

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

555 SOUTH COLE ROAD • P.O. BOX 7608 • BOISE, IDAHO 83707 • (208) 377-6000 • FAX: 377-6097

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IDAHO PUBLIC
UTILITIES COMMISSION

May 7, 2003

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington St.,
P. O. Box 83720
Boise, ID 83720-0074

RE: Intermountain Gas Company
Case No. INT-G-03-01

Dear Ms. Jewell:

Enclosed for filing with this Commission is a signed original and seven copies of Intermountain Gas Company's Application and supporting Workpapers for Authority to Change Its Prices on July 1, 2003.

Please acknowledge receipt of this filing by stamping and returning a photocopy of this Application cover letter to us.

If you have any questions or require additional information regarding the attached, please contact me at 377-6168.

Very truly yours,

Michael P. McGrath
Director
Market Services and Regulatory Affairs

MPM/slk

Enclosures

cc: W. C. Glynn
N. C. Hedemark
M. E. Huntington
P. R. Powell
M. W. Richards, Jr.

INTERMOUNTAIN GAS COMPANY

CASE NO. INT-G-03-01

**APPLICATION,
EXHIBITS,
AND
WORKPAPERS**

**In the Matter of the Application of INTERMOUNTAIN GAS COMPANY
for Authority to Change Its Prices on July 1, 2003**

(July 1, 2003 Purchased Gas Cost Adjustment Filing)

Morgan W. Richards, Jr.
MOFFATT, THOMAS, BARRETT, ROCK & FIELDS, CHARTERED
PO Box 829, Boise, Idaho 83701
Telephone (208) 345-2000
MTBR&F 11-500.316
Attorneys for Intermountain Gas Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of
INTERMOUNTAIN GAS COMPANY
for Authority to Change Its Prices

Case No. INT-G-03-01
APPLICATION

Intermountain Gas Company ("Intermountain"), an Idaho corporation with general offices located at 555 South Cole Road, Boise, Idaho, hereby requests authority, pursuant to Idaho Code Sections 61-307 and 61-622, to place in effect July 1, 2003 new rate schedules which will increase its annualized revenues by \$61 million, pursuant to the Rules of Procedure of the Idaho Public Utilities Commission ("Commission"). Because of changes in Intermountain's gas related costs, as described more fully in this Application, Intermountain's earnings will not be increased as a result of the proposed changes in prices and revenues. Intermountain's current rate schedules showing proposed changes are attached hereto as Exhibit No. 1 and are incorporated herein by reference. Intermountain's proposed rate schedules are attached hereto as Exhibit No. 2 and are incorporated herein by reference.

Communications in reference to this Application should be addressed to:

Michael E. Huntington
Vice President – Marketing & External Affairs
Intermountain Gas Company, Post Office Box 7608, Boise, ID 83707
and
Morgan W. Richards, Jr.
Moffatt, Thomas, Barrett, Rock & Fields, Chartered
Post Office Box 829, Boise, ID 83701

In support of this Application, Intermountain does allege and state as follows:

I.

Intermountain is a gas utility, subject to the jurisdiction of the Idaho Public Utilities Commission, engaged in the sale of and distribution of natural gas within the State of Idaho under authority of Commission Certificate No. 219 issued December 2, 1955, as amended and supplemented by Order No. 6564, dated October 3, 1962.

Intermountain provides natural gas service to the following Idaho communities and counties and adjoining areas:

Ada County - Boise, Eagle, Garden City, Kuna, Meridian, and Star;
Bannock County - Chubbuck, Inkom, Lava Hot Springs, McCammon, and Pocatello;
Bear Lake County - Georgetown, and Montpelier;
Bingham County - Aberdeen, Basalt, Blackfoot, Firth, Fort Hall, Moreland/Riverside, and Shelly;
Blaine County - Bellevue, Hailey, Ketchum, and Sun Valley;
Bonneville County - Ammon, Idaho Falls, Iona, and Ucon;
Canyon County - Caldwell, Greenleaf, Middleton, Nampa, Parma, and Wilder;
Caribou County - Bancroft, Conda, Grace, and Soda Springs;
Cassia County - Burley, Declo, Malta, and Raft River;
Elmore County - Glenns Ferry, Hammett, and Mountain Home;
Fremont County - Parker, and St. Anthony;
Gem County - Emmett;
Gooding County - Gooding, and Wendell;
Jefferson County - Lewisville, Menan, Rigby, and Ririe;
Jerome County - Jerome;
Lincoln County - Shoshone;
Madison County - Rexburg, and Sugar City;
Minidoka County - Heyburn, Paul, and Rupert;
Owyhee County - Bruneau, Homedale;
Payette County - Fruitland, New Plymouth, and Payette;
Power County - American Falls;
Twin Falls County - Buhl, Filer, Hansen, Kimberly, Murtaugh, and Twin Falls;
Washington County - Weiser.

