

2013 Questar Corporate Social Responsibility Report

Making lives better

6,405
6,405 volunteer hours donated

50,000
Conserving enough energy
to heat 50,000 homes

2013 Questar Corporation

Our Mission

Questar is an integrated natural gas company that develops, produces and delivers clean energy in the heart of the Rockies. Our primary business objectives are to provide excellent customer service and superior long-term shareholder value. We use capital wisely, operate efficiently and safely, and find ways to improve performance. We provide a culture that brings out the best in our people. We respect and protect the environment. We contribute to a better quality of life in our communities.

Our Purpose

Improving lives by developing and delivering essential energy.

Our Core Values

- Honesty and Integrity
- Trust
- Safety
- Reliability
- Focus on people
- Environmental stewardship
- Financial responsibility
- Opportunity for growth
- Pursuit of excellence

Business Ethics and Compliance Policy

Questar's Business Ethics and Compliance Policy reflects and preserves the high standards of business conduct that are a company legacy. Questar is committed to full compliance with both the letter and the spirit of the numerous laws and regulations that affect the company. This statement has been approved by the finance and audit committee of Questar's board of directors and by executive management.

The following policies apply to all Questar employees, officers and directors:

- Questar is committed to dealing fairly with employees, customers, suppliers and competitors.
- Questar adheres to the highest standard of business ethics and seeks to maintain the respect of government and regulatory authorities, customers, the public, the business community and Questar shareholders.
- Questar is required to comply with applicable laws, rules and regulations, and must avoid any activities that could involve or lead to involvement in any unlawful practice.

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Letter to Stakeholders:



Ron Jibson

Dear Questar Stakeholder:

At Questar, our defining purpose is to make lives better by developing and delivering essential energy. The growing abundance of clean, domestic natural gas and the resultant price stability are making life more convenient and comfortable for all our customers. However, responsibly developing and safely delivering the resource essential to a healthy economy and environment requires continued attention to all stakeholders' needs.

To continue providing competitive returns and growth from Questar's unique set of companies, we depend on continued public support – your support. To earn and keep that

support, we realize it's essential to nurture a culture in which ethical conduct guides our operations and decisions.

We focus our day-to-day decisions on protecting our customers, employees and the beautiful areas we serve. For Questar, safety is not a program. It's an ingrained mindset – as is environmental stewardship. Questar is a solid corporate citizen in the communities in which we operate. Our employees embody our ideals and we provide them a positive work environment and stable employment.

Just as important as improving individual lives is Questar's ongoing commitment to improve the communities we serve. To

serve almost a million customers in three states, we operate production facilities and pipelines on land where we all live and play. We realize that we depend on your communities as much as you depend on us. We are your friends, relatives and neighbors investing time, energy and money in our communities. In 2013, we made capital investments of \$504 million and paid \$98.3 million in taxes. Our 1,725 employees earned \$146.5 million, much of which flowed back into local economies.

Beyond those key investments there are many specific ways Questar impacts the people and areas we serve. This Corporate Social Responsibility Report will help you better understand who we are and what we stand for.

We're proud of our employees' performance to maintain a safe, reliable system while protecting the environment and sustaining communities. We appreciate your support and the trust you've placed in us, and you can rely on Questar to continue striving to improve.

A handwritten signature in black ink, appearing to read "Ron Jibson". The signature is stylized and fluid, with a large loop at the end.

Ron Jibson
Chairman, President and CEO,
Questar Corporation



1,725 employees supporting communities
while protecting the environment

Corporate Responsibility

Improving lives with human energy

At Questar, decisions are guided by a commitment to ethical conduct, safety, environmental stewardship and community support. Developing and delivering natural gas depends on continued public support. The actions of individual employees are the key; our commitment to them has resulted in our reputation as a top employer and good corporate citizen.

Copies of our policies can be found in the Corporate Responsibility Section of Questar.com.

Protecting employees and the public

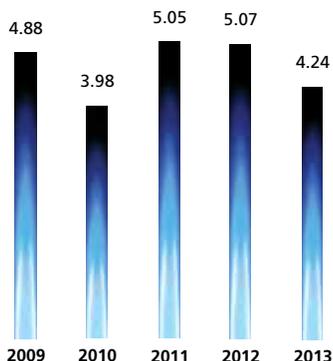
In 2013, we benchmarked our safety culture by participating in the Interstate Natural Gas Association of America (INGAA) Safety Culture Survey. Although this survey is designed for transmission companies, Questar chose to include all operations and field employees of its three major businesses. Survey results demonstrate that Questar's safety culture is strong, equal to or better than industry averages in nearly all categories. The survey helped each business identify improvements that we are working to implement.

