

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF INTERMOUNTAIN</b>	)	<b>CASE NO. INT-G-22-08</b>
<b>GAS COMPANY’S APPLICATION FOR</b>	)	
<b>AUTHORITY TO CHANGE ITS PRICES</b>	)	<b>NOTICE OF APPLICATION</b>
	)	
	)	<b>NOTICE OF MODIFIED</b>
	)	<b>PROCEDURE</b>
	)	
	)	<b>ORDER NO. 35656</b>

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On December 27, 2022, Intermountain Gas Company (“Intermountain” or “Company”), a subsidiary of MDU Resources Group, Inc., filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting authority to increase its rates for its RS, GS-1, IS-R, IS-C, and LV-1 customer classes. The Company represents that the proposed changes will increase the Company’s annualized revenues by approximately \$56 million; however, the proposed changes in prices and revenues will not increase the Company’s earnings. The Company requests that the Commission approve the requested changes effective as of February 1, 2023.

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. The PGA includes 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. The Commission approved the current prices related to the cost of natural gas in Order No. 35538, Case No. INT-G-22-04.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that the Company seeks to pass through to each of its customer classes changes in natural gas related costs resulting from an increase in the Company’s Weighted Average Cost of Gas (“WACOG”). The Company represents that over the last several months, natural gas prices have climbed across the United States including in the three supply basins that affect the Company’s WACOG.

NOTICE OF APPLICATION  
 NOTICE OF MODIFIED PROCEDURE  
 ORDER NO. 35656

YOU ARE FURTHER NOTIFIED that the Company represents that an interim filing is needed to update the Company's currently approved WACOG rate to better reflect current natural gas cost levels and reduce the amount of deferred gas costs that will need to be included in the Company's regular PGA filing.

YOU ARE FURTHER NOTIFIED that the Company requests to increase the current WACOG amount of \$0.39216 per therm to a proposed WACOG of \$0.52808 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 represents that, if approved, a typical residential customer would see an increase of \$8.58, or 16.6%, per month based on average weather and usage. Commercial customers, on average, would see an increase of \$43.10, or 17.9%, per month.

YOU ARE FURTHER NOTIFIED that the Company does not propose to change its gas transportation cost or temporary purchased gas cost adjustment as they will be adjusted as part of the Company's regular 2023 PGA filing.

YOU ARE FURTHER NOTIFIED that the Company represents that its Application has been brought to the attention of its customers through a Customer Notice and by a Press Release sent to daily and weekly newspapers, and major radio and television stations in the Company's service area.

YOU ARE FURTHER NOTIFIED that the Application and submitted materials 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 that it will proceed under Modified Procedure pursuant to Commission’s Rules of Procedure 201-204, 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 January 19, 2023, 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  
P.O. Box 83720  
Boise, ID 83720-0074  
[secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

Street Address for Express Mail:

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Building 8, Suite 201-A  
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**For Intermountain Gas:**

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Intermountain Gas Company  
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[stephaniew@givenspursley.com](mailto:stephaniew@givenspursley.com)

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by January 24, 2023.**

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 **January 19, 2023**. The Company must file any reply comments by **January 24, 2023**.

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 5<sup>th</sup> day of January 2023.



ERIC ANDERSON, PRESIDENT

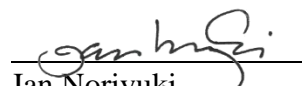


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:

  
Jan Noriyuki  
Commission Secretary

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NOTICE OF APPLICATION  
NOTICE OF MODIFIED PROCEDURE  
ORDER NO. 35656