



Questar Gas Company
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Leora Price, ACP
Advanced Certified Paralegal

RECEIVED
2015 JUN 22 AM 9:58
IDAHO PUBLIC
UTILITIES COMMISSION

June 19, 2015

Idaho Public Service Commission
Attn: Filing Clerk and Commission Secretary
472 W. Washington
Boise, ID 83720-5983

NEW CASE

Re: Public Service Commission Docket No.: QST-G-15-01
Matter of the Petition of Questar Gas Company to Clarify the
Boundaries of Its Service Territory

Dear Sir or Madam:

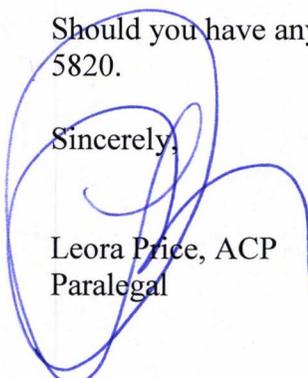
Enclosed are the following documents:

1. Original plus 7 of Jenniffer Nelson Clark's Motion for Admission Pro Hac Vice;
2. Original plus 7 of Questar Gas Company's Petition to Clarify The Boundaries of Its Service Territory; and
3. An extra copy of each document to be file stamped and returned to Questar Gas Co.

Please file the enclosed documents accordingly.

Should you have any questions or need additional information, please contact me at 801-324-5820.

Sincerely,



Leora Price, ACP
Paralegal

Jennifer Nelson Clark (Motion for Admission Pro Hac Vice pending)
André N. Litster (8106)
Questar Gas Company
333 S. State Street
P.O. Box 45433
Salt Lake City, Utah 84145-0433
Phone (801) 324-5392
Fax (801) 324-5935
Jennifer.clark@questar.com
Andre.litster@questar.com

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IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Questar Gas Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Petition of Questar Gas
Company to Clarify the Boundaries of Its
Service Territory

CASE NO: **QST-G-15-01**
QUESTAR GAS COMPANY'S PETITION
TO CLARIFY THE BOUNDARIES OF ITS
SERVICE TERRITORY

Pursuant to Idaho Public Utilities Commission Rule of Procedure 53, Questar Gas Company ("Questar Gas" or "Company"), hereby petitions the Idaho Public Utilities Commission ("Commission") to issue an Order more clearly describing the boundaries of Questar Gas' certificated service territory to include all of Franklin County, Idaho. In support of this request, Questar Gas states as follows:

On June 7, 1990, Mountain Fuel Supply Company, Questar Gas' predecessor in interest, submitted an Application for a Certificate of Public Convenience and Necessity in Case No. MOU-G-90-1 to provide natural gas service to customers in southeastern Idaho (the "Application"). A copy of that Application is attached hereto as Exhibit A. In paragraph 2 of the Application, Mountain Fuel asked for approval to provide "natural gas service to

communities in Franklin County, the town of Franklin, the city of Preston, and other communities in the vicinity of the proposed extension where service is determined to be economically feasible.” Exhibit A, page 2.

On August 16, 1990, the Commission issued Order No. 23282 in that same docket. A copy of that Order is attached hereto as Exhibit B, for the convenience of the Commission. In the Order, the Commission approved the Application and stated that “the Commission finds it reasonable to issue a Certificate of Public Convenience and Necessity to Mountain Fuel Supply Company, its successors and assigns, to hold, construct or otherwise acquire and to maintain and operate a general natural gas transmission and distribution system in the southeast Idaho County of Franklin and the Franklin County Cities of Franklin and Preston, for the supplying of natural gas to the municipalities and rural areas situated and to the inhabitants thereof. . . .” Exhibit B at p. 6. The Commission also issued Certificate 315, granting Questar Gas’ predecessor a Certificate to serve these areas. A copy of Certificate 315 is attached as Exhibit C, for the Commission’s convenience.

Since that time, Mountain Fuel Supply Company and its successor, Questar Gas, have served the southern Idaho communities of Preston and Franklin. Recently, entities in Dayton, Idaho, a community in Franklin County, have approached Questar Gas seeking extension of natural gas service to the area. Questar Gas is amenable to serving Dayton, provided that it is economically feasible to do so. Dayton is unlikely to obtain natural gas service if Questar Gas does not construct facilities to the city. A search of the Idaho Commission’s website showing Idaho utilities by city revealed that Questar Gas is the closest utility to Dayton but service in Franklin County is not specifically mapped or identified. Though Questar Gas believes the

Order provides it with authority to serve Dayton, and other communities within Franklin County, it requests that the Commission clarify the boundaries of Questar Gas' service territory.

The records attached hereto reflect a Commission intent that Questar Gas be authorized to serve all of Franklin County and, therefore, Questar Gas believes that the public interest does not require a hearing on the matter.

PRAYER FOR RELIEF

Therefore, Questar Gas respectfully requests that the Commission clarify that the boundaries of Questar Gas' service territory plainly include the whole of Franklin County, Idaho. Questar Gas further requests that the Commission do so utilizing modified procedure pursuant to Idaho Public Utilities Commission Rules of Procedure 201 *et seq.*

Respectfully submitted this 19 day of June, 2015.



