



## FINANCE AND AUDIT COMMITTEE CHARTER

### Purpose

The Finance and Audit Committee of Questar Corporation's Board of Directors has oversight of: (i) the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; (iii) the independent accounting firm's qualifications and independence; (iv) the performance of the Company's internal audit function; and (v) preparation of the report to be included in the Company's annual proxy statement.

### Composition

The Committee consists of at least three members. To be eligible to serve on the Committee, a director must be both "independent" and "financially literate." These determinations will be made by the Board using such terms as defined by any applicable law or any listing standard established by the New York Stock Exchange. One member of the Committee must have accounting or related financial management expertise and be eligible for designation as a "financial expert." The Committee and its Chairman are appointed each year by the Board of Directors at the first Board meeting following Questar's annual meeting of shareholders. The Board of Directors may appoint new members of the Committee at any time.

### Meetings

The Committee shall meet at least once during each fiscal quarter and more frequently as the Committee deems necessary or appropriate. The Committee can transact business when a majority of the members are in attendance at a meeting or by unanimous written consent. The Committee Chairman will make regular reports to the full Board of Directors.

### Responsibilities

The Committee's responsibilities are described more fully below.

1. Annual Financial Statements. The Committee shall review annual financial statements and the results of the audit performed in conjunction with such statements. The Committee shall review a report, on at least an annual basis, that discloses all critical accounting practices followed by the Company, all alternative treatments of financial information within generally accepted accounting principles, and other material written communications between the accounting firm and Questar's management. The Committee shall review the Company's disclosures in the Form 10-K, including "Management's Discussion and Analysis."

2. External Audit Process. The Committee shall oversee the external audit process. In connection with this general responsibility, the Committee shall be "directly responsible for the appointment, compensation, and oversight of the work of the independent accounting firm" for the Company and its reporting subsidiaries. The Committee shall approve: the engagement letter specifying audit fees for the Company and its reporting subsidiaries; any non-audit services to be performed for the Company and/or its subsidiaries not expressly prohibited under federal law; and services not otherwise specified in the engagement letter to be performed by the accounting firm, including the fees charged for such services. The Committee shall be

responsible for approving any reports concerning audit services and fees disclosed in periodic reports and for resolving disagreements between the Company and the accounting firm brought to its attention. The Committee shall review, at least annually, a report by the accounting firm describing its internal quality control procedures, any material issues raised by the most recent internal quality-control review and any inquiry or investigation by governmental or professional authorities. The Committee will also annually review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence.

3. Internal Audit and Internal Control. The Committee shall oversee the internal audit function, including internal control and financial reporting. In connection with this general responsibility, the Committee shall review and approve the Company's annual internal control report disclosed in the Form 10-K. The Committee shall review the appointment, promotion, compensation, reassignment, or dismissal of the director of internal audit.

4. Interim Financial Statements. The Committee shall meet with representatives of the Company, the independent accounting firm, and internal auditors on a quarterly basis and review the Company's quarterly and financial statements and disclosures in the Form 10-Q, including "Management's Discussion and Analysis."

5. Earnings Releases. The Committee shall review earnings press releases, as well as financial information provided, before such information is disseminated publicly.

6. Business Ethics Policy. The Committee shall review the Company's Business Ethics Policy and procedures for receiving and treating complaints, including confidential, anonymous employee complaints, concerning accounting, auditing, or internal control procedures.

7. Risk Assessment and Management Policies. In conjunction with a general responsibility to review risk assessment policies, the Committee shall receive periodic reports concerning any legal, environmental, taxation, credit, and regulatory matters that could have a material effect on the Company's financial statements and compliance policies.

8. Related-Person Transactions. The Committee shall review any related-person transactions brought to its attention and determine whether any action is necessary.

9. Hiring. The Committee shall set clear hiring policies for employees or former employees of the Company's independent auditor.

10. Miscellaneous. The Committee shall handle miscellaneous assignments requested by the full Board.

11. Evaluation. On an annual basis, the Committee shall review its effectiveness and the sufficiency of its written statement of responsibilities.

12. Executive Sessions. The Committee, on a periodic basis, shall meet separately with the Chief Financial Officer, internal auditors, and independent public accountants.

The Committee has the authority to hire independent counsel and any other advisors that it deems necessary to assist with its responsibilities.

**Other Matters:**

Management is responsible for preparing the financial statements of the Company and each reporting subsidiary, and the auditors are responsible for auditing such financial statements. Management is also responsible for preparing the reserves estimates. In carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the independent auditor's work, auditing standards, or the independence of the auditors. Additionally, the Committee is not providing any expert opinion or special assurances as to reserves estimates. Each member of the Committee shall be entitled to rely on the people and organizations that supply information to the Committee and the accuracy and completion of such information.