

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Petition of Questar Gas )  
Company for an Investigation and )  
Determination of Right of U.S. Magnesium, )  
LLC, to Preferential Service under Main )  
Extension Agreement )  
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DOCKET NO. 07-057-06  
ORDER DISMISSING PETITION

ISSUED: April 3, 2008

By the Commission:

On September 11, 2007, Questar Gas Company (“Questar Gas”) filed a Petition for Investigation and Determination of Right to Preferential Service (“Petition”) seeking a determination whether U S Magnesium, LLC (“US Magnesium”) was entitled to preferential service under the Main Extension Agreement (“Agreement”) entered into between Mountain Fuel Supply Company (“Mountain Fuel”) and National Lead Company (“National Lead”) on June 3, 1970. The Agreement provided that Mountain Fuel would construct a pipeline and related facilities (“Extension”) to provide natural gas service to National Lead.

On December 4, 2007, a scheduling conference was held with the Administrative Law Judge, and the Commission thereafter issued a Scheduling Order and Notice of Scheduling Conference the same day. Pursuant to the Scheduling Order, on December 18, 2007, US Magnesium entered a special appearance for the purpose of filing a motion to dismiss for lack of jurisdiction and an alternative motion to stay pending resolution of a related dispute between Questar Gas and US Magnesium (hereinafter referred to jointly as the “Parties”) pending in the

Third Judicial District Court for Tooele County, State of Utah. Following briefing on the motions, the Commission denied them in an Order Denying Motion to Dismiss issued January 29, 2008.

Questar Gas then caused the Commission to issue a Summons to US Magnesium requiring it to respond to the Petition, and on February 19, 2008, the Administrative Law Judge held a second scheduling conference in this matter. The Commission thereafter issued its Second Scheduling Order and Notice of Status and Scheduling Conference scheduling further proceedings in the matter.

On March 19, 2008, the Parties filed a Joint Motion to Dismiss Without Prejudice (“Joint Motion”). The Joint Motion is based upon the agreement of Questar Gas and US Magnesium that litigation of their claims and defenses related to this matter would be dismissed without prejudice and may only be reopened if Questar Gas interrupts service to US Magnesium as a result of service provided to other customers through the Extension or notifies US Magnesium that there is a substantial risk of interruption of the service as a result of service provided to other customers through the Extension. The Joint Motion states that because litigation of the issues between the Parties may ultimately be unnecessary, it is in the public interest to dismiss the Petition without prejudice, vacate the Scheduling Order and close this docket. No party has objected to the Joint Motion.

Wherefore, based upon the foregoing information, and for good cause appearing, the Administrative Law Judge enters the following proposed

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

The Petition filed herein is dismissed.

Pursuant to Utah Code §§ 63-46b-12 and 54-7-15, agency review or rehearing of this order may be obtained by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code §§ 63-46b-14, 63-46b-16 and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah this 3<sup>rd</sup> day of April, 2008.

/s/ Steven F. Goodwill  
Administrative Law Judge

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Approved and Confirmed this 3<sup>rd</sup> day of April, 2008, as the Order of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard  
Commission Secretary  
G#56718