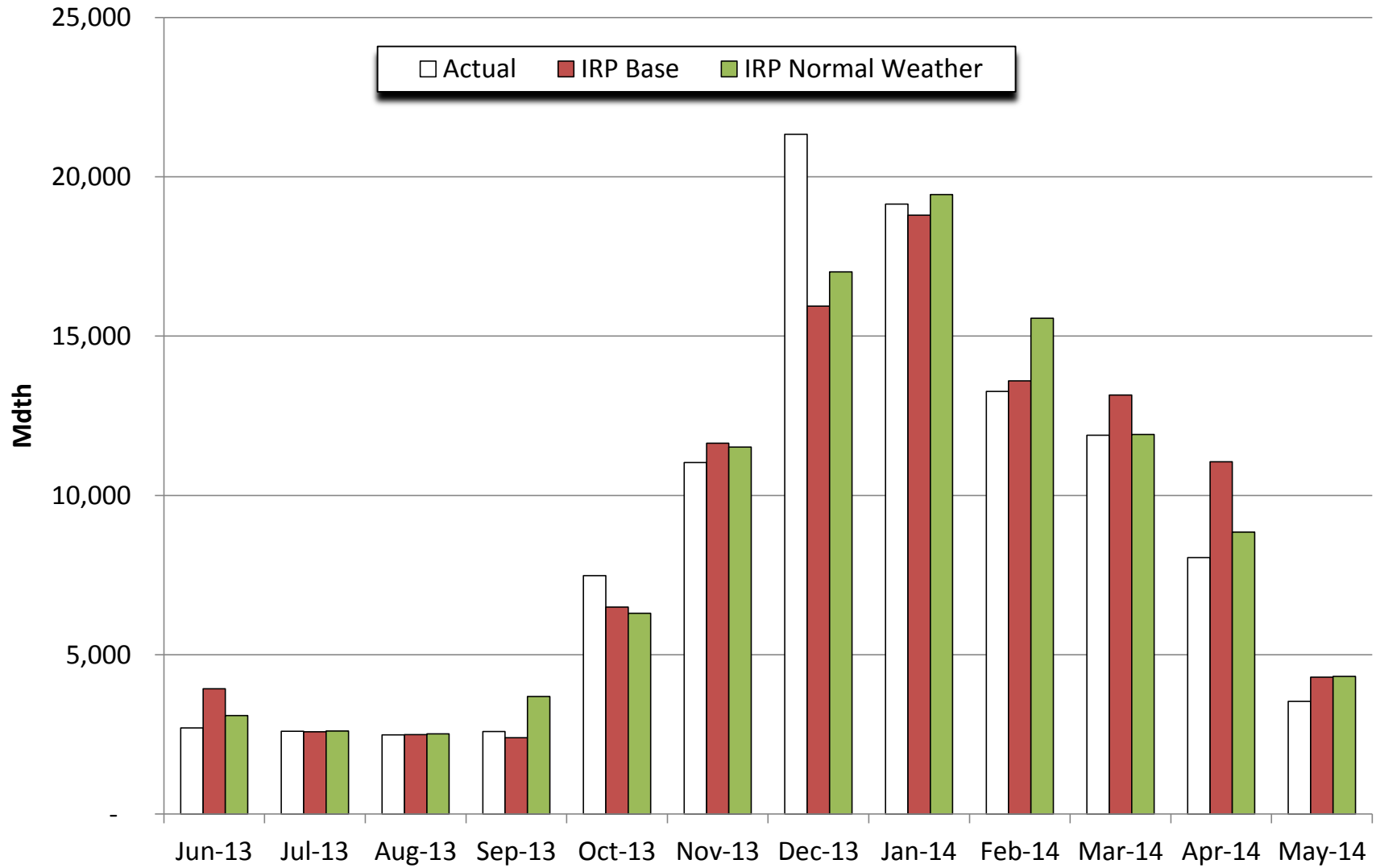
Firm Sales Graphs
Exhibits 3.1 – 3.4
Docket No. 13-057-04

