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## News Release

### Questar Gas

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### **QUESTAR GAS ASKS FOR FIRST GENERAL RATE INCREASE SINCE 2002**

SALT LAKE CITY – Questar Gas is asking the Utah Public Service Commission for an increase in its general rates. If approved, the \$27 million increase would raise the monthly bill for the typical residential customer in Utah by about 7 percent, or \$3.92 per month. Questar Gas has asked that the new rates become effective by August 2008.

This is the first requested “general” rate increase – to cover the “non-gas costs” of system maintenance and expansion – since 2002. General rate cases differ from so-called “pass-through” rate cases, which the utility files more frequently to adjust its rates for the changing costs of gas supplies. Gas costs are passed on to customers without markup.

“We haven’t had to request a general rate increase in five years,” said Alan Allred, Questar Gas president and CEO. “We’ve held the line on rates by aggressively controlling costs – and our natural gas rates in Utah are consistently lower than every other state but Alaska. But today we’re serving about 120,000 more homes and businesses in Utah than we were five years ago, a 16 percent increase.

“Just as Utah has had to invest in major highway projects and build new schools to keep pace with growth, our natural gas distribution facilities need the same kind of attention as the state grows.”

Since 2005, Questar Gas has increased its annual investment in new gas-distribution facilities by 40 percent. Over the next five years, the utility estimates it will invest about \$135 million per year to keep up with growth and maintain system reliability and safety.

“Our employees are getting the job done for our Utah customers – we’ve kept our costs and thus natural gas rates down without sacrificing service or reliability,” said Allred. “We’re asking state regulators to allow us to maintain the high levels of service and reliability that our customers have come to expect.”

Because Questar Gas cut rates by \$89.6 million in a November pass-through case, natural gas bills should be lower than in recent winters, even with this increase.

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Questar Gas, the utility subsidiary of Questar Corporation (NYSE: STR), provides retail natural gas-distribution service to more than 860,000 customers in Utah, southwestern Wyoming and a small portion of southeastern Idaho.