Jennifer Nelson Clark

André N. Litster

Attorneys for Questar Gas Company

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of June, 2015, I served a true and correct copy of Questar Gas Company's Petition to Clarify the Boundaries of Its Service Territory upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff
Idaho Public Utilities Commission
472 W. Washington
Boise, ID 83720-5983

VIA FedEx



Leora Price

Exhibit A

Patricia S. Drawe
Attorney for Mountain
Fuel Supply Company
180 East First South Street
P.O. Box 11368
Salt Lake City, Utah 84139
Telephone: (801) 534-5656
Submitted: June 7, 1990

- BEFORE THE PUBLIC UTILITIES COMMISSION OF IDAHO -

IN THE MATTER OF THE)	DOCKET NO. <u>MOU-G-90-1</u>
APPLICATION OF MOUNTAIN)	
FUEL SUPPLY COMPANY)	APPLICATION
FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY)	

Mountain Fuel Supply Company (Mountain Fuel or Company) submits this Application for a Certificate of Public Convenience and Necessity, pursuant to Idaho Code § 61-526 (1988), to permit the Company to construct facilities required to provide natural gas service in southeastern Idaho on terms described in this application. In support of this application, Mountain Fuel respectfully states as follows:

1. Mountain Fuel is a Utah corporation qualified to do business in the state of Idaho. Its principal place of business is located at 180 East First South Street, Salt Lake City, Utah. It is presently engaged in the business of distributing natural gas as a public utility in the states of Utah and Wyoming. A copy of Mountain Fuel's articles of incorporation is incorporated as Exhibit A in Attachment 1, Mountain Fuel's abbreviated application to the Federal Energy

Regulatory Commission (FERC) for the expedited issuance of a certificate of public convenience and necessity and determination of service area (Docket No. CP90-___-000).

2. Mountain Fuel proposes to extend its natural gas distribution system from northern Utah into Franklin County in southeastern Idaho for the purpose of providing natural gas service to communities in Franklin County, the town of Franklin, the city of Preston, and other communities in the vicinity of the proposed extension where service is determined to be economically feasible. A map of Mountain Fuel's proposed transmission line, which consists of approximately 11.0 miles of 8" high-pressure distribution mainline, is attached as Exhibit F in Attachment 1. The exact location of the lines or facilities depends upon the character and condition of the terrain and the acquisition of the required easements and rights-of-way.

3. Mountain Fuel has available the gas supply required to serve the residents of the named communities. See Exhibits G-1, G-2, and H of Attachment 1.

4. Mountain Fuel is financially able to construct the proposed extension of its distribution system. The costs of the construction of the pipeline are set forth in Exhibit K of Attachment 1. The cost to construct the appurtenant distribution facilities in Idaho, as shown on Attachment 4, is approximately \$1,546,230.

Applicant proposes to finance the construction of the facilities through internally generated funds. The financial condition of the Company as of December 31, 1989, is shown on Exhibit L of Attachment 1.

5. Natural gas service is not presently being rendered in the communities to be served by the proposed extension of Mountain Fuel's distribution system. The operation of the proposed distribution system, therefore, will not compete with any other person rendering natural gas service or any natural gas public utility, and the extension of Mountain Fuel's distribution system will not interfere with the operation of the line, plant, or system of any other public utility.

6. Mountain Fuel proposes to provide service to Idaho residents on the same basis and in accordance with the same policies and tariff provisions that are in effect for Utah customers. Mountain Fuel proposes that its performance under the requested certificate to provide service be conditioned on the execution of a contract between the Idaho Public Utilities Commission and the Utah Public Service Commission for the provision of regulatory oversight in accordance with Idaho Code § 61-505 (1990). Such contract will allow the Company to provide natural gas service in the expansion area in accordance with its existing Utah tariff as approved by the Utah Commission for other expansion areas served in that state by Mountain Fuel. The contract should have a primary term equal to the period in which expansion rates are in place. The contract should provide for its automatic renewal for additional 10-year terms in the absence of notice of termination by either party to the contract.

7. Mountain Fuel has three expansion-area rate classes: GS-S for all firm service, I-S for interruptible sales customers, and IT-S for interruptible transportation customers. These rates were derived by increasing the non-gas rate components and leaving the supplier non-gas costs and commodity gas rate components identical to rates charged in Mountain Fuel's other service areas. To compare expansion area rates with standard rates, see Attachment 2, Mountain Fuel's tariff for gas service in the state of Utah, PSCU #200, current as of the date of this application. The initial rates are proposed to be in effect for 10 full calendar years from the commencement of service in southeastern Idaho. Assuming service would be available before the end of 1990, the GS-S, I-S, and IT-S rates would be in effect until December 31, 2000. At the end of the 10-year period, Idaho customers would be converted to then-current standard Utah tariff rates.

8. Mountain Fuel proposes to satisfy any Idaho Commission public utility reporting requirements by providing a copy of the Company's annual report of its operations (in FERC Form 2 format), which is filed with the Utah Commission. Mountain Fuel's 1989 report is included as Attachment 3. Future reports will be supplemented with customer, sales, and revenue data specifically relating to Company operations in Idaho.

9. The main extension policy for the expansion area will provide for a combined footage allowance of 200 feet of main and service line during the initial sign-up period. Customers will be required to make a contribution in aid of construction if the combined total mainline and service line footage required

exceeds the 200-foot allowance. After the initial construction period, extensions will be made according to the Company's standard policy as contained in its then-effective Utah tariff. The present policy provides for 100 feet of main line and 45 feet of service line to be provided at no cost to customers.

10. There is a demand for natural gas service for domestic, commercial, and other uses in the communities described in this application. The public convenience and necessity will be served by the granting of this application. The construction of natural gas distribution facilities will contribute to the general prosperity and economic welfare of communities in Franklin County, Idaho, and will make the advantages of clean and economical natural gas service available to many who desire such service but are not now receiving it.

11. Mountain Fuel has received from the affected counties, cities, towns, or other public authorities the franchises required for the construction and operation of Mountain Fuel's pipelines and other facilities. The franchises granted to date, by Franklin County, the town of Franklin and the city of Preston, are included as Exhibit Z-3 to Attachment 1.

