

APPLICATION OF QUESTAR GAS)
COMPANY FOR A TARIFF CHANGE) Docket No. 16-057-12
AND ADJUSTMENT TO THE)
LOW INCOME ASSISTANCE/) APPLICATION
ENERGY ASSISTANCE RATE)

All communications with respect to
these documents should be served upon:

Jenniffer N. Clark (7947)
Attorney for the Applicant

333 South State Street
P.O. Box 45433
Salt Lake City, Utah 84145-0433
(801) 324-5392

APPLICATION
AND
EXHIBITS

September 29, 2016

Jennifer N. Clark (7947)
Questar Gas Company
333 South State Street
P.O. Box 45433
Salt Lake City, UT 84145-0433
(801) 324-5392
(801) 324-5935 (fax)

jennifer.clark@questar.com

Attorney for Questar Gas Company

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>IN THE MATTER OF THE APPLICATION OF QUESTAR GAS COMPANY FOR A TARIFF CHANGE AND ADJUSTMENT TO THE LOW INCOME/ ENERGY ASSISTANCE RATE</p>	<p>Docket No. 16-057-12</p> <p>APPLICATION FOR AN ADJUSTMENT TO THE ENERGY ASSISTANCE PROGRAM RATE</p>
---	---

Questar Gas Company respectfully submits this Application for an adjustment to the Low Income/Energy Assistance credit, and a modification to the distribution non-gas (DNG) cost portions of its Utah natural gas rates, pursuant to §8.03 of the Company's Utah Natural Gas Tariff No. 400 (Tariff).

If the Utah Public Service Commission (Commission) grants this application, typical residential customers using 80 Dth per year will see a decrease in their yearly bills of approximately \$0.16. The Company proposes to implement this request by charging the new rates effective November 1, 2016.

In support of this application, Questar Gas states:

1. Questar Gas' Operations. Questar Gas, a Utah corporation, is a public utility engaged in the distribution of natural gas primarily to customers in the states of Utah and Wyoming. Its Utah public utility activities are regulated by the Commission, and the Company's rates, charges, and general conditions for natural gas service in Utah are set forth in the Tariff. Copies of the Company's Articles of Incorporation are on file with the Commission. In addition, the Company serves customers in the Preston, Idaho area. Under the terms of an agreement between the Commission and the Idaho Public Utilities Commission, the rates for these Idaho customers are determined by the Utah Commission. Volumes for these customers have been included in the Utah volumes.

2. Background: In the Report and Order dated July 29, 2010 in Docket 10-057-08, approving the Application of Questar Gas Company for a Tariff Change Implementing a Low-Income Assistance Program (Order), the Commission authorized Questar Gas to establish a balancing account, Account 191.8 of the Uniform System of Accounts, in which to record the debits and credits associated with the approved Low Income / Energy Assistance Program. This filing is made under the subsection Energy Assistance Fund in section §8.03 of the Tariff, which sets forth procedures for recovering the costs associated with the Low Income / Energy Assistance Fund by means of periodic adjustments to maintain the \$1.5 million target funding level. In its approved application in Docket 10-057-08, the Company stated, "Questar Gas also respectfully requests that the dollars collected and the costs associated with the Low-Income Assistance Program to be recorded in account number 191.8, and be subject to adjustment at least annually to ensure that the target funding level of \$1.5 million is maintained."

3. Adjustment of Account 191.8 Balance. Exhibit 1.1 is a summary of the accounting entries and monthly balances for the low income program. The collections, payouts, administrative charges and interest are shown on a month by month basis in columns B through E. During the period ending July 2016 (Exhibit 1.1, Line 20) the Company under collected \$7,049 from customers on a cumulative basis since the beginning of the program. Hence, this under collection has been added to the allowed amount of \$1,500,000 so that \$1,507,049 will be collected from customers during the test period (line 22).