Weekly, each Questar company holds supervisor conference calls to review all safety incidents and identify better practices. Following the meetings, supervisors share the incidents and training tips with employees to promote a safer workplace.

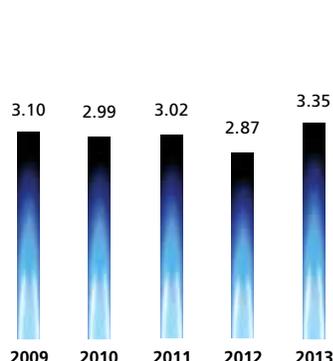
New companywide safety teams made significant contributions in 2013. One team reviewed and standardized safety practices across the corporation. Another team sought ways to better coordinate our safety policies with our construction contractors, and developed a contractor safety manual that details our safety expectations. Safety summits were held for current and potential Questar Gas and Questar Pipeline contractors to introduce the safety manual, and to discuss safety considerations. All of this significant work improved processes and field safety.

Questar Gas, our local distribution affiliate, holds semi-annual safety events to focus on various aspects of safety. The spring event, sponsored by

Reportable Vehicle Accident Rate
Per Million Miles Driven



OSHA Recordable Injury Rate
Per 100 Full-Time Equivalents





Of the \$166 million Questar Gas invested in its system in 2013, about \$57 million was dedicated to upgrading aging pipelines.

the regional safety committees, included safety professionals and emergency responders to discuss Department of Transportation (DOT) driving, the signs of meth labs in residences, LifeFlight operations, and animal control. Questar Gas personnel also identified and completed regional group safety projects.

Questar Pipeline advanced its Workers Observing Workers (WOW) program in 2013. The company ensured energy-control plans were in place for tasks conducted at its facilities, then conducted WOW observations to determine if work was being safely completed, emphasizing energy lock-out tag-out. About 40 percent of 204 WOW observations conducted included observation of lock-out tag-out procedures.

Questar Pipeline also expanded its safety-training program for office employees. They were required to perform four tasks that could include WOW observations, safety meetings or other approved safety activities. Questar Pipeline also sponsored an annual contractor safety summit that was very well attended.

In 2013, Wexpro formed a safety committee that published a safety newsletter, developed an extensive emergency-response plan, revised the management-of-change process and worked on energy lock-out tag-out procedures. In late 2012, Wexpro began weekly safety calls, which have been well received and increased the number and quality of hazard-awareness reports.

Pipeline Safety

Since Questar's 1929 origins, we have engaged in every phase of natural gas service—from wellhead to burner-tip. While delivering the natural gas our customers rely on for their comfort and livelihood, we have earned an enviable record for safety and reliability.

Questar's pipeline operations are overseen and regulated by the U. S. DOT Office of Pipeline Safety and its state partners. The DOT imposes rigorous standards for pipeline design, construction, maintenance, testing and operation.

Our management teams and operations employees continuously work with regulators and provide leadership for industry trade associations to improve standards and public safety. In 2012, we increased staffing dedicated to ensuring pipeline integrity and increasing public awareness about pipeline safety.

In 2013, we created a new corporate position, chief DOT compliance officer, to oversee all pipeline compliance activities at Questar. The DOT Compliance and Executive Oversight committees were formed to ensure attention at the operations and executive level and to promote a pipeline safety culture throughout the organization.

Questar's commitment to pipeline safety begins with initial design. We have extensive programs and practices that help control and monitor our transportation and distribution systems. They include pipeline markers and patrols, pipeline and facility inspections, remote monitoring to detect potential problems, pipeline-integrity testing and operating standards.

We also regularly meet with emergency responders, public officials and excavators to provide public-outreach training.

We continuously monitor and upgrade our pipeline systems through extensive transmission and distribution integrity-management programs. This includes an extensive, ongoing program to replace and upgrade legacy pipe.

Questar Gas's replacement efforts began decades ago, initially to remove cast-iron and bare-steel pipe from our system, and continue today as conditions indicate the need to replace pipe. The utility is investing up to \$65 million annually in an ambitious multi-year program to replace aging high-pressure lines, with four projects completed in 2013.

