

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF INTERMOUNTAIN GAS COMPANY’S APPLICATION FOR AUTHORITY TO CHANGE ITS PRICES</b>	) <b>CASE NO. INT-G-22-04</b> ) ) <b>NOTICE OF APPLICATION</b> ) ) <b>NOTICE OF MODIFIED PROCEDURE</b> ) ) <b>ORDER NO. 35511</b>
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On August 10, 2022, Intermountain Gas Company (“Company”), applied for authority to implement new rate schedules that will reduce the Company’s annualized revenues by approximately \$7.7 million, effective October 1, 2022. *Application* at 2. If approved, the typical residential customer would have a monthly decrease of \$1.36 or 2.5%. *Id.* at News Release. Although the factors that increased the WACOG still exist (*See* INT-G-22-02; Order No. 35479), changes in storage prices can offset this volatility and stabilize customer prices. *Id.* at 5. The Company attached Exhibits 1-3 in support of its Application. *Id.* The Company also asks that the filing requirement for the Deferred Gas Cost Balance, LNG Sales Cost Benefit Analysis, and Weighted Average Cost of Gas reports be maintained at a quarterly frequency. *Id.* at 13. The Company requests that this matter be processed by modified procedure.

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 Purchased Gas Adjustment (“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.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED The Company’s rates include a base-rate component and a gas-related cost component. The base-rate component is intended to cover the Company’s fixed costs to serve its customers—for example, the Company’s costs for equipment

and facilities to provide service—and rarely change. The Commission approved the Company’s current temporary rates in Case No. INT-G-22-02, Order No. 35479.

YOU ARE FURTHER NOTIFIED that the gas-related component of the Company’s rates is at issue here. With this Application, the Company seeks to pass through to each of its customer classes changes in gas related costs resulting from: 1) costs billed to the Company from firm transportation providers; 2) a decrease in the Company’s Weighted Average Cost of Gas (“WACOG”); 3) an updated customer allocation of gas related costs pursuant to the Company’s PGA; 4) the inclusion of temporary surcharges and credits for one year relating to natural gas purchases and interstate transportation costs from the Company’s deferred gas cost accounts; 5) benefits resulting from the Company’s management of its storage and firm capacity rights on various pipeline systems; 6) benefits associated with the sale of liquefied natural gas from the Company’s Nampa, Idaho facility; 7) the recovery of deferred in-person customer payment fees; and 8) a refund of over-collected Residential Energy Efficiency funds. The Company also seeks to eliminate the temporary surcharges and credits included in its current prices during the past 12 months, pursuant to Case No. INT-G-21-04. If approved, these changes would result in a price decrease to all of the Company’s customers.

YOU ARE FURTHER NOTIFIED that the proposed changes to the rates will decrease the Company’s annualized revenues by about \$7.7 million but will not impact earnings.

YOU ARE FURTHER NOTIFIED that the Company stated that the proposed rate changes would be allocated to customer classes through its PGA provision, but that a straight cents per therm price change was not utilized for the LV-1 tariff as no fixed costs are currently recovered in the tail block of the LV-1 tariff.

YOU ARE FURTHER NOTIFIED that the Company provides supporting exhibits that show the overall price changes by customer class. The Company also summarizes price changes and proposed rate schedules and tariff sheets.

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](http://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 September 8, 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](http://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  
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**For Intermountain Gas:**

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YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by September 15, 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 **September 8, 2022**. The Company must file any reply comments by **September 15, 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 22<sup>nd</sup> day of August 2022.



ERIC ANDERSON, PRESIDENT

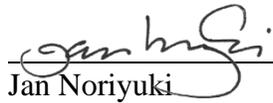


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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