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Attorneys for Intermountain Gas Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. INT-G-22-07
OF INTERMOUNTAIN GAS COMPANY)
FOR AUTHORITY TO INCREASE ITS)
RATES AND CHARGES FOR NATURAL)
GAS SERVICE IN THE STATE OF IDAHO)
_____)
)

UPDATED DIRECT TESTIMONY OF LORI A. BLATTNER
FOR INTERMOUNTAIN GAS COMPANY

March 9, 2023

1 **Q. Please state your name, business address, and present position with Intermountain**
2 **Gas Company (“Intermountain” or “Company”).**

3 A. My name is Lori Blattner, and I am the Director of Regulatory Affairs for Intermountain
4 Gas Company and Cascade Natural Gas Corporation (“Cascade”). My business address
5 is 555 South Cole Road, Boise, ID 83707.

6 **Q. Please summarize your educational and professional experience.**

7 A. I graduated from the University of Idaho in 1993 with a Bachelor of Science degree in
8 Agricultural Economics. I joined Intermountain in 1997 as a Regulatory Analyst and was
9 responsible for cost of service, rate design, and weather normalizations, as well as other
10 regulatory issues. I was promoted to Manager, Energy Efficiency and Regulatory
11 Process in 2017. In that role, I was responsible for cost of service and weather
12 normalization as well as launching Intermountain’s Energy Efficiency program. I was
13 promoted to Director of Regulatory Affairs for Intermountain in 2019 and to my current
14 position in 2021. In my current role, I am responsible for all regulatory activity in Idaho,
15 Oregon, and Washington, as well as the Energy Efficiency programs for both
16 Intermountain and Cascade.

17 **Q. Have you previously written or presented testimony on behalf of Intermountain**
18 **before the Idaho Public Utilities Commission (“Commission”)?**

19 A. Yes, I have previously testified before this Commission in Intermountain’s most recent
20 general rate case proceeding, Case No. INT-G-16-02.

21 **Q. What is the purpose of your testimony?**

22 A. Intermountain’s 2016 general rate case was its first since 1985. During this 30-year time
23 span much about the Company, its distribution system, software systems, and industry

1 technology changed dramatically. Although many issues were fully litigated in the 2016
2 rate case, there were several items the Commission provided specific direction on in
3 Order Nos. 33757 and 33879. I will provide updates on those items including the
4 convenience and in-person pay station transaction fees, the Company's Line Extension
5 tariff and progress related to Cost of Service. I will then discuss the collaboration
6 between the Company and Staff on the Company's weather normalization methodology
7 as well as the final models and resulting adjustment used in this case. In addition, I will
8 discuss the Company's proposal to update its Non-Utility LNG Sales sharing allocations.
9 Finally, I will outline the Company's proposed tariff changes in this case.

10 **Convenience and In-Person Pay Station Transaction Fees**

11 **Q. What is the background on the convenience and pay station transaction fees issue?**

12 A. In Case No. INT-G-16-02, Staff recommended that the Company remove the
13 convenience fees it charged for payment by debit or credit card. In addition, Staff
14 proposed that the Company remove the fee it charged customers to use the authorized pay
15 station for cash payments. Intermountain opposed Staff's recommendation arguing that
16 removing the convenience fee would encourage customers to switch from less expensive
17 payment methods to those that are more expensive, increasing costs for all customers.¹

18 In Order No. 33757, issued on April 28, 2017, the Commission "decline[d] to
19 implement Staff's free payment proposal at this time. Adequate cost estimates and benefit
20 analyses were not provided. We nevertheless encourage the Company to explore the

¹ Order No. 33757, page 38

1 possibility of removing these fees in the future to keep pace with what appears to be an
2 emerging industry standard.”²

3 Then on June 30, 2017, in Order No. 33805 in connection with Case No. INT-G-
4 17-02, the Commission directed the Company to meet with Staff within 60 days of the
5 issue date of the Order to “discuss alternatives to convenience fees”. Intermountain and
6 Staff held several discussions on convenience fees, which resulted in Case No. INT-G-
7 18-01. In that case, the Company agreed to end the fee charged to customers for in-
8 person pay station transactions. However, the agreement left the convenience fee in place
9 for debit or credit card transactions. Order No. 34099 allowed the establishment of a
10 regulatory asset to capture the costs associated with in-person pay station transactions and
11 the recovery of those costs in the Company’s PGA beginning in 2019 and until February
12 1, 2021, or until the Company filed a general rate case, whichever comes first.³

13 Subsequently, on December 13, 2019, the Company filed a letter in Case No.
14 INT-G-18-01 noting that it had continued to collaborate with Staff on how to best address
15 transaction fees. During the time that those discussions were taking place, the
16 Commission raised concerns with the removal of convenience fees in Order No. 34405 in
17 Suez Water Idaho Inc’s Case No. SUZ-W-19-01. Based on that guidance and concerns
18 that removing the convenience fees for debit and credit card transactions would actually
19 encourage a shift to these more expensive forms of payment from ones that are less
20 expensive, the Company noted that it did not plan to file “an application to request its
21 customers bear the cost of the remaining credit/debit card transaction costs at this time.”

² Order No. 33757 page 38-39

³ Order No. 34099 Page 3

1 The Company did commit to continuing to waive the transaction fees for in-person bill
2 payment, however.

3 On February 19, 2021, the Company requested the Commission extend
4 authorization of the regulatory asset associated with in-person pay station transactions. In
5 Order No. 35047, Case No. INT-G-21-02, the Commission authorized the Company to
6 “continue to seek recovery of these costs in the Company’s PGA.” The authorization was
7 extended from February 1, 2021 until February 1, 2023, or until the Company filed a
8 general rate case.

9 **Q. What is the Company’s proposed treatment for the in-person payment transaction**
10 **fees going forward?**

11 A. The Company proposes that the in-person payment transaction fees be embedded in base
12 rates going forward, and that the fees deferred from October 1, 2022 through February 1,
13 2023 be collected through the 2023 PGA filing as approved. The adjustment to move the
14 in-person payment transaction fees into base rates is discussed in the testimony of Mr.
15 Darrington.