Intermountain's properties in these locations consist of transmission pipelines, a compressor station, a liquefied natural gas storage facility, distribution mains, services, meters and regulators, and general plant and equipment.

II.

Intermountain seeks with this Application to pass through to each of its customer classes a change in gas related costs resulting from: 1) changes in Intermountain's firm transportation and storage costs resulting from Intermountain's management of its storage and firm capacity rights on pipeline systems including the Williams Northwest Pipeline ("Williams" or "Northwest"), 2) an

increase in Intermountain's Weighted Average Cost of Gas ("WACOG"), 3) an updated customer allocation of gas related costs pursuant to the Company's Purchased Gas Cost Adjustment provision, and 4) the inclusion of temporary surcharges and credits for one year relating to gas and interstate transportation costs from Intermountain's deferred gas cost account. Exhibit No. 3 contains pertinent excerpts from pipeline and related facilities tariffs. Intermountain also seeks with this Application to eliminate the temporary surcharges and credits included in its current prices during the past 12 months, pursuant to Case No. INT-G-02-03. The aforementioned changes would result in an overall price increase to Intermountain's RS-1, RS-2, GS-1, and LV-1 customers and a decrease to Intermountain's T-1 and T-2 customers.

These price changes are applicable to service rendered under rate schedules affected by and subject to Intermountain's Purchased Gas Cost Adjustment ("PGA"), initially approved by this Commission in Order No. 26109, Case No. INT-G-95-1, and additionally approved through subsequent proceedings.

Exhibit No. 4 summarizes the price changes in: 1) Intermountain's base rate gas costs and its rate class allocation, and 2) adjusting temporary surcharges or credits flowing through to Intermountain's direct sales and transportation customers. Exhibit No.'s 3 and 4 are attached hereto and incorporated herein by reference.

III.

The current prices of Intermountain are those approved by this Commission in Order No. 29068, Case No. INT-G-02-03.

IV.

Intermountain's proposed prices incorporate all price changes impacting Intermountain's Interstate Capacity including, but not limited to, prices charged by Northwest which have transpired since Intermountain's last PGA filing in Case No. INT-G-02-03. Exhibit No. 4, Lines 1 through 19, details the proposed changes in Intermountain's prices resulting from Intermountain's natural gas interstate transportation and storage costs.

Intermountain's review of the adequacy of its interstate transportation and storage services is performed on an annual basis under design weather and certain load growth assumptions. A summary of the methodology incorporated within this annual review was included in the Company's Integrated Resource Plan, which is currently on file with this

Commission. Intermountain's interstate pipeline capacity was forecast to be in a deficit position thereby jeopardizing the Company's ability to deliver an uninterrupted supply of natural gas to its firm sales customers during the coming winter heating seasons. Intermountain continues to take the necessary steps to manage its interstate pipeline capacity and storage in order to insure an uninterrupted flow of natural gas to its firm sales customers and has procured an incremental amount of economically priced interstate transportation to ensure such. Because of the increase in customer demand, no unit price increase is sought from this additional purchase of capacity. Exhibit No. 4, Rows 3-4, include the costs for this incremental interstate transportation.

V.

The WACOG reflected in Intermountain's proposed prices is \$0.50305 per therm, as shown on Exhibit No. 4, Lines 25 through 28, Column (f). This compares to \$0.32000 per therm currently included in the Company's tariffs. Natural gas is a commodity traded in the open market and, as with all other commodities, is subject to the same laws of supply and demand. The supply of natural gas seeks equilibrium with demand without ever actually achieving it. Natural gas prices become volatile, within a range of volatility, as available supplies seek symmetry with demand or visa versa. As was again played out in the marketplace over the last several months, high natural gas prices indicative of weakening supplies have spurred on additional exploration and production and, as natural gas supplies become more plentiful, market prices should decline. Exhibit No. 5 demonstrates the relationship between natural gas prices and drilling activity in North America. Exhibit No. 5 is attached hereto and incorporated herein by reference.

