



GARY HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

Memorandum

TO: Public Service Commission

FROM: Division of Public Utilities
Chris Parker, Director,
Artie Powell, Energy Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Technical Consultant

DATE: June 29, 2016

RE: Overland Report on the Wexpro Operator Service Fee - Docket No. 13-057-07

In July 2015, the Division of Public Utilities (Division) hired Overland Consulting (Overland) to assist with an audit and analysis of the Wexpro Operator Service Fee for years 2005 – 2014. Under Utah Code §54-4a-1, the Division may investigate and study “any matter within the jurisdiction of the commission.” The Wexpro Operator Service fee is passed on to Questar Gas customers and is within the Commission’s jurisdiction. From July 2015 through January 2016, Overland met and had multiple telephone conversations with representatives from Wexpro and Questar Gas. The Division and Overland submitted 180 data requests for information relating to the calculation and costs included in the operator service fee.

In February 2016, Overland provided a draft report of the audit and findings to the Division. At Overland’s request, the report was provided to Questar Gas and Wexpro to review and verify the accuracy of the information included in the report. In addition, Overland allowed the Company to review the report and identify items that could be considered as confidential. On May 16, 2016, the Company returned a copy of the report and did not have any significant changes or corrections to the content of the report. The Commission should not consider the Company’s opportunity to review as having agreed with or taken any position on the report. After

disagreements concerning the scope of confidentiality of various items in the report, the Company returned the report on June 21, 2016. The Division files the report with the confidential items marked by the Company but reserves the right to challenge the confidential nature of portions of this report in future proceedings.

The attached report is being filed for information purposes and the Division requests the Commission take no action at this time. The Division will continue to review and evaluate the Overland Report findings and may make recommendations to Commission in this Docket or other Dockets. In formulating any such position the Division will consult with Questar Gas and Wexpro.