In this Application Questar Gas is proposing to increase the credit from \$61.50 to \$70.00 for customers in the upcoming heating season¹. On September 6, 2016 Questar Gas met with interested parties including representatives from the Division of Public Utilities and the Office of Consumer Services, and those in attendance determined it was appropriate to increase the credit to \$70.00. The credit is calculated by using an estimated 25,757 participants in the upcoming heating season. This estimation is determined by averaging the actual participants from the prior three years, 2014, 2015 and 2016. The projected payout fund calculation is \$1,792,748 divided by the 25,757 customers to equal the rounded \$70.00 credit available to qualifying customers.

Exhibit 1.2 shows a breakdown and proposal to collect those rates by the applicable class. Column D illustrates the revenue responsibility by class. This revenue responsibility is divided by the test period volumes to calculate a rate. Pursuant to Utah Code Ann. § 54-7-13.6, those customers qualifying for program benefits are not charged the surcharge and, therefore, volumes attributable to program participants have been removed from the

¹ Questar Gas' participation level in the Low Income Program has been declining since 2013, this decline in participants results in a higher credit amount available to participants in the upcoming heating year.

calculation. The rate calculation also takes into account the program and statutory requirement that no individual customer will be assessed more than \$50 per month for the program (Columns G and H). The total projected revenue by class is shown in column I.

4. Proposed Tariff Sheets. Exhibit 1.3 shows the proposed tariff sheets. The program will continue to provide eligible customers with a one-time credit on their monthly bill after the Company receives notification of the customer's qualification.

5. Final Tariff Sheet. In addition to this Low Income Assistance/Energy Assistance application, the Company is also concurrently filing an application for Questar Gas to change the commodity portion of rates in Docket No. 16-057-09, an application for a tariff change and adjustment to the Conservation Enabling Tariff rate in Docket No. 16-057-10, an Infrastructure Replacement application in Docket No. 16-057-13, a Demand Side Management Application in Docket No. 16-057-11, and a Transportation Imbalance Charge Application in Docket No. 16-057-14. The Company is asking that these applications be made effective November 1, 2016. Exhibit 1.5 shows the proposed GS rate schedule that reflects the final tariff sheet that would be effective if the Commission approved all of these Applications.

6. Exhibits. Questar Gas submits the following Exhibits in support of its request to adjust the Low Income balancing account:

- Exhibit 1.1 Account 191800 UT/ID Low Income Credit/Charge
- Exhibit 1.2 Energy Assistance Allocation and Rate Design
- Exhibit 1.3 Proposed Rate Schedules
- Exhibit 1.4 Effect on GS Typical Customer
- Exhibit 1.5 Combined Legislative and Proposed Rate Schedules for Low Income Assistance/Energy Assistance, CET Amortization, Infrastructure, Demand Side Management, Transportation

Imbalance Charge and Commodity Rate Adjustment
changes

WHEREFORE, Questar Gas respectfully requests the Commission, in accordance with the Order approving the Implementation of a Low-Income Assistance and the Company's Tariff:

1. Enter an order authorizing Questar Gas to implement rates and charges applicable to its Utah natural gas service that reflect an adjustment for each rate class, as more fully described in this Application; and

2. Authorize Questar Gas to implement its rates effective November 1, 2016.

DATED this 29th day of September, 2016.

Respectfully submitted,

QUESTAR GAS COMPANY

Jenniffer N. Clark (7947)
Attorney for Questar Gas Company
333 South State Street
P.O. Box 45433
Salt Lake City, Utah 84145-0433
(801) 324-5392

QUESTAR GAS COMPANY
333 South State Street
P. O. Box 45433
Salt Lake City, Utah 84145-0433

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: September 29, 2016
To Become Effective: November 1, 2016
Low Income Assistance/Energy Assistance Only

QUESTAR GAS COMPANY
333 South State Street
P. O. Box 45433
Salt Lake City, Utah 84145-0360

COMBINED 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: September 29, 2016
To Become Effective: November 1, 2016
Low Income Assistance/Energy Assistance, CET Amortization, Commodity Rate Adjustment Changes,
Demand Side Management, Transportation Imbalance Charge and Infrastructure Replacement