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Attorneys for Questar Gas Company

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF QUESTAR GAS COMPANY TO INCREASE DISTRIBUTION RATES AND CHARGES AND MAKE TARIFF MODIFICATIONS	Docket No. 13-057-05
	PARTIAL SETTLEMENT STIPULATION REGARDING TS TARIFF LANGUAGE

Pursuant to Utah Code Ann. § 54-7-1 and Utah Admin. Code R746-100-10.F.5, Questar Gas Company (Questar Gas or Company); the Division of Public Utilities (Division); the Office of Consumer Services (Office); the UAE Intervention Group (UAE); US Magnesium LLC; and Summit Energy LLC (collectively, the Settling Parties) submit this Partial Settlement Stipulation Regarding TS Tariff Language (“Stipulation”) in resolution of one of the remaining issues raised in the Company’s Verified Application in this docket.

BACKGROUND

1. The Company filed its Application in this docket on July 1, 2013.
2. On December 13, 2013, various parties submitted a Partial Settlement Stipulation that resolves most of the issues raised in the Company’s Application.

3. One issue not resolved by the December 13, 2013 Partial Settlement Stipulation was the Company's request for two changes; one to the language of Section 5.01 of the Company's Transportation Service ("TS") tariff and another to the language of Section 5.07 of the Company's Transportation Service ("TS Rate Schedule"). (Questar Exhibit 3.37). Michael R. McGarvey of Summit Energy LLC filed direct testimony opposing the proposed tariff language changes. Roger Swenson of US Magnesium LLC and Jeff Fishman of UAE filed rebuttal testimony supporting Mr. McGarvey.

4. Tina Faust of the Company filed Rebuttal testimony responding to Mr. McGarvey. Among other things, Ms. Faust's testimony noted that, while the Company's proposed tariff changes would "certainly help" address the interruption/curtailment problems addressed in her testimony, "it is just one part of a multi-prong solution," that "additional Tariff changes may be necessary," and that the Company would work with customers, upstream pipelines and marketers to better understand potential solutions. (QGC Exhibit 5.0R, page 4, lines 67-71).

5. Based on further settlement discussions, the Settling Parties have agreed to pursue a more holistic approach as suggested in Ms. Faust's testimony to address issues and problems relating to interruption and tariff language changes.

TERMS AND CONDITIONS

6. In settlement of disputed TS tariff language changes proposed by the Company in this case, the Settling Parties agree that the Company will modify the language that the Company proposed in Section 5.01 of the Company's Tariff under the heading "Applicability" such that the entire paragraph will read as follows:

“This service applies to transportation of customer-acquired gas through the Company’s distribution system from an approved interconnect point between the Company’s distribution system and an upstream pipeline to a redelivery meter serving customer’s premises. Each transportation service customer must identify in the contract the interconnect/delivery point(s) where it will deliver its natural gas supply into Questar Gas’ system (approved point). Questar Gas reserves the right, as provided herein, to require each transportation customer to deliver its natural gas supplies to that approved point when, in Questar Gas’ sole discretion, its operational needs support such a change from any alternate point that might currently be being used by the customer.”

7. For purposes of settlement of this docket, the Company will also withdraw its proposed changes to the language of Section 5.01 of the Company tariff under the heading “Upstream Capacity”. For purposes of settlement of this docket, the Company will also withdraw its proposed changes to the language in subsection 10 of Section 5.07 of the Company tariff.

8. The Settling Parties agree that on or before April 1, 2014, they will invite the Settling Parties and other interested entities to collaboratively explore additional changes to the language of Sections 5.01 and 5.07 of the Company’s tariff to address interruption and related concerns and issues.

General

9. The Settling Parties agree that settlement of those issues identified above is in the public interest and that the results are just and reasonable.

10. The Settling Parties have reached a full and final resolution of those issues identified above and that all other issues in this case should proceed upon the schedule set forth

in the Order Modifying Scheduling Order and Notices of Hearing and Public Witness Day Hearing dated December 4, 2013 in this docket.

11. The Settling Parties agree that no part of this Stipulation or the formulae or methods used in developing the same, or a Commission order approving the same, shall in any manner be argued or considered as precedential in any future case. This Stipulation does not resolve, does not provide any inferences regarding, and the Settling Parties are free to take any position with respect to, any issues not specifically identified and settled herein. All negotiations related to this Stipulation are privileged and confidential, and no Settling Party shall be bound by any position asserted in negotiations. Neither the execution of this Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by any Settling Party of the validity or invalidity of any principle or practice of ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by any Settling Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Settling Party except in a proceeding to enforce this Stipulation.

12. Questar Gas will, and other Settling Parties may, make one or more witnesses available to explain and support this Stipulation to the Commission. Such witnesses will be available for examination. So that the record in this docket is complete, all testimony and exhibits that have been filed on the issues resolved by this Stipulation shall be admitted as evidence. The Settling Parties shall support the Commission's approval of the Stipulation. As applied to the Division and the Office, the explanation and support shall be consistent with their statutory authority and responsibility.

13. The Settling Parties agree that if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving

this Stipulation, each Settling Party will use its best efforts to support the terms and conditions of the Stipulation. As applied to the Division and the Office, the phrase “use its best efforts” means that they shall do so in a manner consistent with their statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Settlement Stipulation, no Settling Party shall take a position in that judicial review opposed to the Stipulation.

14. Except with regard to the obligations of the Settling Parties under paragraphs 11, 12 and 13 of this Stipulation, this Stipulation shall not be final and binding on the Settling Parties until it has been approved without material change or condition by the Commission. This Stipulation is an integrated whole, and any Settling Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission’s approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of this Stipulation or imposes any material change or condition on approval of this Stipulation, or if the Commission’s approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Settling Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Settling Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Settling Party withdraws from the Stipulation, any Settling Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Stipulation, and no Settling Party shall be bound or prejudiced by the terms and conditions of the Stipulation.

15. This Stipulation may be executed by individual Settling Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

16. To the Settling Parties understanding, none of the other intervenors in this docket has taken a position on the issues settled herein, nor oppose approval of this Settlement Stipulation.

17. The Settling Parties hereby request that the Commission suspend the surrebuttal testimony deadline on the issues resolved herein, and set a hearing for approval of this Stipulation on the same date as the hearing to approve the December 13, 2013 Partial Settlement Stipulation.

RELIEF REQUESTED

Based on the foregoing, the Settling Parties request that the Commission issue an order approving this Stipulation and adopting its terms and conditions.

RESPECTFULLY SUBMITTED: January 6, 2013.

/s/ _____
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Questar Gas Company

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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the Stipulation was served upon the following persons by e-mail on January 7, 2014:

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