Firm Sales Variance

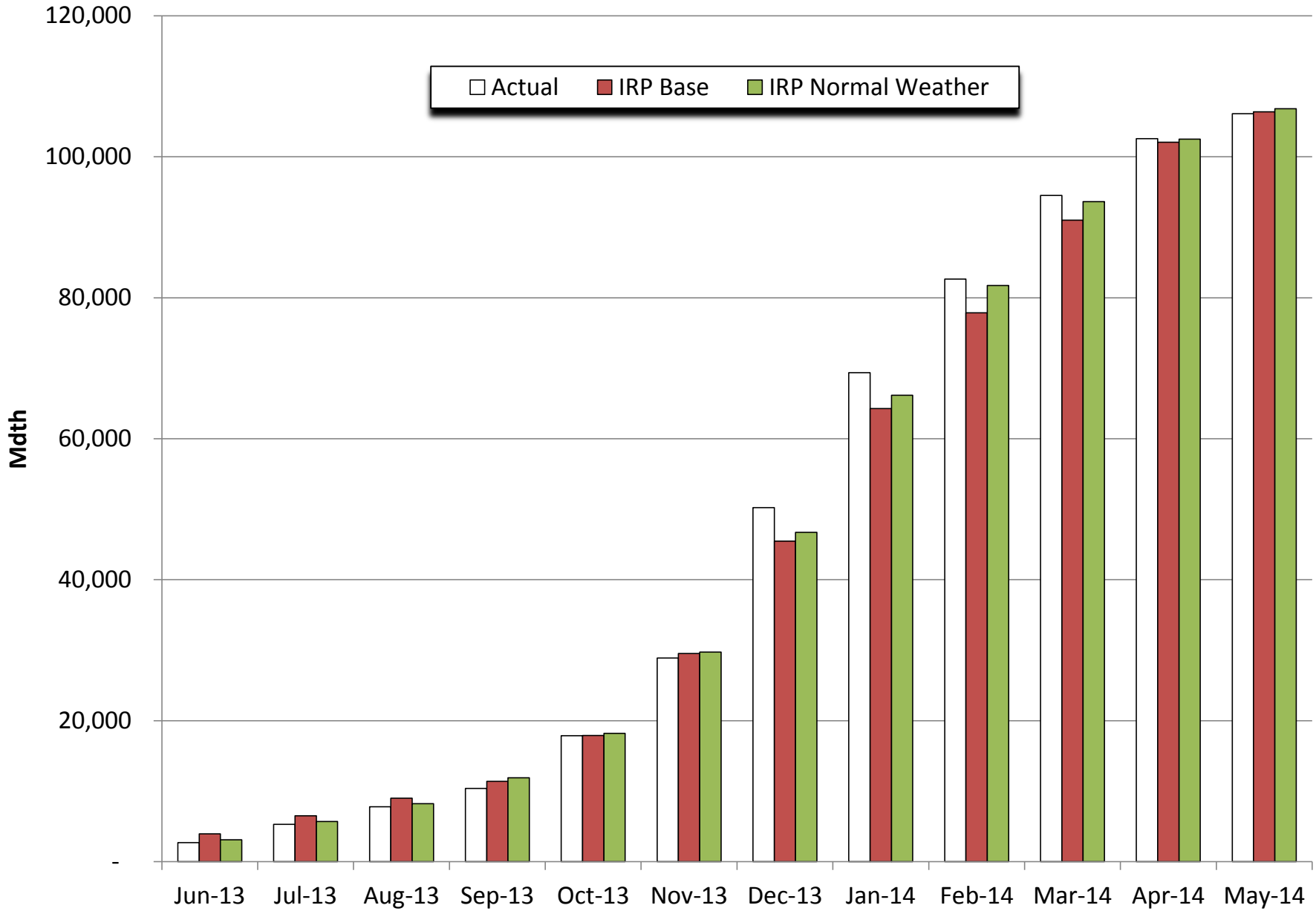
IRP Fourth Quarter: March to May



Firm Sales Variance IRP Year: June 2013 to Present



Firm Sales Variance Cumulative Year-to-date: June 2013 to Present



IRP Variance

Actual Results

	Mar-14		Apr-14		May-14	
	Actual	IRP	Actual	IRP	Actual	IRP
1 SUPPLY						
2 Cost of Service Prod (Mbtu)	6,932	7,326	6,613	6,831	6,698	6,840
3 Purchases (Mbtu)	1,948	4,571	669	4,932	27	-
4 Clay Basin With (Mbtu)	2,052	1,997	831	406	213	146
5 Acquifers With (Mbtu)	568	-	468	-	261	-
6 Off-System	72	74	73	77	75	74
7						
8 Total Supply	11,572	13,969	8,653	12,245	7,274	7,060
9						
10 DEMAND						
11 Firm Sales (Mbtu)	11,886	13,152	8,052	11,056	3,540	4,300
12 Interruptible Sales (Mbtu)	188	232	203	235	239	208
13 Clay Basin Inj (Mbtu)	108	-	176	406	2,337	1,754
14 Acquifers Inj (Mbtu)	0	-	645	-	6	361
15 Off-System	72	72	73	75	75	72
16 Fuel	102	445	99	417	126	341
17 Company Use / L&U	(783)	67	(596)	56	951	23
18						
19 Total Demand	11,572	13,969	8,653	12,245	7,274	7,060
20						
21						
22 Clay Basin Current Bal	973	-	184	-	2,285	1,609
23 Acquifers current balance	898	208	1,065	208	791	208
24						
25 Purchases(\$/Dth)	5.20	4.41	4.38	4.22	4.41	-
26 Purchases \$ (000)	10,130	20,159	2,930	20,813	119	-
27						
28 Variances						
29 Cost of service volumes	-	-	-	-	-	-
30 Purchase volumes	-	-	-	-	27	-
31 Purchase \$ Act over (under) IRP	\$ -	\$ (10,029)	\$ -	\$ (17,882)	\$ 119	\$ -
32 Vol Variance	\$ -	\$ (11,568)	\$ -	\$ (17,989)	\$ -	\$ -
33 \$ Variance	\$ -	\$ 1,539	\$ -	\$ 107	\$ 119	\$ -
34 Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35 Quarter Variance					\$ (27,792)	
36 Vol Variance					\$ (29,557)	
37 \$ Variance					\$ 1,765	
38 Check					\$ -	

Gas Purchased
from Third Parties

Volume Variance
Exhibits 4.1 – 4.3
Docket No. 13-057-04

Purchased Gas Variance
