



Idaho Public Utilities Commission

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Case No. INT-G-15-01, Order No. 33314

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PUC accepts Intermountain Gas long-range plan

BOISE (June 11, 2015) – The Idaho Public Utilities Commission is accepting Intermountain Gas’ five-year plan to meet customer demand.

The commission’s acceptance of the Integrated Resource Plan (IRP), filed every two years, does not mean the commission endorses all the resource acquisitions planned or the company’s preferences for future gas supply. Those issues are determined in separate cases or rate cases that address each matter separately. Rather, acceptance of the IRP means Intermountain Gas has met its obligation to conduct an ongoing public planning process and report that process to the commission.

Intermountain Gas delivers natural gas to 290,500 residential customers and 31,000 commercial customers across southern Idaho. It does not anticipate any peak-day delivery deficits in the regions it serves over the next five years. Some customers, like those in the Rexburg area, may require use of a portable liquefied natural gas facility to meet customer demand on peak-use days. A number of industrial customers are able to use other non-traditional sources on peak days, such as diesel/fuel oil, coal, wood chips and propane.

More than 149 miles of distribution and service lines were added during 2013 to accommodate new customer additions and maintain service.

The IRP forecasts a 2.32% rate of growth each year for the next five years in its total residential, commercial and industrial peak-day loads. In 2013, the company experienced a 1.8% growth rate in the number of residential and commercial customers from 2008.

In its review of the plan, the commission encouraged the company to include the costs of natural gas storage and distribution enhancements in its calculations to determine whether efficiency programs would be more cost-effective. The commission also directed the company to summarize the scope, duration and cost of Intermountain’s research and development projects in its future IRPs. The commission further directed the company to provide more information on the level of participation in public meetings regarding the IRP.

The Idaho Conservation League also filed comments in the case, stating the company under estimates future gas demand, does not indicate whether the company plans to augment its gas efficiency programs and does not state how the company advocates for building and appliance standards to increase efficiency.

Intermountain states that its forecast is sound and, if not, the company updates its forecast at least biennially. Gas efficiency programs have been temporarily suspended by both Avista Gas in northern Idaho and Intermountain Gas, with commission concurrence, because they are not cost-effective with the current low prices for natural gas. Regarding efficiency programs for buildings, the company stated that it regularly interacts with the state Division of Building Safety and is open to participation in the Idaho Building Code Collaborative to the extent that such participation is relevant to Intermountain's business and services.

Intermountain Gas is served by the Williams Northwest Pipeline that enters southeast Idaho from Wyoming. From that pipeline, Intermountain has built several laterals, the major ones being the Idaho Falls Lateral from Pocatello to St. Anthony, the Sun Valley lateral from Shoshone to Sun Valley, the Canyon County Lateral, the State Street Lateral in northwest Boise and the Central Ada Area Lateral.

The agricultural economy and the price of alternative fuels strongly influence industrial demand for natural gas. In 2013, industrial sales and transportation customers accounted for 44% of the throughput on Intermountain's system. Transportation customers are large industrial customers that use Intermountain Gas's distribution system to buy gas from Intermountain or other suppliers.

Copies of the commission's order, Intermountain Gas's IRP and exhibits, and comments from commission staff, Intermountain Gas and the Idaho Conservation League are available on the commission's Website at www.puc.idaho.gov. Click on "Open Cases," under the "Natural Gas" heading and scroll down to Case No. INT-G-15-01.

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