



PANGUITCH CITY

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UTAH PUBLIC
SERVICE COMMISSION

2006 NOV -2 P 4: 18

037034

Mayor: J. Arthur Cooper
City Manager: Allen K. Henrie
City Recorder: Cindy Johnson
City Treasurer: Carla Farnsworth
Public works director: Dave Owens
Council Members:

Eric Houston
John Orton
Greg Payne
Nick Reynolds
Tim Smith

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Utah Public Service Commission
P.O. Box 45585
Salt Lake City, UT 84145-0585
Docket 06-057-T04

October 30, 2006

We appreciate the accommodations made several years ago to bring been gas to Panguitch. Natural gas service has clearly benefitted rural Utah. However, the various arrangements made to cover the cost of bringing that service to rural Utah have resulted in some areas receiving economic-development advantages over others. We strongly support the proposal to remove GSS and EAC rates from Questar Gas Company's tariff.

GSS and EAC rates were tools that allowed rapid expansion of a critical service. But these arrangements favored faster growing communities. Those communities have been able to join Utah's economic mainstream faster. Higher rates in Panguitch only keep us from catching up, or even competing. For the benefit of the whole state, it's time to level the playing field. Removing the extra charges from our rates will help accomplish this.

Economic development in rural Utah will benefit all of Utah. It will take pressure off the Wasatch Front and Washington County. It will provide more options to businesses and industries considering relocating to Utah. It will provide jobs and income beyond agriculture and the service sector. More competitive natural gas rates will provide the jumpstart we need.

The minimal cost of this jumpstart was the rationale used by the legislature to help some communities receive gas service in the first place. Because of 1998's HB180, all Questar Gas customers pay a few cents extra every month to cover the costs of taking gas service to so Panguitch, Cedar Fort and Brian Head. This is a good example of the type of cooperation and compromise we are requesting. We urge the PSC to approve the proposal.

Sincerely,

J. Arthur Cooper
Panguitch Mayor

cc:

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