Intermountain believes that current futures prices, subject to the laws of supply and demand, are poised for further softening. However, liquidity in the market is sustained by contrary opinions and natural gas prices could indeed realize the levels included in this Application, which are the forward prices currently available through the use of financial derivatives as of May 5, 2003. Although current commodity futures prices dictate the use of this \$0.50305 per therm WACOG, Intermountain continues to remain vigilant in monitoring natural gas prices and is committed to come before this Commission prior to this winters heating season with an Application to further amend these proposed prices, should these forward prices materially deviate from the \$0.50305 per therm. Timely natural gas price signals and the accounting for any cost differences brought about by these volatile markets, facilitated through the use of the PGA mechanism, enhances our customers

ability to make timely and informed energy use decisions and ensures they only pay the actual cost of such supplies. It is important to continue to alert our customers in a timely manner to these impending increases before their higher natural gas usage is before them.

VI.

Pursuant to Case No. INT-G-02-03, Intermountain has included temporary surcharges and credits in its July 1, 2002 prices for the principal reason of collecting or passing back to its customers deferred gas cost charges and benefits, as outlined in Case No. INT-G-02-03. Line 33 of Exhibit No. 4 reflects the elimination of these temporary surcharges and credits.

VII.

Intermountain's PGA tariff includes provisions whereby Intermountain's proposed prices will be adjusted for updated customer class sales volumes and purchased gas cost allocations, pursuant to the Company's approved cost of service methodology. Intermountain's proposed prices include a fixed cost collection adjustment pursuant to these PGA provisions, as outlined on Exhibit No. 6, Line 24. The price impact of this adjustment is included on Exhibit No. 4, Line No. 34. Exhibit No. 6 is attached hereto and incorporated herein by reference.

VIII.

Intermountain is party to certain agreements whereby Intermountain has released segmented portions of its firm capacity rights when not needed to meet its customer needs. Intermountain proposes to pass back to its customers the benefits generated from the capacity release agreements, totaling \$2.4 million. Exhibit No. 7, Line 1, reflects the inclusion of the \$2.4 million credit. Intermountain proposes to pass back this amount via the per therm credit as detailed on Exhibit No. 8. Exhibit No.'s 7 and 8 are attached hereto and incorporated herein by reference.

IX.

Intermountain proposes to allocate deferred gas costs from its Account No. 186 balance to its customers through temporary price adjustments to be effective during the 12-month period ending June 30, 2004, as follows:

- 1) Intermountain has been deferring in its Account No. 186 fixed gas costs. The debit amount shown on Exhibit No. 9, Line 14, Col. (b) of \$1.6 million is predominantly attributable to the collection of interstate pipeline capacity costs and the true-up of expense issues previously ruled on by this Commission. Intermountain proposes to collect or pass back these

balances via the per therm surcharges and credits, as detailed on Exhibit No. 9 and included on Exhibit No. 7, Line 2. Exhibit No. 9 is attached hereto and incorporated herein by reference.

2) Intermountain has been deferring in its Account No. 186 deferred gas cost debits of \$4.4 million, as shown on Exhibit No. 10, Line 2, Col. (b), attributable to Intermountain's under collection of variable gas costs since July 1, 2002. Intermountain proposes to collect this debit balance via a per therm surcharge, as shown on Exhibit No. 10, Line 4, Col. (b) and included on Exhibit No. 7, Line 3. Exhibit No. 10 is attached hereto and incorporated herein by reference.

X.

Intermountain has allocated the proposed price changes to each of its customer classes based upon Intermountain's PGA provision. A straight cents per therm price decrease was not utilized for the T-1 tariff. No fixed costs are currently recovered in the tail block of Intermountain's T-1 tariff. Absent Williams' firm transportation TF-1 Commodity Charge, the proposed decrease in the T-1 tariff is fixed cost related, and therefore, a cents per therm decrease was made only to the first two blocks of the tariff for these fixed costs.

XI.

