

In the Matter of the Application of)
QUESTAR GAS COMPANY for a)
Continuation of Previously Authorized)
Rates and Charges Pursuant to its)
Purchased Gas Adjustment Clause)

DOCKET NO. 97-057-18

REPORT AND ORDER

ISSUED: March 18, 1999

By The Commission:

In this matter, Questar Gas Company (QGC or the Company) filed with the Commission an Application on December 12, 1997, requesting approval of a continuation of the commodity portion and the supplier non-gas portion of its rates which were made effective on October 22, 1997. In its application, Questar Gas stated that the decrease of \$0.05210/Dth in the commodity portion of its rates and an increase of \$4,831,494 in the supplier non-gas portion of its rates resulted in nearly identical offsetting changes. Because these slight adjustments virtually offset each other, the Company proposed that its currently authorized rates remain in effect.

In its application, Questar Gas states that its Utah (gas) costs for the period are \$238,843,959. When this amount is adjusted for F-3, I-2, I-4, IS-2 and IS-4 commodity credits, the resulting commodity cost is \$227,864,393. The unit gas cost for the commodity portion of this amount is \$1.62742/Dth. The application also states that test-year supplier non-gas costs total \$76,549,813 while current rates would recover \$71,718,319.

At the hearing held on March 9, 1998, the Division of Public Utilities (Division) supported Questar's motion to continue the rates established in Amended Application in Docket No. 97-057-11 on October 8, 1997, which was an out-of-period passthrough Application filed by the Company to provide for recovery of expected increased gas costs.

Based on the statements of the parties at the March 9, 1998, hearing, the Commission finds that final implementation of the above-entitled docket is in the public interest and is just and reasonable.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that the application of Questar Gas Company in Docket No. 97-057-18 to continue the rates established in the Amended Application in Docket No. 97-057-11 on October 8, 1997, is hereby approved and the rate requested in the application is made final.

DATED at Salt Lake City, Utah, this 18th day of March, 1999.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary