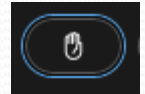


Workshop Participation

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This PowerPoint is available on the commission’s homepage at puc.idaho.gov.

This workshop is being recorded



PUBLIC WORKSHOP

Intermountain Gas Company Rate Case

Case No. INT-G-22-07

IDAHO PUBLIC UTILITIES COMMISSION

March 15, 2023



Introduction

Travis Culbertson

Auditor III

Matt Seuss

Engineer

Jolene Bossard

Utilities Compliance
Investigator

Purpose of Public Workshop

Informational session to learn about the case

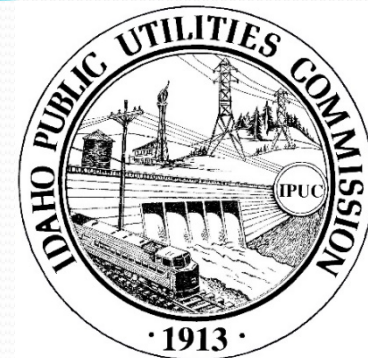
- **Present Intermountain Gas Company's application.**
- **Explain Staff's role.**

Provide customers an opportunity to meet Commission Staff.

Ask questions and learn how to submit written public comments.

This Public Workshop is not part of the official case record.

What is the Idaho Public Utilities Commission?



- Established in 1913. Idaho Code Sections 61 and 62.
- The Commission regulates Idaho's investor-owned utilities, ensuring adequate service and reasonable rates.
- The Commission is made up of three commissioners appointed by the Governor and confirmed by the Senate. The Commissioners make the decisions in each case.
- Commission Staff is made up of Auditors, Consumer Compliance Investigators, Engineers, Technical Analysts, and Admin.
- Staff is conducting this workshop. Staff is one of the Parties in the rate case and providing testimony to the Commissioners.

Application Process

Customers may want the Commission to reject Intermountain Gas Company's request to raise rates, but state law requires that the Commission:

- Consider the evidence that is on the record, which includes the Intermountain Gas Company's Application, testimony from Staff & Parties, and customers' written comments or oral testimony at public customer hearings.
- Meet the statutory public interest standard that ensures customers have adequate, safe, and reliable service at just and reasonable rates.

Important Points to Consider:

- It is not in the public interest to have a utility that cannot adequately serve all the customers in its assigned territory now and in the future.
- All Commission decisions must withstand Idaho Supreme Court appeals from either utility or customer groups.

Application Process

Additional Point to Consider:

- **Regulated utilities are not like any other business.** They are assigned service territories and must serve every customer in that territory. What they charge customers is determined by state regulators. In exchange for their guarantee to provide **adequate, safe, and reliable service**, the state must provide utilities the opportunity to:
 - Recover **prudently incurred** expenses necessary to serve customers, and;
 - Earn a **reasonable rate of return** on their investment.



Application

Application

Filed December 1, 2022.

Requested rate increase effective January 1, 2023.

- On December 21, 2022, the Commission suspended the effective date by 30 days and five months.

Application

Initial filing, proposed a 3.2% overall revenue increase.

- Increase of \$11.3 million.

On March 9, 2023, Company filed an amended Application.

- Adjusted increase of \$6.8 million.
- Proposed overall revenue increase of 1.9%.

Rate Case Drivers

- Last rate case was in 2016.
- Since last rate case:
 - Net capital investments (Net Plant In Service)
 - \$150 million since 2016.
 - Infrastructure such as transmission and distribution mains, service lines, meters, and cybersecurity, and software systems.

Rate Case Drivers, cont.

- Operating Expense increases
 - Includes increases in software, labor, benefits, and taxes.
 - Adjustment to depreciation rates.
- Other adjustments:
 - Projects added to Plant in Service.

Rate Case Drivers, cont.

- Intermountain Gas Company maintains the increase is needed to:
 - Provide sufficient capital dollars to maintain & improve quality of service;
 - Provide adequate operation and maintenance coverage; and,
 - Maintain a sound financial position.



Revenue Requirement

Revenue Requirement

- The amount that Intermountain Gas Company needs to meet its expenses, cover depreciation, and offer a sufficient rate of return to attract investors.
- **Components:**
 - Operating Expenses;
 - Taxes;
 - Depreciation;
 - Return on Investments.

