

APPENDIX A

Scenario Analysis

Cost-of-Service Production vs. Demand

SCENARIO ANALYSIS

The Utah Commission, in its Report and Order issued October 22, 2013 concerning the Company's 2013 IRP, required the Company to provide a scenario analysis for future IRPs that includes varying percentages of cost-of-service gas with varying levels of the Company demand (e.g., low, normal and high).⁷⁹

The tables below illustrate different scenarios that may occur with differing levels of cost-of-service gas and demand. The first table shows the estimated annual volume of cost-of-service gas that would be shut in under different scenarios. The second table shows the anticipated total annual costs under different scenarios. The cost differences are, in part, a result of estimated shut-in costs when cost-of-service gas exceeds demand as well as the cost of having to replace cost-of-service gas (with purchased gas) when demand exceeds the amount of cost-of-service gas available.

Annual Shut-in Production (Thousands of Dekatherms)

	Demand		
	One Standard Deviation Warmer	Normal Temperatures	One Standard Deviation Colder
Cost-of- service gas			
Low 10%	0.0	0.0	0.0
IRP Forecast	113.5	0	0.0
High 10%	3,551.3	602.2	443.2

Total Annual Production Costs (Millions of Dollars)

	Demand		
	One Standard Deviation Warmer	Normal Temperatures	One Standard Deviation Colder
Cost-of- service gas			
Low 10%	\$533.1	\$609.0	\$698.7
IRP Forecast	\$533.4	\$607.3	\$696.1
High 10%	\$538.4	\$607.8	\$694.2

⁷⁹ In the Matter of Questar Gas Company's Integrated Resource Plan for Plan Year: June 1, 2013 to May 31, 2014, The Public Service Commission of Utah, Report and Order, Docket No. 13-057-04, Issued: October 22, 2013.