

**TEST YEAR PURCHASED GAS COSTS**

	(A)	(B)	(C)	(D)
	Component	Dth	Cost per Dth	Total Cost
1	Current Contracts			\$56,685,620
2	Stabilization Costs			<u>0</u>
3	Total Current Contracts	18,560,000	\$3.05418	\$56,685,620
4	Forecast Spot	33,328,270	\$2.75317	91,758,535
5	Future Contracts	1,694,227	\$2.64983	4,489,421
6	Total Gas Purchased	53,582,497	\$2.85417	<u><u>\$152,933,576</u></u>

**TEST YEAR TRANSPORTATION, GATHERING AND PROCESSING CHARGES**

(A)	(B) Fctr	(C) Dth	(D) Months/Days	(E) Rate	(F)	(G) Total Costs
<b><u>TRANSPORTATION DEMAND</u></b>						
<b>QPC Demand</b>						
1		840,902	x 12	x \$5.28804	=	\$53,360,681
2		75,000	x 5	x \$6.80887	=	2,553,326
3		203,542	x 12	x \$0.86753	=	2,118,945
4						(110,748)
5						<u>\$57,922,204</u>
<b>Kern River Demand</b>						
6		1,885	x 12	x \$17.74204	=	\$401,325
7		3,000	x 12	x \$14.34754	=	516,512
8		50,000	x 5	x \$14.34754	=	<u>3,586,885</u>
9						\$4,504,722
10						\$62,426,926
<b><u>TRANSPORTATION COMMODITY</u></b>						
<b>QPC Commodity</b>						
11		124,057,229		x \$0.00267	=	\$331,233
12		131,825,531		x \$0.00140	=	<u>184,556</u>
13						\$515,789
<b>Kern River Commodity</b>						
14	0.83	x 4,885	x 366	x \$0.00440	=	\$6,510
15	0.83	x 50,000	x 152	x \$0.00440	=	<u>27,671</u>
16						\$34,181
17						\$549,970
<b><u>OTHER CHARGES</u></b>						
18			12	x \$862,503	=	\$10,350,036
19		40,069,171		x \$0.14446	=	<u>5,788,392</u>
20						\$16,138,428 1/
21						\$1,986,343
22						1,865,281
23						<u>3,393,768</u>
24						\$7,245,392
25						<u><u>\$86,360,716</u></u>

1/ See paragraph 7c in application.

**TEST YEAR STORAGE AND WORKING GAS CHARGES**

	(A)	(B)	(C)	(D)	(E)	(F)
<b><u>STORAGE CHARGES</u></b> 1/						
	Component	Dth	Months	Rate		Total Costs
<b>Storage Demand</b>						
1	Peaking Demand	184,625	x 12	x \$2.87375	=	\$6,366,793
2	Ryckman Demand 4/	2,500,000	x 11	x \$0.09000	=	2,475,000
3	Clay Basin Demand	111,827	x 12	x \$2.85338	=	3,829,019
4	Clay Basin Capacity	13,419,000	x 12	x \$0.02378	=	3,829,246
5	Total Demand Charges (SNG)					<u>\$16,500,058</u>
<b>Storage Commodity</b> 2/						
6	Peaking Injections	1,938,571	x	\$0.03872	=	\$75,061
7	Peaking Withdrawals	1,919,426	x	\$0.03872	=	74,320
8	Ryckman Injections	1,828,154	x	\$0.01500	=	27,422
9	Ryckman Withdrawals	1,782,450	x	\$0.01000	=	17,825
10	Clay Basin Injections	12,588,580	x	\$0.01049	=	132,054
11	Clay Basin Withdrawals	12,889,810	x	\$0.01781	=	229,568
12	Total Commodity Charges					<u>\$556,250</u>
13	<b>Total Storage Charges</b>					<b>\$17,056,308</b>
<b><u>WORKING GAS CHARGES - QGC Account 164</u></b>						
	Month	Amount	Pre-Tax Return %			
14	Mar-14	\$6,166,885				
15	Apr-14	4,699,534				
16	May-14	13,360,087				
17	Jun-14	27,776,654				
18	Jul-14	42,002,347				
19	Aug-14	56,135,252				
20	Sep-14	66,798,582				
21	Oct-14	69,627,002				
22	Nov-14	59,708,122				
23	Dec-14	40,325,370				
24	Jan-15	30,248,596				
25	Feb-15	14,896,411				
26	Mar-15	9,447,139				
27	12-Month Average 3/	<u>\$36,115,414</u>	x	10.79%	=	<u>\$3,896,853</u>
28	<b>TOTAL FIRM STORAGE AND WORKING GAS CHARGES</b>					<b>\$20,953,161</b>

1/ Exhibit 1.9 - 1/1/2015

2/ Questar Gas planned volumes.

