



State of Utah

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Lieutenant Governor

Public Service Commission

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Chair

DAVID R. CLARK
Commissioner

JORDAN A. WHITE
Commissioner

January 22, 2016

Barrie L. McKay
Questar Gas Company
333 South State Street
P.O. Box 45360
Salt Lake City, UT 84145-0360

Re: Docket No. 15-057-13 In the Matter of the Application of Questar Gas Company to Change the Base Distribution Non-Gas Rate and the Infrastructure Rate Adjustment;
Docket No. 15-057-17 In the Matter of the Application of Questar Gas Company to Change the Infrastructure Rate Adjustment;
Docket No. 14-057-31 In the Matter of the Application of Questar Gas Company to Make Tariff Modifications to Charge Transportation Customers for Use of Supplier-Non-Gas Services; and
Docket No. 15-057-T06 In the Matter of Questar Gas Company's Filing to Comply with the Commission Order Issued on November 9, 2015 in Docket No. 14-057-31, Application of Questar Gas Company to Make Tariff Modifications to Charge Transportation Customers for Use of Supplier-Non-Gas Services

Dear Mr. McKay,

On January 4, 2016, Questar Gas Company (Questar) filed a motion to modify and replace tariff sheets for the GS, FS, IS, TS, FT-1, MT and NGV rate schedules with the Public Service Commission of Utah (Commission). The proposed replacement tariff sheets reflect a decrease in the Infrastructure Rate Adjustment component of the distribution non-gas rates for the referenced rate schedules resulting from the extension of bonus depreciation included in the Protecting Americans from Tax Hikes Act of 2015 (Path Act). Questar's filing states that if the proposed updated tariff sheets are approved, the typical GS customer will see an annual bill decrease of \$1.37 per year, or about 0.2 percent. Questar requests the Commission accept and approve the updated tariff sheets, effective February 1, 2016.

Tariff Approval Letter

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Pursuant to the Commission's January 4, 2016 notice of filing and comment period, the Division of Public Utilities (Division) submitted its action request response on January 14, 2016.

The Division explains that the extension of bonus depreciation through 2017 effected by the Path Act allows for larger depreciation rates to be applied to Questar's infrastructure rate base than those used by Questar to determine the infrastructure rate adjustment rates approved by the Commission on September 24, 2015 in Docket No. 15-057-13, and November 30, 2015 in Docket No. 15-057-17. The Division further explains that Questar proposes to implement the new depreciation rates and change the revenue requirement in Docket No. 15-057-17. The Division states that the proposed change results in a revenue requirement reduction of \$1.756 million.

The Division identifies eight exhibits included with Questar's filing.¹ The Division discussed the filing with Questar representatives, reviewed a sampling of the calculations, and concludes that the filing appears accurate. Based on its review of Questar's filing, the Division recommends the Commission approve the proposed new rates filed by Questar, and the accompanying tariff sheets, on an interim basis until the Division can complete an audit, at which time the Division will make a final recommendation.

On January 21, 2016, Questar filed revised tariff sheets to include missing information pertaining to the transportation imbalance charge approved by the Commission in Docket Nos. 14-057-31 and 15-057-T06 on December 22, 2015 with an effective date of February 1, 2016. The transportation imbalance charge applies to FT-1, TS and MT rate schedules. Commission staff reviewed the transportation imbalance charge on the revised tariff sheets and determined its accuracy.

The Commission approves the proposed rates, effective February 1, 2016, on an interim basis, until the completion and review of the Division's audit and recommendations. In addition, the Commission approves the January 21, 2016 revised tariff sheets and recognizes these sheets supersede those approved by the Commission on December 22, 2015.

Sincerely,

/s/ Gary L. Widerburg

Commission Secretary

DW#271447

¹ The Commission notes the docket numbers in the body of Exhibit 1.8 should reflect Docket No. 15-057-13 instead of Docket Nos. 13-057-13 and 15-057-17.