Questar Pipeline and Questar Gas have been researching historical pipeline records since 2004, when a new geographical information system (GIS) for storing pipeline and integrity-management data was installed. This research helps ensure that all available records are captured and that the associated data is entered into the GIS system and is traceable, verifiable and complete.

As part of its integrity-management program, Questar Pipeline has completed in-line inspections on 1,263 miles, or 48 percent, of its system. Over the next five-plus years, the company will inspect another 430 miles of its system. To date, Questar Pipeline has reconciled 96 percent of its entire system for the verification of maximum allowed operating pressure.

Questar Gas has also completed integrity-assessment inspections on 271 miles of transmission lines and is expected to complete another 105 miles in high-consequence areas over the next five-plus years.

In 2013, the Pipeline and Hazardous Materials Safety Administration (PHMSA) concluded the field phase of an integrated inspection of Questar Pipeline's system. PHMSA was generally pleased with the system's condition, but noted a few

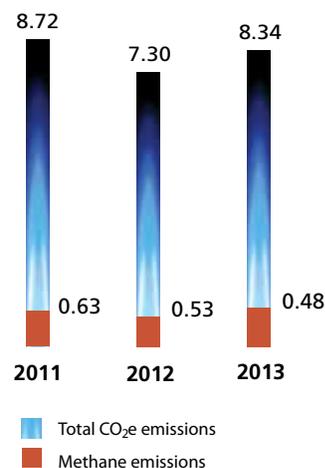
minor localized concerns. We have taken remedial measures and reported back to PHMSA, whose formal report will likely be released during 2014.

Improving the environment

Questar respects and protects the environment. We believe our reputation as an environmentally responsible operator is a source of competitive advantage. We understand that a company doesn't get a reputation for environmental citizenship just by claiming one. It's a judgment made by others. That's why we nurture a culture in which good environmental stewardship is ingrained in our day-to-day decisions and operations.

EPA Reportable CO₂e Emissions

Millions of Metric Tons



All totals reflect revised EPA rules for measuring the potency of methane as a GHG.

Greenhouse Gas (GHG) Emissions

Questar continues to comply with the U.S. Environmental Protection Agency's Mandatory Greenhouse Gas Reporting Rule. This rule requires the natural gas industry, along with many other industries, to report greenhouse gas emissions from their operations. For Questar, GHG emissions are primarily composed of methane and carbon dioxide, reported as CO₂e emissions.



Questar Pipeline and two other companies replaced a damaged culvert to make stream navigation easier for spawning cutthroat trout.

For 2013, Questar reported 8.34 million metric tons of CO₂e emissions, 93 percent of which resulted from the combustion of natural gas used by Questar Gas customers. We reported 0.56 metric tons of CO₂e emissions attributed to methane releases (small natural gas leaks and losses that occur during operations). We continually strive to decrease methane emissions by identifying leaks and repairing them as quickly as possible.

2013 CO₂e Emissions by Company

Millions of Metric Tons (estimated)

	Questar Gas	Questar Pipeline	Wexpro
Attributed to utility customers	7.69	--	--
Attributed to field equipment	.00044	.17	--
Attributed to methane releases	.082	.039	.44
Totals	7.77	.21	.44

Pipeline Construction and Reclamation

Questar takes great pride in its construction and site-reclamation practices. Before starting construction on a 2013 Uinta Basin project, Questar Pipeline analyzed impacts to the sage grouse, classified as a “sensitive species” by the Bureau of Land Management (BLM) and the state of Utah. We determined the project would affect about 45 acres of sage-grouse habitat along the first four miles of the right-of-way, but that no birds would be adversely affected by the project due to its timing. In addition to restoring and reseeding the right-of-way during construction, the company donated \$50,000 to enhance 400 acres of sage-grouse habitat in the area.

As part of a main-line replacement project, Questar Pipeline and two other companies replaced a damaged culvert to make stream navigation easier for spawning cutthroat trout. Under the direction of Questar Pipeline and with input from Trout Unlimited, contractors improved pools and channels on both sides of the culvert. Representatives from the Utah Division of Wildlife Resources (UDWR) and Trout Unlimited were very pleased with the results. “We are very thankful for Questar Pipeline’s contribution to our efforts to conserve, protect and reconnect the habitats and fisheries that are valuable to all the people of Utah,” said Ben Nadolski, aquatic habitat restoration biologist with the UDWR. “We hope this project is the beginning of a long-term partnership and commitment toward working together to help each other reach our shared goals.”