3/ (½ of Line 14 + sum of Lines 15 through 25 + ½ of Line 26) / 12

4/ Ryckman Creek Resources is expected to be operational beginning July of 2015.

**SUMMARY OF TEST-YEAR GAS RELATED COSTS AND REVENUES CREDITS**

	(A) Component	(B) Costs	(C) Dth	(D) \$ per Dth
<b>WEXPRO I</b>				
1	Questar Gas Production 1/	\$317,082,952		
2	Wexpro I Revenue Sharing Credits 2/	<u>(18,963,047)</u>		
3	Net Questar Gas Production Costs	\$298,119,905	62,957,234	\$4.73528
4	Gathering 3/	18,003,709		
5	Total Wexpro I Cost of Production	<u>\$316,123,614</u>	62,957,234	\$5.02124
<b>WEXPRO II</b>				
6	Wexpro II Production 4/	\$26,347,913		
7	Wexpro II Revenue Sharing Credits 5/	<u>(1,393,647)</u>		
8	Net Cost of Wexpro II Production	\$24,954,266	4,138,215	\$6.03020
9	Gathering 6/	1,986,343		
10	Total Wexpro II Cost of Production	<u>\$26,940,609</u>	4,138,215	\$6.51020
11	Sales of Cost-of-Service Gas 7/	-	0	\$0.00000
12	Total Cost of Service Production	<u>\$343,064,223</u>	67,095,449	\$5.11308
13	Questar Gas Contract Gas 8/	152,933,576	53,582,497	\$2.85417
14	Injection / Withdrawal Adjustment 9/	1,197,978		
15	Transportation & Other Costs 10/	66,370,664	124,057,229	\$0.53500
16	Storage & Working Gas 11/	20,953,161		
17	Questar Gas - Related Gas Costs for Rate Purposes 12/	<u>\$584,519,602</u>	114,511,810	\$5.10445

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- 1/ Exhibit 1.1, Page 19, Line 1396, Column H.
  - 2/ Exhibit 1.4, Page 3, Line 8.
  - 3/ Exhibit 1.3, Page 1, Lines 20 + 22.
  - 4/ Exhibit 1.1, Page 20, Line 1477, Column H.
  - 5/ Exhibit 1.4, Page 3, Line 16.
  - 6/ Exhibit 1.3, Page 1, Line 21.
  - 7/ Exhibit 1.4, Page 3, Line 17.
  - 8/ Exhibit 1.2, Line 6.
  - 9/ Exhibit 1.4, Page 2, Line 6.
  - 10/ Exhibit 1.3, Page 1, Lines 10 + 17 + 23.
  - 11/ Exhibit 1.3, Page 2, Line 28.
  - 12/ Exhibit 1.6, Page 1, Line 4.

**ANNUALIZED UNIT COST OF STORAGE GAS**

(A)	(B)	(C)	(D)
	Dth	Average Rate	Total Costs
1 Company Production 1/	67,095,449	\$5.11308	\$343,064,223
2 Purchased Gas 2/	53,582,497	\$2.85417	152,933,576
3 Average Price	120,677,946	\$4.11009	\$495,997,799
Storage 3/			
4 Withdrawals	16,591,686	\$4.56058	\$75,667,788
5 Injections	(16,355,305)	\$4.55325	(74,469,810)
6 Storage Adjustment			\$1,197,978

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- 1/ Exhibit 1.4, Page 1, Line 12.  
2/ Exhibit 1.2, Line 6.  
3/ Questar Gas Company planned volumes.

