

Central Valley Water
Reclamation
Facility

UTAH PUBLIC
SERVICE COMMISSION

2013 NOV 19 A 10:32

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320397

RECEIVED

November 14, 2013

Public Service Commission
Heber M. Wells Building
160 E 300 S
Salt Lake City, UT 84114

Subject: Questar Gas Company Rate Increase Request - Docket # 13-057-05

To Whom It May Concern:

Central Valley Water Reclamation Facility (CVWRF) is an Interlocal Agreement Agency which provides sanitary sewer treatment services to over 500,000 residents in Salt Lake County. The facility accepts waste flow 24 hours per day, 365 days per year and is committed to optimal energy efficiency in meeting its patron's wastewater treatment needs. To this end, CVWRF is capable of importing electrical power or generating its own electrical power via engine driven generators which are fueled by process-generated/recovered methane gas, or through imported natural gas.

CVWRF currently purchases natural gas from BP Energy Company with said gas being delivered to CVWRF under Questar Gas's TS rate schedule. Docket #13-057-05 includes a request from Questar Gas Company to increase its monthly Demand Charge, Gas Service, and Basic Service Fee charges under its TS rate. Furthermore, Questar Gas is proposing an annual test interruption in which all interruptible TS customers would be required to accept a one day interruption each year or pay a penalty.

CVWRF opposes the requested rate increase and mandatory test interruption for the following reasons:

1. At CVWRF's current monthly gas usage, the TS rate charges will increase by approximately \$3,800 per month to \$6,700 per month - a 75% increase. CVWRF's 2014 budget process has already concluded and has not accounted for a \$35,000 annual increase resulting from the new TS rate.
2. CVWRF, while able to interrupt its gas service for a 24 hour period, would incur significant costs to do so. Currently CVWRF co-generates electricity and heat, using competitively priced natural gas as a source fuel, to offset the fixed electrical demands for its treatment needs. Such interruption (exceeding 15 minutes in duration) will result in a

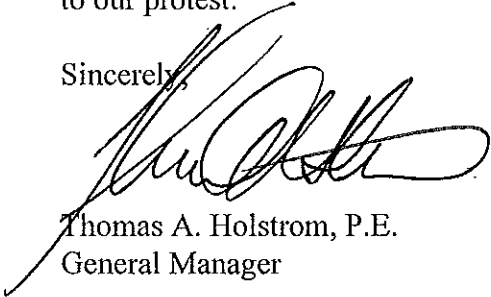
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rewriting of the Demand Charge for importing electricity to meet plant needs. Rewriting the electrical Demand Charge, from our base-loaded 700 kW to a full plant demand of 3000 kW, will result in an On-Peak Demand charge increase of over \$24,500 for the month in which the interruption occurs. An additional electrical utility Facilities Charge of nearly \$10,600 would also be assessed by Rocky Mountain Power for the month of the interruption.

The foregoing \$70,000 additional annual costs to CVWRF, under the requested Questar rate increase and proposed annual interruption period, represents a significant burden on CVWRF and its patrons. We therefore are opposed to granting the rate increase requested by Questar Gas under docket #13-057-05. We welcome any questions or comments you might have with regard to our protest.

Sincerely,



Thomas A. Holstrom, P.E.
General Manager

cc: Utah Association of Energy Users
215 S State St, Ste 200
Salt Lake City, Utah 84111

Fred Finlinson, Esq.