12. Correspondence and communications regarding this application should be directed to:

Glenn H. Robinson
Vice President, Marketing
Mountain Fuel Supply Company
180 East First South Street
P.O. Box 11368
Salt Lake City, Utah 84139
Telephone: (801) 534-5035

Patricia S. Drawe, Esq.
Mountain Fuel Supply Company
180 East First South Street
P.O. Box 11368
Salt Lake City, Utah 84139
Telephone: (801) 534-5656

13. The following is a listing of the attachments and exhibits included with this application:

Attachment 1 - Mountain Fuel's application to the Federal Energy Regulatory

Commission

Exhibit A - Articles of Incorporation and Bylaws

Exhibit B - State Authorization

Exhibit C - Company Officials

Exhibit D - Subsidiaries and Affiliation

Exhibit F - Location of Facilities

Exhibit F-I - Factors Considered in Use of Joint Rights-of-Way

Exhibit F-IV - Statement by Mountain Fuel Concerning the Requirements of the National Environmental Policy Act of 1969

Exhibit G - Flow Diagram Reflecting Operation With and Without Proposed Facilities

Exhibit G-I - Flow Diagram Reflecting Maximum Capabilities

Exhibit G-II - Flow Diagram Data

Exhibit H - Total Gas Supply Data

Exhibit I - Market Data

Exhibit J - Conversion to Natural Gas

Exhibit K - Cost of Pipeline Facilities

Exhibit L - Financing

Exhibit M - Construction, Operation and Management

Exhibit N - Revenues-Expenses-Income

Exhibit P - Tariff

Exhibit Z-1 - Letter from Idaho Public Utilities Commission

Exhibit Z-2 - Pertinent Idaho Legislation

Proposed Z-3 - Franchises from Franklin, Franklin County, and

Preston, Idaho

Attachment 2 - Mountain Fuel's Tariff for Gas Service in the State of Utah, PSCU
#200.

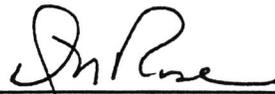
Attachment 3 - Mountain Fuel's 1989 Annual Report to the Utah Public Service
Commission in FERC Form 2 Format.

Attachment 4 - Estimated Cost of Distribution Facilities, State of Idaho

WHEREFORE, Mountain Fuel requests that this Commission enter into a contract with the Utah Public Service Commission in accordance with Idaho Code § 61-505 (1990) providing for the Utah Commission to establish rates, charges, and conditions of service for the customers in the communities located in Franklin County, Idaho, in the vicinity of the proposed Mountain Fuel facilities where service is economically feasible. Mountain Fuel also requests that this Commission issue to Mountain Fuel Supply Company a Certificate of Public Convenience and Necessity authorizing the Company to extend its natural gas system for the provision of natural gas service to residents in the proposed service area, with Mountain Fuel's performance to be conditioned on the execution of a contract between the Idaho and Utah Commissions as provided by statute and described in this application.

Respectfully submitted this 7th day of June, 1990.

MOUNTAIN FUEL SUPPLY COMPANY



D. N. Rose, President & CEO

**ESTIMATED COST OF DISTRIBUTION FACILITIES
STATE OF IDAHO**

I. IHP DISTRIBUTION SYSTEM – PRESTON

A.	Mains – Material	\$ 115,770
B.	Mains – Labor	445,175
C.	Services – Material	28,490
D.	Services – Labor	482,825
E.	Rights-of-Way & Permits	5,000
F.	Engineering & Inspection	75,000
G.	Meters	46,655
H.	Meters – Labor	97,500
I.	Regulations	11,650
J.	Regulator – Labor	24,380
K.	Replace Asphalt & Road Base	<u>50,000</u>
	Sub Total	\$1,382,445

II. IHP DISTRIBUTION SYSTEM – FRANKLIN

A.	Mains – Material	\$ 8,130
B.	Mains – Labor	61,940
C.	Services – Material	945
D.	Services – Labor	56,010
E.	Rights-of-Way & Permits	500
F.	Engineering & Inspection	10,000
G.	Meters	5,505
H.	Meters – Labor	11,505
I.	Regulators	1,375
J.	Regulator – Labor	2,880
K.	Replace Asphalt & Road Base	<u>5,000</u>
	Sub Total	\$ 163,785

Total \$1,546,230

Exhibit B

Office of the Secretary
Service Date
AUG 17 1990

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF MOUNTAIN FUEL SUPPLY COMPANY)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)
_____)**

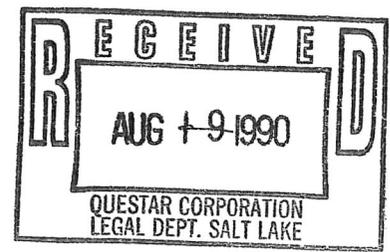
**CASE NO. MOU-G-90-1
ORDER NO. 23282**

On June 8, 1990, Mountain Fuel Supply Company (Mountain Fuel; Company), a Utah corporation qualified to do business in the State of Idaho, filed an Application with the Idaho Public Utilities Commission (Commission) requesting a Certificate of Public Convenience and Necessity to operate as a natural gas corporation and public utility in the State of Idaho, and authority to construct facilities required to provide natural gas service in southeastern Idaho. Reference I.C. §61-526 (1988). The principal office of Mountain Fuel is located at 180 East First South, P.O. Box 11368, Salt Lake City, Utah 84139.

The Company is engaged in the business of distributing natural gas as a public utility in the states of Utah and Wyoming. The Company proposes to extend its natural gas distribution system from northern Utah into Franklin County in southeastern Idaho and the Franklin County cities of Franklin and Preston. The exact location of the lines or facilities depends upon the character and condition of the terrain and the acquisition of the required easements and rights of way. The Company has already obtained the pertinent franchise agreements for its immediate proposed service area.

A review of the documentation provided reveals that Mountain Fuel has the internal financial resources to construct the proposed 11 mile extension of its distribution system from Richmond, Utah into Idaho at a cost of approximately

ORDER NO. 23282



\$1,546,230. It also has adequate natural gas reserves for the proposed service area with projections of approximately 1,000 general service customers. Estimated annual sales are 1.5 million therms with an estimated daily peak requirement of 13,000 therms. As evidenced by the filings of record, Mountain Fuel also appears able and willing to do the acts and perform the service proposed.

