



Questar Gas Company
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Barrie L. McKay
Vice President Regulatory Affairs

November 6, 2014

Chris Parker
Utah Division of Public Utilities
Heber M. Wells Building, 4th Floor
P. O. Box 146751
Salt Lake City, UT 84114-6751

Re: Replacement Infrastructure Annual Plan and Budget, Third Quarter Variance Report
Docket No. 13-057-18

Dear Mr. Parker:

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 issued February 21, 2014 in Docket No. 13-057-05 (Order). In the Order, the Utah Public Service Commission (Commission) approved a Partial Settlement Stipulation (attached to the Order as Appendix A). Paragraph 22(C) of the Partial Settlement Stipulation indicates that the Company will file quarterly variance reports showing the actual expenditures in the infrastructure replacement program, as compared to the budget, and describing any material variances from the most current replacement schedule.

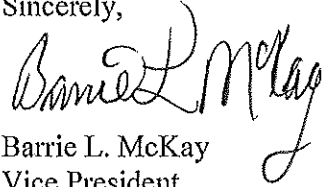
On November 15, 2013, Questar Gas submitted a Replacement Infrastructure Annual Plan and Budget in Docket No. 13-057-18 (2014 Budget) replacement plan to the Commission. The 2014 Budget included a budget for feeder line replacement projects during 2014. On April 23, 2014 a budget for Intermediate High Pressure (IHP) projects was submitted as part of the First Quarter Variance Report.

The attached Exhibit 1 provides budgeted amounts for IHP and high pressure (HP) projects to be replaced in 2014, as well as the status of each replacement project through the third quarter of 2014. Column A of Exhibit 1 shows the budget by project. Column B shows the costs incurred to date. Column C shows the remaining budget for 2014 for each of these projects.

The Company would also like to update the status of the Feeder Line 34 replacement project. Due to a delay in construction caused by a failed bore this project will not be completed in 2014. Remaining budget dollars associated with this project will be spent on the other replacement projects. The Company anticipates completing the rest of the Feeder Line 34 project in 2015 and will include anticipated budget numbers in the 2015 Annual Plan and Budget letter to be sent on November 15th, 2014.

Questar Gas will continue to provide quarterly feeder line progress updates on an ongoing basis. If you or your staff have additional questions concerning these reports, please contact me.

Sincerely,



Barrie L. McKay
Vice President
Regulatory Affairs/Energy Efficiency

cc: Public Service Commission ✓
Office of Consumer Services

QGC Infrastructure Replacement Project Summary
As of 9/30/2014

Project		A	B	C
		2014 Budget	Costs YTD 2014	(A - B) Remaining Budget
High Pressure				
1	FL6 Total	1/ 38,750,000	33,548,662	5,201,338
2	FL18 Total	2,000,000	1,527,895	472,105
3	FL34 Total	3,000,000	794,509	2,205,491
4	FL36 Total	8,000,000	8,069,128	(69,128)
5	FL21-50 Total	250,000	489,688	(239,688)
6	FL24 Total	1/ 0	5,354,608	(5,354,608)
Pre-engineering (Future Projects)				
6	FL14		152	
7	FL22		1,094	
8	FL11		20,777	
9	FL21		666,079	
10	FL13		(5,667)	
11	FL24		5,626	
12	Pre-engineering (Future Projects)	3,000,000	682,435	2,317,565
13	Total High Pressure	55,000,000	50,466,925	4,533,075
Intermediate High Pressures				
14	Salt Lake County Total	5,570,000	4,738,017	831,983
15	Davis County	930,000	634,351	295,649
16	Utah County Total	3,500,000	2,325,057	1,174,943
17	Total Intermediate High Pressure	10,000,000	7,697,424	2,302,576
18	Total Infrastructure Tracker	65,000,000	58,164,350	6,835,650

1/ A portion of Feeder Line 6 will be delayed because of difficulties securing the necessary right-of-way and permits. Resources made available (\$5.3 million) as a result of this delay will be redirected to the Feeder Line 24 project. The Company had previously planned to begin work on Feeder Line 24 in 2015 (Docket 13-057-18, Exhibit 5), but will begin the project this year. The Company anticipates spending \$5.3 million on Feeder Line 24 during 2014, which is related to approximately 3 miles of 12" pipe.