

ARIZONA CORPORATION COMMISSION

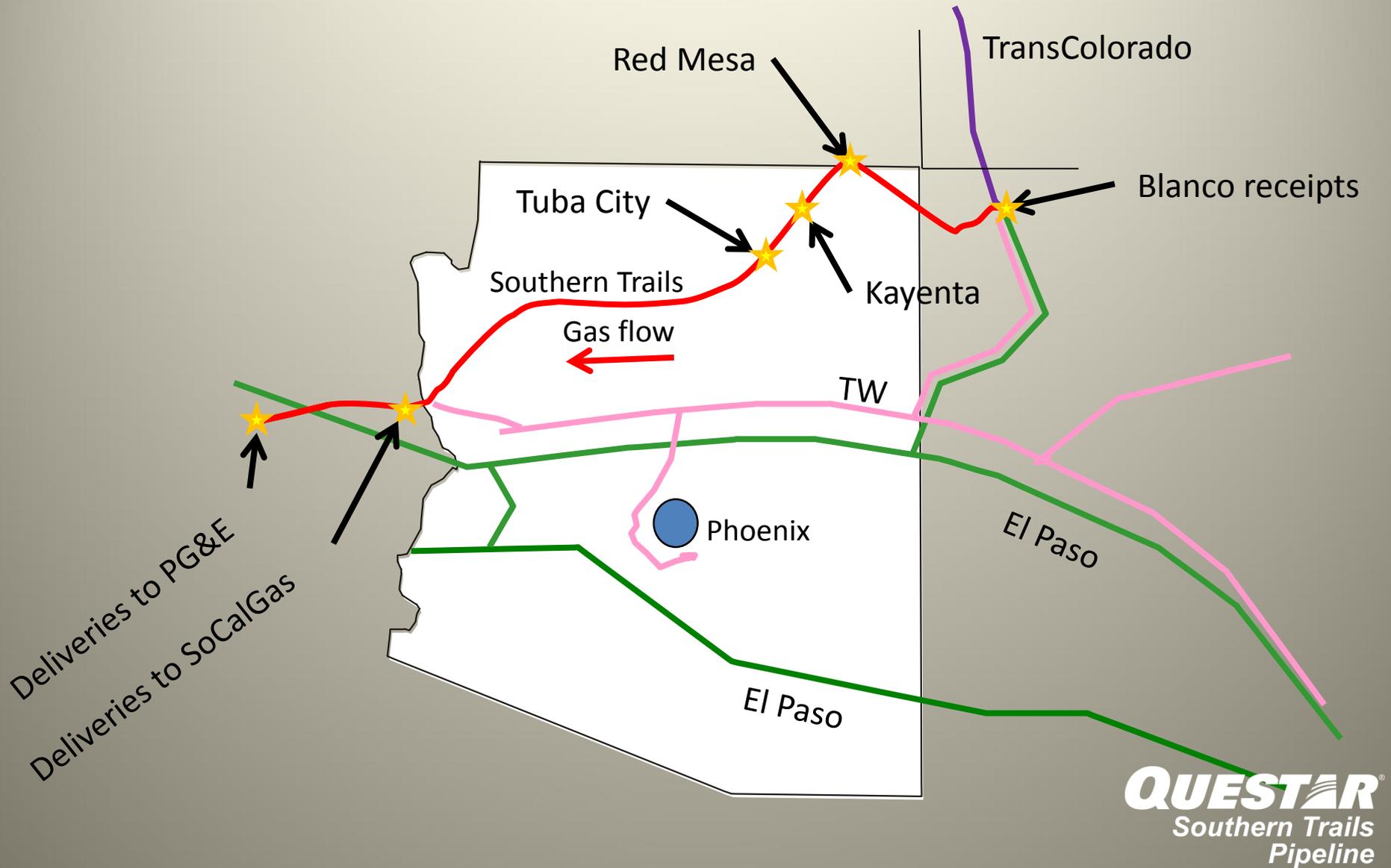
WINTER PREPAREDNESS MEETING

OCTOBER 29, 2015

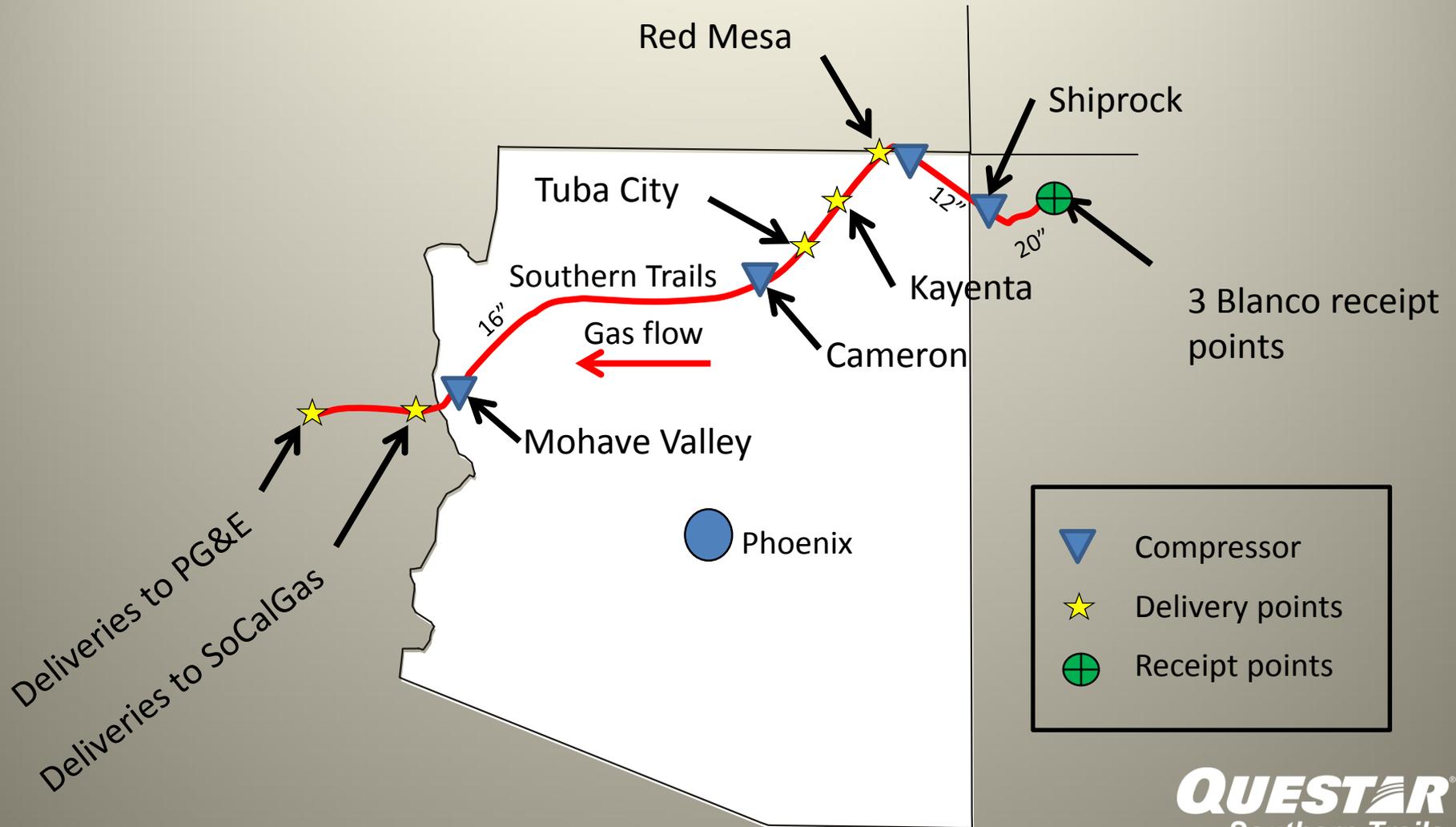


Questar Southern Trails Pipeline Company

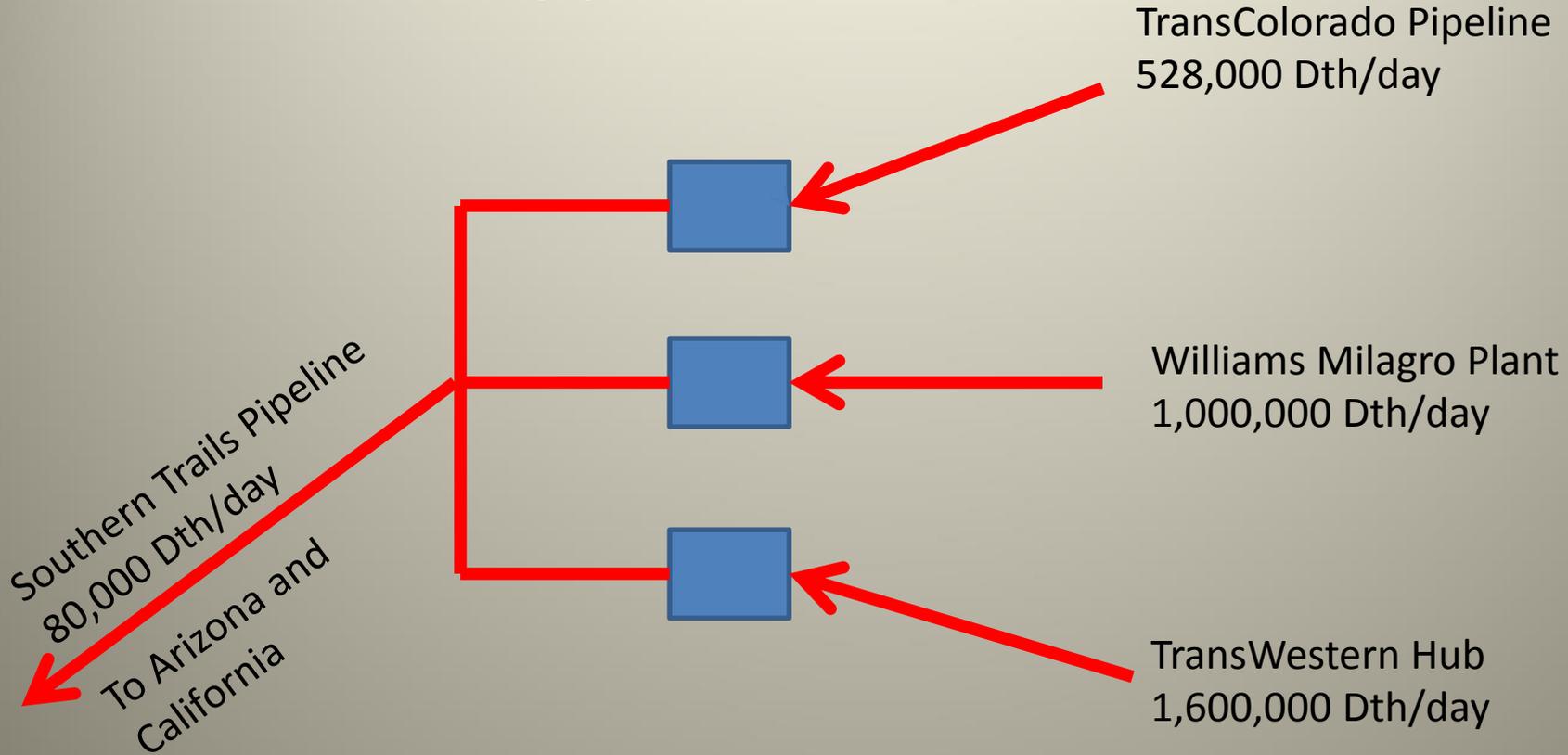