As previously represented by the Commission in its letter to the FERC, construction and extension of facilities into the proposed service area will enable Mountain Fuel to serve what is, to date, an unsatisfied market demand for natural gas sales and transportation service. As represented by Mountain Fuel, natural gas service is not now rendered in the proposed service area. We therefore find that operation of the proposed distribution system will not compete or interfere with any other person rendering natural gas service or with the operation of any other natural gas public utility.

Mountain Fuel proposes to provide service to Idaho customers on the same basis and in accordance with the same policies and tariff provisions, rates, charges and service regulations adopted by the Utah Public Service Commission (UPSC) for the Company's similarly situated Utah customers. To accomplish this end, Mountain Fuel conditions its initial performance under the requested Idaho Certificate on the execution of a regulatory service contract between the Idaho Public Utilities Commission and the Utah Public Service Commission in accordance with Idaho Code §61-505. We find this condition to be reasonable and have already negotiated and signed on this date a regulatory service contract with the Utah Public Service Commission. Attachment A. We specifically note that any termination of the Contract for Regulatory Services pursuant to its

terms and/or applicable laws will not, in and of itself, affect the continuing statutory obligation of Mountain Fuel under its Idaho Certificate to operate and provide natural gas service in Idaho.

This Commission has long recognized that the provision of utility service to small border communities by a willing out-of-state utility can be facilitated by entering into a regulatory service contract with the regulatory agency of the neighboring state in which the utility has greater presence. Such contracts reduce the regulatory costs to the utility and enhance the expansion of service across state boundaries. To that end we successfully presented to the Idaho Legislature enabling legislation in 1982 and further refinements in 1990. See I.C. 61-505. We are pleased that these efforts and the willingness of Mountain Fuel Supply Company and the Utah Public Service Commission have made possible this opportunity to extend natural gas service into Franklin County. Its availability is a significant enhancement to southeastern Idaho's economy.

The Idaho Commission by contract will permit the UPSC to perform the regulatory duties for the Idaho expansion-area served by Mountain Fuel. Affected Idaho residents will have full rights of participation in the hearings conducted by the UPSC, as well as the same rights that customers in Utah have to pursue service related issues. The full spectrum of consumer representation in Utah before the UPSC is performed by the Division of Public Utilities and the Committee of Consumer Services. All findings, decisions and orders of the UPSC will be accorded the presumption that they are both reasonable and correct. All remedies with Mountain Fuel and the UPSC must be exhausted before the Idaho Commission will entertain any review; and the Idaho Commission will only review in instances where discriminatory, preferential or otherwise unlawful treatment of Idaho customers by the UPSC is alleged.

As intended by the Company, the regulatory service contract will allow Mountain Fuel to provide natural gas service in its Idaho expansion-area in accordance with the Company's existing Utah tariffs for Utah expansion-areas. Mountain Fuel has three expansion-area rate classes: GS-S for all firm service, I-S for interruptible sales customers, and IT-S for interruptible transportation customers. Copies of the Company's existing Utah standard and expansion-area tariff rates are attached for review. Attachment B. The expansion-area rates are derived by increasing the distribution non-gas rate components and leaving the supplier non-gas costs and commodity gas rate components identical to standard rates charged in Mountain Fuel's other service areas. The expansion-area rates are proposed to be in effect for ten full calendar years from the commencement of service in southeastern Idaho. At the end of the ten year period, Idaho customers will be converted to then-current standard Utah tariff rates.

Staff has reviewed the Mountain Fuel tariff provisions concerning connection charges, interest on past due bills, NSF check charges, meter test charges, interest on deposits, etc. Staff has also reviewed the UPSC customer service rules. Although finding the policies, practices and rules different than similar charges, conditions and rules approved for Idaho utilities, Staff represents them to be nevertheless reasonable. We concur with Staff.

Staff expressed a specific concern, however, regarding the inconsistencies in the winter moratorium policies of Idaho and Utah. Utah's policy (by statute rather than UPSC rule) requires LIHEAP qualification of eligible customers by the Utah Department of Social Services. Pursuant to negotiation and regulatory contract the Commission's Idaho moratorium policy, IDAPA 31.C.3.6, will apply to Idaho customers of Mountain Fuel.

As proposed, the main extension policy for the Idaho expansion area will provide for a combined footage allowance of 200 feet of main and service line during the initial sign up period. A contribution in aid of construction will be required for excess footage. After the initial construction period extensions will be made according to the Company's standard Utah policy, which presently provides for an allowance of 100 feet of main and 45 feet of service line.

The Commission by Notice and Order No. 23252 issued August 1, 1990 preliminarily found that the public interest regarding the requested Certificate of Public Convenience and Necessity would not require a public hearing to consider the issues presented. The Commission further found it reasonable to process the Application under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Practice and Procedure, IDAPA 31.A.23. The Commission received no written protest or comments opposing the use of Modified Procedure. Reference IDAPA 31.A.23.3. We therefore find it reasonable to decide this matter and issue our order in Case No. MOU-G-90-1 on the basis of the filings of record. Reference IDAPA 31.A.23.4.

The Commission based on its review of the filings of record in Case No. MOU-G-90-1 makes the following findings:

- That Mountain Fuel has the ability and willingness to do the acts and perform the service proposed.
- That the proposed extension of natural gas distribution facilities and service into Franklin County will meet present and future public convenience and necessity.
- That the construction and extension of natural gas distribution facilities into Franklin County will enable Mountain Fuel to serve what is to date an unsatisfied market demand for natural gas sales and transportation service.

