

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Pass-Through Application)
of Questar Gas Company to Adjust Prices for an) DOCKET NO. 06-057-09
Overall Decrease in Rates for Natural Gas)
Service in Utah) INTERIM ORDER
)

ISSUED: November 1, 2006

SYNOPSIS

Based upon forecasted projections of a decrease in gas prices in the Rocky Mountain region, the Commission approves on an interim basis the pass-through Application filed in this docket requesting a decrease in Utah gas costs of \$104,329,000 effective November 1, 2006.

By The Commission:

On October 5, 2006, Questar Gas Company (Questar Gas) submitted a pass-through Application in the above-entitled docket requesting a decrease of \$104,329,000, which includes a decrease of \$118,421,000 in the commodity rates, and an increase of \$14,092,000 in the supplier non-gas portion of rates, to become effective November 1, 2006. The requested decrease is based on the forecast of Global Insights' September 2006 forecast of purchased gas prices. This forecast projects a decrease in gas prices in the Rocky Mountain region. Another reason for this decrease is the amortization of the over-collected balance in the 191 Account. Typical residential customers using 115 decatherms per year will see a decrease in their yearly bills of \$117.72 (or 10.45%).

Pursuant to notice, on October 25, 2006, a hearing was held before the Commission. Questar Gas Company was represented by Colleen Larkin Bell; the Division of Public Utilities was represented by Michael Ginsberg, Assistant Attorney General; and the Committee of Consumer Services was represented by Paul Proctor, Assistant Attorney General. Testimony

was received from Barrie L. McKay, on behalf of Questar Gas and Marlin H. Barrow, on behalf of the Division.

All parties recommend approval of the rate decrease. Alternatives for amortizing the over-collected balance were presented and discussed at hearing. Desiring to preserve rate stability and predictability, the Commission finds no compelling reason to depart from its traditional method of amortizing 191 Account balances. Based upon the information filed with and testimony presented to the Commission, we grant the requested decrease of rates on an interim basis. The interim rates shall become effective November 1, 2006.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that the proposed rate decrease of \$104,329,000, which includes a decrease of \$118,421,000 in the commodity rates, and an increase of \$14,092,000 in the supplier non-gas portion of rates, requested by Questar Gas Company, is approved on an interim basis effective November 1, 2006.

DATED at Salt Lake City, Utah this 1st day of November, 2006.

/s/ Ric Campbell, Chairman

/s/ Ted Boyer, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#51232