16 **Q. Is the Company proposing to move debit and credit card convenience fees to base**
17 **rates as well?**

18 A. No. Moving the fees for in-person transactions to base rates helps to address concerns
19 that convenience fees unfairly impact low-income and under-banked customers.
20 Allowing customers to pay their bills in-person without incurring additional fees also
21 benefits all customers by encouraging timely payments and thus helping to minimize
22 uncollectible expenses.

1 calculation methods for the Company's Line Extension tariff. The result was a complete
2 replacement of the Company's General Service Provisions Section C as discussed in
3 Order No. 34735 in Case No. INT-G-20-01. An important piece of the revised Line
4 Extension tariff is the embedded cost methodology used to determine the Allowable
5 Investment Factors. At the conclusion of this case the Company plans to file a
6 compliance filing to update the embedded costs that are used to calculate the Allowable
7 Investment Factors to reflect the costs that are approved in this case.

8 Cost of Service

9 **Q. What were some of the concerns raised in the previous general rate case regarding**
10 **the Company's cost of service study?**

11 A. Order No. 33757 noted:

12 While we find that the Company has data that supports the known and measurable cost-
13 of-service rate design within its large volume and transportation customers, it does not
14 have such data for use in definitively allocating revenue requirement among the various
15 other customer classes. As Staff stated, a load study with more class specific underlying
16 cost information, and a more appropriate derivation of net plant-in-service would provide
17 this data. Without full knowledge of the appropriate cost-of-service allocation, we adhere
18 to the concept of gradualism related to cost-of-service. ⁴

19 **Q. Has Intermountain addressed the lack of a load study in the intervening years?**

20 A. Intermountain is in the process of implementing Itron's fixed-network metering
21 infrastructure. This system utilizes a fixed mounted data collector using two-way
22 communication to endpoints and to the repeater to collect on-demand reads and issue

⁴ Order No. 33757, Page 28

1 network commands. This system provides a robust collection of time-synchronized
2 interval data. The Company had hoped to have the system installation completed by the
3 end of 2020. However, COVID-19 and the related labor and supply chain issues have
4 hampered installation efforts. The system is currently 60% complete with full installation
5 estimated for the end of 2023. In April 2022, Itron placed all fixed network equipment
6 ship dates on hold due to ongoing chip shortages and extensive overseas shutdowns. It is
7 now expected that the equipment will begin shipping again in March 2023. As discussed
8 further in Mr. Amen's testimony, Intermountain was able to use the daily data that is
9 currently available to facilitate the completion of the load study options presented in this
10 case.

11 **Q. Has the Company addressed concerns with the derivation of net plant-in-service?**

12 A. As demonstrated more fully in Mr. Amen's testimony and supporting exhibits, the
13 Company is allocating both the gross plant and the associated accumulated depreciation
14 by FERC accounts by applying appropriate allocation factors. This ensures that the
15 resulting net plant is allocated accurately and addresses concerns raised in the previous
16 general rate case.

17 **Weather Normalization**

18 **Q. What is weather normalization?**

19 A. Weather normalization adjusts test year natural gas consumption to the level that would
20 have been consumed if the test year were a normal weather year. Temperature is the
21 primary driver of variances in natural gas consumption. Because a portion of the
22 Company's rates are based on consumption, variations in weather will affect the amount
23 of revenue received by the Company. For example, a year with lower consumption due to

1 warmer than normal temperatures will result in lower revenues for the Company.
2 Conversely, higher consumption due to colder than normal temperatures will result in
3 higher revenues for the Company. Normalized natural gas consumption is used in
4 developing the RS and GS-1 sales revenues that can be expected in a normal weather
5 year, and upon which the revenue requirement in this case is based. Normalized natural
6 gas usage also contributes to the development of the billing determinants used in this
7 case.

8 **Q. Weather normalization was an issue in the Company's last general rate case. Please**
9 **outline the agreements the Company made related to weather normalization in the**
10 **Settlement.**

11 A. In the Settlement approved in Order No. 33879, the Company agreed the following terms
12 would govern weather normalization issues in future cases:

- 13 1) Unless otherwise agreed between Staff and the Company, consumption
14 normalization methodology will be used to adjust actual test year consumption
15 rather than to forecast test year consumption;
- 16 2) Any adjustment to customer or consumption input data will be uniformly and
17 consistently applied to all customer classes and all months; and
- 18 3) Interested parties will meet before the next rate case to seek consensus on weather
19 normalization methodology.

20 As discussed in greater detail in the testimony that follows, the Company and
21 Staff have engaged in a robust process over the intervening years to enact the terms of the
22 Settlement

1 **Q. Please outline the process employed to seek consensus on weather normalization**
2 **methodology.**

3 A. The collaborative process between the Company and Staff took place over several years.
4 The first step was the development of and agreement on the data to be used and a process
5 for data collection and storage. Next, agreement was reached on the weighting process
6 for the weather data. Finally, the Company and Staff worked through the appropriate
7 application of the weather normalization models and model development. Staff and the
8 Company had sufficient time to work through and agree upon the process for data
9 collection and storage, weather weighting, and the application of the models. Although
10 both Staff and the Company invested a significant amount of time on model
11 development, a final consensus was not reached prior to filing. As explained in more
12 detail below, the Company has made a best effort to incorporate all of the feedback
13 provided by Staff into the models that were ultimately used in this case. Both parties
14 agreed that the models used were very close to what either party would have proposed
15 and that any remaining differences can be worked out during the course of the case.