**OTHER REVENUES 1/**

	(A)	(B)	(C)	(D)
	Account Number	Account Name		12 Months Ending May 2016
<b>WEXPRO I</b>				
1	483	Sales for Resale		\$2,702,880
2	490	Plant By-Product		2,976,196
3	492	Gasoline and Oil Sales	\$535,068	
4	758-1	Gasoline and Oil Cost	<u>(80,260)</u>	
5		Net Gasoline and Oil Sales		454,808
6	495-1	Overriding Royalty Revenue from Questar E & P		12,829,163
7	495-2	Oil Revenue Received from Wexpro		0
8		Total Wexpro I		<u>\$18,963,047</u>
<b>WEXPRO II</b>				
9	483	Sales for Resale		\$0
10	490	Plant By-Product		931,501
11	492	Gasoline and Oil Sales	\$543,701	
12	758-1	Gasoline and Oil Cost	<u>(81,555)</u>	
13		Net Gasoline and Oil Sales		462,146
14	495-1	Overriding Royalty Revenue from Questar E & P		0
15	495-2	Oil Revenue Received from Wexpro		0
16		Total Wexpro II		<u>\$1,393,647</u>
17		Sales of Cost-of-Service Gas		0
18		Grand Total (Line 8 + Line 16 + Line 17)		<u>20,356,694</u>

1/ Forecasted 12-month test year.

**TEST-YEAR GAS COST ALLOCATION**

(A)	(B)	(C)	(D)	(E)
	Allocation Factor 1/	System	Wyoming	Utah
1 Questar Gas Production (Exhibit 1.1)	2	\$343,430,865	\$12,083,516	\$331,347,349
2 Other Revenue's Credit (Exhibit 1.4, p 3)	2	(20,356,694)	(716,244)	(19,640,450)
3 Gathering (Exhibit 1.3, p 1) - Demand	1	10,350,036	311,514	10,038,522
4 Gathering - Commodity	2	9,640,016	339,181	9,300,835
5 Net Cost of Questar Gas Production		\$343,064,223	\$12,017,967	\$331,046,256
6 Questar Gas Contract Gas (Exhibit 1.2)	2	152,933,576	5,380,924	147,552,652
7 Injection / Withdrawal Adjustment (Exhibit 1.4, p 1)	2	1,197,978	42,150	1,155,827
8 Transportation (Exhibit 1.3, p 1) - Demand	1	62,426,926	1,878,920	60,548,006
9 Transportation - Commodity	2	549,970	19,351	530,619
10 Storage (Exhibit 1.3, p 2) - Demand	1	16,500,058	496,617	16,003,441
11 Storage - Commodity	2	556,250	19,571	536,679
12 Other Transportation - Commodity (Exhibit 1.3, p 1)	2	3,393,768	119,409	3,274,359
13 Working Gas Costs (Exhibit 1.3, p 2)	2	3,896,853	137,110	3,759,744
14 Totals		\$584,519,602	\$20,112,019	\$564,407,583

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1/ Allocation Factors		<u>Total</u>	<u>Wyoming</u>	<u>Utah</u>
#1 Peak Day Demand	Dth- Percent-	1,302,881 100.00%	39,214 3.01%	1,263,667 96.99%
#2 Commodity Sales - All	Dth- Percent-	114,511,810 100.00%	4,029,065 3.52%	110,482,745 96.48%

**TEST-YEAR GAS COST CHANGE**

	(A)	(B)	(C)	(D)	(E)	(F)
				Average Rate	x Dth	= Total
1	Utah Allocation of Questar Gas-Related Gas Costs (Exhibit 1.5) 1/					\$564,407,583
	Test-Year Sales:					
		Firm	+	Interruptible	=	Total Sales Dth
2	Utah	107,834,724		2,648,021		110,482,745
3	Wyoming	3,857,734		171,331		4,029,065
4	Total Dth					114,511,810
5	Supplier Non-Gas Costs 2/					<u>(\$99,517,719)</u>
6	Commodity Portion of Test-Year Gas Cost (Lines 1 + 5)					\$464,889,863

		Current Case 15-057-04	Prior Case 14-057-22	Difference
<b>FIRM CUSTOMER RATES</b>				
7	Gas Cost (line 6/ Firm Sales, line 2)	\$4.20781	\$4.63135	(\$0.42354)
8	191 Account Amortization (Commodity Portion) 3/	\$0.06294	\$0.41533	(\$0.35239)
9	Total Sales Unit Commodity Cost (Lines 7 + 8)	\$4.27075	\$5.04668	(\$0.77593)

1/ Exhibit 1.5, Line 14, Column E.

2/ Test Year Estimate of Transportation, Gathering, and Storage billings.

