

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF INTERMOUNTAIN)	CASE NO. INT-G-23-07
GAS COMPANY’S 2023 INTEGRATED)	
RESOURCE PLAN)	ORDER NO. 36249
)	

On December 28, 2023, Intermountain Gas Company (“Company”) filed its 2023 Integrated Resource Plan (“2023 IRP”) with the Idaho Public Utilities Commission (“Commission”). The Company requested that the Commission issue an order acknowledging the Company’s 2023 IRP.

The Company’s 2023 IRP is approximately one hundred and eighty-two (182) pages, with approximately three hundred and forty (340) pages of Exhibits. The 2023 IRP sets forth four substantive sections: (1) Introduction; (2) Demand; (3) Supply and Delivery Resources; and (4) Optimization. 2023 IRP at ii-ix.

The Company represented that it analyzed residential, commercial, and large volume demand growth and the consequent impact on its distribution system using design weather conditions under various scenarios. *Id.* at 5. The Company represented that forecast demand under each of the customer growth scenarios was measured against the available natural gas delivery systems to project the magnitude and timing of potential delivery deficits. *Id.*

The Company represented that the resources needed to meet those projected deficits were analyzed within a framework of traditional, nontraditional and energy efficiency options to determine the most cost effective and operationally practical means available to manage the deficits. *Id.*

BACKGROUND

In 1993 in Case No. GNR-G-93-2, the Commission adopted IRP requirements for local gas distribution companies in response to amended Section 303 of PURPA. Order No. 25342. Since then, the Commission has issued a series of orders over the years governing IRP requirements for local gas distribution companies and directed the Company to file an IRP every two years that includes, among other things:

1. A forecast of future gas demand in firm and interruptible markets for each customer class, which includes the number, type, and efficiency of gas end-users as well as effects from economic forces on gas consumption;

2. An analysis of gas supply options for each customer class, which includes a projection of spot market versus long-term purchases for both firm and interruptible markets, an evaluation of the opportunities for using company-owned or contracted storage or production, an analysis of prospects for company participation in a gas futures market, and an assessment of opportunities for access to multiple pipeline suppliers or direct purchases from producers;
3. A comparative analysis of gas purchasing options and improvements in the efficient use of gas, and an explanation of whether there are cost-effective Demand Side Management (“DSM”) opportunities;
4. The integration of the demand forecast and resource evaluations into a long-range (at least a five-year) plan describing the strategies designed to meet current and future needs at the lowest cost to the utility and its ratepayers;
5. A short-term (e.g., two-year) plan outlining the specific actions to be taken by the utility in implementing the IRP;
6. A progress report that relates the new plan to the previously filed plan; and,
7. Public participation.

See Order Nos. 27024, 27098, 32855, 33314, 33997, and 34742.

COMMISSION STAFF COMMENTS

The Commission Staff (“Staff”) examined the Company’s 2023 IRP to determine whether it met the Commission’s requirements and orders, and whether the Company adequately planned its future resources to meet demand from 2023 through 2028. Based on its review, Staff believed that the Company’s 2023 IRP satisfied Commission requirements and was reasonable. Staff recommended the Commission:

1. Acknowledge the Company’s 2023 IRP;
2. Order the Company to work with Staff to implement IRP reporting that includes system enhancement information in future IRPs, within six months of a Commission order;
3. Order the Company to work with Staff to develop reports to the Commission of capacity enhancement projects that include in-service dates and project costs, within six months of a Commission order; and
4. Establish the practice of authorizing the Company’s DSM avoided costs as part of IRP filings and authorize the DSM avoided costs associated with this filing.

COMPANY REPLY COMMENTS

The Company agreed with Staff’s recommendations; however, the Company submitted information to address two issues related to Staff’s comments on DSM Opportunities. The Company noted that those issues were more thoroughly addressed in Case No. INT-G-23-06. Specifically, the Company noted that Staff believed the Company overstated the savings potential

of the Furnace and Whole Home Tier I and Tier II measures because the results of the Company's 2020 EM&V were used to calibrate the Conservation Potential Assessment ("CPA") models.

The Company believed there was some miscommunication regarding that issue, and the Company requested that the Commission order Staff to meet with the Company and its CPA consultant to discuss the issues related to the current CPA.

COMMISSION FINDINGS AND DECISION

The Company is a natural gas corporation and public utility. *See Idaho Code* §§ 61-116, -117, and -129. The Commission has jurisdiction over the Company and the issues in this case under Title 61 of the Idaho Code, including *Idaho Code* § 61-501.

Having reviewed the record, the Commission finds that the Company's 2023 IRP satisfies the requirements in the Commission's prior orders, and the Commission acknowledges the Company's 2023 IRP. In doing so, the Commission reiterates that an IRP is a working document that incorporates many assumptions and projections at a specific point in time. An IRP is a plan, not a blueprint, and by issuing this Order the Commission merely acknowledges the Company's ongoing planning process, not the conclusions or results reached through that process.

The Commission does not approve the Company's 2023 IRP, nor any resource acquisitions referenced in it, endorse any particular element in it, opine on the Company's prudence in selecting the 2023 IRP's preferred portfolio, nor allow or approve any form of cost recovery. The appropriate place to determine the prudence of the Company's decisions to follow or not follow the 2023 IRP is in a general rate case or other proceeding where the issue is noticed.

The Commission appreciates the work done by the Company and by Staff to ensure that the IRP and the IRP process continues to be informed by the most accurate and relevant resource information. The Commission believes that communication between the parties is one of the keys to that end; therefore, the Company is directed to work with Staff to implement IRP reporting that includes system enhancement information in future IRPs, as well as to develop reports to the Commission of capacity enhancement projects that include in-service dates and project costs. Staff is also directed to meet with the Company and its CPA consultant to discuss any issues related to the current CPA.

ORDER

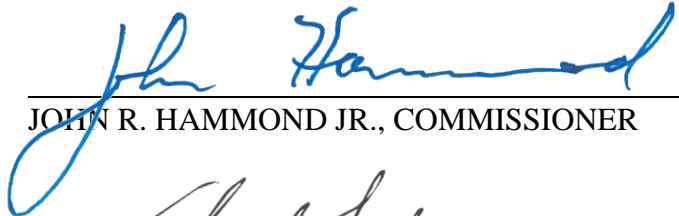
IT IS HEREBY ORDERED that the Company's 2023 IRP is acknowledged.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626 and 62-619.

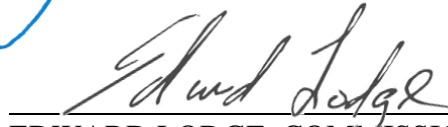
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 8th day of July 2024.



ERIC ANDERSON, PRESIDENT

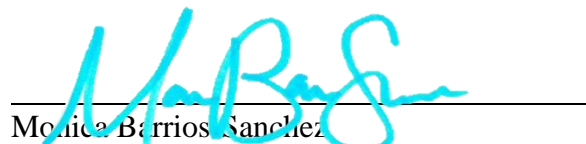


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios Sanchez
Commission Secretary

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