16 **Q. Explain the underlying data as well as the data collection and storage process.**

17 A. A new Customer Information System (“CIS”) as well as the need to combine the previous
18 residential customer classes, RS-1 and RS-2, into the single RS class approved in the case
19 meant that the Company had an opportunity to build a process for data collection, storage
20 and weather weighting that was transparent, robust, and nimble enough to accommodate
21 future CIS changes and upgrades. As a result of the case, Intermountain chose to build a
22 system based on individual premise level billing detail that includes data on all premises
23 that received a customer charge for the month. The new system collects and stores data at

1 this individual premise level of detail going forward. Before the previous CIS was retired,
2 Intermountain was also able to go back and mine the billing detail from that system to
3 create a database of premise level billing data from 2007 to present. Because the data is
4 stored at such a granular, premise level of detail, the new system will be able to integrate
5 seamlessly with other CIS systems that may be implemented in the future with no issues
6 regarding data continuity.

7 **Q: What billing data is collected and stored?**

8 A. Intermountain collects the following billing data for its residential and commercial
9 customers and stores it in a table in its data warehouse:

- 10 1) Accounting Year and Month
- 11 2) Billed Therm Usage
- 12 3) Start and end date of billing range
- 13 4) Premise ID

14 The following information is then calculated from the data stored in the data
15 warehouse:

- 16 1) Customer Count representing the total number of unique premises that
17 received a bill in a given accounting month.
- 18 2) Usage Per Customer which is calculated by summing the total therm usage
19 for a customer class in a given accounting month divided by the Customer
20 Count in that month.
- 21 3) Rate Study Division which represents the code of the closest weather
22 station to the billed premise, based on the premise's town code.

23 **Q. What weather data is collected and stored?**

24 A. The Company collects and stores daily high, low and HDD65 weather data from seven
25 representative National Oceanic and Atmospheric Administration ("NOAA") weather
26 sites across its service territory.

27 **Q. What are HDD's?**

1 A. HDD's, or heating degree days, are units used to relate a day's temperature to the energy
2 demands of temperature sensitive load, primarily for space heating. HDD's are
3 calculated by subtracting a day's average temperature from a reference temperature, in
4 this case 65° Fahrenheit.

5 **Q. What is the weather weighting process and why is it important?**

6 A. Customers across Intermountain's service territory experience weather that can be
7 dramatically different based on their location. It is important to match the weather
8 customers experience with the total usage, and thus total revenues, of the Company. To
9 enable this appropriate matching, the system uses the Rate Study Division to find the
10 nearest weather station to the customer. The daily HDD records are then summed across
11 the billing period. The customer billing data as well as the summed HDD for the billing
12 period becomes one record in the weather normalization database. To calculate a Total
13 Company HDD for each month that accurately represents the weather that contributed to
14 the usage for the month, each customer's HDD sum for the accounting month is
15 multiplied by 1/Customer Count for the accounting month. The results for each customer
16 are summed to create the Total Company HDD for the accounting month. The new data
17 collection, storage and weather weighting processes all rely on billing system data rather
18 than adjusted data, which was an important point in the Settlement that was agreed to in
19 the previous case.

20 **Q. How does the Company define normal weather?**

21 A. The Company's normal weather is based on an industry standard practice of using an
22 average of the temperatures experienced during the most recent 30-year period.
23 Intermountain's service territory contains regions with diverse weather patterns. To

1 incorporate the influences of varying temperatures on Company usage, daily weather data
2 for the past 30 years was collected and stored as outlined above. A 30-year average of
3 HDD's for each day of the year was calculated for each weather station.

4 **Q. How are the weather normalization models used to adjust test year usage?**

5 A. The weather normalization models are used to calculate an adjustment that is applied to
6 actual usage to generate the test year volumes. The selected weather normalization model
7 may vary, but it will always fall under the following form:

$$8 \quad \text{Consumption}_t = y(W_t, C_t)$$

9 Where Consumption_t is Usage per Customer in month t , $y()$ is the selected
10 predictive model, W_t is the weather input (or set of weather inputs) in month t , and C_t
11 represents the set of other non-weather covariates in the predictive model.

12 The adjustment can be computed as follows:

$$13 \quad \text{Adjustment}_t = y(W_{NORM,t}, C_t) - y(W_{ACT,t}, C_t)$$

14 Where $W_{NORM,t}$ is the weather that customers would experience in period t under
15 normal conditions, defined as a 30-year rolling average. $W_{ACT,t}$ is the actual weather that
16 customers experienced in period t of the test year. Note that since the covariates captured
17 in C_t are the same under normal or actual weather conditions, they will directly cancel
18 out of the resulting adjustment. Thus, the adjustment can be simplified in terms of the
19 difference between normal weather and actual weather as follows:

$$20 \quad \text{Adjustment}_t = \beta_t \times (W_{NORM,t} - W_{ACT,t})$$

21 Where β_t is the coefficient within model $y()$ estimating the usage per customer
22 per degree day relevant to the month t .

1 Under the test year adjustment method, the total normalized consumption in each
2 month is equal to:

$$3 \quad \textit{Normalized Consumption} = (\textit{Actual} + \textit{Adjustment}) \times \textit{CustomerCount}$$

4 Where *Actual* is the observed usage per customer in the month and
5 *CustomerCount* is the number of unique premises to have received a bill in the period.

6 This agreed upon method is reflected in the weather normalization adjustment
7 shown on Exhibit No. 1.

8 **Q. What models were originally proposed as part of the collaborative process?**

9 A. The residential model originally proposed by the Company contained monthly HDD-65
10 coefficients for every month except August, a summer binary term, a log price term, and
11 an autoregressive term. The commercial model contained monthly HDD-65 coefficients
12 for every month except July and August, a summer binary term, a log price term, and an
13 autoregressive term. The originally proposed models are included as Exhibit No. 2.

14 **Q. Have these models been used to calculate the weather normalization adjustment in
15 this case?**

16 A. No. The Company met with Staff to review the proposed models. Following that meeting
17 the Company ran several additional variations of the models based on Staff feedback and
18 held a follow up meeting to discuss. Staff expressed concerns with the inclusion of the
19 autoregressive term and with leaving monthly terms out of the models. Although there
20 was not enough time to finish discussing the models before filing this case, the Company
21 incorporated Staff's feedback on the models and the final models proposed in this case do
22 not include an autoregressive term and both models do include an HDD-65 term for all
23 months. The final models are included as Exhibit No. 3. After a robust, collaborative

1 process, the Company believes that the models used to calculate the weather
2 normalization adjustment reflect a positive resolution of the issues that each party had
3 with the models proposed by the other party in the previous case.