3/	191 Account (March 2015) actual	\$2,311,585		
	Less: Supplier Non-Gas balance actual	<u>(\$4,641,886)</u>		
	191 Account Commodity Portion	\$6,953,471	110,482,745	\$0.06294



**TEST-YEAR SUPPLIER NON-GAS COST CHANGE**

	(A)	(B)	(C)	(D)
		Dth	Average Rate	Total
1	Supplier Non-Gas (SNG) Costs 1/			\$99,517,719
2	191 Account Balance for SNG Costs 2/			<u>15,358,114</u>
3	Total			<u>\$114,875,833</u>
4	SNG Costs Recovered at Current Rates 3/			<u>90,832,446</u>
5	SNG Costs Adjustment to Current Rates (Line 3 - Line 4)			<u>\$24,043,387</u>
6a	Adjustment for SNG contributions from:			
6b	IS SNG current rate	2,648,021	\$0.17880	\$473,466
6c	IS SNG new rate	2,648,021	\$0.17880	\$473,466
7	Percent Change to Current Rates ((ln 3-ln 6c)-(ln 4-ln 6b))/(ln 4-ln 6b)			26.61 %

1/ Exhibit 1.6, Page 1, Line 5.

2/ March 2015 SNG Balance

Expected March 2015 SNG Balance

SNG Amortization

<u>SNG Balance</u>
(\$4,641,886)
<u>(\$20,000,000)</u>
\$15,358,114

3/ Output of Revrun.Exe computer program dated 3/23/2015

**TEST YEAR CHANGE IN SUPPLIER NON-GAS COSTS  
BY RATE CLASS**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Rate Class	Season	Current total 1/	Curr. Base 1/	Calc. Base 2/	Amortization 3/	Total 4/
1	GS	Winter	\$0.99133	\$1.05851	\$1.08662	\$0.16849	\$1.25511
2		Summer	\$0.46544	\$0.49698	\$0.51018	\$0.07911	\$0.58929
3	FS	Winter	\$0.96551	\$1.03094	\$1.05831	\$0.16411	\$1.22242
4		Summer	\$0.46544	\$0.49697	\$0.51018	\$0.07911	\$0.58929
5	NGV		\$0.71537	\$0.76385	\$0.78413	\$0.12159	\$0.90572
6	IS 5/		\$0.17880	\$0.17880	\$0.17880	\$0.00000	\$0.17880

1/ Current Questar Gas Tariff (excluding bad debt surcharge).

2/ Exhibit 1.6 page 2 (line 1 - line 6c)/(line 4 - line 6b)\*Exhibit 1.6 page 3 column C. (N.A. to line 6)

3/ Column G - Column E

4/ (Current Questar Gas rates) x (1+Exhibit 1.6, Page 2, Line 7, % change).  
(except ln. 6, which is calculated by adding QPC T-2 and ACA rates, then adjusting for distr. loss of 0.494%  
=  $(\$0.17652 + \$0.00140) / (1 - 0.00494) = \$0.17880$

5/ IS Tariff rate has an adjustment for bad debt of 0.25% =  $\$0.17880 / (1 - 0.00250) = \$0.17925$

**EFFECT ON GS TYPICAL CUSTOMER  
80 DTHS - ANNUAL CONSUMPTION**

	(A)	(B)	(C)	(D)	(E)	(F)
	Rate Schedule	Month	Usage In Dth	Billed at Current Rates Effective 2/1/2015	Billed at Proposed Rates 15-057-04	Change
1	GS	Jan	14.9	\$134.25	\$126.62	(\$7.63)
2		Feb	12.5	113.71	107.31	(6.40)
3		Mar	10.1	93.18	88.00	(5.18)
4		Apr	8.3	68.44	63.03	(5.41)
5		May	4.4	39.45	36.59	(2.86)
6		Jun	3.1	29.79	27.77	(2.02)
7		Jul	2.0	21.62	20.31	(1.31)
8		Aug	1.8	20.13	18.96	(1.17)
9		Sep	2.0	21.62	20.31	(1.31)
10		Oct	3.1	29.79	27.77	(2.02)
11		Nov	6.3	60.66	57.43	(3.23)
12		Dec	11.5	105.16	99.27	(5.89)
13		Total	80.0	\$737.80	\$693.37	(\$44.43)
					Percent Change:	(6.02) %

QUESTAR GAS COMPANY  
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LEGISLATIVE/PROPOSED RATE SCHEDULES

P.S.C. Utah No. 400  
Affecting All Firm Sales Rate Schedules  
and Classes of Service In  
Questar Gas Company's  
Utah Service Area

Date Issued: April 30, 2015  
To Become Effective June 1, 2015