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ATTORNEYS FOR NUCOR STEEL-UTAH, A DIVISION OF NUCOR CORPORATION

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Questar Gas Company's Filing to Comply with the Commission Order Issued on November 9, 2015 in Docket No. 14-057-31, Application of Questar Gas Company to Make Tariff Modifications to Charge Transportation Customers for Use of Supplier-Non-Gas Service

Docket No. 14-057-31
Docket No. 15-057-T06

NUCOR'S COMMENTS ON QUESTAR GAS COMPANY'S COMPLIANCE FILING DATED NOVEMBER 23, 2015, ALTERNATIVELY NUCOR'S REQUEST FOR RECONSIDERATION

Nucor Steel – Utah, a Division of Nucor Corporation (“Nucor”) respectfully submits these Comments on the tariff modifications filed by Questar Gas Company (“Questar”) in the referenced docket on November 23, 2015 (“Tariff”). The Tariff implements an imbalance charge of \$0.08896 per Dth to be applied to daily volumes outside of a 5 percent tolerance applicable to Transportation Customers taking service under the MT, TS and MT-1 rate schedules, per the November 9, 2015 Order of the Public Service Commission of Utah (“Commission”) in Docket No. 14-057-31 (“Order”).¹ The Order directed Questar to file revised tariff sheets within 14 days of the Order reflecting the Commission’s decision and containing a

¹ Order, Docket No. 14-057-31 (November 9, 2015) at 38.

proposed effective date.² Questar's Tariff specifies a February 1, 2016, effective date. Nucor respectfully requests that the Commission postpone Questar's effective date for three months to avoid instituting imbalance measures during the traditionally most difficult months of the year.

Winter is the Worst Time of the Year to Start Requiring Daily Balancing

The Order clearly indicated that, going forward, Transportation Customers will need to manage their daily nominations more closely in order to avoid having to pay a Supplier Non-Gas reimbursement charge.³ Nucor understands the concerns underlying the Commission's Order, but also requests that the Commission not permit Questar to initiate the daily imbalance charge literally in the midst of winter. There are many variables that can interfere with natural gas supply in the winter months – many of them beyond the control of Transportation Customers, especially those without experience with daily balancing. While careful planning going forward will be a concern for all Transportation Customers, imposing the requirement (and the need to learn how to deal with it) for the first time mid-winter is unnecessarily harsh. This will be especially true if the winter months wreak havoc with supply and capacity.

The Commission Should Delay Implementation of the New Charge Until the Spring

For these very practical reasons, Nucor respectfully requests that the Commission to delay implementation of the Tariff until May 1, 2016.⁴ The Commission did not specify an effective date in its Order, giving Questar instructions to include "a proposed effective date."⁵ Nucor is well aware of the Commission's expectation to incentivize Transportation Customers to keep their daily nominations realistic. Nucor believes the best approach to implementing these

² *Id.*

³ *Id.* at 27.

⁴ At least until April 1, 2016, to avoid the worst of winter.

⁵ Order, Docket No. 14-057-31 (November 9, 2015) at 38.

new measures would be to give Transportation Customers sufficient time to adjust their daily practices and an opportunity to learn best practices during any season but the most difficult season of the year – winter.

We are authorized to represent that Intervenors Utah Association of Energy Users (UAE), US Magnesium, LLC, CIMA Energy Ltd., and Continuum Retail Energy Services, LLC support these comments alternatively request for reconsideration.

DATED this 8th day of December, 2015.

Respectfully submitted,

/s/ Jeremy R. Cook

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served *via* email this 8th day of December, 2015, to the following:

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I further certify that a true and correct copy of the foregoing was served via hand-delivery this 8th day of December, 2015, to the following:

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