4 **Non-Utility LNG Sales Credits**

5 **Q. Please provide a brief overview of the Company's involvement in non-utility LNG**
6 **sales.**

7 A. In 2013, Intermountain received an emergency supply request to supply liquefied natural
8 gas ("LNG") from its Nampa LNG plant to a small LNG-based distribution utility located
9 in southwestern Wyoming that had temporarily lost its supply of LNG. In Case No. INT-
10 G-13-01, the Commission granted emergency authority for Intermountain to supply the
11 needed LNG. The Company then filed Case No. INT-G-13-02 to request on-going
12 authority to sell excess LNG from its Nampa LNG plant (as determined in its Integrated
13 Resource Plan filed every two years) to non-utility customers. In Order No. 32793 the
14 Commission authorized the Company to sell LNG to non-utility customers at market-based
15 prices. Because the Nampa LNG plant and its operations and maintenance are included in
16 base rates for the purpose of being a supply source in the event of very cold weather or
17 extraordinary system constraints, the Commission ordered the Company to reserve \$0.025
18 per gallon of LNG sold to cover the increased capital expenditures and another \$0.025 per
19 gallon to cover the increased O&M costs associated with the increased use of the Nampa
20 LNG facility. Additionally, the Commission authorized the Company to share net margins
21 from non-utility LNG sales with utility customers on a 50/50 basis. The O&M credits and
22 margin sharing are passed back to utility customers through the Company's Purchased Gas
23 Cost Adjustment ("PGA") filing. The amounts generated from the capital credit are used to

1 replace existing Nampa LNG capital infrastructure due to accelerated wear and tear from
2 producing LNG for sale.

3 **Q. How much money related to capital and O&M credits and margin sharing has been**
4 **generated since inception of the Company's involvement in non-utility LNG sales?**

5 A. For the period 2013-2020, the Company generated over \$830,000 each in capital and O&M
6 credits and over \$4.3 million in margin sharing as seen on Exhibit No. 4, Page 2, Column
7 (j).

8 **Q. Has the Company performed an analysis to determine the sufficiency of the capital**
9 **and O&M credits?**

10 A. Yes. The Company performed a non-utility LNG sales analysis to determine if the benefits
11 of selling LNG to non-utility customers outweighed the costs embedded in utility customer
12 base rates for the period 2013-2020. The Company did not include 2021 in its analysis
13 because in February 2021 the Company discovered a leak in the outer shell of the Nampa
14 LNG tank. To fix the leak, the Nampa LNG tank was emptied of product, warmed from
15 cryogenic to ambient temperatures and purged. The leak was repaired in late 2021, and the
16 Company began refilling the tank with LNG in January 2022. Sales to non-utility customers
17 began in March 2022. The Company did not include 2021 or 2022 in its analysis because
18 the LNG tank was out of service for repairs and maintenance for the majority of 2021, the
19 Company did not liquefy any natural gas in 2021, and LNG sales did not resume until
20 partway through 2022.

21 **Q. Please explain the details of the analysis the Company performed.**

22 A. Since the Nampa LNG facility is used for both utility and non-utility purposes, the
23 Company developed a methodology to determine the amount of capital and O&M expenses

1 related to non-utility LNG sales. When the Company liquefies natural gas at its Nampa
2 LNG facility it designates a percentage of the resulting LNG for either utility or non-utility
3 purposes. For both the capital and O&M costs analysis, the Company used the average non-
4 utility liquefaction percentage shown on Exhibit No. 4, Page 4, Line 5, Column (j) as the
5 final step in the determination of costs related to non-utility LNG sales.

6 To determine capital costs related to non-utility LNG sales, the Company first
7 reviewed the capital assets added to the Nampa LNG facility since 2013 when the
8 Commission authorized the Company to sell excess LNG to non-utility customers. Exhibit
9 No. 4, Page 5 shows the categories and amounts of Nampa LNG facility assets related to
10 LNG truck filling from 2013-2020. On Exhibit No. 4, Page 6, the Company multiplied the
11 identified assets on Exhibit No. 4, Page 5 by the Company's current depreciation rates
12 authorized in Order No. 35134 (Case No. INT-G-21-01) to determine the average annual
13 depreciation expense for Nampa LNG facility assets related to LNG truck filling. The
14 Company then multiplied the annual depreciation expense by the non-utility LNG
15 liquefaction percentage on Exhibit No. 4, Page 4, Line 5, Column (j) to determine the
16 average amount of depreciation expense related to non-utility LNG sales. On Exhibit No. 4,
17 Page 3, the Company multiplied the average depreciation expense related to non-utility
18 LNG sales by 8 years and compared that amount to the capital credits generated from 2013-
19 2020 and found the capital credits insufficient by approximately \$96,000.

20 To determine O&M expenses related to non-utility LNG sales, calculated in Exhibit
21 No. 4, Page 7, the Company averaged the specifically tracked operations expenses related
22 to Nampa LNG facility employee time spent loading trucks for non-utility LNG sales and
23 allocated portions of power and nitrogen costs incurred during the liquefaction process. To

1 determine the amount of maintenance expense related to non-utility LNG sales, the
2 Company first multiplied the 2013-2020 average maintenance expense for each Nampa
3 facility asset category by the respective percentage of assets related to LNG truck filling.
4 Then the Company multiplied the result from the previous step by the non-utility
5 liquefaction percentage from Exhibit No. 4, Page 4, Line 5, Column (j). On Exhibit No. 4,
6 Page 3, the Company multiplied the average O&M expense related to non-utility LNG sales
7 by 8 years and compared that amount to the O&M credits generated from 2013-2020 and
8 found the O&M credits insufficient by approximately \$500,000.

