



State of Utah  
Department of Commerce  
Division of Public Utilities

FRANCINE GIANI  
*Executive Director*

THOMAS BRADY  
*Deputy Director*

CHRIS PARKER  
*Director, Division of Public Utilities*

GARY HERBERT.  
*Governor*  
SPENCER J. COX  
*Lieutenant Governor*

## ACTION REQUEST RESPONSE

### To: **Public Service Commission**

From: Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Doug Wheelwright, Technical Consultant  
Eric Orton, Technical Consultant

Date: May 30, 2017

Subject: Initial Comments Regarding Docket No. 17-057-05.

In the Matter of Questar Gas Company's Quarterly Integration Progress Reports.

---

### RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the receipt of the first Integration Progress Report (Report) submitted by Questar Gas Company (Company).

### BACKGROUND

On April 17, 2017, the Company submitted its progress report letter to the Commission and its attached Integration Progress Report. On April 21, 2017, the Commission issued its Notice of Filing and Comment Period, with initial comments due June 5, 2017, and reply comments due by June 19, 2017. These are the Division's initial comments.

## **DISCUSSION**

On January 31, 2016, Dominion Resources (Dominion) and Questar Corporation (Applicants) signed a merger agreement. On March 3, 2016, the Applicants petitioned the Commission for approval of the proposed merger. On August 22, 2016, the Commission held a hearing regarding the joint stipulation and heard testimony supporting the proposed stipulation. On September 14, 2016, the Commission issued its written order approving the stipulation and thereby the merger.

One part of the stipulation (paragraph 36) addresses reporting to the Commission on “planned and accomplished” tasks related to the merger. Year-end 2016 was to be reported to the Commission by April 15, 2017, with quarterly reports thereafter until the conclusion of the next general rate case. The Company’s letter and attachments meet the requirements for this report.

## **CONCLUSION**

The Division finds that the Company has materially met its requirement to report to the Commission its merger progress as required in paragraph 36 of the Stipulation. Therefore, the Division recommends the Commission acknowledge receipt of the Report.

The Division notes that this recommendation should not be construed in anyway as an endorsement or preapproval that these costs or actions are prudent, necessary or in the public interest. These issues will be addressed in the next general rate case.

CC:           Barrie McKay, Questar Gas Company  
              Kelly Mendenhall, Questar Gas Company  
              Michele Beck, Office of Consumer Services