

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF COMPANY GAS** )  
**COMPANY’S 2021-2026 INTEGRATED** ) **CASE NO. INT-G-21-06**  
**RESOURCE PLAN** )  
 ) **NOTICE OF FILING**  
 )  
 ) **NOTICE OF**  
 ) **INTERVENTION DEADLINE**  
 )  
 ) **ORDER NO. 35289**

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On December 20, 2021, Intermountain Gas Company (“Company”) filed its Integrated Resource Plan (“IRP”) for 2021-2026. The Company files an IRP every two years to describe its plans to meet its customers’ future natural gas needs. The IRP must discuss the subjects required by several Commission orders and Section 303(b)(3) of the Public Utility Regulatory Policies Act (“PURPA”), 15 U.S.C. § 3202. The Commission reviews the IRP to ensure that it discusses these subjects and represents a diligent effort by the Company to plan for the anticipated supply and demand for natural gas.

With this Order, the Commission outlines the IRP requirements, provides notice of the IRP, and sets a deadline for interested parties to intervene.

**BACKGROUND**

In 1993 with Order No. 25342 in Case No. GNR-G-93-2, the Commission adopted IRP requirements for local gas distribution companies in response to amended Section 303 of PURPA. Since then, the Commission has issued orders governing IRP requirements for local gas distribution companies.

In Order No. 27024, the Commission shortened the IRP’s planning horizon from 20 years to 5 years. Order No. 27098 removed any requirement that IRPs formally evaluate potential demand-side management (“DSM”) programs, and instead directed the companies to explain whether cost-effective DSM opportunities exist.

Order No. 32855 directed the Company to improve public participation in the IRP process and allowed the Company to stop filing semi-annual lost and unaccounted for gas (“LAUF

Gas”) reports.<sup>1</sup> The IRP’s LAUF Gas section must explain the Company’s (a) framework for how it has tested for, identified, and remediated equipment measurement errors or leaks, and (b) business process for alleviating measurement errors through its financial accounting of nominations, scheduling, measurements, flow volume allocation, and billing. Order No. 32855 at 6-7.

In Order No. 33314, the Commission directed the Company to better detail in future IRPs how it calculates avoided costs and uses those calculations to determine whether natural gas DSM opportunities are cost-effective.

In Order No. 33997, the Commission directed the Company to convene an IRP advisory group and work with it to develop future IRPs that comprehensively and transparently consider demand, existing resources, and potential supply and demand-side options for meeting any deficits.

In its most recent IRP case, in Order No. 34742, the Commission directed the Company to (1) include an analysis of all options the Company considered to resolve identified deficits and achieve the most cost-effective, least risk solutions, and (2) validate the peak consumption estimates obtained from the Company’s parent company’s (DNV GL) Customer Management Module using actual peak information from the Company’s Advanced Metering Infrastructure (“AMI”) meters. Order No. 34742 at 10. The Commission also encouraged the Company to seek, inform, share scenario analyses, and allow diverse stakeholders to participate in the Intermountain Gas Resource Advisory Committee (“IGRAC”). *Id.*

In sum, the above orders direct the Company to file an IRP every two years that includes:

1. A forecast of future gas demand in firm and interruptible markets for each customer class, which includes the number, type, and efficiency of gas end-users as well as effects from economic forces on gas consumption;
2. An analysis of gas supply options for each customer class, which includes a projection of spot market versus long-term purchases for both firm and interruptible markets, an evaluation of the opportunities for using company-owned or contracted storage or production, an analysis of prospects for company participation in a gas futures market, and an assessment of opportunities for access to multiple pipeline suppliers or direct purchases from producers;

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<sup>1</sup> LAUF Gas is the difference between the amount of natural gas delivered to the Company’s distribution system at the city gate and the amount of natural gas ultimately recorded at the customers’ meters.

3. A comparative analysis of gas purchasing options and improvements in the efficient use of gas, and an explanation of whether there are cost-effective DSM opportunities;
4. The integration of the demand forecast and resource evaluations into a long-range (at least a five-year) plan describing the strategies designed to meet current and future needs at the lowest cost to the utility and its ratepayers;
5. A short-term (e.g., two-year) plan outlining the specific actions to be taken by the utility in implementing the IRP;
6. A progress report that relates the new plan to the previously filed plan; and,
7. Public participation.