9 Although both the capital and O&M credits were insufficient when compared to the
10 costs related to non-utility LNG sales, Exhibit No. 4, Page 3 shows that utility customers did
11 experience a net benefit of approximately \$3.8 million from the Company's involvement in
12 selling LNG to non-utility customers.

13 **Q. What does the Company propose as a result of the Company's analysis?**

14 A. To better cover the amount of future capital and O&M costs related to non-utility LNG
15 sales, the Company proposes to set the capital and O&M credits at \$0.03 and \$0.04 per
16 gallon of LNG sold to non-utility customers, respectively. The Company determined the
17 proposed capital and O&M credits by dividing the average depreciation and O&M expenses
18 related to non-utility LNG sales by the 2013-2020 average amount of LNG gallons sold (see
19 Exhibit No. 4, Page 6, Line 27 and Exhibit No.4, Page 7, Line 27). Exhibit No. 4, Page 1
20 shows an average increase of approximately \$42,000 in the overall increased utility
21 customer benefit based on the proposed capital and O&M credits.

Tariffs

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Q. Could you briefly describe the tariff package that implements the rates proposed by Intermountain in this case?

A. Yes. Exhibit No. 5, which I am sponsoring, shows the changes to Intermountain’s tariff, by striking over proposed deletions and underlining additions or amendments to the existing rate schedules. These changes conform to the testimony and exhibits of Mr. Amen. However, the Company has added an additional change to the cost of gas section of the LV-1 rate schedule to make all components of the cost of gas applicable to all LV-1 rate blocks. This change is necessary because when the Company filed its PGA it expected usage only in the first rate block, however, under the proposed rate block structure the Company expects usage in all three rate blocks. Exhibit No.6, which I am also sponsoring, shows these same rate schedules in a clean format.

Q. Does this conclude your testimony?

A. Yes.

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Case No. INT-G-22-07

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

UPDATED EXHIBITS 1, 5, AND 6 TO ACCOMPANY THE

UPDATED DIRECT TESTIMONY OF LORI BLATTNER

Intermountain Gas Company
Weather Normalization Adjustment
For the Test Year Ending December 31, 2022

Line No.	Description	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Total
1	<u>RS</u>													
2	HDD65:													
3	Actual Degree Days	1,118.94	1,079.74	1,046.50	605.62	514.59	274.74	55.30	0.10	7.58	76.62	469.04	1,113.66	6,362.42
4	Normal Degree Days	1,144.95	964.10	913.34	596.07	406.68	201.65	55.55	5.88	34.83	196.68	485.90	939.50	5,945.13
5	Difference +warmer -colder	26.007880	(115.633470)	(133.151830)	(9.545220)	(107.906480)	(73.082310)	0.245150	5.777440	27.244000	120.06	16.86	(174.16)	(417.29)
6	Model Coefficient x Difference	0.112924	0.113167	0.108848	0.099641	0.088016	0.092101	0.067579	0.088964	0.057979	0.085642	0.095893	0.108365	
7	Change in Therms/Customer	2.93691	(13.08589)	(14.49331)	(0.95110)	(9.49750)	(6.73095)	0.01657	0.51398	1.57958	10.28	1.62	(18.87)	(46.69)
8	Customers	<u>364,502</u>	<u>365,320</u>	<u>366,388</u>	<u>367,064</u>	<u>367,726</u>	<u>368,281</u>	<u>368,434</u>	<u>369,020</u>	<u>369,524</u>	<u>370,467</u>	<u>372,504</u>	<u>374,153</u>	<u>4,423,383</u>
9	HDD65 Therm Adjustment	1,070,510	(4,780,537)	(5,310,175)	(349,115)	(3,492,478)	(2,478,881)	6,105	189,669	583,693	3,809,197	602,175	(7,061,431)	(17,211,268)
10	<u>GS-1:</u>	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	TOTAL
11	HDD65:													
12	Actual Degree Days	1,140.65	1,111.53	1,089.45	620.31	525.41	282.88	57.12	0.14	10.01	90.36	506.30	1,137.98	6,572.13
13	Normal Degree Days	1,167.69	984.02	945.04	610.51	418.07	213.03	59.63	7.51	42.42	219.54	510.22	964.00	6,141.68
14	Difference +warmer -colder	27.038240	(127.510080)	(144.407230)	(9.793740)	(107.342870)	(69.849030)	2.517290	7.376320	32.405940	129.18	3.92	(173.98)	(430.45)
15	Model Coefficient x Difference	0.496787	0.495629	0.472342	0.414982	0.352877	0.366217	0.163336	0.644551	0.388738	0.393954	0.383191	0.463382	
16	Change in Therms/Customer	13.43225	(63.19769)	(68.20960)	(4.06423)	(37.87883)	(25.57990)	0.41116	4.75441	12.59742	50.88958	1.50293	(80.62097)	(195.96)
17	Customers (with Migration Adjustment)	<u>34,886</u>	<u>34,960</u>	<u>35,003</u>	<u>34,996</u>	<u>35,000</u>	<u>34,976</u>	<u>34,938</u>	<u>34,916</u>	<u>34,915</u>	<u>34,968</u>	<u>35,155</u>	<u>35,387</u>	<u>420,100</u>
18	HDD65 Therm Adjustment	468,597	(2,209,391)	(2,387,541)	(142,232)	(1,325,759)	(894,683)	14,365	166,005	439,839	1,779,507	52,836	(2,852,934)	(6,891,391)
19	Total Therm Adjustment	1,539,107	(6,989,928)	(7,697,716)	(491,347)	(4,818,237)	(3,373,564)	20,470	355,674	1,023,532	5,588,704	655,011	(9,914,365)	(24,102,659)

Rate Schedule RS RESIDENTIAL SERVICE

APPLICABILITY:

Applicable to any customer using natural gas for residential purposes.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge: ~~\$5.50~~ per bill \$9.00
Per Therm Charge: ~~\$0.73392*~~ \$0.69898

