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UTAH PUBLIC
SERVICE COMMISSION

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January 7, 2009

RE: "DOCKET NO. 07-057-13 and/or 07-057-21. In the Matter of the Application of Questar Gas Company to Increase Distribution Non-Gas Rates and Charges to Make Tariff Modifications: As Filed by the Commission on Monday, December 22, 2008.

Dear Commissioners:

I am a Questar customer and am aggrieved by your recent ruling to remove vehicles fueled by compressed natural gas (CNG) from the 'traditional users' category. As you may be aware, air pollution along the Wasatch Front is often times in violation of Federal standards this time of year. I purchased a CNG vehicle last year because they are an inherently Low Emissions Vehicle (as qualified by the federal EPA) to do my part to help alleviate this problem. It is shocking that, by this ruling, the PSC is now going to punish me and others who have invested in cleaner air by *increasing* CNG rates to an arbitrary 'national rate'. Further, it tarnishes the state's image by showing an apparent lack of concern for environmental issues troubling the state in general.

Although lower fuel prices are a benefit to operating a CNG powered vehicle, they DO NOT offset the premium paid for it. Most CNG vehicles cost at least \$6000 more than a conventional vehicle due to their relatively low production volumes and additional costs of specialized parts. Given the current gasoline prices of \$1.49/gallon, the annual fuel cost for a vehicle comparable to mine would be \$511. With the current CNG fuel price of \$0.849, my vehicle has an annual fuel cost of \$340; a savings of only \$171 per year. Although the State of Utah tax incentive offsets up to \$3000 of this cost premium; the remaining cost will take almost eighteen years to recover, *excluding* the time value of money. Given Questar's profit margin of nearly 27 percent as of Q3 2008, the small amount of additional profits from this proposal is not justified.

I ask that you reverse this decision as soon as possible. This will be an embarrassment to the state of Utah and its citizens if it is allowed to stand. Use of CNG as a vehicle fuel reduces our dependence of foreign oil. This technology is also in line with the development of alternative forms of energy such as wind, geothermal, and solar energy. Please continue to support our individual efforts to have a cleaner environment by allowing CNG users to pay the same rates for our vehicles as we do for our homes.

Regards,



Shawn Davis