### **NOTICE OF IRP FILING**

YOU ARE HEREBY NOTIFIED that the Company's IRP filing includes a 181-page IRP and nine exhibits that contain extensive information associated with the IRP document. The information summarized below is taken from the IRP's Executive Summary section and other selected sections.

YOU ARE FURTHER NOTIFIED that the Company states it regularly forecasts the demand of its growing customer base and determines how to best meet the load requirements brought on by this demand. IRP at 1-2. The Company's IRP represents a snapshot in time of the Company's ongoing planning process; it describes the anticipated conditions over a five-year planning horizon, the anticipated resource selections, and the process for making resource decisions. *Id.*

YOU ARE FURTHER NOTIFIED that the Company represents it sells natural gas to two major markets: the residential/commercial market and the large volume market. *Id.* at 2. At the end of 2020, the Company served approximately 387,000 customers. *Id.* at 1. Residential and commercial customers primarily use natural gas for space and water heating. *Id.* at 2. Large volume customers transport natural gas through the Company's system for use in boiler and manufacturing applications. *Id.* The agricultural economy and the price of alternative fuels strongly influence large volume demand for natural gas. *Id.* During 2020, large volume sales and transportation accounted for nearly 50% of the throughput on the Company's system. *Id.*

YOU ARE FURTHER NOTIFIED that the Company states it forecasts changes in its peak-day loads due to customer growth under base case, high, and low growth economic scenarios.

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*Id.* In this IRP, the Company forecasts a base case growth scenario in which its total residential, commercial, and industrial peak-day loads increase each year for five years by an average of 2.18% in the base case scenario. *Id.* at 123. The Company sees no peak-day delivery deficits over the next five years when it matches its forecasted peak-day delivery against its existing resources. *Id.* at 4-5.

YOU ARE FURTHER NOTIFIED that, to enhance the IRP, the Company established the IGRAC *Id.* at 4. The intent of the committee is to provide a forum through which public participation can occur as the IRP is developed. *Id.* Advisory committee members were solicited from across the Company's service territory as representatives of the communities served by the Company. *Id.* The Company states it held meetings on a virtual platform to ensure that committee members from across the state could safely and easily participate. *Id.* The Company states it provided a comment period after each meeting to ensure feedback was timely and could be incorporated into the IRP. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Company also analyzes different geographic areas in its service territory so it can plan to meet any projected deficits in those areas. *Id.* at 10. In this IRP, the Company analyzed the Idaho Falls Lateral, the Sun Valley Lateral, Canyon County Area, the State Street Lateral, Central Ada County, and the All Other segment. *Id.*

YOU ARE FURTHER NOTIFIED that the Idaho Falls Lateral (“IFL”) is 104 miles long and serves cities between Pocatello and St. Anthony in eastern Idaho. *Id.* at 111. In the base case scenario, customers in the IFL are expected to increase by 9,493 (a 2.54% annualized growth rate) over the IRP period. *Id.* at 119. The Company states that, after completion of its proposed capacity upgrade, there will be no deficit in the final year of the planning horizon under the base case scenario. *Id.* at 157.

YOU ARE FURTHER NOTIFIED that the Sun Valley Lateral (“SVL”) is 68 miles long and has almost its entire demand at the far end of the lateral away from the gas source. *Id.* at 108. In the base case scenario, customers in the SVL are projected to increase by 1,262 (a 1.61% annualized growth rate) over the IRP period. *Id.* at 119. With continued demand growth, a second compressor station has been selected (Shoshone Compressor Station) to enhance the SVL further downstream from the existing Jerome Compressor. *Id.* at 110. The Company asserts this second station will be completed in 2022 and will increase capacity beyond the remaining five-year growth outlook of this IRP. *Id.* at 111.