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.00057)
	2) Weighted average cost of gas	\$0.39216
	3) Gas transportation cost	\$0.16364
Distribution Cost:		\$0.16305 <u>\$0.12811</u>
EE Charge:		\$0.01564

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

ENERGY EFFICIENCY CHARGE ADJUSTMENT:

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-RS. The Energy Efficiency Charge is separately stated on customer bills.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Name of Utility **Intermountain Gas Company**

**Rate Schedule GS-1
 GENERAL SERVICE**

APPLICABILITY:

Applicable to customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on the Company's distribution system. Requirements in excess of 2,000 therms per day may be allowed at the Company's discretion.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$0.50 per bill	<u>\$15.00</u>		
Per Therm Charge:	Block One:	First	200 therms per bill @	\$0.75436* <u>\$0.74252</u>
	Block Two:	Next	1,800 therms per bill @	\$0.73088* <u>\$0.72054</u>
	Block Three:	Next	8,000 therms per bill @	\$0.70821* <u>\$0.69933</u>
	Block Four:	Over	10,000 therms per bill @	\$0.63965* <u>\$0.63516</u>

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	\$0.01445
	2) Weighted average cost of gas	\$0.39216
	3) Gas transportation cost	\$0.15990

Distribution Cost:	Block One:	First	200 therms per bill @	\$0.18465 <u>\$0.17281</u>
	Block Two:	Next	1,800 therms per bill @	\$0.16117 <u>\$0.15083</u>
	Block Three:	Next	8,000 therms per bill @	\$0.13850 <u>\$0.12962</u>
	Block Four:	Over	10,000 therms per bill @	\$0.06994 <u>\$0.06545</u>

EE Charge: \$0.00320

Name of Utility **Intermountain Gas Company**

Rate Schedule GS-1
GENERAL SERVICE
 (Continued)

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge:	\$9.50 per bill	<u>\$15.00</u>		
Per Therm Charge:	Block One:	First 10,000 therms per bill @	\$0.70501*	<u>\$0.69613</u>
	Block Two:	Over 10,000 therms per bill @	\$0.63645*	<u>\$0.63196</u>
*Includes the following:				
Cost of Gas:	1) Temporary purchased gas cost adjustment		\$0.01445	
	2) Weighted average cost of gas		\$0.39216	
	3) Gas transportation cost		\$0.15990	
Distribution Cost:	Block One:	First 10,000 therms per bill @	\$0.13850	<u>\$0.12962</u>
	Block Two:	Over 10,000 therms per bill @	\$0.06994	<u>\$0.06545</u>

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

ENERGY EFFICIENCY CHARGE ADJUSTMENT:

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-GS. The Energy Efficiency Charge is not applicable to gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines. The Energy Efficiency Charge is separately stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**Rate Schedule IS-C
SMALL COMMERCIAL INTERRUPTIBLE SNOWMELT SERVICE**

APPLICABILITY:

Applicable to any customer otherwise eligible to receive gas service under Rate Schedule GS-1 who has added natural gas snowmelt equipment after 6/1/2010. The intended use of the snowmelt equipment is to melt snow and/or ice on sidewalks, driveways or any other similar appurtenances. Any and all such applications meeting the above criteria will be subject to service under Rate Schedule IS-C and will be separately and individually metered. All service hereunder is interruptible at the sole discretion of the Company.

FACILITY REIMBURSEMENT CHARGE:

All new interruptible Snowmelt service customers are required to pay for the cost of the Snowmelt meter set and other related facility and equipment costs, prior to the installation of the meter set. Any request to alter the physical location of the meter set and related facilities from Company's initial design may be granted provided, however, the Company can reasonably accommodate said relocation and Customer agrees to pay all related costs.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$0.50 per bill	<u>\$12.50</u>	
Per Therm Charge:	Block One:	First	200 therms per bill @
	Block Two:	Next	1,800 therms per bill @
	Block Three:	Next	8,000 therms per bill @
	Block Four:	Over	10,000 therms per bill @
			\$0.75116* <u>\$0.73932</u> \$0.72768* <u>\$0.71734</u> \$0.70501* <u>\$0.69613</u> \$0.63645* <u>\$0.63196</u>
*Includes the following:			
Cost of Gas:	1) Temporary purchased gas cost adjustment		\$0.01445
	2) Weighted average cost of gas		\$0.39216
	3) Gas transportation cost		\$0.15990
Distribution Charge:	Block One:	First	200 therms per bill @
	Block Two:	Next	1,800 therms per bill @
	Block Three:	Next	8,000 therms per bill @
	Block Four:	Over	10,000 therms per bill @
			\$0.18465 <u>\$0.17281</u> \$0.16117 <u>\$0.15083</u> \$0.13850 <u>\$0.12962</u> \$0.06994 <u>\$0.06545</u>

**Rate Schedule LV-1
LARGE VOLUME FIRM SALES SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedule LV-1 or any customer not previously served under this schedule whose usage does not exceed 500,000 therms annually, upon execution of a one-year minimum written service contract for firm sales service in excess of 200,000 therms per year.

MONTHLY RATE:

Customer Charge:	\$150.00 per bill		
Demand Charge:	\$0.30000 per MDFQ therm <u>\$0.32000</u>		
Per Therm Charge:	Block One:	First <u>35,000</u>	250,000 therms per bill @ \$0.54173*
	Block Two:	Next <u>35,000</u>	500,000 therms per bill @ \$0.52384 * <u>\$0.52656</u>
	Block Three:	Over <u>70,000</u>	750,000 therms per bill @ \$0.44733 * <u>\$0.52363</u>

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment		
	Block One and Two		\$0.03247
	Block Three		\$0.05210
	2) Weighted average cost of gas		\$0.39216
	3) Gas transportation cost (Block One and Two only)		\$0.08710
Distribution Cost:	Block One:	First <u>35,000</u>	250,000 therms per bill @ \$0.03000
	Block Two:	Next <u>35,000</u>	500,000 therms per bill @ \$0.04214 <u>\$0.01483</u>
	Block Three:	Over <u>70,000</u>	750,000 therms per bill @ \$0.00307 <u>\$0.01190</u>

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

- All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
- The customer shall negotiate with the Company, a mutually agreeable Maximum Daily Firm Quantity (MDFQ), which will be stated in and in effect throughout the term of the service contract.
- The monthly Demand Charge will be equal to the MDFQ times the Demand Charge rate. Demand Charge relief will be afforded to those LV-1 customers when circumstances impacted by force majeure events prevent the Company from delivering natural gas to the customer's meter.