The T-1 tariff filed with this Application eliminates that portion of the tariff applicable to therms used as feedstock in the production of ammonia. Coincident with the recent closure of the J.R. Simplot Ammonia Production Plant in Pocatello, Idaho, there are no customers within the Intermountain Gas Company service territory using natural gas as a feedstock in the production of ammonia.

XII.

The proposed decrease in the T-2 tariff is fixed cost related, and therefore, a cents per therm decrease was made only to the T-2 demand charge for these fixed costs.

XIII.

Exhibit No. 11 is an analysis of the overall price changes by class of customer. Exhibit No. 11 is attached hereto and incorporated herein by reference.

XIV.

The proposed overall price change herein requested among the classes of service of Intermountain will not affect Intermountain's earnings, and is just, fair, and equitable.

XV.

This Application is filed pursuant to the applicable statutes and the Rules and Regulations of the Commission. This Application has been brought to the attention of Intermountain's customers through a Customer Notice and by a Press Release sent to daily and weekly newspapers, and major radio and television stations in Intermountain's service area. The Press Release and Customer Notice are attached hereto and incorporated herein by reference. Copies of this Application, its Exhibits, and Workpapers have been provided to those parties regularly intervening in Intermountain's rate proceedings.

XVI.

Intermountain requests that this matter be handled under modified procedure pursuant to Rules 201-204 of the Commission's Rules of Procedure. Intermountain stands ready for immediate consideration of this matter.

WHEREFORE, Intermountain respectfully petitions the Idaho Public Utilities Commission as follows:

a. That the proposed rate schedules herewith submitted as Exhibit No. 2 be approved without suspension and made effective as of July 1, 2003 in the manner shown on Exhibit No. 2.

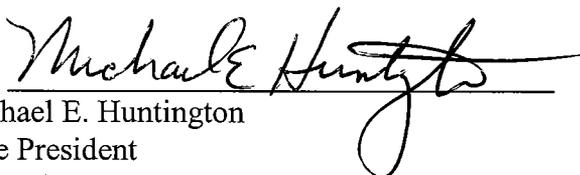
b. That this Application be heard and acted upon without hearing under modified procedure, and

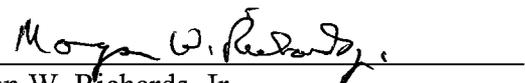
c. For such other relief as this Commission may determine proper herein.

DATED at Boise, Idaho, this 7th day of May, 2003.

INTERMOUNTAIN GAS COMPANY

MOFFATT, THOMAS, BARRETT, ROCK
& FIELDS, CHARTERED

By 
Michael E. Huntington
Vice President
Marketing & External Affairs

By 
Morgan W. Richards, Jr.
Of the Firm
Attorneys for Intermountain Gas Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 7th day of May, 2003, I served a copy of the foregoing Case No. INT-G-03- upon:

Lisa Nordstrom
Deputy Attorney General
Idaho Public Utilities Commission
472 W. Washington St., PO Box 83720
Boise, ID 83720-0074

Edward A. Finklea
Paula E. Pyron
Energy Advocates LLP
526 NW 18th Avenue
Portland, OR 97209

R. Scott Pasley
J. R. Simplot Company
PO Box 27
Boise, ID 83707

David Hawk
J. R. Simplot Company
PO Box 27
Boise, ID 83707

Conley E. Ward, Jr.
Givens, Pursley, Webb & Huntley
277 N. 6th St., Suite 200
PO Box 2720
Boise, ID 83701

Paula Pyron
Northwest Industrial Gas Users
4113 Wolf Berry Court
Lake Oswego, OR 97035

Wendell M. Phillips
615 South Phillippi Street
Boise, ID 83705

by depositing true copies thereof in the United States Mail, postage prepaid, in envelopes addressed to said persons at the above addresses.



Michael P. McGrath
Director
Market Services and Regulatory Affairs

EXHIBIT NO. 1

CASE NO. INT-G-03-01

INTERMOUNTAIN GAS COMPANY

CURRENT TARIFFS

Showing Proposed Price Changes

(9 pages)