Interstate Pipelines Serving Arizona



Southern Trials Primary Facilities



Southern Trails Blanco, New Mexico Gas Supplies

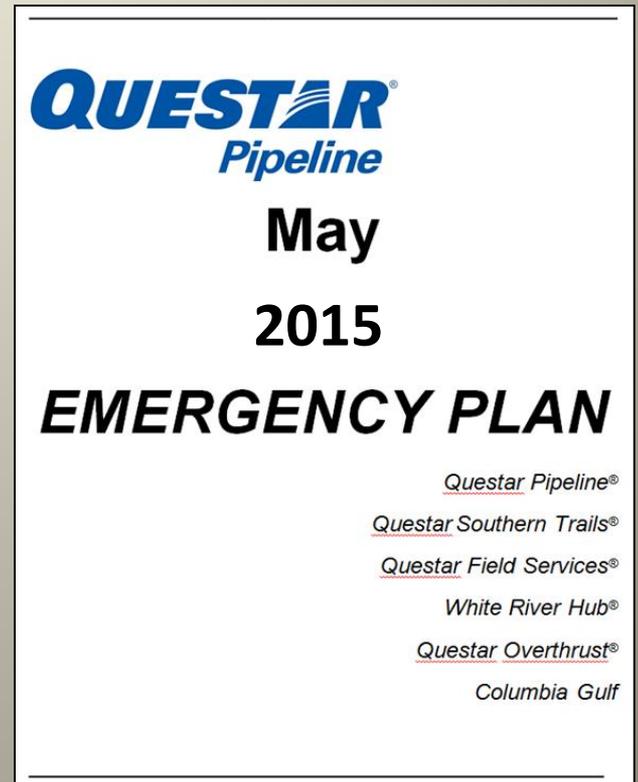


Southern Trails West-End Deliveries



Emergency Plan

- Federal Code:
49 CFR Part 192.615
 - **Requires every pipeline company to have a current emergency plan.**
 - Questar updates and publishes its plan annually.
 - Each operations employee is trained on every aspect of the plan annually.