YOU ARE FURTHER NOTIFIED that the Canyon County Area (“CCA”) consists of an interconnected system of high-pressure pipelines that serve communities from Star Road west to Highway 95. *Id.* at 96. In the base case scenario, customers in the CCA are expected to increase by 15,324 (a 4.00% annualized growth rate) over the IRP period. *Id.* at 119. For this IRP, the Company represents a capacity enhancement is needed by both 2021 and 2023 to meet IRP growth predictions. *Id.* at 96. The Company states that it selected Ustick Phase II (in the 2019 IRP) and Ustick Phase III to meet the IRP growth predictions. *Id.* at 100. The Company states that Ustick Phase II would be completed by the end of 2021 and Ustick Phase III will be completed in 2023. *Id.*

YOU ARE FURTHER NOTIFIED that the State Street Lateral (“SSL”) in northwest Boise is 16 miles long and serves the towns of Middleton, Star, north Meridian, Eagle and northern Boise. *Id.* In the base case scenario, SSL customers are expected to increase by 12,008 customers (a 3.25% annualized growth rate) for the IRP period. *Id.* at 119. The Company asserts this area is ideally suited for a pipeline retest and uprate on the 2.3 miles of 12-inch high-pressure (“HP”) steel pipe on State Street and 2 miles of 4-inch HP steel pipe on Linder Road in conjunction with the installation of a HP regulator station. *Id.* at 101. The retest, uprate and regulator station installation, the Company asserts, is the lowest cost option, will meet 2026 growth predictions, and will be completed in 2023. *Id.* at 104.

YOU ARE FURTHER NOTIFIED that the Central Ada County area (“CAC”) in the Boise area consists of multiple high-pressure and intermediate pressure pipeline systems. *Id.* at 104. In the base case scenario, CAC customers are expected to increase by 6,300 customers (a 1.77% annualized growth rate) during the IRP period. *Id.* at 119. The Company states that, due to significant growth in Boise and Meridian, the Central Ada County area of interest requires a capacity enhancement by 2022 to meet IRP growth predictions. *Id.* at 104. The Company determined that installing a 3.7 mile, 12-inch HP steel pipe on Cloverdale Road from the Kuna Gate north to Victory Road (12-inch South Boise Loop) is the best option to meet IRP growth predictions. *Id.* at 105, 108. The Company represents that the 12-inch South Boise Loop is currently in the design phase, with construction planned to be completed in 2022. *Id.* at 108.

YOU ARE FURTHER NOTIFIED that, in summary, the Company states the IRP analyzed residential, commercial, and industrial customer growth and its impact on the Company’s distribution system using design weather conditions under various scenarios. *Id.* at 5. The

Company states it analyzed the resources needed to meet any projected deficits within a framework of options to help determine the most cost-effective means to manage the deficits. *Id.* The Company states these options allow its core market and firm transportation customers to rely on uninterrupted service now and for years to come. *Id.*

YOU ARE FURTHER NOTIFIED that the IRP and its exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's website at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "NATURAL GAS" icon, select "Open Cases," and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted under the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

#### **NOTICE OF INTERVENTION DEADLINE**

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order.** Such persons shall also provide the Commission Secretary with their email address to facilitate further communications. After the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties that identifies the parties and assigns exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following people are designated as the Company's representatives in this matter:

Preston N. Carter  
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## ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this matter must file a Petition to Intervene no later than **21-days from the service date of this Order**. Once the deadline has passed, the Commission Secretary shall prepare and issue a Notice of Parties.

IT IS FURTHER ORDERED that, after the Notice of Parties has issued, Commission Staff shall confer with the parties regarding a procedural schedule for this matter.

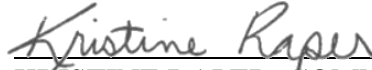
IT IS FURTHER ORDERED that parties should continue to comply with Order No. 35058, issued June 3, 2021. All pleadings should be filed with the Commission electronically and shall be deemed timely filed when received by the Commission Secretary. See Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 11<sup>th</sup> day  
of January 2022.

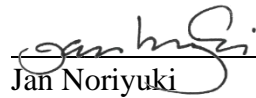


ERIC ANDERSON, PRESIDENT



KRISTINE RAPER, COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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