COMPARISON OF PROPOSED JULY 1, 2003 PRICES
TO JULY 1, 2002 PRICES

Line No.	Rate Class (a)	July 1, 2002 Prices per INT-G-02-3 (b)	Proposed Adjustment (c)	Proposed July 1, 2003 Prices (d)
1	RS-1			
2	April - November	\$ 0.70862	\$ 0.23826	\$ 0.94688
3	December - March	0.59606	0.23826	0.83432
4	RS-2			
5	April - November	0.57698	0.23129	0.80827
6	December - March	0.54335	0.23129	0.77464
7	GS-1			
8	April - November			
9	Block 1	0.60083	0.23886	0.83969
10	Block 2	0.57910	0.23886	0.81796
11	Block 3	0.55808	0.23886	0.79694
12	December - March			
13	Block 1	0.54998	0.23886	0.78884
14	Block 2	0.52878	0.23886	0.76764
15	Block 3	0.50832	0.23886	0.74718
16	CNG Fuel	0.50832	0.23886	0.74718
17	LV-1 ⁽¹⁾			
18	Block 1	0.40965	0.22029 ²	0.62994
19	Block 2	0.37116	0.22029 ³	0.59145
20	Block 3	0.30188	0.22479 ⁴	0.52667
21	T-1			
22	Block 1	0.11848	(0.00450) ²	0.11398
23	Block 2	0.07999	(0.00450) ³	0.07549
24	Block 3	0.01071	0.00000 ⁴	0.01071
25	T-2			
26	Demand Block 1	1.53849	(0.00831)	1.53018
27	Demand Block 2	0.73691	(0.00831)	0.72860
28	Commodity Charge	0.00656	0.00000	0.00656
29	Over-Run Service	0.04915	0.00000	0.04915

¹ The LV-1 Adjustment is calculated by taking Line 22 - 24, Col (c), plus the change in the WACOG, plus removal of the temporary variable credit from INT-G-02-3 of \$0.02473, plus the temporary variable debit on Exhibit 10, Line 4, Col (b)

² See Workpaper No. 7, Line 13, Col (e)

³ See Workpaper No. 7, Line 20, Col (e)

⁴ See Workpaper No. 7, Line 21, Col (e)

Name
of Utility

Intermountain Gas Company

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ _____ ~~Effective~~
~~July 1, 2002~~ _____ ~~July 1, 2002~~
~~Per O.N. 29000~~
~~Jean D. Jewell Secretary~~

**Rate Schedule RS-1
RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers not otherwise specifically provided for, using natural gas for residential purposes.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill
\$0.94688

Commodity Charge - \$0.70862 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill
\$0.83432

Commodity Charge - \$0.59606 per therm*

*Includes:

Temporary purchased gas cost adjustment of \$(0.03915) \$0.01590
Weighted average cost of gas of \$0.32000 \$0.50305

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2002- 2003

Title: Vice President – Marketing and External Affairs

I.P.U.C. Gas Tariff
Second Revised Volume No. 1
(Supersedes First Revised Volume No. 1)
Thirty-Third Fourth Revised Sheet No. 02 (Page 1 of 1)

Name
of Utility

Intermountain Gas Company

Exhibit No. 1
Case No. INT-G-03-
Intermountain Gas Company
Page 3 of 9

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 29068~~
~~Jean D. Jewett Secretary~~

**Rate Schedule RS-2
MULTIPLE USE RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers using gas for several residential purposes including both water heating and space heating.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill
\$0.80827
Commodity Charge - \$0.57698 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill
\$0.77464
Commodity Charge \$0.54335 per therm*

*Includes:

Temporary purchased gas cost adjustment of ~~\$(0.03839)~~ \$0.01217
Weighted average cost of gas of ~~\$0.32000~~ \$0.50305

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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.

Issued by: **Intermountain Gas Company**
By: Michael E. Huntington Title: Vice President – Marketing and External Affairs
Effective: July 1, 2002 2003

Name
of Utility

Intermountain Gas Company

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 23068~~
~~Jean D. Jewell Secretary~~

**Rate Schedule GS-1
GENERAL SERVICE**

AVAILABILITY:

Available to individually metered customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.00 per bill

Commodity Charge - First 200 therms per bill @ \$0.60083* \$0.83969*
Next 1,800 therms per bill @ \$0.57940* \$0.81796*
Over 2,000 therms per bill @ \$0.55808* \$0.79694*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$0.54998* \$0.78884*
Next 1,800 therms per bill @ \$0.52878* \$0.76764*
Over 2,000 therms per bill @ \$0.50832* \$0.74718*