Drilling and Production Improvements

Process improvements and efficiency gains in Wexpro’s drilling program have helped us minimize our impact on the environment. We use “green” completions, which require less water and result in fewer emissions and waste products by capturing almost all the gas and oil vapors released during a well’s completion phase. The company has also received “acreage credits” for its post-drilling reclamation efforts to re-contour and reseed drilling locations. An established trust fund is continuously replenished to cover future remediation costs.

We also use rapid reclamation for areas disturbed by drilling, such as irrigation, specialized seed mixes, soil amendments and an ongoing weed-control program. In the past five years, Wexpro has reclaimed 731 acres, and to control noxious and invasive weeds, has sprayed 12,585 acres. Wexpro continually monitors these efforts for effectiveness.

In 2013, Wexpro began constructing two large evaporation ponds in Wyoming's Vermillion Basin to ensure safer disposal of water produced from working wells. When completed in early 2014, the pits will be able to evaporate up to 2,000 barrels of water daily that previously had to be hauled away or injected underground. The multi-layered pond liners are equipped with leak-detection sensors. To protect wildlife that may mistake the ponds for a potable water source, the sites will feature perimeter fences as well as several computer-controlled mechanical birds that deter migratory birds and other wildlife within 400 feet of the facility. These birds flap large wings and let out loud screeches, which has proven to be an effective wildlife-deterrent system elsewhere.

ThermWise Conservation Programs

Questar Gas has paid out more than 600,000 rebates since introducing its popular ThermWise conservation programs in 2007. About one in five customers has taken measures to save natural gas, for a total annual savings of more than

4 million Dth or the amount of natural gas used by about 50,000 residential customers.

The utility, along with the Utah Jazz, Rocky Mountain Power, the state of Utah, Salt Lake City, and waste and irrigation companies, created the Green Team to promote conservation and sustainability. Under the Green Team banner, conservation messages are shared with sports fans who pledge to take action in exchange for tickets and prizes.

Natural Gas Vehicles (NGVs)

Questar is committed to using and promoting NGVs – the world's cleanest vehicles. We are actively engaged in public and private initiatives. Increasing use of natural gas for transportation will be part of any solution to the nation's clean-air and affordable-energy challenges. There are 40 public CNG-refueling stations within Questar Gas's service area, making the system the most extensive per capita in the country.

Where possible, Questar's fleet vehicles have been running on compressed natural gas (CNG) for three decades. In 2013, about 40 percent of our utility's fleet was running on CNG, with large crew trucks being added. This reduced carbon dioxide emissions by 25 percent and carbon monoxide emissions by up to 97 percent over gasoline.

In 2012, we capitalized on our experience and national reputation by creating Questar Fueling, an unregulated subsidiary focused on building facilities to serve the growing CNG-transportation

Therm, Questar Gas's energy wise guy, promotes popular conservation programs.

Questar Fueling opened stations in Houston, Texas, and Topeka, Kan. (shown here).



industry. In 2013, the company quickly established itself by building the nation's largest NGV refueling facility in Houston. Another station was completed in Topeka, Kan., and plans are to open six to eight more in 2014.

STReamWise Team

Questar's STReamWise Team, organized in 2007 to promote sustainable business practices, encourages employees to "think green" and seek out energy-efficient products and services at work and at home.

The STReamWise Team started a recycling program in 2009 and continues to expand

coverage to include more recyclable items and additional locations, including individual recycling bins in each workspace. Each year, in conjunction with Earth Day, the STReamWise Team sponsors "Shred Fest," providing employees a secure way to shred and recycle unwanted personal papers and documents, and also responsibly dispose of used batteries and old cell phones, computers and other electronic equipment that can contain harmful materials. All-in-one collection and removal of recyclable material at Questar's corporate headquarters kept more than 70,000 pounds of waste out of local landfills.

Other STReamWise Team initiatives include:

Jordan River Parkway Project – Questar was the first company to participate in Salt Lake City's Adopt-A-Trail program. In 2013, the STReamWise Team continued to spearhead efforts to assist the city's Parks and Public Lands Division to maintain safe and well-groomed trails. Volunteers spend at least one hour each month picking up litter, reporting graffiti and monitoring a six-block section of the Jordan River Parkway in Salt Lake City. At least twice yearly, we sponsor volunteer projects to enhance the parkway, such as planting native habitat patches and trimming brush and trees.