- That Mountain Fuel has the internal financial resources to construct the proposed extension of its distribution system and adequate natural gas reserves to serve the proposed service area.
- That it is impracticable or not in the public interest to conduct regulatory proceedings for affected Franklin County residents separate from the proceedings conducted by the UPSC for Mountain Fuel Supply Company's Utah customers.
- That it is reasonable to require as a condition of Certificate issuance that Mountain Fuel be permitted to satisfy utility reporting requirements in Idaho by filing its FERC Form 2 on a total system basis with an Idaho-specific section consisting of pages 300-301 (operating revenues) and 204-209 (gas plant in service).
- That it is reasonable to require that a toll-free number be provided for Idaho customers of Mountain Fuel to reach the Utah Public Service Commission, the Committee of Consumer Services, the Division of Public Utilities and Mountain Fuel.
- That it is reasonable to require that Idaho's moratorium rules should apply to Idaho residential customers of Mountain Fuel. See IDAPA 31.C.3.6.
- That it is reasonable to require that Idaho customers of Mountain Fuel be provided with the full spectrum of consumer representation in Utah including the Division of Public Utilities and the Committee of Consumer Services.

In consideration of the foregoing the Commission finds it reasonable to issue a Certificate of Public Convenience and Necessity to Mountain Fuel Supply Company, its successors and assigns, to hold, construct or otherwise acquire and to maintain and operate a general natural gas transmission and distribution system in the southeast Idaho County of Franklin and the Franklin County cities of Franklin and Preston, for the supplying of natural gas to the municipalities and rural areas situated therein and to the inhabitants thereof; and for such purpose to own, hold, construct or otherwise acquire and to maintain and operate within said certificated area all plant necessary for the maintenance of a

natural gas transmission and distribution system, and to exercise all rights and privileges granted, or which may hereafter be granted Mountain Fuel Supply Company, its successors and assigns by franchises or otherwise by the said county and municipalities or any of them or by the State of Idaho or by any political subdivision of the State of Idaho.

O R D E R

In consideration of the foregoing, and as more particularly described above, IT IS HEREBY ORDERED that the Application of Mountain Fuel Supply Company in Case No. *MOU-G-90-1* for a Certificate of Public Convenience and Necessity to operate as a natural gas corporation and public utility in the State of Idaho, and authority to construct facilities required to provide natural gas service in Franklin, County, Idaho, and the Franklin County cities of Franklin and Preston be granted. Reference Certificate No. 315.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §61-626.

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DONE by Order of the Idaho Public Utilities Commission at Boise,
Idaho, this 16th day of August 1990.



DEAN J. MILLER, PRESIDENT



PERRY SWISHER, COMMISSIONER



RALPH NELSON, COMMISSIONER

ATTEST:


MYRNA J. WALTERS, SECRETARY

SW:vld/O-1107

ORDER NO. 23282
Attachment A

CONTRACT FOR REGULATORY SERVICES

CONTRACT FOR REGULATORY SERVICES

This contract is entered into by and between the IDAHO PUBLIC UTILITIES COMMISSION (hereinafter IPUC), whose principal office is located at 472 West Washington Street, Boise, Idaho, telephone (208) 334-0300, and the UTAH PUBLIC SERVICE COMMISSION (hereinafter UPSC), whose principal office is located at 160 East 300 South, Post Office Box 45585, Salt Lake City, Utah 84145, telephone (801)530-6716.

WHEREAS, IPUC has the power and authority pursuant to *Idaho Code* §61-505 to contract with the regulatory agencies of neighboring states to hold hearings and set rates for customers in Idaho located in or near border communities served by utilities principally located in the neighboring state, and,

WHEREAS, Mountain Fuel Supply Company, whose principal office is located at 180 East First South, P.O. Box 11368, Salt Lake City, Utah 84139, has received local franchises to provide natural gas service within the cities of Preston and Franklin and the County of Franklin, Idaho, and

WHEREAS, Mountain Fuel Supply Company is a public utility regulated by UPSC and does not now serve any areas in Idaho and does not plan to serve any areas in Idaho outside Franklin County, and,

WHEREAS, IPUC has found that the provision of utility service to locations in Franklin County by Mountain Fuel Supply Company is in the public interest and has issued Certificate of Public Convenience and Necessity No. 315 to Mountain Fuel Supply Company, and,

WHEREAS, IPUC has found that it is impractical or not in the public interest to conduct regulatory proceedings for affected Idaho residents

separate from the proceedings conducted by UPSC for Mountain Fuel Supply Company's Utah ratepayers.

WITNESSETH:

The IPUC and UPSC hereby contract and agree that the rates, charges and service regulations adopted by UPSC for Mountain Fuel Supply Company in Utah shall be applied to similarly situated customers served by Mountain Fuel Supply Company in Idaho and that the findings, decisions and orders of the UPSC are presumptively correct and will take effect according to the terms of the order of the UPSC, with review as provided by *Idaho Code* §61-505(4). Idaho residents who receive utility service from Mountain Fuel Supply Company will be accorded full rights of representation and participation in the hearings conducted by UPSC concerning Mountain Fuel Supply Company as well as the same rights that Utah customers have to pursue service-related issues. The rates, charges and service regulations for Idaho customers will not be less favorable than those of similarly situated Utah customers. It is further agreed that Idaho customers of Mountain Fuel Supply Company will be subject to Rule 3.6 of the IPUC Rules and Regulations Governing Customer Relations of Gas, Electric and Water Utilities, IDAPA 31.C.3.6, for purposes of disconnection of service during the winter months.

UPSC agrees to include the revenue, investment and expenses of Mountain Fuel Supply Company's Idaho service territory in its calculation of rates and charges for Mountain Fuel Supply Company. UPSC agrees to place the IPUC on its service lists for any cases involving Mountain Fuel Supply Company so that IPUC may receive all orders, notices, etc. that are issued in cases that involve Mountain Fuel Supply Company.

IPUC agrees to pay to the UPSC 75 percent of the regulatory fee collected from Mountain Fuel Supply Company pursuant to Idaho Code Title 61 Chapter 10, for regulatory services of the UPSC that will benefit Idaho customers of Mountain Fuel Supply Company.

UPSC agrees to provide toll-free telephone access for Idaho customers of Mountain Fuel Supply Company to contact the UPSC.

