

TEST YEAR PURCHASED GAS COSTS

	(A)	(B)	(C)	(D)
	Component	Dth	Cost per Dth	Total Cost
1	Current Contracts			\$70,499,440
2	Stabilization Costs			<u>0</u>
3	Total Current Contracts	20,680,000	\$3.40906	\$70,499,440
4	Forecast Spot	28,221,609	\$2.96819	83,767,108
5	Future Contracts	0	\$0.00000	0
6	Total Gas Purchased	48,901,609	\$3.15463	<u><u>\$154,266,548</u></u>

TEST YEAR TRANSPORTATION, GATHERING AND PROCESSING CHARGES

(A)	(B) Fctr	(C) Dth	(D) Months/Days	(E) Rate	(F)	(G) Total Costs
<u>TRANSPORTATION DEMAND</u>						
QPC Demand						
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						(9,659)
5						<u>\$58,023,293</u>
Kern River Demand						
6		1,885	x 12	x \$17.69338	=	\$400,224
7		3,000	x 12	x \$14.30800	=	515,088
8		50,000	x 5	x \$14.30800	=	3,577,000
9		27,625	x 5	x \$5.53667	=	<u>764,752</u>
10						<u>\$5,257,064</u>
11						\$63,280,357
<u>TRANSPORTATION COMMODITY</u>						
12		116,265,200		x \$0.00267	=	\$310,428
13		128,792,934		x \$0.00130	=	167,431
Kern River Commodity						
14	0.93	x 4,885	x 365	x \$0.00440	=	\$7,278
15	0.93	x 50,000	x 151	x \$0.00440	=	30,817
16	0.93	x 27,625	x 151	x \$0.00310	=	<u>11,996</u>
17						<u>\$50,091</u>
18						\$527,950
<u>OTHER CHARGES</u>						
19						\$12,245,844
20						<u>6,303,902</u>
21						\$18,549,746 1/
22						\$4,355,384
23						2,197,793
24						<u>3,854,668</u>
25						\$10,407,845
26						<u>\$92,765,898</u>

1/ See paragraph 7c in application.

TEST YEAR STORAGE AND WORKING GAS CHARGES

	(A)	(B)	(C)	(D)	(E)	(F)
<u>STORAGE CHARGES</u> 1/						
	Component	Dth	Months	Rate		Total Costs
Storage Demand						
1	Peaking Demand	184,625	x 12	x \$2.87375	=	\$6,366,793
2	Clay Basin Demand	111,827	x 12	x \$2.85338	=	3,829,019
3	Clay Basin Capacity	13,419,000	x 12	x \$0.02378	=	<u>3,829,246</u>
4	Total Demand Charges (SNG)					\$14,025,058
Storage Commodity 2/						
5	Peaking Injections	1,148,751	x	\$0.03872	=	\$44,480
6	Peaking Withdrawals	1,063,405	x	\$0.03872	=	41,175
7	Clay Basin Injections	14,904,530	x	\$0.01049	=	156,349
8	Clay Basin Withdrawals	13,478,111	x	\$0.01781	=	<u>240,045</u>
9	Total Commodity Charges					\$482,049
10	Total Storage Charges					\$14,507,107

WORKING GAS CHARGES - QGC Account 164

	Month	Amount	Pre-Tax Return %			
11	Aug-15	\$55,069,785				
12	Sep-15	68,899,212				
13	Oct-15	68,125,005				
14	Nov-15	50,875,669				
15	Dec-15	43,864,861				
16	Jan-16	31,528,329				
17	Feb-16	21,185,729				
18	Mar-16	7,159,515				
19	Apr-16	3,455,713				
20	May-16	11,147,739				
21	Jun-16	23,044,903				
22	Jul-16	39,135,538				
23	Aug-16	<u>52,516,755</u>				
24	12-Month Average 3/	\$35,184,624	x	10.79%	=	<u>\$3,796,421</u>
25	TOTAL FIRM STORAGE AND WORKING GAS CHARGES					<u>\$18,303,528</u>

1/ QPC Tariff included in Exhibit 1.9.
2/ Questar Gas planned volumes.
3/ (½ of Line 11 + sum of Lines 12 through 22 + ½ of Line 23) / 12