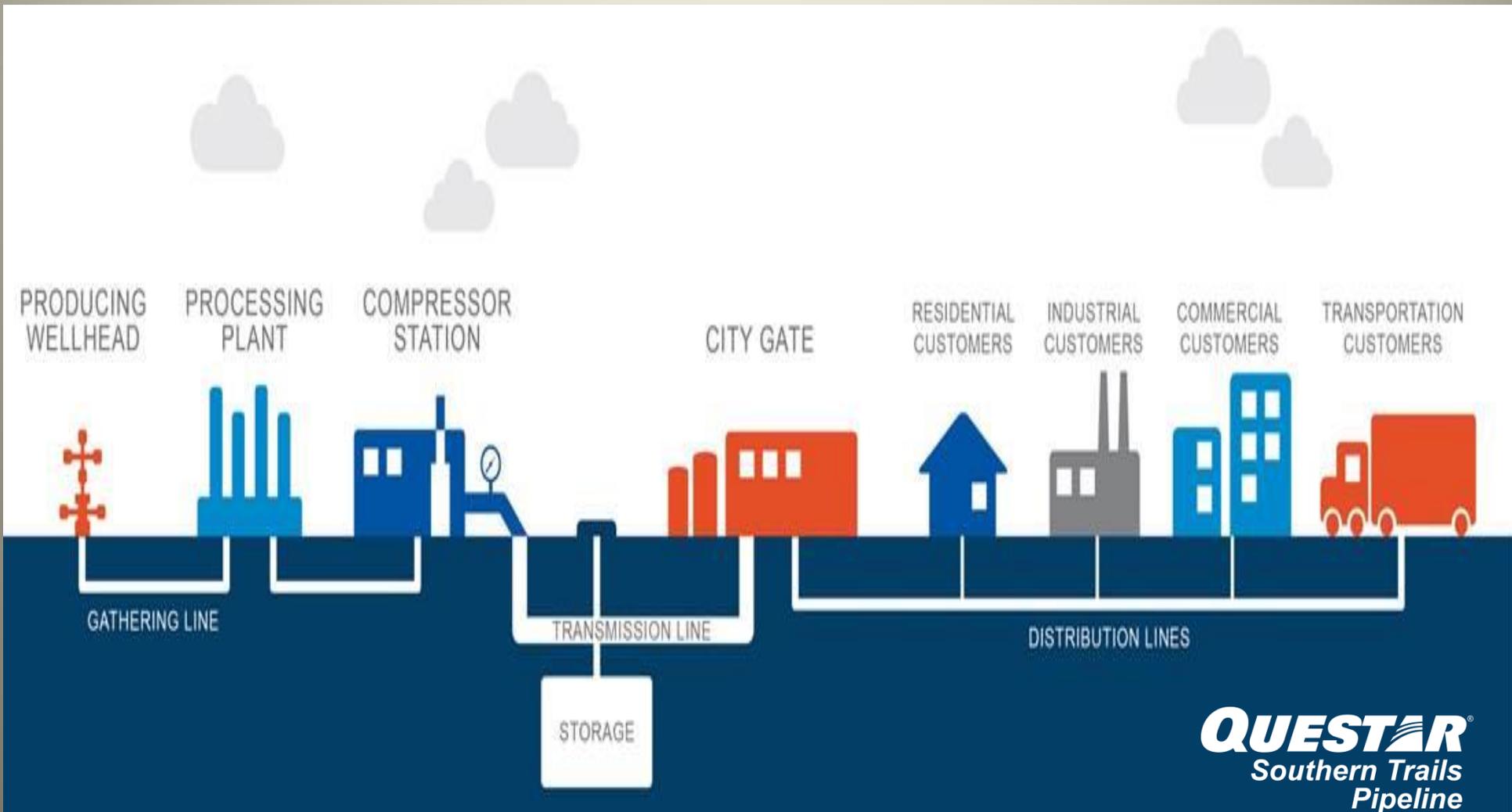


Emergency Training Drills

- Questar operations employees participate in emergency-training drills throughout the year.
 - These table-top drills can be:
 - **Internal**, with fellow employees and management, or
 - **External**, with emergency responders and public officials usually through local emergency-planning councils.



Natural Gas Chain



Winter Weather Forecast...

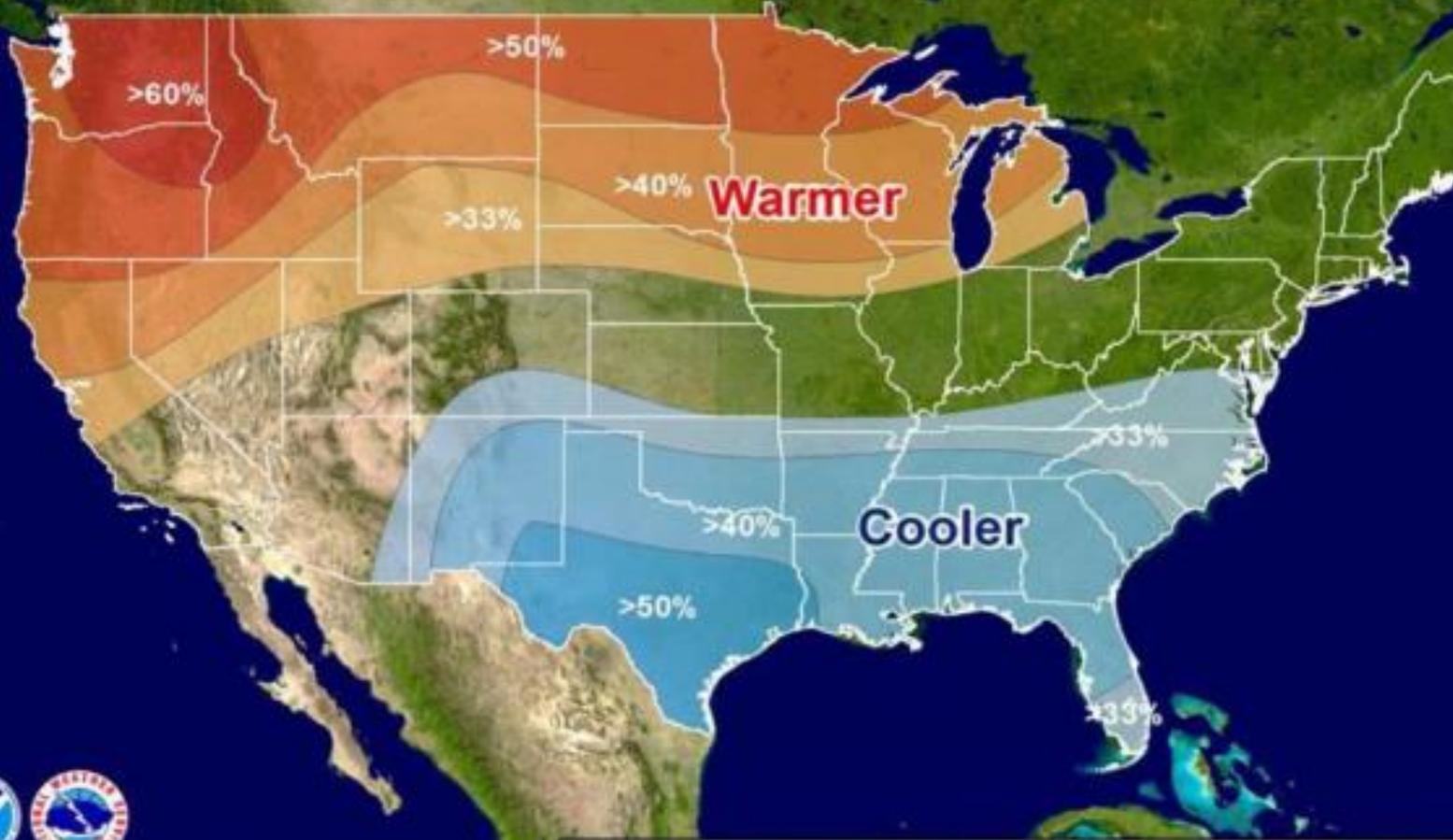
- Last winter, if you'll remember, we reported that weather experts predicted the Southwest to be warmer than normal. **They were right. Many Arizona locations had the warmest winter ever recorded.**
- So... what is forecasted for this winter? Let's look what NOAA predicts.

