

December 3, 2015

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. 14-057-29

Dear Chris,

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, 2014, Questar Gas submitted a Replacement Infrastructure Annual Plan and Budget in Docket No. 14-057-29 (2015 Budget) to the Commission. An updated budget was subsequently provided as Exhibit 2 of the 2014 4<sup>th</sup> Quarter variance report. The 2015 Budget included a budget for feeder line and intermediate high pressure (IHP) replacement projects during 2015.

The attached Exhibit 1 provides budgeted amounts for both IHP and high pressure (HP) projects to be replaced in 2015, as well as the amount spent for each replacement project through the third quarter of 2015. Column B of Exhibit 1 shows the budget by project. Column C shows the costs incurred year-to-date. Column D shows the remaining budget for 2015 for each of these projects.

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

Sincerely,

Kelly Mendenhall  
General Manager  
Regulatory Affairs

cc: Public Service Commission  
Office of Consumer Services