

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF INTERMOUNTAIN GAS COMPANY’S APPLICATION FOR AUTHORITY TO CHANGE ITS PRICES) CASE NO. INT-G-22-02)) NOTICE OF APPLICATION)) NOTICE OF MODIFIED PROCEDURE)) ORDER NO. 35432
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On May 31, 2022, Intermountain Gas Company (“Company”) applied for authority to changes its prices. The Company requests its proposed rates—which would increase the Company’s revenue by \$67 million—be updated in the Company’s Purchased Gas Cost Adjustment (“PGA”), effective August 1, 2022. The Company proposes to increase the commodity Weighted Average Cost of Gas (“WACOG”) to \$0.42405 per therm. If approved, the average residential customer would see a monthly increase of \$10.55—about 24.1 percent—and the average commercial customer would see a monthly increase of \$51.87, about 27 percent.

The Commission now issues this Notice of Application and Notice of Modified Procedure establishing deadlines for interested parties to comment, and the Company’s reply.

BACKGROUND

The Company’s PGA is a Commission approved mechanism that adjusts rates up or down to reflect changes in the Company’s costs to buy natural gas from suppliers—including changes in transportation, storage, and other related costs. The Company defers these costs into its PGA account and then passes them on to customers through an increase or decrease in rates.

In Case No. INT-G-21-04, the Commission approved the Company’s annual PGA, effective October 1, 2021. Order No. 35182. In Order No. 35182, the Commission authorized the Company to increase its WACOG to \$0.26000 per therm. The Commission also approved the Company’s proposed tariffs as filed, and quarterly filing of the Quarterly Deferred Gas Balances report.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company’s Application reflects its proposed PGA to amend its commodity WACOG due to macroeconomic forces and geopolitical events

increasing the price of wholesale natural gas. *Application* at 4-5. Natural gas demand has exceeded supply throughout the Covid-19 pandemic as many producers have shifted from additional drilling activity to paying down debt. *Id.* at 4. The United States continues to export large amounts of LNG, thus diminishing supply levels available for domestic consumers. *Id.* In addition, there are concerns that national gas storage levels will “not be at ideal levels by November 1, 2022.” *Id.* at 5. Notwithstanding increased gas prices, lower coal stockpiles have bolstered the demand for natural-gas-powered resources. *Id.* Finally, significant global events—including the war in Ukraine and lockdowns in China—have exacerbated supply-chain issues. *Id.*

YOU ARE FURTHER NOTIFIED that the Company proposes to increase the Commodity WACOG from the \$0.26000 per therm currently embedded in rates to \$0.42405 per therm for the Company’s RS, GS-1, IS-R, IS-C, and LV-1 customer classes.

YOU ARE FURTHER NOTIFIED that the Company believes that making this filing now will mitigate the build-up of deferrals and allow customers additional time to budget for increased winter heating costs.

YOU ARE FURTHER NOTIFIED that the Application and Exhibits are available for public inspection during regular business hours at the Commission’s office. These documents are also available on the Commission’s website at www.puc.idaho.gov. Click on the “NATURAL GAS” tab, select “Open Cases,” and then locate 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. The Commission may enter any final order consistent with its authority under Title 61.

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

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and it will review the case through written submissions under the Commission’s Rules of Modified Procedure Rules 201-204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201-204. The Commission

notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that persons desiring to state a position on this Application may file a written comment explaining why they support or oppose the Application. Persons who would like a hearing must specifically request a hearing in their written comments. **Persons shall have until July 7, 2022, to file written comments.** Comments must be filed through the Commission’s website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission’s website at www.puc.idaho.gov. Click the “Case Comment Form” and complete the form using the case number as it appears on the front of this document. To file by e-mail, the customer must e-mail the comments to the Commission Secretary and the Company at the e-mail addresses listed below. If computer access is unavailable, then comments may be mailed to the Commission and Company at these addresses:

**For the Idaho Public Utilities
Commission:**

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074
secretary@puc.idaho.gov

Street Address for Express Mail:

11331 W. Chinden Blvd.
Building 8, Suite 201-A
Boise, ID 83714

For Intermountain Gas:

Lori A. Blattner
Intermountain Gas Company
P.O. Box 7608
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Preston N. Carter
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Boise, ID 83702
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stephaniew@givenspursley.com

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by July 14, 2022.**

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

ORDER

IT IS HEREBY ORDERED that the Company's Application be processed by Modified Procedure, Rules 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so by **July 7, 2022**. The Company must file any reply comments by **July 14, 2022**.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 16th day of June 2022.



ERIC ANDERSON, PRESIDENT

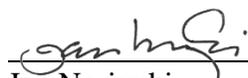


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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