May 25, 2001

Jean D. Jewell Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074

RE: Staff Report in Case No. INT-G-01-1

Dear Jean,

In Order No. 28632 (Case No. INT-G-01-1) issued on February 7, 2001, the Commission directed Staff to investigate Intermountain Gas Company's Purchase Gas Adjustment (PGA) mechanism and natural gas purchasing policies. Upon completing this investigation, Staff was to file a written report of its findings, recommendations and a proposed process to complete this case.

To complete this case, Staff recommends that Intermountain Gas Company file a formal response within fourteen (14) days from the Report's filing date. Once receiving the Company's response, the Commission could issue an Order responding to Staff's recommendations and set deadlines for Intermountain Gas to file a comprehensive Demand Side Management (DSM) Program and its overdue Integrated Resource Plan (IRP).

Respectfully submitted,

Lisa Nordstrom Deputy Attorney General

cc: Mike Huntington Intermountain Gas Company

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