***Includes:**

Temporary purchased gas cost adjustment of \$(0.03877) \$0.01700
Weighted average cost of gas of \$0.32000 \$0.50305

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2002-2003

Title: Vice President – Marketing and External Affairs

Name
of Utility

Intermountain Gas Company

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 29000~~
~~Jean D. Jewell Secretary~~

**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 schedules LV-1, T-1, or T-2, or any new customer 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:

Commodity Charge:

First 250,000 therms per bill @ \$0.40965* \$0.62994*
Next 500,000 therms per bill @ \$0.37146* \$0.59145*
Amount Over 750,000 therms per bill @ \$0.30488** \$0.52667**

The above prices include weighted average cost of gas of \$0.32000 \$0.50305
* Includes temporary purchased gas cost adjustment of \$(0.02944) \$0.01475
** Includes temporary purchased gas cost adjustment of \$(0.02473) \$0.01701

PURCHASED GAS COST ADJUSTMENT (PGA):

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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. Any LV-1 customer who exits the LV-1 service at any time (including, but not limited to, the expiration of the contract term) will pay to Intermountain Gas Company, upon exiting the LV-1 service, all gas and/or interstate transportation related costs to serve the customer during the LV-1 contract period not borne by the customer during the LV-1 contract period. Any LV-1 customer will have refunded to them, upon exiting the LV-1 service, any excess gas and/or interstate transportation related payments made by the customer during the LV-1 contract period.
3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-1 Block 1 rate. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2002 2003

Title: Vice President – Marketing and External Affairs

Name of Utility **Intermountain Gas Company**

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 20068~~
~~Jean D. Jewell Secretary~~

Rate Schedule T-1
FIRM TRANSPORTATION 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 schedules LV-1, T-1, or T-2, upon execution of a one year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

~~All usage other than as feedstock in the production of ammonia:~~

Block One: First 250,000 therms transported @ \$0.11848* \$0.11398*
Block Two: Next 500,000 therms transported @ \$0.07999* \$0.07549*
Block Three: Amount over 750,000 therms transported @ \$0.01071

~~All therms used as feedstock in the production of ammonia: @ \$0.02525~~

*Includes temporary purchased gas cost adjustment of \$(0.00471) \$(0.00226)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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 a Maximum Daily Firm Quantity (MDFQ) amount, which will be stated in and will be in effect throughout the term of the service contract. The MDFQ shall not exceed the customer's historical maximum daily usage, as agreed to by the Company.

In the event the Customer requires daily usage in excess of the MDFQ, and subject to the availability of firm interstate transportation to service Intermountain's system, all such usage may be transported and billed under either secondary rate schedule T-3 or T-4. The secondary rate schedule to be used shall be predetermined by negotiation between the Customer and Company, and shall be included in the service contract. All volumes transported under the secondary rate schedule are subject to the provisions of the applicable rate schedule T-3 or T-4.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington

Title: Vice President – Marketing and External Affairs

Effective: July 1, 2002 2003

Name
of Utility

Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
~~APPROVED~~ EFFECTIVE
JUL 30 '98 JUL 31 '98
Renew 7/6/98
Agnes J. [Signature] SECRETARY

Rate Schedule T-1
FIRM TRANSPORTATION SERVICE
(Continued)

3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-1 Block 1 rate. The customer's future eligibility for the T-1 Rate Schedule will be renegotiated with the Company.

In the event that total deliveries to any new customer did not meet the 200,000 therm threshold during the current contract period, an additional amount shall be billed. The additional amount shall be calculated by billing the customer's total usage during that contract period at the Rate Schedule GS-1 Block 3 rate, adjusted for the cost of gas, and then subtracting the amounts previously billed during the annual contract period. The customer's future eligibility for the T-1 Rate Schedule will be renegotiated with the Company.

4. Usage above 750,000 therms in any given month which is in excess of the customer's historical maximum above 750,000 therms for that same month, such historic usage measured by the 3 years ended September 30, 1995, will be billed at the currently effective Block 2 price.
- ~~5. The customer using transported gas as feedstock for ammonia production shall be metered separately for such usage.~~
65. Embedded in this service is the cost of firm interstate pipeline reservation charges and distribution costs.
76. The customer is responsible for procuring its own supply of natural gas under this Rate Schedule. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated and scheduled for delivery by the interstate pipeline.
87. Any T-1 customer who exits the T-1 service at any time (including, but not limited to, the expiration of the contract term) and does not sign an LV-1 or T-2 service contract will pay to Intermountain Gas Company, upon exiting the T-1 service, all pipeline reservation and distribution capacity costs incurred to serve the customer during the T-1 contract period not borne by the customer during the T-1 contract period. Any T-1 customer who exits the T-1 service and does not sign an LV-1 or T-2 service contract will have refunded to them, upon exiting the T-1 service, any excess pipeline reservation and distribution capacity costs payments made by the customer during the T-1 contract period.