Clear the Air Challenge – For the past two years, Questar has participated in Utah's Clear the Air Challenge. This program, sponsored by Utah's governor and Wasatch Front mayors, is a month-long challenge to reduce vehicle emissions. In 2013, Questar once again invited all employees to participate. Through carpooling, trip chaining, bicycling and using mass transit, Questar employees eliminated 2,520 single-occupancy trips and saved 3,000 gallons of gasoline, reducing vehicle emissions by more than 58,000 pounds (according to EPA calculations).

Idle Reduction Initiative – In 2013, Questar implemented an Idle Reduction Initiative for its fleet vehicles. Every employee attended Environmental Awareness Training, which covered the program's guidelines and air-quality information. Because fuel, maintenance savings and reduced emissions are realized when vehicles refrain from idling longer than 10 seconds, guidelines for Questar fleet vehicles include:

- turning off the engine upon stopping at a location
- not idling for more than one consecutive minute
- avoiding idling for more than five minutes in any one-hour period
- not idling off-road equipment



Questar volunteers at work on the Jordan River Parkway (left) and supporting a United Way project.

Questar Gas Billing Options

Questar Gas customers have been able to electronically pay their bills for many years. In 2012, the utility began offering its customers a paperless billing option. About 145,000 – more than 15 percent – customers have chosen this option.

Remediation Projects **Manufactured Gas Plants**

Questar's predecessors include companies formed in the late 1800s, long before environmental regulations were enacted. As we transitioned from using gas manufactured from coal refraction to natural gas, the manufactured gas plants were shut down.

In 1929, Questar's predecessors began supplying natural gas to customers in Salt Lake City and Ogden, Utah. In both cities, residuals from the manufactured gas plants resulted in contaminated soils and groundwater. Remediation at the Salt Lake Operations Center includes installation of an underground slurry wall around the facility and groundwater extraction and pretreatment to remove contaminants. Remediation efforts at the Ogden site recently began and, although not the principal responsible party at the site, we are participating in the remediation under Utah's Voluntary Cleanup Program.

Wasatch Chemical

Questar subsidiaries owned and operated Wasatch Chemical Company from 1968 to 1978. In 1986, EPA determined that the site required soil and groundwater remediation. Questar subsidiaries have conducted soil removal and in situ vitrification to remediate the soil contamination. A groundwater-extraction and treatment system was installed to remediate the groundwater contamination and was effective in reducing contaminant levels. Since 2003, natural attenuation has been monitored to determine the effectiveness. Questar is working with EPA and the state of Utah to define reasonable remediation activities that will ensure continued protection of human health and the environment.

Simon Station Pit

In 1992, an historic open pit at our Simon Station pipeline facility was closed under Bureau of Land Management rules. Recent activity in the area revealed soil and groundwater contamination. Questar has entered into a Voluntary Remediation Program agreement with the state of Wyoming; a work plan was developed to gather additional data on the nature and extent of contamination from the pit. This data is being evaluated to determine the remediation for this site.



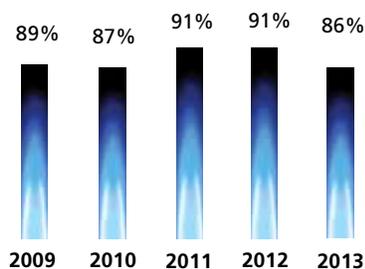
Questar's 25-year-old volunteer team continues to grow, with 676 employees giving more than 6,400 hours of service in 2013.

Making communities better

Questar depends on the communities we serve in the same way they depend on us to successfully run our business. In return, we make lives better by investing in our customers' and employees' quality of life.

Public perception of Questar

Customers Rating Us Favorably



Contributing

In 2013, Questar and its employees donated \$1.06 million to United Way agencies. Our Education, Arts and Native American Scholarship foundations provided another \$526,500. These foundations hold assets valued at \$6.5 million. We are also long-time sponsors and provide staff for both Junior Achievement and Utah Business Week, a leadership camp for high school students. Four adopted elementary schools also benefit from our employees' and shareholders' generosity.

Volunteering

Questar continues to experience a steady increase in volunteerism. Last year, 676 Questar employees gave 6,405 hours of personal time to volunteer for projects across our service territory, a 12 percent increase over 2012.

