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IDAHO PUBLIC  
UTILITIES COMMISSION

September 30, 2020

Ms. Jan Noriyuki  
Commission Secretary  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, ID 83720-0074

RE: Case No. INT-G-20-03 Annual Maintenance Fee Update

Dear Ms. Noriyuki:

As outlined in Case No. INT-G-20-03, Order No. 34693, Intermountain proposed an annual update to the Maintenance Fee that will be collected from non-utility RNG producers. *Id. at 2.* This letter provides the annual update to the Maintenance Fee that will be in effect from October 1, 2020 through September 30, 2021.

In Case No. INT-G-20-03, the Company proposed a Maintenance Fee of \$2,500 per month based on the actual average monthly maintenance costs billed directly to existing RNG producers. While preparing this October 1, 2020 Maintenance Fee update, Intermountain discovered several costs that should have been coded to a capital account. Because the RNG producer was billed directly for these costs, Intermountain was able to simply transfer the costs from the maintenance expense account to the capital account. The capital account is exactly offset with a CIAC ensuring no impact to utility customers from this oversight. Removing these costs from the maintenance expense category significantly reduced the average monthly maintenance expense from what was filed in the case.

Based on the updated calculation, Intermountain will charge non-utility RNG producers \$775 per month beginning October 1, 2020 through September 30, 2021. As outlined in the Application, Intermountain will track actual expenses incurred and compare them to the revenue generated by the Maintenance Fee. Any difference will be applied to the calculation of next year's Maintenance Fee. *Id at 7.*

Intermountain has been in negotiations with the three producers that had existing RNG Access contracts prior to the effective date of Order No. 34693 in an effort to move those producers to contracts that conform with the Company's RNG facilitation plan. In all three cases, the producers were waiting to see what the monthly Maintenance Fee would be on October 1, 2020. Intermountain is hopeful it will be able to successfully conclude those negotiations with the release of the updated



Maintenance Fee. Intermountain will update the Commission once those contracts have been revised. Any new contracts the Company enters into will conform to the RNG facilitation plan.

To begin to educate its utility customers regarding the Company's RNG Access service, Intermountain is planning to provide a bill insert to all customers explaining what RNG is and the Company's involvement in this emerging industry. The insert will be available in both paper and electronic format depending on the method by which the customer receives bills. A draft copy of that bill insert is included with this letter.

If you should have any questions regarding this update, please don't hesitate to contact me at (208) 377-6015.

Sincerely,

Lori A. Blattner  
Director, Regulatory Affairs  
Intermountain Gas Company

Enclosure

cc: Mark Chiles  
Preston Carter

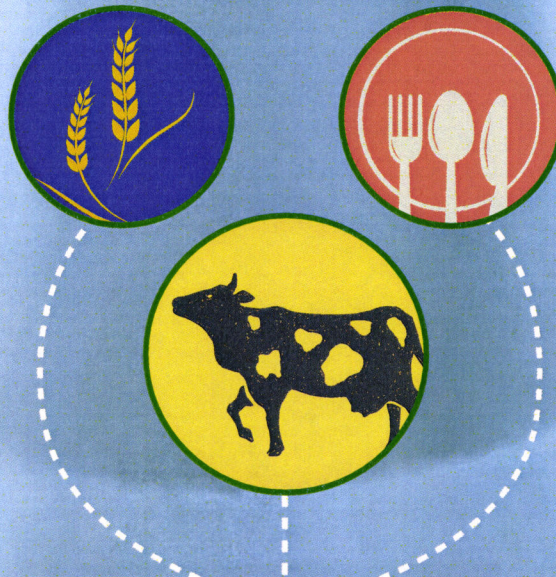


## Natural Gas is...

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### RENEWABLE

Renewable Natural Gas (RNG) is produced from existing waste streams that include animal waste, landfills, sewage treatment plants, crop residuals, and food waste.



**Renewable Natural Gas**

RNG is a zero carbon resource that completes a natural cycle that helps eliminate waste and produce clean burning fuel for homes, businesses, and vehicles.

### Intermountain and RNG

Intermountain is committed to growing the RNG industry. At this time, we are providing RNG producers access to our distribution system for transportation of renewable natural gas. As the industry matures and production costs decrease, we'll continue to evaluate offering RNG as an option for our customers.



[www.intgas.com](http://www.intgas.com)

