



Case No. INT-G-22-02
Order No. 35479
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NEWS RELEASE: Commission approves Intermountain Gas application to increase rates for residential and commercial customers

BOISE (Aug. 3, 2022) - On July 29, 2022, the Idaho Public Utilities Commission approved new Intermountain Gas Company rate schedules through an interim Purchased Gas Cost Adjustment (PGA) that increases rates for natural gas service for residential customers by approximately 24.1 percent and rates for commercial customers by approximately 27 percent.

The rate increases started on Aug. 1, 2022. Residential customers' monthly bills will increase by an average of \$10.55 and commercial customers' bills will increase by an average of \$51.87, depending on the amount of natural gas they use. In total, annualized revenues for the Company will increase by \$67 million. The customer rate increases will not increase the Company's earnings.

The PGA is a Commission-approved mechanism that adjusts rates up or down to reflect changes in the costs for the Company to buy natural gas from suppliers – including changes in transportation, storage and other costs. Intermountain Gas defers those costs into its purchased gas cost adjustment account, then passes the costs on to customers through a rate increase or decrease.

Intermountain Gas asked for permission to pass through to each of its customer classes changes in gas-related costs resulting from an increase in its weighted average cost of gas, and received approval to increase the cost from \$0.26000 per therm to \$0.42405 per therm. Intermountain Gas said the primary drivers of the proposed increase include macroeconomic forces and geopolitical events that are increasing the price of wholesale natural gas.

Intermountain Gas also asked for permission to increase its line break rate increase from \$0.42443 per therm to \$0.58848 per therm for parties responsible for damage that causes a gas leak.

Staff with the Idaho Public Utilities Commission reviewed the application and recommended that the Commission approve it.

Although the Commission approved Intermountain Gas's requested PGA rate increases, it encouraged the Company to explore all options to reduce future increases.

For additional information on the application, please visit <https://puc.idaho.gov/case/Details/6863>.