El Niño Has Arrived

- *El Niño: Warming, or above-average ocean-surface temperatures, in the central and eastern tropical Pacific Ocean.*
- *Some U.S. patterns observed during strong El Niños include:*
 - *Above-average temperatures in portions of Alaska, the Pacific Northwest, Intermountain West, Northern Plains and Upper Midwest*
 - *Below-average rainfall in the northern Rockies, and the Ohio and Tennessee Valleys.*
 - *Above-average rainfall in southern California, Arizona, New Mexico, Texas and Florida.*
- *El Niño's main summer influence tends to be on hurricanes:*
 - *More tropical cyclones in the Pacific; fewer in the Atlantic.*

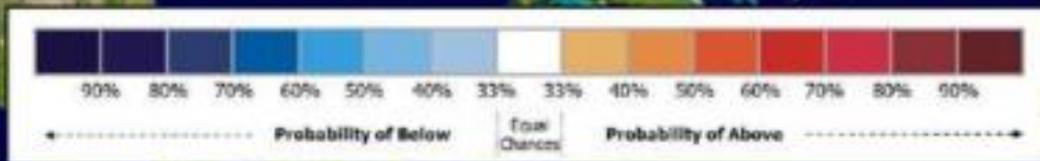
Seasonal Temperature Outlook

Dec-Jan-Feb 2015-2016



Climate Prediction Center

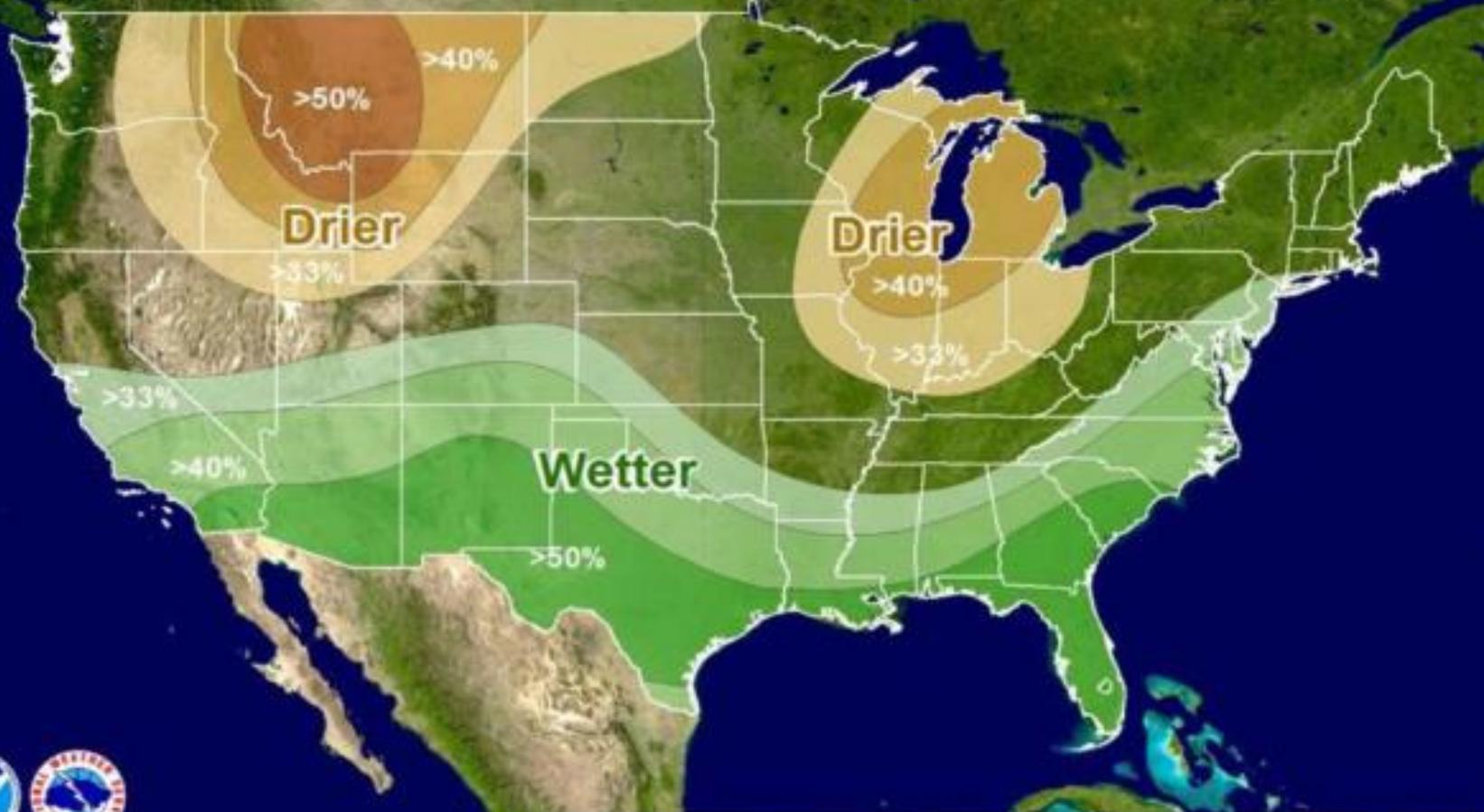
Issued: 07/16/15



Winter Weather temperature forecast for 2016

Seasonal Precipitation Outlook

Dec-Jan-Feb 2015-2016