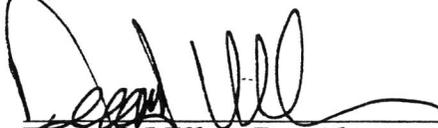
IPUC may review this contract or rates applied to Idaho residents pursuant to this contract upon petition of Idaho customers of Mountain Fuel Supply Company upon the conditions provided by *Idaho Code* §61-505(4), namely: a showing that all remedies with the UPSC have been exhausted, that all remedies with Mountain Fuel Supply Company have been exhausted and that Idaho customers have been discriminatorily, preferentially or otherwise unlawfully treated by the UPSC. This contract may be discontinued pursuant to applicable laws. It is the intent of IPUC and UPSC that this contract have an initial term of ten (10) full calendar years from the commencement of service and be renewed automatically for an additional ten (10) year term unless either party shall object prior to the expiration of the first ten year period.

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DATED this 16th day of August 1990.

Idaho Public Utilities Commission

By



Dean J. Miller, President

Utah Public Service Commission

By



Brian T. Stewart, Chairman

MS:nh/1M-42

CONTRACT FOR REGULATORY
SERVICES

ORDER NO. 23282
Attachment B

UTAH STANDARD AND EXPANSION-AREA
TARIFF RATES FOR
MOUNTAIN STATES FUEL SUPPLY COMPANY



1.05 FIRM SERVICE RATES

Units of Measurement

th = therm = 100,000 Btu's

Dth = decatherm = 10 therms = 1,000,000 Btu's

<u>RATE SCHEDULE</u>		<u>DISTRIBUTION NON-GAS COST</u>	<u>SUPPLIER NON-GAS COST</u>	<u>COMMODITY COST</u>	<u>TOTAL RATE</u>
<u>WINTER -- Usage from October 1 through April 30</u>					
GS-1	Customer Charge/month				\$5.00
SHEET	First 450 th/month	\$0.161153/th	\$0.086782/th	\$0.187940/th	= \$0.435875/th
#205	All Over 450 th/month	\$0.063492/th	\$0.086782/th	\$0.187940/th	= \$0.338214/th
<u>SUMMER -- Usage from May 1 through September 30</u>					
	Customer Charge/month				\$5.00
	First 450 th/month	\$0.142083/th	\$0.046876/th	\$0.187940/th	= \$0.376899/th
	All Over 450 th/month	\$0.053208/th	\$0.046876/th	\$0.187940/th	= \$0.288024/th
<u>WINTER -- Usage from October 1 through April 30</u>					
F-1	Customer charge based on meter size.*				
SHEET	First 175 Dth/month	\$0.57440/Dth	\$0.85322/Dth	\$1.87940/Dth	= \$3.30702/Dth
#205	Next 700 Dth/month	\$0.40180/Dth	\$0.85322/Dth	\$1.87940/Dth	= \$3.13442/Dth
	All Over 875 Dth/month	\$0.36666/Dth	\$0.85322/Dth	\$1.87940/Dth	= \$3.09928/Dth
Minimum Monthly Distribution Non-Gas Charge: \$101.00					
<u>SUMMER -- Usage from May 1 through September 30</u>					
	Customer charge based on meter size.*				
	First 175 Dth/month	\$0.47797/Dth	\$0.46872/Dth	\$1.87940/Dth	= \$2.82609/Dth
	Next 700 Dth/month	\$0.37732/Dth	\$0.46872/Dth	\$1.87940/Dth	= \$2.72544/Dth
	All Over 875 Dth/month	\$0.36666/Dth	\$0.46872/Dth	\$1.87940/Dth	= \$2.71478/Dth
Minimum Monthly Distribution Non-Gas Charge: \$84.00					
F-3	Annual Customer Charge:	\$227.24, payable in equal monthly installments of \$18.94/mo.			
SHEET	Annual Demand Charge:	\$7.48 + \$75.47 = \$82.95/Dth or fraction thereof of maximum daily input rating payable in equal monthly installments.			
#205	Commodity Charge/Month:	\$0.89033/Dth + \$0.52268/Dth + \$1.87940/Dth = \$3.29241/Dth			
F-4	Customer charge based on meter size.*				
SHEET	First 875 Dth/month	\$0.38749/Dth	\$0.66101/Dth	\$1.87940/Dth	= \$2.92790/Dth
#205	All Over 875 Dth/month	\$0.32026/Dth	\$0.66101/Dth	\$1.87940/Dth	= \$2.86067/Dth
Minimum Yearly Distribution Non-Gas Charge: \$39,100					

* METER-BASED CUSTOMER CHARGES (Does not apply as a credit to minimum.)

<u>Meter Category</u>	<u>Annual Charge</u>	<u>Monthly Equivalent</u>
I	\$ 60.00	\$ 5.00
II	\$ 490.00	\$ 40.83
III	\$ 1,491.00	\$124.25
IV	\$11,927.00	\$993.92

All sales are subject to the additional local charges and state sales tax stated in § 1.15.

Case No. 90-057-02
Order Date February 1, 1990
Advice No. 90-01

Issued by
D. N. Rose
President

Effective February 1, 1990



MOUNTAIN FUEL SUPPLY COMPANY
UTAH NATURAL GAS TARIFF

P.S.C.U. No. 200
24th Revised Sheet No. 110
SUPERSEDING
23rd Revised Sheet No. 110