IRP Fourth Quarter: March to May

[REDACTED]

Purchased Gas Variance
Year-to-date: June 2013 to Present

[REDACTED]

Purchased Gas Variance
Cumulative Year-to-date: June 2013 to Present

[REDACTED]

Gas Purchased
from Third Parties

Cost Variance
Exhibits 5.1 – 5.3
Docket No. 13-057-04

Purchased Gas Cost Variance
IRP Fourth Quarter: March to May

[REDACTED]

Purchased Gas Cost Variance
Year-to-date: June 2013 to Present

[REDACTED]

Purchased Gas Cost Variance
Cumulative Year-to-date: June to Present

[REDACTED]

Gas Purchased
from Third Parties

Unit Cost Variance
Exhibits 6.1 – 6.2
Docket No. 13-057-04

Purchased Gas Unit Cost Variance
IRP Fourth Quarter: March to May

[REDACTED]

Purchased Gas Unit Cost Variance
Year-to-date: June 2013 to Present

[REDACTED]

Cost-of-Service Gas
Exhibits 7.1 – 7.3
Docket No. 13-057-04

Cost-of-Service Gas Variance
IRP Fourth Quarter: March to May

[REDACTED]

Cost-of-Service Gas Variance
Year-to-date: June 2013 to Present

[REDACTED]

Cost-of-Service Gas Variance
Cumulative Year-to-date: June 2013 to Present

[REDACTED]

Cost-of-Service Gas
New Drill Component
Exhibits 8.1 – 8.3
Docket No. 13-057-04

Cost-of-Service New Drill Component
IRP Fourth Quarter: March to May

[REDACTED]

Cost-of-Service New Drill Component
Monthly Year-to-Date: June 2013 to Present

[REDACTED]

Cost-of-Service New Drill Component
Cumulative Year-to-Date: June 2013 to Present

[REDACTED]

Data
Exhibits 9.1 – 9.3
Docket No. 13-057-04

Total Production and New Drill by Nomination Group

[REDACTED]

Total Production and New Drill by Nomination Group

[REDACTED]

Gas Purchases

[REDACTED]

Purchased Gas and Cost-of-
Service Gas Price
Comparison

Exhibits 10.1 – 10.2
Docket No. 13-057-04

Purchased Gas vs Cost-of-Service Gas

[REDACTED]

Purchased Gas vs Cost-of-Service Gas

[REDACTED]