

- BEFORE THE UTAH PUBLIC SERVICE COMMISSION -

In the Matter of the Application of)
Questar Gas Company to Adjust)
Rates for Natural Gas Service in)
Utah)

DOCKET NO. 00-057-10
REPORT AND ORDER

ISSUED: January 4, 2001

By the Commission:

On December 19, 2000, Questar Gas Company ("QGC" or the "Company") filed with the Commission an application requesting approval to increase its natural gas rates because of an increase in natural gas prices. The application requested a \$168,031,000 increase in the commodity portion, and a \$1,190,000 decrease in the supplier non-gas portion and the transfer of GRI costs pursuant to Docket No. 99-057-20. The net effect of the proposed adjustments would be an increase in rates of \$167,490,000 annually. The proposed rate increase would result in an annual increase of \$201.10 (or about 29%) to the typical GS-1 customer using 115 decatherms per year.

The Division of Public Utilities (the "Division") has made an initial review of the Company's application. In its December 27, 2000 memorandum, the Division recommended that the requested rate increase be put into effect on an interim basis effective January 1, 2001, to keep retail rates in line with wholesale gas costs the Company is incurring. The Division recommended that a hearing be held in January so that the Commission can be kept abreast of where spot prices of gas are going in the immediate future. The Division noted that a full hearing process could also be used as a forum for the Commission to accept public comment regarding this large increase.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. The rates and charges as outlined in the Company's Application be implemented on an interim basis effective January 1, 2001; and
2. Notice is hereby given that a scheduling conference before the Commission will be held, commencing at 9:30 a.m., on January 12, 2001, in the Hearing Room 426, Heber M. Wells Building, 160 East 3rd South, Salt Lake City, Utah 84111. The scheduling conference will be used to initially identify areas of inquiry and to set a procedural schedule for this docket; including a final hearing date and time(s) for public witness comment. The Commission requests that parties planning to participate in the proceedings before the Commission submit a memorandum describing the matters or issues which they anticipate addressing. The memorandum should be filed with the Commission on or before January 11, 2001.
3. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during the hearing should notify Julie Orchard, Commission Secretary, at 160 East 300 South, Salt Lake City, Utah, (801) 530-6713, at least three working days prior to the proceeding.

DATED at Salt Lake City, Utah this 4th day of January, 2001.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard, Commission Secretary