1.10 INTERRUPTIBLE SERVICE RATES

Units of Measurement

Dth = decatherm = 10 therms = 1,000,000 Btu's

<u>RATE SCHEDULE</u>		<u>DISTRIBUTION NON-GAS COST</u>	<u>SUPPLIER NON-GAS COST</u>	<u>COMMODITY COST</u>	<u>TOTAL RATE</u>
I-1 SHEET #210	All Usage/month Minimum Yearly Dist.	\$0.29511/Dth + \$0.61676/Dth + \$1.87940/Dth =			\$2.79127/Dth (per 1,000 Dth/day contracted for)
<u>WINTER -- Usage from October 1 through April 30</u>					
I-2 SHEET #210	Customer charge based on meter size.* First 875 Dth/month All Over 875 Dth/month	\$0.29457/Dth + \$0.71431/Dth + \$1.87940/Dth =			\$2.88828/Dth \$2.85924/Dth
<u>SUMMER -- Usage from May 1 through September 30</u>					
	Customer charge based on meter size.* First 875 Dth/month All Over 875 Dth/month	\$0.29457/Dth + \$0.46872/Dth + \$1.87940/Dth =			\$2.64269/Dth \$2.61365/Dth
Minimum Yearly Dist. Non-Gas Charge: Greater of \$2,100 or minimum load factor charge.					
I-3 SHEET #210	Customer charge based on meter size.* First 13,125 Dth/month All Over 13,125 Dth/month	\$0.25083/Dth + \$0.63541/Dth + \$1.87940/Dth =			\$2.76564/Dth \$2.75047/Dth
Minimum Yearly Dist. Non-Gas Charge: Greater of \$36,900 or minimum load factor charge.					
I-4 SHEET #211	Customer charge based on meter size.* First 48,125 Dth/month Next 74,375 Dth/month All Over 122,500 Dth/month	\$0.24348/Dth + \$0.62700/Dth + \$1.87940/Dth =			\$2.74988/Dth \$2.73813/Dth \$2.71096/Dth
Minimum Yearly Dist. Non-Gas Charge: Greater of \$69,400 or minimum load factor charge.					
T-1 SHEET #211	All Usage/month	\$2.15501/Dth + \$0.61065/Dth + \$1.87940/Dth =			\$4.64506/Dth
E-1 SHEET #211	All Usage/month	\$1.03388/Dth + \$5.44619/Dth + \$1.87940/Dth =			\$8.35947/Dth

* METER-BASED CUSTOMER CHARGES (Does not apply as a credit to minimum.)

<u>Meter Category</u>	<u>Annual Charge</u>	<u>Monthly Equivalent</u>
I	\$ 60.00	\$ 5.00
II	\$ 490.00	\$ 40.83
III	\$ 1,491.00	\$124.25
IV	\$11,927.00	\$993.92

Minimum yearly charges for interruptible rate schedules are prorated to the portion of the year gas service is available; see § 4.40. Penalty for failure to interrupt when requested by the Company: \$15.00/Dth; see § 3.15(d). Adjustments to minimum load factor charge are set forth in § 3.15(f). All sales are also subject to the additional local charges and state sales tax stated in § 1.15.

Case No. 90-057-02
Order Date February 1, 1990
Advice No. 90-01

Issued by
D. N. Rose
President

Effective February 1, 1990



1.11 INTERRUPTIBLE INDUSTRIAL TRANSPORTATION SERVICE RATES

Unit of Measurement

Dth = decatherm = 10 therms = 1,000,000 Btu's

<u>RATE SCHEDULE</u>		<u>TOTAL RATE</u>
IT-4	All Volumes Redelivered per Dth	
SHEET	First 48,125 Dth per month	\$0.29348/Dth
#212	Next 74,375 Dth per month	\$0.28173/Dth
	All Over 122,500 Dth per month	\$0.25456/Dth

Plus:

1. Customer charge based on meter size *
2. Fuel reimbursement of 2% applies to all volumes transported; see § 1.30(d).

Minimum Yearly Charge: The greater of \$83,600 or minimum load factor charge.

IT-2	All Volumes Redelivered Per Dth	
SHEET	First 875 Dth per month	\$0.34457/Dth
#212	All Over 875 Dth per month	\$0.31553/Dth

Plus:

1. Customer charge based on meter size*
2. Administrative charge; see § 4.43:

<u>Annual</u>	<u>Monthly Equivalent</u>
\$8,000.00	\$666.67

(Does not apply as credit to minimum.)

3. Fuel reimbursement of 2% applies to all volumes transported; see § 1.30(d).

Minimum yearly charge: The greater of \$11,800 or minimum load factor charge.

* METER-BASED CUSTOMER CHARGES (Does not apply as a credit to minimum.)

<u>Meter Category</u>	<u>Annual Charge</u>	<u>Monthly Equivalent</u>
I	\$ 60.00	\$ 5.00
II	\$ 490.00	\$ 40.83
III	\$ 1,491.00	\$124.25
IV	\$11,927.00	\$993.92

Minimum yearly charges for interruptible industrial transportation rate schedules are prorated to the portion of the year service is available; see § 4.40. Penalty for failure to interrupt when requested by the Company: \$15.00 per Dth; see § 3.15(d). Adjustments to minimum load factor charge are set forth in § 3.15(f). All interruptible industrial transportation service is also subject to applicable local charges.

Case No. 86-057-07
Order Date December 22, 1988
Advice No. 88-08

Issued by
D. N. Rose
President

Effective December 29, 1988



1.11 INTERRUPTIBLE INDUSTRIAL TRANSPORTATION SERVICE RATES - CONTINUED

CENTRAL AND SOUTHWESTERN UTAH

Unit of Measurement

Dth = decatherm = 10 therms = 1,000,000 Btu's

<u>RATE</u>			<u>TOTAL RATE</u>
<u>SCHEDULE</u>			
IT-S	All Volumes Redelivered per Dth		
SHEET	First	875 Dth per month	\$2.46730/Dth
#212	All Over	875 Dth per month	\$0.31553/Dth

Plus:

1. Customer charge per month: \$124.25

2. Administrative charge; see § 4.43:

<u>Annual</u>	<u>Monthly Equivalent</u>
\$8,000.00	\$666.67

(Does not apply as credit to minimum.)

3. Fuel reimbursement of 2% applies to all volumes transported; see § 1.30(d).

Minimum Yearly Charge: The greater of \$34,100 or minimum load factor charge.

