



News Release

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Questar Gas asks Wyoming Public Service Commission to cut natural gas rates by 10 percent

SALT LAKE CITY — It will cost less to heat a typical southwestern Wyoming home this winter. Questar Gas today asked the Wyoming Public Service Commission (PSC) to reduce natural gas rates by \$4 million. If approved, the rate cut would lower the typical homeowner's annual bill for natural gas by \$118, or about 9.7 percent, beginning Nov. 1.

“The good news is that the industry has restored much of the curtailed production in the Gulf of Mexico and there is an adequate inventory of natural gas in storage going into the winter,” said Alan Allred, president and CEO of Questar Gas. “Prices have come down and may go lower in the future. We buy gas for our customers at wholesale market prices and include those costs in our rates without markup. With this filing we will pass expected savings on to our customers.”

The price of natural gas spiked to record levels last fall after hurricanes knocked out nearly 20 percent of U.S. natural gas supply. Questar Gas, like other utilities across the country, had to increase its rates to cover the higher cost of buying natural gas. With most of that supply now restored, the price of natural gas has fallen back to pre-hurricane levels. Mild weather last

winter also led to lower consumption, helping the natural gas industry rebuild inventories.

Earlier this year, Questar Gas had two rate decreases in Wyoming: \$2.7 million in March and \$1.9 million in June. This request will bring the year's total reductions to \$8.6 million.

Combined, the three rate reductions will result in a \$263, or 19.4 percent, annual savings for the typical southwestern Wyoming household.

"Our rates are consistently among the lowest in the U.S. This rate cut will help us keep them among the lowest," said Allred. However, he cautioned customers that natural gas prices will remain volatile due to factors beyond the company's control. Natural gas prices are affected by supply interruptions and changes in demand due to weather and the economy.

"As always, we encourage our customers to conserve. For energy-saving tips, or to enroll in our Budget Plan, please see our Web site, [Questargas.com](http://www.questargas.com)," Allred added.

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For more information, visit Questar's Internet site at: <http://www.questar.com>.