

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: TAYLOR THOMAS

DATE: MARCH 18, 2021

RE: IN THE MATTER OF INTERMOUNTAIN GAS COMPANY'S
APPLICATION TO IMPLEMENT A COMMERCIAL ENERGY
EFFICIENCY PROGRAM; CASE NO. INT-G-20-04.

BACKGROUND

On August 3, 2020, Intermountain Gas Company, a subsidiary of MDU Resources Group, Inc. ("Company") filed case INT-G-20-04 with the Commission proposing to implement a Commercial Energy Efficiency Program ("Commercial EE Program") and an associated funding mechanism. Under the Company's proposed Schedule EE-GS, General Service (GS-1) customers would be eligible to receive rebates for installing energy efficient equipment. The program would be funded under the Company's proposed Rate Schedule EEC-GS, which would assess a \$0.00320 per therm charge on the Company's GS-1 customers.

The Company also proposed renaming the Residential EE Program tariffs from Rate Schedules EE and EEC to Rate Schedules EE-RS and EEC-RS to help avoid confusion. Application at 9. Additionally, the Company proposed to update references made to the Commercial and Residential Energy Efficiency tariffs to reflect the proposed name changes. *Id.* at 9.

On March 8, 2021, the Commission issued Final Order No. 34941, approving the Company's Application, effective April 1, 2021. In its final order, the Commission found all of the Company's proposed energy efficiency measures, except the Energy Savings Kit ("ESK") to be fair, just, and reasonable and directed that they could be implemented without modification. The Commission further directed that the ESK measure be operated as a pilot program until its

cost effectiveness could be determined. In order to avoid customer confusion, the Company did not list the ESK pilot in Rate Schedule EE-GS but will highlight it on its website.

STAFF ANALYSIS AND RECOMMENDATION

On August 14, 2020, after the Company had filed the Application in this case, the Company filed an Application for rate changes in the 2020 Purchased Gas Cost Adjustment (“PGA”) case INT-G-20-05. On October 1, 2020, the Commission issued Final Order No. 34797, approving the Company’s Application and the proposed tariffs for the PGA, effective October 1, 2020. Staff verified that tariff changes submitted by the Company in this Compliance Filing used the most recent versions approved in Final Order No. 34797.

Staff reviewed proposed Rate Schedule EEC-GS, as well as associated changes to Rate Schedules RS, GS-1, EE-RS, EEC-RS, and EE-GS, and found the new schedule and associated changes to be consistent with Commission Final Order No. 34941. Therefore, Staff recommends that the Company’s proposed Rate Schedule EEC-GS and changes to Rate Schedules RS, GS-1, EE-RS, EEC-RS, and EE-GS be approved with an effective date of April 1, 2021.

COMMISSION DECISION

Does the Commission wish to approve the Company’s proposed Rate Schedules EE-GS and EEC-GS and changes to Rate Schedules RS, GS-1, EE-RS, and EEC-RS, with an effective date of April 1, 2021?


Taylor Thomas

Udmemos/INT-G-20-04 Tariff Filing