Minimum yearly charges for interruptible industrial transportation rate schedules are prorated to the portion of the year service is available; see § 4.40.

Penalty for failure to interrupt when requested by the Company: \$15.00 per Dth; see § 3.15(d). Adjustments to minimum load factor charge are set forth in § 3.15(f).

All interruptible industrial transportation service is also subject to applicable local charges.



MOUNTAIN FUEL SUPPLY COMPANY
UTAH NATURAL GAS TARIFF

P.S.C.U. No. 200
7th Revised Sheet No. 112
SUPERSEDING
6th Revised Sheet No. 112

1.12 SERVICE RATES - CENTRAL AND SOUTHWESTERN UTAH

Units of Measurement

th = therm = 100,000 Btu's

Dth = decatherm = 10 therms = 1,000,000 Btu's

<u>RATE SCHEDULE</u>		<u>DISTRIBUTION NON-GAS COST</u>	<u>SUPPLIER NON-GAS COST</u>	<u>COMMODITY COST</u>	<u>TOTAL RATE</u>
<u>WINTER -- Usage from October 1 through April 30</u>					
GSS SHEET #205	Minimum Bill per month				\$7.50
	All Usage per month	\$0.322306/th	+\$0.086782/th	+\$0.187940/th	= \$0.597028/th
<u>SUMMER -- Usage from May 1 through September 30</u>					
	Minimum Bill per month				\$7.50
	All Usage per month	\$0.322306/th	+\$0.046876/th	+\$0.187940/th	= \$0.557122/th
<u>WINTER -- Usage from October 1 through April 30</u>					
IS SHEET #211	Customer Charge per month				\$124.25
	First 875 Dth/month	\$2.41730/Dth	+\$0.71431/Dth	+\$1.87940/Dth	= \$5.01101/Dth
	All Over 875 Dth/month	\$0.26553/Dth	+\$0.71431/Dth	+\$1.87940/Dth	= \$2.85924/Dth
<u>SUMMER -- Usage from May 1 through September 30</u>					
	Customer Charge per month				\$124.25
	First 875 Dth/month	\$2.41730/Dth	+\$0.46872/Dth	+\$1.87940/Dth	= \$4.76542/Dth
	All Over 875 Dth/month	\$0.26553/Dth	+\$0.46872/Dth	+\$1.87940/Dth	= \$2.61365/Dth
Minimum Yearly Dist. Non-Gas Charge: Greater of \$16,900 or minimum load factor charge.					

Minimum yearly charges for interruptible rate schedules are prorated to the portion of the year gas service is available; see § 4.40. Penalty for failure to interrupt when requested by the Company: \$15.00/Dth; see § 3.15(d). Adjustments to minimum load factor charge are set forth in § 3.15(f). All sales are also subject to the additional local charges and state sales tax stated in § 1.15.

Case No. 90-057-02
Order Date February 1, 1990
Advice No. 90-01

Issued by
D. N. Rose
President

Effective February 1, 1990



MOUNTAIN FUEL SUPPLY COMPANY
Utah Natural Gas Tariff

P.S.C.U. No. 200
16th Revised Sheet No. 115
SUPERSEDING
15th Revised Sheet No. 115

1.15. LOCAL CHARGES AND STATE SALES TAX

- A. Local Charges--Some municipalities have imposed franchise, license, or utility revenue taxes on natural gas service. Each Mountain Fuel customer within the corporate limits of these municipalities is billed monthly a separately itemized local charge derived by applying the applicable percentage to the customer's bill for gas service. The Company collects these local charges on natural gas service for each municipality through its billing process. Local charges collected from natural gas users are paid to each municipality with the filing of periodic revenue reports by the Company.
- B. State Sales Tax--Each Mountain Fuel customer receiving natural gas service under this tariff is billed monthly a separately itemized Utah state sales tax derived by applying the applicable percentage to the customer's gas bill for gas service plus any local charges. State sales taxes collected from natural gas users are paid to the State of Utah with the filing of a periodic revenue report by the Company.

Case No. _____
Order Date April 5, 1967
Advice No. 87-02

Issued by
D. N. Rose
President
Distribution Division

Effective April 5, 1967

Exhibit C

AUG 17 1990

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF MOUNTAIN FUEL SUPPLY COMPANY)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY)**

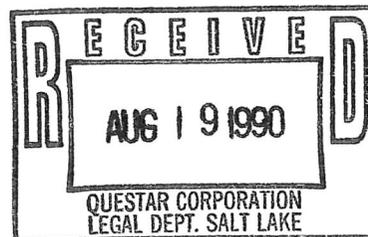
CASE NO. MOU-G-90-1

CERTIFICATE NO. 315

IT IS HEREBY CERTIFIED that the Public Convenience and Necessity require, and will require Mountain Fuel Supply Company, a corporation and a public utility company, its successors and assigns, to hold, construct or otherwise acquire and to maintain and operate a general natural gas transmission and distribution system in the southeast Idaho County of Franklin and the Franklin County cities of Franklin and Preston, for the supplying of natural gas to the municipalities and rural areas situated therein and to the inhabitants thereof; and for such purpose to own, hold, construct or otherwise acquire and to maintain and operate within said certificated area all plant necessary for the maintenance of a natural gas transmission and distribution system, and to exercise all rights and privileges granted, or which may hereafter be granted Mountain Fuel Supply Company, its successors and assigns by franchises or otherwise by the said county and municipalities or any of them or by the State of Idaho or by any political subdivision of the State of Idaho.

This Certificate is predicated upon and issued pursuant to the findings and Order of this Commission, same being Order No. 23282, dated August 16, 1990, to which reference is hereby made.

CERTIFICATE NO. 315



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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho,
this 16th day of August 1990.



DEAN J. MILLER, PRESIDENT



PERRY SWISHER, COMMISSIONER



RALPH NELSON, COMMISSIONER

ATTEST:



MYRNA J. WALTERS, SECRETARY

SW:vld/O-1107