Expenses

- Must be prudent
- Must be used for service

Taxes

- Properly Calculated

Depreciation

- Properly Calculated
- Based only on Plant that is in Service.

Return on Investments

- Plant in Service:
 - Used and Useful in serving customers.
 - Must be prudent.
- Rate of Return:
 - Calculated based on Debt and Equity Costs; and,
 - Must be able to access the capital needed to maintain the system and to provide safe & reliable service to customers.



Rate Proposal

Rate Structure Overview

- Company's Revenue Requirement is recovered through two types of charges:
 - Customer Charge
 - Fixed amount paid on each monthly bill (\$/month)
 - Distribution Charge.
 - Rate based on amount of consumption (\$/therm)
- Company is proposing to increase amount of recovery of Revenue Requirement through the Customer Charge and decrease the amount in the Distribution Charge.

Proposed Customer Charge Per Month (\$/month)

Rate Class	Current Charge	Proposed Charge	Change in \$	Percent Change
Residential	\$5.50	\$9.00	\$3.50	63.64%
Residential – Interruptible	\$5.50	\$8.00	\$2.50	45.46%
General Service	\$9.50	\$15.00	\$5.50	57.89%
General Service – Interruptible	\$9.50	\$12.50	\$3.00	31.58%
Large Volume	\$0.00	\$150.00	\$150.00	
Transport Service – Firm	\$0.00	\$150.00	\$150.00	
Transport Service – Interruptible	\$0.00	\$300.00	\$300.00	

Proposed Distribution Charge Residential & General Service¹ (\$/therm)

Rate Class	Current Charge	Proposed Charge	Percent Change
Residential	\$0.16305	\$0.12811	-21.43%
General Service – First 200 Therms	\$0.18465	\$0.17281	-6.41%
General Service – Next 1,800 Therms	\$0.16117	\$0.15083	-6.42%
General Service – Next 8,000 Therms	\$0.13850	\$0.12962	-6.41%
General Service – Over 10,000 Therms	\$0.06994	\$0.06545	-6.42%

¹ General Service, Irrigation Customers, and Small Commercial Interruptible have same declining tiered block distribution rates and proposed decreases.

Proposed Distribution Charge

Large Volume – (\$/therm)

Rate Class	Current Charge	Proposed Charge	Percent Change
Demand Charge	\$0.30	\$0.32	6.67%
Overrun Demand	\$0.30	\$0.32	6.67%
Block 1 – First 250,000 Therms	\$0.03000		
Block 2 – Next 500,000 Therms	\$0.01211		
Block 3 – Over 750,000 Therms	\$0.00307		
Proposed Block 1 – First 35,000 Therms		\$0.03000	
Proposed Block 2 – Next 35,000 Therms		\$0.01483	
Proposed Block 3 – Over 70,000 Therms		\$0.01190	

Proposed Distribution Charge Transport – Firm (\$/therm)

Rate Class	Current Charge	Proposed Charge	Percent Change
Demand Charge	\$0.30000	\$0.32000	6.67%
Overrun Demand Charge	\$0.30000	\$0.32000	6.67%
Block 1 – First 250,000 Therms	\$0.02395	\$0.02271	-5.20%
Block 2 – Next 500,000 Therms	\$0.00847	\$0.00803	-5.20%
Block 3 – Over 750,000 Therms	\$0.00260	\$0.00246	-5.20%

Proposed Distribution Charge Transport – Interruptible (\$/therm)

Rate Class	Current Charge	Proposed Charge	Percent Change
Block 1 – First 100,000 Therms	\$0.03853	\$0.03727	-3.27%
Block 2 – Next 50,000 Therms	\$0.01569	\$0.01518	-3.27%
Block 3 – Over 150,000 Therms	\$0.00578	\$0.00559	-3.27%

Average Bill Impact Per Month

- Average Residential Bill Impact
 - 60 Therms.
 - Increase \$1.40 or 2.83%.
- Average General Service Bill Impact
 - 300 Therms.
 - Increase \$2.10 or 0.90%.



