



*Case No. INT-G-17-03*

*Order No. 33888 Final Order*

*Contact: Matt Evans*

*(208) 334-0339 office*

*(208) 520-4763 cell*

[www.puc.idaho.gov](http://www.puc.idaho.gov)

## **Regulators approve new Intermountain Gas efficiency program, funding mechanism**

**BOISE (Sept. 26, 2017)** – The Idaho Public Utilities Commission has approved an Intermountain Gas proposal to create and fund a new efficiency program for residential customers.

Intermountain’s Demand Side Management Program will be funded through an efficiency rider or surcharge of 0.367 cents per therm. That equates to 22 cents per month for the average customer using 61 therms per month.

The surcharge will appear on customer bills beginning Oct. 1.

All of the major investor-owned utilities in Idaho now have efficiency riders that fund programs promoting the efficient use of energy.

These are referred to as Demand Side Management (DSM) programs because they target the demand for energy rather than its supply or generation.

The intent is to encourage customers to use less energy, or shift their usage away from periods of peak demand on a utility’s system.

Participating customers benefit through reduced energy use and incentives such as rebates or lower rates.

In a successful DSM program, all customers benefit because the change in energy use helps the utility avoid or defer building costly new generation resources or avoid the need to procure additional resources at an additional cost.

Several tests are used to determine success, or whether the benefits outweigh the costs.

In order for the program to be funded by the efficiency rider, the Commission requires a utility to demonstrate each year that the costs incurred over the previous 12 months were

prudent. If the costs are found to be unreasonable, or to exceed the benefit to all customers, they are borne by shareholders rather than customers.

Intermountain's DSM program is expected to cost \$770,000 in its first year, with \$600,000 earmarked for rebates to customers who enact efficiency measures on new or existing homes.

Intermountain Gas provides natural gas service to approximately 335,000 customers in 75 communities throughout southern Idaho.

The company's application and other case documents are available for review on the Commission's website, [www.puc.idaho.gov](http://www.puc.idaho.gov). Once on the website, click on "Open Cases" under the "Natural Gas" heading and scroll down to Case No. INT-G-17-03. Or go [here](#).