SUMMARY OF TEST-YEAR GAS RELATED COSTS AND REVENUES CREDITS

	(A) Component	(B) Costs	(C) Dth 1/	(D) \$ per Dth
WEXPRO I				
1	Questar Gas Production 2/	\$290,420,438		
2	Wexpro I Revenue Sharing Credits 3/	<u>(18,787,754)</u>		
3	Net Questar Gas Production Costs	\$271,632,684	57,787,048	\$4.70058
4	Gathering 4/	20,747,539		
5	Total Wexpro I Cost of Production	\$292,380,224	57,787,048	\$5.05962
WEXPRO II				
6	Wexpro II Production 5/	\$43,697,238		
7	Wexpro II Revenue Sharing Credits 6/	<u>(1,305,487)</u>		
8	Net Cost of Wexpro II Production	\$42,391,751	9,660,491	\$4.38816
9	Gathering 7/	4,355,384		
10	Total Wexpro II Cost of Production	\$46,747,135	9,660,491	\$4.83900
11	Sales of Cost-of-Service Gas 8/	-	0	\$0.00000
12	Total Cost-of-Service Production	\$339,127,359	67,447,539	\$5.02802
13	Questar Gas Contract Gas 9/	154,266,548	48,901,609	\$3.15463
14	Injection / Withdrawal Adjustment 10/	(3,761,271)		
15	Transportation & Other Costs 11/	67,662,975	128,792,934	\$0.52536
16	Storage & Working Gas 12/	18,303,528		
17	Questar Gas - Related Gas Costs for Rate Purposes 13/	\$575,599,139	111,654,926	\$5.15516

1/ Estimated into-pipe volumes used for Wexpro dths.
2/ Exhibit 1.1, Page 18, Line 1386, Column H.
3/ Exhibit 1.4, Page 3, Line 8.
4/ Exhibit 1.3, Page 1, Lines 21 + 23.
5/ Exhibit 1.1, Page 21, Line 1570, Column H.
6/ Exhibit 1.4, Page 3, Line 16.
7/ Exhibit 1.3, Page 1, Line 22.
8/ Exhibit 1.4, Page 3, Line 17.
9/ Exhibit 1.2, Line 6.
10/ Exhibit 1.4, Page 2, Line 6.
11/ Exhibit 1.3, Page 1, Lines 11 + 18 + 24.
12/ Exhibit 1.3, Page 2, Line 25.
13/ 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/	67,447,539	\$5.02802	\$339,127,359
2 Purchased Gas 2/	48,901,609	\$3.15463	154,266,548
3 Average Price	116,349,148	\$4.24063	\$493,393,907
Storage 3/			
4 Withdrawals	14,541,515	\$4.88848	\$71,085,860
5 Injections	(16,053,280)	\$4.66242	(74,847,131)
6 Storage Adjustment			(\$3,761,271)

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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 Oct 2017
WEXPRO I				
1	483	Sales for Resale		\$2,934,782
2	490	Plant By-Product		3,053,673
3	492	Gasoline and Oil Sales	\$404,502	
4	758-1	Gasoline and Oil Cost	<u>(66,702)</u>	
5		Net Gasoline and Oil Sales		337,800
6	495-1	Overriding Royalty Revenue from Questar E & P		12,461,499
7	495-2	Oil Revenue Received from Wexpro		0
8		Total Wexpro I		<u>\$18,787,754</u>
WEXPRO II				
9	483	Sales for Resale		\$0
10	490	Plant By-Product		597,886
11	492	Gasoline and Oil Sales	\$895,716	
12	758-1	Gasoline and Oil Cost	<u>(150,544)</u>	
13		Net Gasoline and Oil Sales		745,172
14	495-1	Overriding Royalty Revenue from Questar E & P		0
15	495-2	Oil Revenue Received from Wexpro		(37,571)
16		Total Wexpro II		<u>\$1,305,487</u>
17		Sales of Cost-of-Service Gas		0
18		Grand Total (Line 8 + Line 16 + Line 17)		<u>\$20,093,241</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	\$334,117,676	\$12,319,744	\$321,797,932
2 Other Revenue's Credit (Exhibit 1.4, p 3)	2	(20,093,241)	(740,887)	(19,352,354)
3 Gathering (Exhibit 1.3, p 1) - Demand	1	12,245,844	339,549	11,906,295
4 Gathering - Commodity	2	12,857,079	474,072	12,383,007
5 Net Cost of Questar Gas Production		\$339,127,359	\$12,392,479	\$326,734,880
6 Questar Gas Contract Gas (Exhibit 1.2)	2	154,266,548	5,688,189	148,578,359
7 Injection / Withdrawal Adjustment (Exhibit 1.4, p 1)	2	(3,761,271)	(138,687)	(3,622,584)
8 Transportation (Exhibit 1.3, p 1) - Demand	1	63,280,357	1,754,621	61,525,736
9 Transportation - Commodity	2	527,950	19,467	508,483
10 Storage (Exhibit 1.3, p 2) - Demand	1	14,025,058	388,883	13,636,175
11 Storage - Commodity	2	482,049	17,774	464,275
12 Other Transportation - Commodity (Exhibit 1.3, p 1)	2	3,854,668	142,131	3,712,537
13 Working Gas Costs (Exhibit 1.3, p 2)	2	3,796,421	139,983	3,656,437
14 Totals		\$575,599,139	\$20,404,840	\$555,194,299