**Rate Schedule T-3
 INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any point on the Company's distribution system to any customer upon execution of a one year minimum written service contract.

MONTHLY RATE:

<u>Customer Charge:</u>	\$300.00 per bill		
Per Therm Charge:	Block One:	First	100,000 therms transported @ \$0.03771 * <u>\$0.03645</u>
	Block Two:	Next	50,000 therms transported @ \$0.01487 * <u>\$0.01436</u>
	Block Three:	Over	150,000 therms transported @ \$0.00496 * <u>\$0.00477</u>

*Includes temporary purchased gas cost adjustment of (\$0.00082)

ANNUAL MINIMUM BILL:

The customer shall be subject to the payment of an annual minimum bill based on annual usage of 200,000 therms. The deficit usage below 200,000 therms shall be billed at the T-3 Block 1 rate.

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. This service does not include the cost of the customer's gas supply or the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this Rate Schedule.
3. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
4. The Company, in its sole discretion, shall determine whether or not it has adequate capacity to accommodate transportation of the customer's gas supply on the Company's distribution system.
5. If requested by the Company, the customer expressly agrees to immediately curtail or interrupt its operations during periods of capacity constraints on the Company's distribution system.

**Rate Schedule T-4
FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any customer upon execution of a one year minimum written service contract for firm distribution transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Customer Charge: \$150.00 per bill

Demand Charge: ~~\$0.28032~~ per MDFQ therm* \$0.30032

Per Therm Charge:

Block One:	First	250,000 therms transported @	\$0.02395	<u>\$0.02271</u>
Block Two:	Next	500,000 therms transported @	\$0.00847	<u>\$0.00803</u>
Block Three:	Over	750,000 therms transported @	\$0.00260	<u>\$0.00246</u>

*Includes temporary purchased gas cost adjustment of (\$0.01968)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. This service does not include the cost of the customer's gas supply of the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this Rate Schedule.
3. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
4. The customer shall negotiate with the Company, a mutually agreeable Maximum Daily Firm Quantity (MDFQ), which will be stated in and in effect throughout the term of the service contract.
5. The monthly Demand Charge will be equal to the MDFQ times the Demand Charge rate. Demand Charge relief will be afforded to those T-4 customers when circumstances impacted by force majeure events prevent the Company from delivering natural gas to the customer's meter.

**Rate Schedule RS
RESIDENTIAL SERVICE**

APPLICABILITY:

Applicable to any customer using natural gas for residential purposes.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$9.00 per bill
Per Therm Charge:	\$0.69898*

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.00057)
	2) Weighted average cost of gas	\$0.39216
	3) Gas transportation cost	\$0.16364
Distribution Cost:		\$0.12811
EE Charge:		\$0.01564

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

ENERGY EFFICIENCY CHARGE ADJUSTMENT:

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-RS. The Energy Efficiency Charge is separately stated on customer bills.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Name
of Utility

Intermountain Gas Company

Rate Schedule GS-1 GENERAL SERVICE

APPLICABILITY:

Applicable to customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on the Company's distribution system. Requirements in excess of 2,000 therms per day may be allowed at the Company's discretion.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$15.00 per bill
Per Therm Charge:	Block One: First 200 therms per bill @ \$0.74252*
	Block Two: Next 1,800 therms per bill @ \$0.72054*
	Block Three: Next 8,000 therms per bill @ \$0.69933*
	Block Four: Over 10,000 therms per bill @ \$0.63516*

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	\$0.01445
	2) Weighted average cost of gas	\$0.39216
	3) Gas transportation cost	\$0.15990

Distribution Cost:	Block One: First 200 therms per bill @	\$0.17281
	Block Two: Next 1,800 therms per bill @	\$0.15083
	Block Three: Next 8,000 therms per bill @	\$0.12962
	Block Four: Over 10,000 therms per bill @	\$0.06545

EE Charge:	\$0.00320
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**Rate Schedule GS-1
GENERAL SERVICE
(Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge:	\$15.00 per bill		
Per Therm Charge:	Block One:	First 10,000 therms per bill @	\$0.69613*
	Block Two:	Over 10,000 therms per bill @	\$0.63196*
*Includes the following:			
Cost of Gas:	1) Temporary purchased gas cost adjustment		\$0.01445
	2) Weighted average cost of gas		\$0.39216
	3) Gas transportation cost		\$0.15990
Distribution Cost:	Block One:	First 10,000 therms per bill @	\$0.12962
	Block Two:	Over 10,000 therms per bill @	\$0.06545

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

ENERGY EFFICIENCY CHARGE ADJUSTMENT:

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-GS. The Energy Efficiency Charge is not applicable to gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines. The Energy Efficiency Charge is separately stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**Rate Schedule IS-R
RESIDENTIAL INTERRUPTIBLE SNOWMELT SERVICE**

APPLICABILITY:

Applicable to any residential customer otherwise eligible to receive service under Rate Schedule RS who has added natural gas snowmelt equipment after 6/1/2010. The intended use of the snowmelt equipment is to melt snow and/or ice on sidewalks, driveways or any other similar appurtenances. Any and all such applications meeting the above criteria will be subject to service under Rate Schedule IS-R and will be separately and individually metered. All service hereunder is interruptible at the sole discretion of the Company.