Climate Prediction Center

Issued: 07/16/15



NOAA's official winter weather outlook for precipitation in 2016

Aspects of Safety Culture

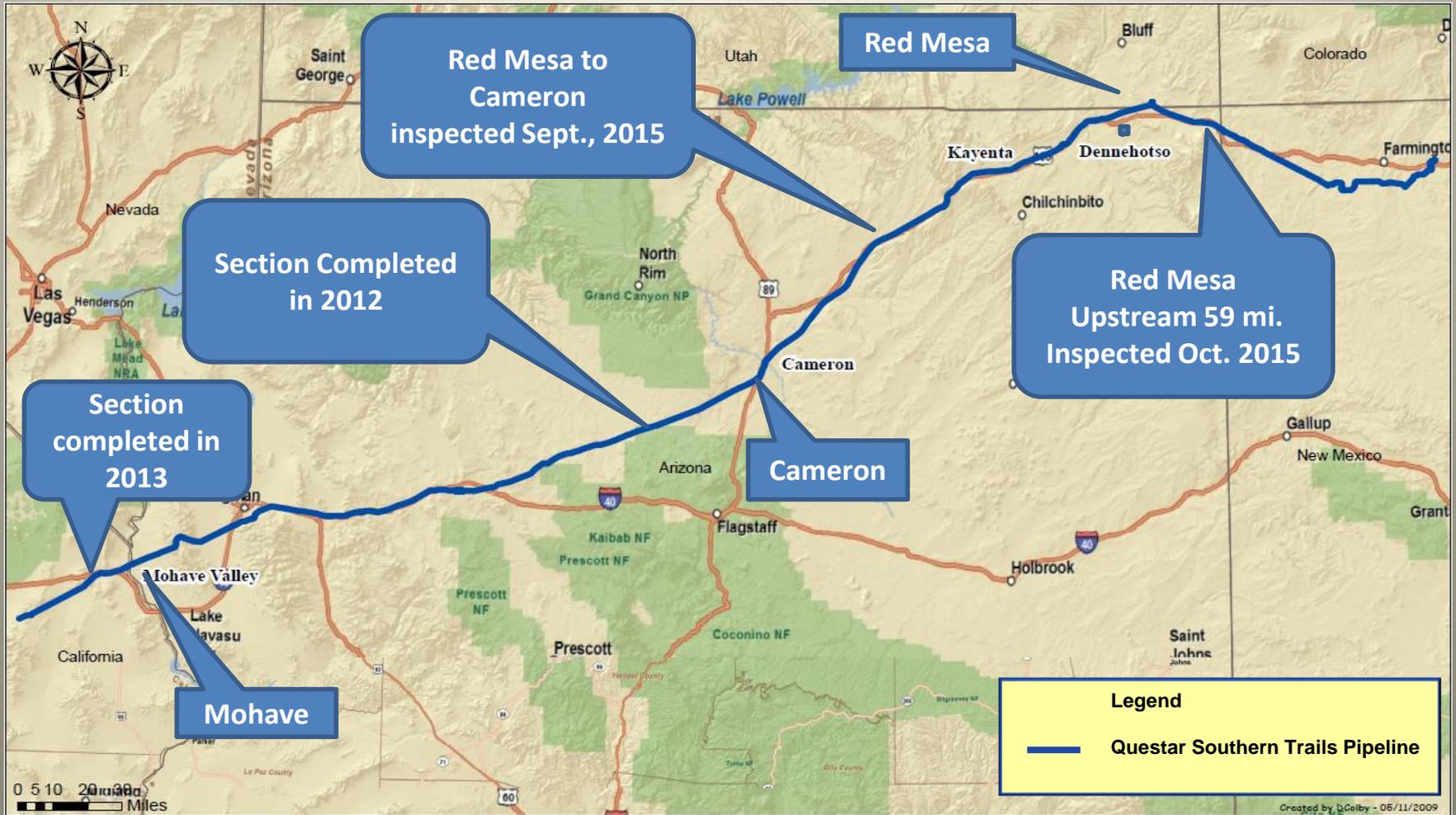


Pipeline Safety Update

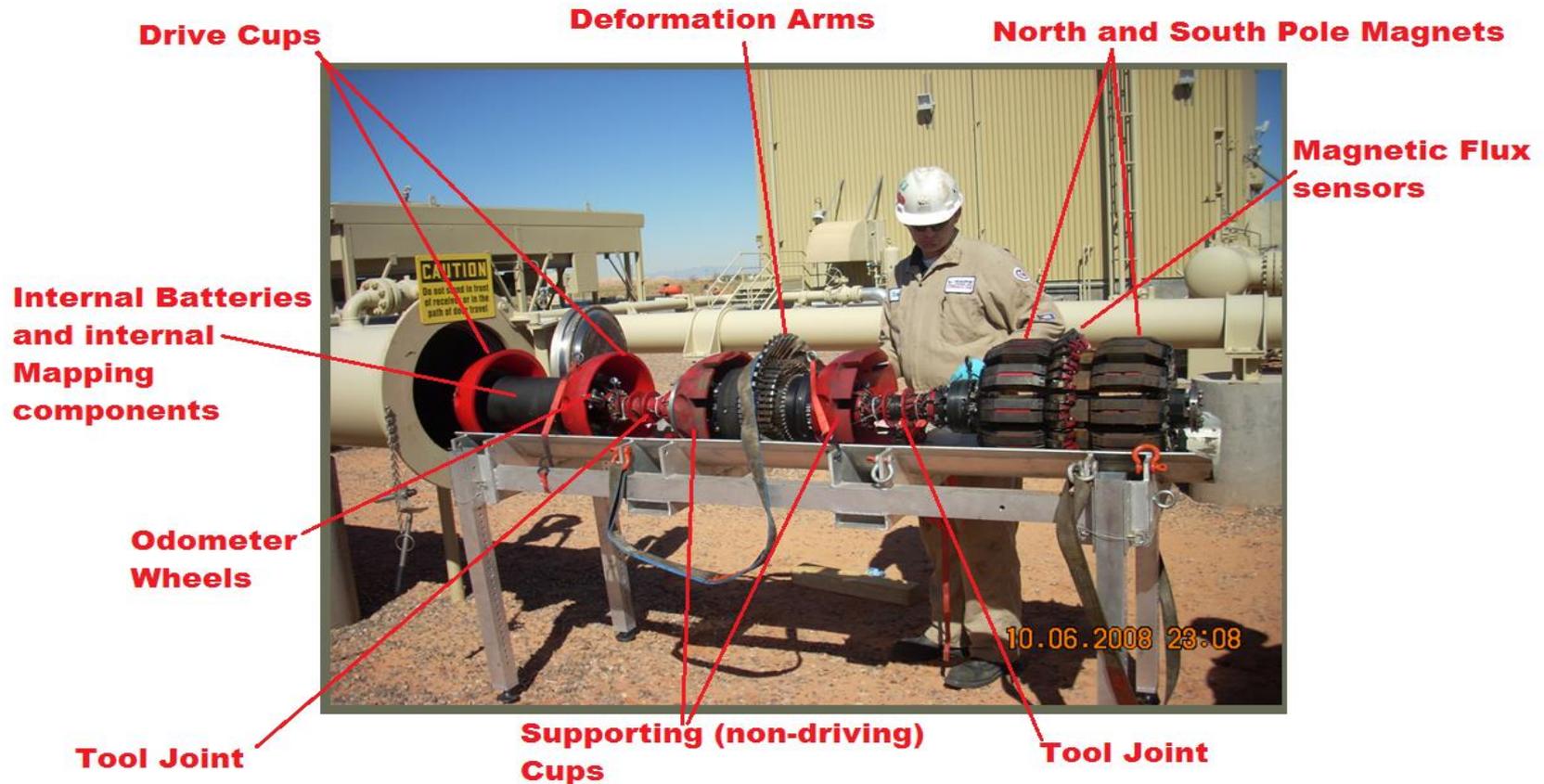
- ✓ In-Line Inspection : 2 tool runs (2015)
- ✓ PHMSA Integrated Audit of QST (2014)
- ✓ 2015 Arizona Pipeline Safety meetings
 - Excavators
 - Emergency Responders & Public Officials
 - Land Owners/Public