Consumer Assistance

Jolene Bossard

Utilities Compliance Investigator

Consumer Assistance

- Utility Compliance Investigators assist customers to resolve issues and/or disputes with the Company.
- Investigators monitor compliance with laws, commission rules, and the Company's tariff.
- In a rate case, investigators review issues from previous cases, review previous complaints, review submitted comments from customers, and investigate consumer issues raised in the case.

Consumer Issues

As of this week, the PUC has received 6 Customer Comments

- All of the comments were against the increase;
- The amount of the increase is too much;
- The economy and high cost of living.

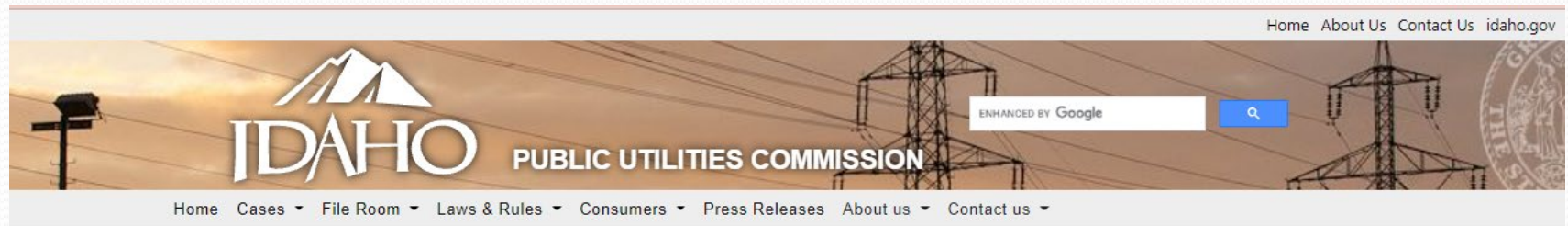
CUSTOMER COMMENTS

Customer written comments are due prior to the
Commission closing the record on the case.
(Reference Case Number **INT-G-22-07**)

- Internet Website Address – puc.idaho.gov
- Select - Case Comment Form (once comments are submitted, they become part of public record)
- Email – Address: secretary@puc.idaho.gov
- Mail – IPUC, PO Box 83720, Boise, ID 83720-0074
 - Blank Customer Comments sheets are available here tonight to be mailed in or left with Staff.
- Public Customer Hearing – TBD

COMMENTS ONLY
(QUESTIONS WILL NOT BE ADDRESSED)

Idaho Public Utilities Homepage



-  **Case Comment Form** 
-  **Annual Gross Intrastate Revenues Report Form**
-  **Electric**
-  **Telecom**
-  **Water**
-  **Natural Gas**
-  **Rail Safety**
-  **Pipeline Safety**
-  **Multi-Utility**

Consumers

Consumer Complaint / Inquiry Form
Frequently Asked Questions
Consumer Resources

Energy Issues

Office of Energy and Mineral Resources

Agenda, Orders & Notices

Commission Agenda
Recent Orders & Notices
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IPUC Guidance Documents

Pending Title 61 Utility Tariffs
Safety & Accident Reporting Rules
Case Processing Guidelines

News Updates



- Idaho Power VODER Study Public Hearings
- In Re COVID-19 Response - Order No. 35375
- Current Openings - Careers
- IPUC Rules of Procedure Track Changes Draft Case No. RUL-U-21-01
- Negotiated Rulemaking Summary Case No. RUL-U-21-01



Comments Form Page



Case Comment or Question Form

Use this form to **file a comment or ask a question about a utility case** pending before the Commission. If you know the case number, please include it.

Submit electronically below or send in to:

Idaho Public Utilities Commission
P O Box 83720
Boise, Idaho 83720-0074
FAX: (208) 334-3762

Use the **Consumer Complaint / Inquiry Form** if you need help resolving a problem with a utility or have a question about your bill, disconnection of service, service reliability and outages, cost of a line extension, customer service, or other issues that are not related to a utility case.