FACILITY REIMBURSEMENT CHARGE:

All new interruptible Snowmelt service customers are required to pay for the cost of the Snowmelt meter set and other related facility and equipment costs, prior to the installation of the meter set. Any request to alter the physical location of the meter set and related facilities from Company's initial design may be granted provided, however, the Company can reasonably accommodate said relocation and Customer agrees to pay all related costs.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$8.00 per bill
Per Therm Charge:	\$0.70124*

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	\$0.01733
	2) Weighted average cost of gas	\$0.39216
	3) Gas transportation cost	\$0.16364
Distribution Cost:		\$0.12811

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

**Rate Schedule IS-C
SMALL COMMERCIAL INTERRUPTIBLE SNOWMELT SERVICE**

APPLICABILITY:

Applicable to any customer otherwise eligible to receive gas service under Rate Schedule GS-1 who has added natural gas snowmelt equipment after 6/1/2010. The intended use of the snowmelt equipment is to melt snow and/or ice on sidewalks, driveways or any other similar appurtenances. Any and all such applications meeting the above criteria will be subject to service under Rate Schedule IS-C and will be separately and individually metered. All service hereunder is interruptible at the sole discretion of the Company.

FACILITY REIMBURSEMENT CHARGE:

All new interruptible Snowmelt service customers are required to pay for the cost of the Snowmelt meter set and other related facility and equipment costs, prior to the installation of the meter set. Any request to alter the physical location of the meter set and related facilities from Company's initial design may be granted provided, however, the Company can reasonably accommodate said relocation and Customer agrees to pay all related costs.

RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$12.50 per bill			
Per Therm Charge:	Block One:	First	200 therms per bill @	\$0.73932*
	Block Two:	Next	1,800 therms per bill @	\$0.71734*
	Block Three:	Next	8,000 therms per bill @	\$0.69613*
	Block Four:	Over	10,000 therms per bill @	\$0.63196*
*Includes the following:				
Cost of Gas:	1) Temporary purchased gas cost adjustment			\$0.01445
	2) Weighted average cost of gas			\$0.39216
	3) Gas transportation cost			\$0.15990
Distribution Charge:	Block One:	First	200 therms per bill @	\$0.17281
	Block Two:	Next	1,800 therms per bill @	\$0.15083
	Block Three:	Next	8,000 therms per bill @	\$0.12962
	Block Four:	Over	10,000 therms per bill @	\$0.06545

**Rate Schedule LV-1
LARGE VOLUME FIRM SALES SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedule LV-1 or any customer not previously served under this schedule whose usage does not exceed 500,000 therms annually, upon execution of a one-year minimum written service contract for firm sales service in excess of 200,000 therms per year.

MONTHLY RATE:

Customer Charge:	\$150.00 per bill			
Demand Charge:	\$0.32000 per MDFQ therm			
Per Therm Charge:	Block One:	First	35,000 therms per bill @	\$0.54173*
	Block Two:	Next	35,000 therms per bill @	\$0.52656*
	Block Three:	Over	70,000 therms per bill @	\$0.52363*

*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	\$0.03247	
	2) Weighted average cost of gas	\$0.39216	
	3) Gas transportation cost	\$0.08710	
Distribution Cost:	Block One: First	35,000 therms per bill @	\$0.03000
	Block Two: Next	35,000 therms per bill @	\$0.01483
	Block Three: Over	70,000 therms per bill @	\$0.01190

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. The customer shall negotiate with the Company, a mutually agreeable Maximum Daily Firm Quantity (MDFQ), which will be stated in and in effect throughout the term of the service contract.
3. The monthly Demand Charge will be equal to the MDFQ times the Demand Charge rate. Demand Charge relief will be afforded to those LV-1 customers when circumstances impacted by force majeure events prevent the Company from delivering natural gas to the customer's meter.

**Rate Schedule T-3
INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any point on the Company's distribution system to any customer upon execution of a one year minimum written service contract.

MONTHLY RATE:

Customer Charge:	\$300.00 per bill		
Per Therm Charge:	Block One:	First	100,000 therms transported @ \$0.03645*
	Block Two:	Next	50,000 therms transported @ \$0.01436*
	Block Three:	Over	150,000 therms transported @ \$0.00477*

*Includes temporary purchased gas cost adjustment of (\$0.00082)

ANNUAL MINIMUM BILL:

The customer shall be subject to the payment of an annual minimum bill based on annual usage of 200,000 therms. The deficit usage below 200,000 therms shall be billed at the T-3 Block 1 rate.

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. This service does not include the cost of the customer's gas supply or the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this Rate Schedule.
3. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
4. The Company, in its sole discretion, shall determine whether or not it has adequate capacity to accommodate transportation of the customer's gas supply on the Company's distribution system.
5. If requested by the Company, the customer expressly agrees to immediately curtail or interrupt its operations during periods of capacity constraints on the Company's distribution system.

Name of Utility **Intermountain Gas Company**

Rate Schedule T-4 FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any customer upon execution of a one year minimum written service contract for firm distribution transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Customer Charge: \$150.00 per bill

Demand Charge: \$0.30032 per MDFQ therm*

Per Therm Charge:	Block One:	First	250,000 therms transported @ \$0.02271
	Block Two:	Next	500,000 therms transported @ \$0.00803
	Block Three:	Over	750,000 therms transported @ \$0.00246

*Includes temporary purchased gas cost adjustment of (\$0.01968)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. This service does not include the cost of the customer's gas supply of the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this Rate Schedule.
3. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
4. The customer shall negotiate with the Company, a mutually agreeable Maximum Daily Firm Quantity (MDFQ), which will be stated in and in effect throughout the term of the service contract.
5. The monthly Demand Charge will be equal to the MDFQ times the Demand Charge rate. Demand Charge relief will be afforded to those T-4 customers when circumstances impacted by force majeure events prevent the Company from delivering natural gas to the customer's meter.

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Effective: January 1, 2023

Title: Director – Regulatory Affairs

INT-G-22-07

L. Blattner, IGC

Exhibit No. 6 - Update