In-Line Inspection



Preparing to Launch an ILI Tool (a.k.a. "Smart Pig")



New Signs Installed

The **#1** cause of pipeline emergencies is third-party hits. To assist our damage-prevention efforts we posted additional signs on gradable dirt roads that cross our pipeline.

These highly visible signs help road crews and equipment operators know our pipeline is in the road right-of-way.

These signs are in addition to our traditional pipeline marker signage.



2015 Public Awareness Meetings

Damage Prevention, Emergency Response & Public Awareness Meetings:
Coordinated with Arizona 811, local utilities, transmission companies and
the Arizona Corporation Commission



2015 Meetings Participation

- ✓ Mohave County – Arizona 811 Excavator Awareness Meeting, Emergency Responder Meeting
- ✓ Kingman, AZ – City of Kingman, Emergency Response & Arizona 811 Excavator Awareness Meeting
- ✓ Flagstaff, AZ – Emergency Response & Arizona 811 Excavator Awareness Meeting
- ✓ Lake Havasu, AZ – Emergency Response & Arizona 811 Excavator Awareness Meeting
- ✓ Prescott, AZ – Emergency Response & Arizona 811 Excavator Awareness Meeting
- ✓ Window Rock, AZ – Navajo Nation Emergency Response & Excavator Awareness Meeting



Meeting Purposes

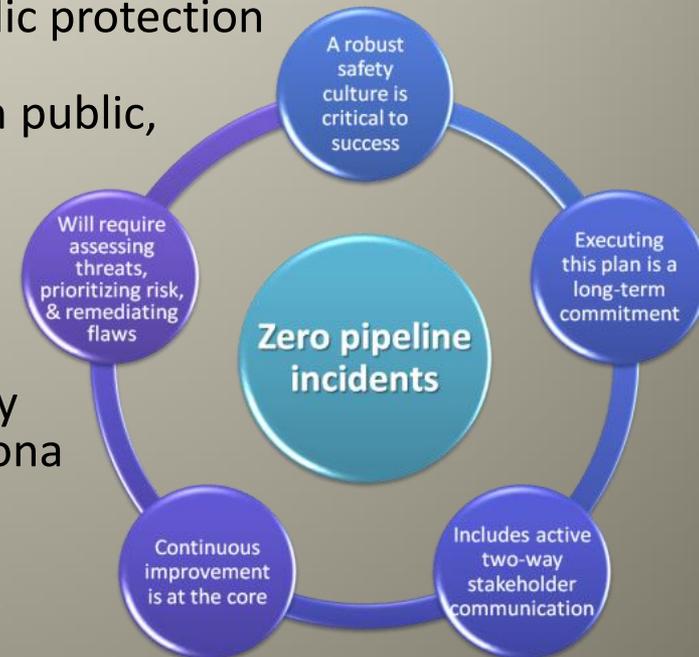
- ✓ Inform the public and communities of pipelines in vicinity & their locations
- ✓ Train excavators on Arizona 811 laws, excavation safety, and safe digging practices
- ✓ Make emergency responders and public officials aware of pipelines and high-consequence areas (HCAs) in their jurisdictions
- ✓ Train emergency responders on pipeline emergency and response
- ✓ Review product hazards and characteristics
- ✓ Share pipeline emergency numbers and introduce local pipeline operators to public and responders
- ✓ Define emergency-planning partners -- pipeline operators, police, fire, ambulance, hospitals, LEPC, and public officials



Safety Benefits

Transmission Integrity Mgmt. & Public Awareness

- ✓ Thorough, up-to-date analysis of pipeline integrity
- ✓ Continue “smart pigging” at 7-year intervals (HCA’s)
- ✓ Develop baseline knowledge & track history of known pipeline anomalies
- ✓ Real-time remote monitoring and control of cathodic protection
- ✓ Provides foundation for incident avoidance through public, excavator, public official and emergency responder communications
- ✓ Give knowledge to local communities of pipelines
- ✓ In summary, this all helps maintain system reliability and safety of our pipeline through the state of Arizona



Questar Pipeline Priorities

Operational efficiency and effectiveness

- Ensure ongoing safety and reliability are highest priorities

Commercial excellence

- Focus on excellent customer service
- Reputation of trust, responsiveness and compliance

Market-responsive growth

- Pipeline and storage projects
- Strategic opportunities

Market competitiveness

- Maintain competitive rates and variable costs



- Clay Basin Gas Storage
- White River Hub



QUESTAR
Southern Trails
Pipeline

Questions?