1/ Allocation Factors		<u>Total</u>	<u>Wyoming</u>	<u>Utah</u>
#1 Peak Day Demand	Dth- Percent-	1,316,588 100.00%	36,506 2.77%	1,280,082 97.23%
#2 Commodity Sales - All	Dth- Percent-	111,654,926 100.00%	4,116,993 3.69%	107,537,933 96.31%

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/					\$555,194,299
	Test-Year Sales:		Firm	+	Interruptible	= Total Sales Dth
2	Utah		106,955,318		582,615	107,537,933
3	Wyoming		3,975,876		141,117	4,116,993
4	Total Dth					111,654,926
5	Supplier Non-Gas Costs 2/					<u>(\$103,510,975)</u>
6	Commodity Portion of Test-Year Gas Cost (Lines 1 + 5)					\$451,683,324

		Current Case 16-057-09	Prior Case 16-057-05	Difference
FIRM CUSTOMER RATES				
7	Gas Cost (line 6/Total Sales Dth, line 4)	\$4.20022	\$4.07582	\$0.12440
8	191 Account Amortization (Commodity Portion) 3/	(\$0.23260)	(\$0.17731)	(\$0.05529)
9	Total Sales Unit Commodity Cost (Lines 7 + 8)	\$3.96762	\$3.89851	\$0.06911

1/ Exhibit 1.5, Line 14, Column E.

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

3/ 191 Account (August 2016) actual **(\$13,433,410)**
Less: Supplier Non-Gas balance actual **\$11,579,903**
191 Account Commodity Portion **(\$25,013,313)** 107,537,933 **(\$0.23260)**
See Application, paragraph 11.

TEST-YEAR SUPPLIER NON-GAS COST CHANGE

	(A)	(B)	(C)	(D)
		Dth	Average Rate	Total
1	Supplier Non-Gas (SNG) Costs 1/			\$103,510,975
2	191 Account Balance for SNG Costs 2/			3,898,025
3	Total			\$107,409,000
4	SNG Costs Recovered at Current Rates 3/			107,562,174
5	SNG Costs Adjustment to Current Rates (Line 3 - Line 4)			(\$153,174)
6a	Adjustment for SNG contributions from:			
6b	IS SNG current rate	582,615	\$0.17880	\$104,172
6c	IS SNG new rate	582,615	\$0.17877	\$104,154
7	Percent Change to Current Rates ((ln 3-ln 6c)-(ln 4-ln 6b))/(ln 4-ln 6b)			(0.14) %

1/ Exhibit 1.6, Page 1, Line 5.

2/ Spring pass-through SNG amortization from Docket No. 16-057-05 \$ 3,898,025
Amortization will be adjusted in the 2017 spring pass-through.

3/ Output of Revrun.Exe computer program dated 8/31/2016

**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	\$1.18715	\$1.14407	\$1.14239	\$0.04307	\$1.18546
2		Summer	\$0.55738	\$0.53715	\$0.53637	\$0.02022	\$0.55659
3	FS	Winter	\$1.15623	\$1.11427	\$1.11264	\$0.04194	\$1.15458
4		Summer	\$0.55738	\$0.53715	\$0.53637	\$0.02022	\$0.55659
5	NGV		\$0.85667	\$0.82558	\$0.82437	\$0.03108	\$0.85545
6	IS 5/		\$0.17880	\$0.17880	\$0.17877	\$0.00000	\$0.17877

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 0.530%
= $(\$0.17652 + \$0.00130) / (1 - 0.00530) = \0.17877

5/ IS Tariff rate has an adjustment for bad debt of 0.25% = $\$0.17877 / (1 - 0.00250) = \0.17922

**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 6/1/2016	Billed at Proposed Rates 16-057-09	Change
1	GS	Jan	14.9	\$124.25	\$125.26	\$1.01
2		Feb	12.5	105.32	106.17	0.85
3		Mar	10.1	86.40	87.08	0.68
4		Apr	8.3	61.39	61.95	0.56
5		May	4.4	35.71	36.01	0.30
6		Jun	3.1	27.16	27.37	0.21
7		Jul	2.0	19.92	20.05	0.13
8		Aug	1.8	18.60	18.72	0.12
9		Sep	2.0	19.92	20.05	0.13
10		Oct	3.1	27.16	27.37	0.21
11		Nov	6.3	56.43	56.86	0.43
12		Dec	11.5	97.44	98.21	0.77
13		Total	80.0	\$679.70	\$685.10	\$5.40
14					Percent Change:	0.79 %