

QUESTAR CORP
Form DEF 14A
April 07, 2014

Notice of Annual Meeting
of Shareholders and
2014 Proxy Statement
Questar Corporation
333 South State Street
Salt Lake City, Utah 84111

April 7, 2014

Dear Fellow Shareholder:

Please join me at Questar's 2014 Annual Meeting of Shareholders, which will be held on Thursday, May 22, 2014, beginning at 3:30 p.m. (MDT). This year, the meeting will be held in St. George, Utah. At the meeting, you will have an opportunity to vote for eight director nominees to Questar's Board and other important matters described in the attached Notice and Proxy Statement.

All director nominees were elected at the last annual meeting except for Rebecca Ranich, who the Board appointed last September. Ms. Ranich has been a valuable addition to our Board with her extensive experience in the natural gas business, including her association with the Gas Technology Institute and worldwide experience with natural gas pipelines, as well as her work with risk management and sustainability practices.

Director and former chairman, president and CEO, Keith Rattie, has announced his intention to retire from the Board and will not be standing for re-election. Keith has served on the Board since February 2001 and has been a tremendous leader at Questar. His vision and direction have richly rewarded Questar and its shareholders. We could not have been better served. Keith presided over Questar during a time of unprecedented growth and oversaw the successful separation of the company's non-utility related businesses in 2010. I personally appreciate his friendship and the role he played during the transition period after the separation.

In addition to the formal items of business at the Annual Meeting, we will review major company developments over the past year and share our plans for the future.

Whether or not you are able to attend the Annual Meeting, it is important that your shares be represented. Please vote your shares online or by calling the designated toll-free telephone number. You may also request a printed copy of the proxy materials and proxy card to complete and return. Instructions on each of these voting methods are outlined in the attached Proxy Statement. Please vote as soon as possible.

I hope to see you on May 22nd.

Sincerely,

Ronald W. Jibson
Chairman of the Board
President and Chief Executive Officer

QUESTAR CORPORATION
333 South State Street
Salt Lake City, Utah 84111

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
on May 22, 2014

The Annual Meeting of Shareholders of Questar Corporation, a Utah corporation (Questar or the Company), will be held at 3:30 p.m. local time on Thursday, May 22, 2014, at Entrada at Snow Canyon Country Club located at 2537 West Entrada Trail, St. George, Utah, 84770. The meeting's purpose is to:

1. Elect eight directors to serve one-year terms;
2. Ratify the selection of Ernst & Young LLP the Company's independent auditor;
3. Approve on an advisory basis the compensation of the Company's named executive officers; and
4. Act on any other matters that may properly come before the meeting.

Only shareholders at the close of business on March 14, 2014, the record date, may vote at the Annual Meeting or any adjournment or postponement of it. You may revoke your proxy at any time before it is voted. If you have shares registered in the name of a brokerage firm or trustee and plan to attend the meeting, please obtain a letter, account statement, or other evidence of your beneficial ownership of shares to provide admission to the meeting. This Proxy Statement is being provided to shareholders on or about April 7, 2014.

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the Annual Meeting, please vote as soon as possible. You may vote online, by phone or by mailing a proxy card. Voting online, by phone or by written proxy ensures your representation at the Annual Meeting if you do not attend in person. Please review the instructions you received regarding each of these voting options. Voting online or by phone is fast and convenient, reduces postage and proxy tabulation costs and your vote is immediately tabulated.

By Order of the
Board of Directors
Julie A. Wray
Corporate Secretary

April 7, 2014
Salt Lake City, Utah

Important Notice Regarding the Availability of Proxy Materials for the Annual Shareholder Meeting on May 22, 2014: The Company's Proxy Statement and Annual Report to Shareholders are available at <http://investor.shareholder.com/questarcorp/financials.cfm>

TABLE OF CONTENTS

<u>Item No. 1 – Election of Directors</u>	<u>6</u>
<u>Board of Directors and Corporate Governance</u>	<u>11</u>
<u>Board Risk Oversight</u>	<u>15</u>
<u>Communication With Directors</u>	<u>16</u>
<u>Director Compensation</u>	<u>17</u>
<u>Security Ownership, Directors and Executive Officers</u>	<u>19</u>
<u>Security Ownership, Principal Holders</u>	<u>20</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>21</u>
<u>Equity Compensation Plan Information</u>	<u>21</u>
<u>Compensation Discussion and Analysis</u>	<u>22</u>
<u>Management Performance Committee Report</u>	<u>35</u>
<u>Compensation Tables</u>	<u>36</u>
<u>Summary Compensation Table</u>	<u>36</u>
<u>Grants of Plan-Based Awards</u>	<u>38</u>
<u>Outstanding Equity Awards at Fiscal Year-end 2013</u>	<u>39</u>
<u>Option Exercises and Stock Vested</u>	<u>41</u>
<u>Pension Benefits</u>	<u>41</u>
<u>Nonqualified Deferred Compensation</u>	<u>44</u>
<u>Potential Payments upon Termination or Change in Control</u>	<u>44</u>
<u>Finance and Audit Committee Report</u>	<u>47</u>
<u>Independent Auditor Fees</u>	<u>47</u>
<u>Item No. 2 – Ratification of Independent Auditor</u>	<u>48</u>
<u>Item No. 3 – Advisory Vote to Approve the Named Executive Officers Compensation</u>	<u>48</u>
<u>Other Matters</u>	<u>49</u>

QUESTIONS AND ANSWERS ABOUT THE MEETING
AND VOTING

QUESTAR CORPORATION PROXY STATEMENT

The Board of Directors (Board) of Questar Corporation (Questar or the Company) is furnishing you this Proxy Statement to solicit proxies on the Company's behalf to be voted at the Annual Meeting of Shareholders on Thursday, May 22, 2014