

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** DAYN HARDIE  
DEPUTY ATTORNEY GENERAL

**DATE:** SEPTEMBER 12, 2019

**SUBJECT:** INTERMOUNTAIN GAS COMPANY'S APPLICATION FOR  
DETERMINATION OF 2017-2018 ENERGY EFFICIENCY EXPENSES AS  
PRUDENTLY INCURRED; CASE NO. INT-G-19-04.

On August 9, 2019 Intermountain Gas Company ("Intermountain Gas" or "Company") applied to the Commission for an order designating expenses associated with its 2017-2018 residential Energy Efficiency Program ("EE Program") as prudently incurred. Intermountain Gas requests that its application be processed under Modified Procedure.

### BACKGROUND

In Case No. INT-G-17-03, Intermountain Gas received the Commission's authority to implement: 1) Rate Schedule EE—Residential Energy Efficiency Rebate Program, outlining the offerings of the EE Program; and 2) Rate Schedule EEC—Energy Efficiency Charge ("EE Charge"), establishing a per therm charge to fund the EE Program. *See* Order No. 33888; Application at 4. The EE Program is funded through collection from customers via the EE Charge of \$0.00367 per therm. Application at 5. Both Schedules became effective October 1, 2017. *Id.* at 4. The initial period for both Schedules ran from October 1, 2017 through December 31, 2018 ("Initial Period"). *Id.*

### 2017-2018 EE Program Expenses

The Company asks the Commission to find the Company prudently incurred \$1,496,198 in EE Program expenses during the Initial Period. *Id.* at 5, 8. Of these expenses, \$1,227,650, or 82%, was spent on rebates paid directly to customers. *Id.* at 5. The remaining \$268,548 was incurred for labor, program delivery, and a conservation potential assessment. *Id.* at

6. The EE Charge revenue for the Initial Period was \$1,185,328. *Id.* at 5. For the Initial Period, the expenditures exceeded the revenues collected through the EE Charge by \$310,870, which the Company is deferring and will submit a separate application seeking to adjust the EE Charge. *Id.* at 6.

### **STAFF RECOMMENDATION**

Staff recommends that the Commission issue a Notice of Application and Notice of Modified Procedure, with a December 16, 2019 comment deadline and Company reply comments due December 30, 2019.

### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and a Notice of Modified Procedure, with a December 16, 2019 comment deadline and Company reply comments due December 30, 2019?



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Dayn Hardie  
Deputy Attorney General

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