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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE)	Docket No. 15-057-19
REPLACEMENT INFRASTRUCTURE)	QUESTAR GAS COMPANY'S
ANNUAL PLAN AND BUDGET)	REPLY COMMENTS
)	

Questar Gas Company (Questar Gas or Company) respectfully submits these Reply Comments to the Action Request Response issued by the Division of Public Utilities (Division) on December 14, 2015 in the above-referenced docket.

I. BACKGROUND

On November 16, 2015, the Company submitted its 2016 budget and plan to the Utah Public Service Commission (Commission) in accordance with section 2.07 of its Utah Natural Gas Tariff No. 400 (Tariff). On November 16, 2015, the Commission issued an Action Request asking the Division to review the filing for compliance and make recommendations. On December 16, 2015, the Division filed an Action Request Response recommending that the Commission acknowledge the Company's filing as compliant with paragraph 22.b. of the

Partial Settlement Stipulation in Docket No. 13-057-05 (Stipulation). The Company offers its response below.

II. DISCUSSION

The Company agrees with the Division that the originally-filed budget meets the regulatory requirements set forth in Stipulation and that, at this time, the Commission need only acknowledge that the Company has met the appropriate filing requirements. However, the Company seeks to address two items raised in the Division's Action Request Response.

The first refers to the total footage that will be replaced in 2016. As shown in the 2016 Plan and Budget (Exhibit 2, Page 1, Column S), the Company estimates that it will replace roughly 86,600 feet of high pressure feeder lines in 2016, not 160,468 feet (the total of 2015 and 2016 for these projects). The Company will also replace 51,900 feet of intermediate high pressure belt line footage in 2016 (Exhibit 2 page 2, column J), for a total of 138,500 feet, or just over 26 miles. This is roughly 1.7 miles less than anticipated in the 2015 Plan and Budget, not 10 miles more as suggested in the summary of the Division's memo.

Additionally, on page 3 of its Action Request Response, the Division indicated that, "It is noteworthy that the Company is replacing 56,889 LF of pipe that is arguably not aging infrastructure, but was originally installed after 1970." While the age of the pipe is an important factor to consider when scheduling replacement, it is not the only factor. Section 2.07 of the Company's Tariff states that, in addition to the age of the pipe, the Company will consider the performance of existing pipes (e.g. vintage steels, seams, welds and coatings), reconditioned pipe, operating and maintenance history, pipeline safety compliance, high consequence areas, high population areas, and other factors. See Tariff Section 2.07. In

addition to the broad categories of information delineated in the Tariff, the Company considers a number of more specific factors when determining a replacement schedule including risk score priority, remedial actions, permitting requirements, environmental requirements, local government requirements, efficiency considerations, real property and right-of-way acquisitions and other project-specific considerations. Though the Division appears concerned that some post-1970 pipe is scheduled to be replaced, the Company carefully considered each of those replacements and scheduled them based upon all of the available evidence and information, not solely the pipe's age.

In the case of FL 11, FL13, FL21 and FL34, the footage of Post-1970 pipe is very small and the replacement is occurring because it is more economical from a permitting and constructions standpoint to replace the entire line at once. In the case of FL 6, the Company is replacing three sections of pipe that were installed after 1970. The Company will replace two of the sections because they are 10" pipe and the replacement pipe is 12" pipe. Replacing theses sections will ensure that FL 6 will have a consistent 12" diameter and will be piggable. The Company is replacing the third section of post 1970 pipe in order to relocate the pipe away from the Wasatch fault line.

III. CONCLUSION

While age is an important factor, it is one of many criteria the Company considers when determining its infrastructure replacement schedule. The Company requests that the Commission acknowledge the proposed budget as meeting the requirements set forth in the Partial Settlement Stipulation in Docket 13-057-05.

DATED this 22nd day of December, 2015.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing was served upon the following by electronic mail on December 22, 2015:

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