Case Comment Form	
Use this form to file a comment or ask a question about a case	
Case Number:	<input type="text"/>
First Name:	<input type="text"/>
Last Name:	<input type="text"/>
Address:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text" value="ID"/>
Zip:	<input type="text"/>
Daytime Phone:	<input type="text"/>
Email:	<input type="text"/>
Utility Company:	<input type="text"/>
<p>I acknowledge that submitting a comment in an open case constitutes a public record under Idaho Code § 74-101 (13) and all information provided by me on this form is available for public and media inspection. My comment may be reviewed by the utility.</p>	
<p>Ask a question or state your comment:</p> <div><div></div></div>	
<input type="button" value="Send"/>	



PUC Home Page



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Case Comment Form



Annual Gross Intrastate Revenues Report Form



Electric



Telecom



Water



Natural Gas



Rail Safety



Pipeline Safety



Multi-Utility

News Updates


- [IPUC 2022 Annual Report](#)
- [In Re COVID-19 Response - Order No. 35375](#)
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Natural Gas

Cases

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[U. S. Energy Information Administration](#)
[Idaho Energy Office Resources](#)
[Intermountain Gas Meter Safety-Snow & Ice](#)
[Intermountain Gas Meter Location Guidelines](#)
[Approved Gas Tariffs](#)
[List of Rate Schedule Classification](#)

Orders & Notices

[Commission Order No. 35621 - Interest Rate on Consumer Deposits](#)
[Commission Order No. 35372 - Utility Regulatory Fees](#)

Rules

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[Safety and Accident Reporting Rules](#)

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IPUC Open Natural Gas Cases

Search:


Case No



For:

INT-G-22-07

Go

CaseNo	Company	Description
AVU-G-22-05	AVISTA UTILITIES, INC	AVISTA -- APPLICATION FOR DETERMINATION FOR 2020-2021 NATURAL GAS ENERGY EI
AVU-G-22-08	AVISTA UTILITIES, INC	AVISTA--APPLICATION FOR AN ORDER AUTHORIZING DEFERRAL ACCOUNTING RELATE PENSION PLANS
AVU-G-23-01	AVISTA UTILITIES, INC	AVISTA--GENERAL RATE CASE
AVU-G-23-02	AVISTA UTILITIES, INC	AVISTA -- Application to Revise Electric & Natural Gas Book Depreciation Rates
 INT-G-22-07	INTERMOUNTAIN GAS COMPANY	INTERMOUNTAIN GAS--GENERAL RATE CASE

Case Summary Page

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Case Summary

Last Updated	Case Number	Date Filed	Case Type	Status	Description
12/16/2022	INT-G-22-07	09/30/2022	Rate	Notice Received	INTERMOUNTAIN GAS--GENERAL RATE CASE

Case Files

09/30/2022 [NOTICE OF INTENT.PDF](#)
12/02/2022 [APPLICATION.PDF](#)

Public Comments

11/14/2022 [COMMENT\(1\)_1.PDF](#)
11/22/2022 [COMMENTS\(2\)_2.PDF](#)
11/29/2022 [COMMENT\(1\)_1.PDF](#)
12/12/2022 [COMMENT\(1\)_1.PDF](#)
12/14/2022 [COMMENT\(1\)_1.PDF](#)
12/21/2022 [COMMENT\(1\)_1.PDF](#)
12/28/2022 [COMMENT\(1\)_1.PDF](#)
01/09/2023 [COMMENT\(1\)_1.PDF](#)



Schedule



Event	Date	Location
Case Filed	December 1, 2022	
Public Workshop	Today (March 15, 2023)	11 a.m. Pocatello
Public Workshop	Today (March 15, 2023)	6 p.m. Twin Falls
Public Workshop	March 21, 2023, at 6:00 PM MST	Boise, ID
Staff Testimony	April 26, 2023	
Written Public Comments	File Now (Deadline TBD)	
Company Rebuttal Testimony	May 17, 2023	
Public Customer Hearing	TBD	TBD
Technical Hearing	TBD	TBD
Close of Case	Final Order	
Proposed Effective Date	Final Order	

Where do we go from here?

- Customers can subscribe to the Commission's RSS feed to receive updates about all cases via email.
- Continue submitting your comments.
- Public Customer Hearing, date is TBD.
- The Commission will issue a final order which will close the case.



You can find case information and file comments on the PUC website:

puc.idaho.gov

Case Number INT-G-22-07

Direct: (208) 334-0300

Toll-Free: (800) 432-0369

Fax: (208) 334-3762

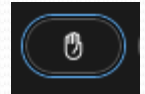


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