Ongoing projects include:

- providing twice-weekly tutoring to 50 elementary school students
- annually delivering 8,580 Meals on Wheels to home-bound recipients
- preparing meals for Ronald McDonald House and Fisher House residents three to four times a month
- helping to buy, process and pack more than 55,000 pounds of meat for the Utah Food Bank
- sponsoring and providing staffing for Utah's Multiple Sclerosis Society's Walk MS
- providing staffing and donations for the 2013 American Diabetes Tour de Cure bike ride
- donating time, money and gifts to hundreds of children and low-income seniors through various holiday-giving programs including Sub-for-Santa and the Salvation Army Angel Tree Project
- making hats and scarves for 250 patients at the Huntsman Cancer Institute

An engaged workforce

Questar employees are connected with their jobs, coworkers and communities. They bring their talents and dedication to our workplace and the communities we serve. Motivated employees engage in challenging work and show a daily commitment to teamwork, productivity and quality customer service. Our cultural and training programs help employees enjoy their work while showing creativity in tackling new projects. Questar's turnover rate is low—only 4 percent in 2013.

Hiring talented employees is essential to our business. Our employees are the heart and soul of our business. We hire people from the local communities we serve to fill administrative, operations and professional jobs. We strive to get the right people in the right jobs while using hiring practices that comply with all employment laws.

Employee Benefits and Compensation

Questar's competitive benefits and compensation help us recruit and retain our skilled workers. We ensure competitive pay by conducting regular surveys so that employees feel they are fairly rewarded for their skills, education and job responsibilities. And our incentive compensation programs reward all employees when the business units achieve their goals.

Employees rate our benefits package highly. Employees enjoy programs that include: medical, dental, mental health, prescription and vision plans; a 401(k) plan with an employer match; paid time off; life and business-travel insurance; pre-tax flexible spending accounts for medical costs and dependent care; health savings accounts; short and long-term disability; several wellness programs that include an exercise center in Salt Lake City; recognition and service awards; supplemental insurance options; and other voluntary programs.

Professional Growth

The company offers a number of programs that give employees a chance to learn, grow and develop new skills. We promote lifelong learning as a way to increase job satisfaction and help motivated employees grow personally and professionally so they can prepare for career advancement.

A voluntary development program called "Trailblazer" was introduced in early 2013. More than 100 people enrolled in the program during the first three months. Trailblazer includes training courses that help employees become well-rounded business professionals. Courses focus on essential business and people skills as well as computer training and exposure to professional-development groups.

Employees also receive skills and knowledge through required on-the-job, classroom and online training; educational assistance; executive-management development; and internal networking with the Questar Women's Network and Questar Professional Development group.

In 2013, Questar's workforce averaged 18 training classes per employee, a 28 percent increase over 2012. This includes safety and technical training, as well as people-skills development. Employees also completed 491 courses through the University of Questar (U of Q), the company's online career-development platform. Since 2005, employees have completed more than 6,000 U of Q classes.



Paul Cox, treasury; Ratana Esquivel and Brandon Staheli, human resources; Carolyn Updike, legal



*Bailee Newbold, customer care (top right)
Curtis Mathews, operations
Todd Cassity, property and right-of-way
Luis Morey, customer care
(top to bottom)*

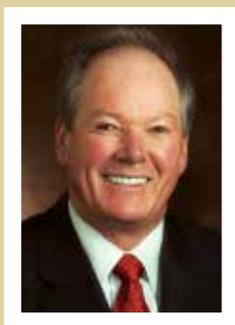
Workforce Planning

The company is actively working on succession planning and knowledge-transfer programs to ensure its continued high level of service and operations. Management continues to identify and train potential candidates who can step into future positions.

Questar uses workforce-planning tools that support knowledge transfer to current and new employees. The company continues to develop job-specific skills inventories, which include Questar Pipeline's development of written skills guides for employees. The company has a number of robust computer-based courses on the basics of the natural gas industry. Questar Pipeline has made these courses available to all employees as a further developmental tool. Questar Pipeline also participated in the creation of a comprehensive gas measurement training program through a joint-industry project. In addition, this training program has been licensed with two colleges that offer certification programs.

More information and copies of our safety, environmental and employment policies can be found in the Corporate Responsibility section of www.questar.com.

Primary Compliance Executives



Ronald W. Jibson*
*Chairman, president
and chief executive
officer*



Thomas C. Jepperson*
*Executive vice president,
general counsel and
corporate secretary*



Patrick D. Teuscher*
*Vice president, audit
and chief risk officer*



Julie Wray*
*Corporate secretary
and general manager,
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Gordon J. Murdock
*General manager,
environmental health
and safety*

* Executive Management Committee

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