

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Verified Application of)
Questar Gas Company for Approval of Terms of)
Gas Service to Customers in Wales)

DOCKET NO. 00-057-07

ORDER

ISSUED: October 3, 2000

SYNOPSIS

On September 5, 2000, Questar Gas Company (QGC or Company) filed an application requesting Commission approval of a specific Extension Area Charge (EAC) to extend natural gas service to customers in Wales, Utah, in accordance with its New Service Extension Area Tariff § 7.01. The Commission finds that QGC has met the requirements established by its tariff and grants approval of its application for an EAC for Wales, Utah.

By The Commission:

FINDINGS OF FACT

QGC is a public utility engaged in the distribution of natural gas to customers in the State of Utah. Its Utah public utility activities are regulated by this Commission and conducted in accordance with the Company's tariff which is on file with this Commission.

QGC applied to this Commission for approval of a specific EAC for customers in Wales, Utah, in accordance with its New Service Extension Area Tariff § 7.01.

QGC states that in August, 1998, it canvassed prospective customers in Wales and found that approximately 89% desired to receive natural gas service and would agree to pay an EAC of \$17.00 in conjunction with GS-1 rates.

The Company states in its application that with an EAC of \$17.00 per month the construction costs of extending natural gas service to Wales will be recouped.

To facilitate bringing natural gas to Wales, QGC proposes adding Wales to the EAC provision in its tariff Section 8.03. QGC proposes a monthly EAC of \$17.00 for both residential and commercial customers with an additional \$1.7739 per decatherm charge (as corrected by the Division of Public Utilities) for commercial customers of decatherm usage above 45 per month. QGC projects that these charges will apply for 15 years, which would recoup on a present value basis approximately \$109,000. When the present value of the EAC equals this amount, QGC will cease collecting the EAC for Wales.

QGC has sent a copy of its application to all interested persons, which persons include representatives of the Division of Public Utilities, and the Committee of Consumer Services. QGC represented that its application would not likely be contested or opposed by any persons affected by the application.

The Division of Public Utilities, by memorandum dated September 13, 2000, recommended that the EAC for Wales be approved as requested with expedited approval so that construction can begin before the winter season.

The Commission notes that QGC's application does not request an increase or decrease in rates, but merely seeks application of its currently tariffed EAC provisions to customers in a new service territory, and that the application is uncontested.

We find QGC's proposal just and reasonable and in the public interest of extending natural gas service to outlying areas in the state of Utah.

ULTIMATE FINDINGS AND CONCLUSIONS

The Commission has proper jurisdiction over the applicant and the subject matter of the application.

QGC has shown that its EAC for Wales is a just and reasonable charge. The Commission finds that the EAC will effectively bring natural gas service to the citizens of Wales, which might not otherwise be economically feasible.

The Commission grants QGC's application under Utah Code Annotated § 63-46(b)-5 and Commission Rule 746-110-1, which allows for matters unlikely to be opposed or contested to be adjudicated informally and allows the Commission, for good cause shown, to enter a final order without a formal hearing.

ORDER

Now, therefore, it is hereby ordered that QGC Gas Company's Application for Approval of an Extension Area Charge for Wales, Utah, is approved.

Dated at Salt Lake City, Utah, this 3rd day of October, 2000.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary