

DECISION MEMORANDUM

TO: COMMISSIONER ANDERSON
COMMISSIONER CHATBURN
COMMISSIONER HAMMOND
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: CLAIRE SHARP
RILEY NEWTON
DEPUTY ATTORNEYS GENERAL

DATE: DECEMBER 13, 2022

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

On December 1, 2022, Intermountain Gas Company (“Company”), applied for authority to increase its rates and charges for natural gas service in the State of Idaho, effective on or after January 1, 2023. Application at 1. The Company requests an increase in its collected revenues by \$11.3 million, which represents a 10.3% increase in marginal revenue, or an overall revenue increase of 3.2%, and a 7.37% rate of return. *Id.* at 3. The Company’s current base rates and charges were approved in Commission Case No. INT-G-16-02 and thereafter decreased in Case No. GNR-U-18-01. *Id.* The Company’s present rate of return is approximately 5.20%, based on a test year ending December 31, 2022. *Id.* If approved as filed, the Company represents that the average residential customer’s bill would increase by \$2.19 per month, or 4.41%. Kivisto Direct at 10.

The Company concurrently filed the direct testimony of several company witnesses, which include numerous exhibits concerning the Company’s finances, revenue analysis, analysis of cost of service, and work papers in support of its proposed changes. Application at 4.


The Company requests: (1) a prompt review and consideration of its Application; (2) a determination that the Company’s “existing rates are unjust, unreasonable and insufficient to provide the Company with a fair rate of return, and that the changes are just and reasonable”; and (3) the proposed changes become effective on January 1, 2023. *Id.* at 5.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application, Notice of Intervention Deadline establishing a 21-day intervention period, and Notice of Suspension suspending the Company's proposed effective date for 30 days plus five months pursuant to its authority under *Idaho Code* § 61-622(4).

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application, a Notice of Intervention Deadline establishing a 21-day intervention period, and Notice of Suspension suspending the Company's proposed effective date?



Claire Sharp
Deputy Attorney General

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