Issued by: **Intermountain Gas Company**

By: ~~Russell L. Worthan~~ Michael E. Huntington Title: ~~Vice President - Governmental Affairs~~
and Resource Planning Vice President - Marketing and External Affairs
Effective: July 1, 2003

Name of Utility **Intermountain Gas Company**

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
 Per O.N. 29008
 Jean D. Jewett Secretary

**Rate Schedule T-2
 FIRM TRANSPORTATION SERVICE WITH MAXIMUM DAILY DEMANDS**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing T-2 customer whose daily contract demand for nonammonia therms on any given day meets or exceeds a predetermined level agreed to by the customer and the Company upon execution of a one-year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

<u>Firm Service</u>	<u>Rate Per Therm</u>
Demand Charge:	
Firm Daily Demand -	
First 15,000 therms	\$1.53849* \$1.53018*
Amount over 15,000 therms	\$0.73691* \$0.72860*
Commodity Charge:	
For Firm Therms Transported	\$0.00656
<u>Over-Run Service</u>	
Commodity Charge:	
For Therms Transported In Excess Of MDFQ:	\$0.04915

*Includes temporary purchased gas cost adjustment of \$(0.09627) \$(0.09117)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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 nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in and will be in effect throughout the term of the service contract.
- 3 The monthly Demand Charge will be equal to the MDFQ times the Firm Daily Demand rate. Firm demand relief will be afforded to those T-2 customers paying both demand and commodity charges for gas when, in the Company's judgment, such relief is warranted.
- 4 The actual therm usage for the month or the MDFQ times the number of days in the billing month, whichever is less, will be billed at the applicable commodity charge for firm therms.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
 Effective: July 1, 2002 2003

Title: Vice President – Marketing and External Affairs

EXHIBIT NO. 2

CASE NO. INT-G-03-

INTERMOUNTAIN GAS COMPANY

PROPOSED TARIFFS

(8 pages)

Name
of Utility

Intermountain Gas Company

**Rate Schedule RS-1
RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers not otherwise specifically provided for, using natural gas for residential purposes.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$0.94688 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$0.83432 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.01590
Weighted average cost of gas of \$0.50305

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2003

Title: Vice President – Marketing and External Affairs

Name
of Utility

Intermountain Gas Company

**Rate Schedule RS-2
MULTIPLE USE RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers using gas for several residential purposes including both water heating and space heating.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$0.80827 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge \$0.77464 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.01217
Weighted average cost of gas of \$0.50305

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2003

Title: Vice President – Marketing and External Affairs

Name
of Utility **Intermountain Gas Company**

Rate Schedule GS-1 GENERAL SERVICE

AVAILABILITY:

Available to individually metered customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.00 per bill

Commodity Charge - First 200 therms per bill @ \$0.83969*
Next 1,800 therms per bill @ \$0.81796*
Over 2,000 therms per bill @ \$0.79694*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$0.78884*
Next 1,800 therms per bill @ \$0.76764*
Over 2,000 therms per bill @ \$0.74718*

*Includes:

Temporary purchased gas cost adjustment of \$0.01700
Weighted average cost of gas of \$0.50305

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

Commodity Charge - \$0.74718 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.01700
Weighted average cost of gas of \$0.50305

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not borne by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.
2. 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.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington

Title: Vice President – Marketing and External Affairs

Effective: July 1, 2003

Name
of Utility **Intermountain Gas Company**

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 schedules LV-1, T-1, or T-2, or any new customer 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:

Commodity Charge:

First 250,000 therms per bill @ \$0.62994*
Next 500,000 therms per bill @ \$0.59145*
Amount Over 750,000 therms per bill @ \$0.52667**

The above prices include weighted average cost of gas of \$0.50305

* Includes temporary purchased gas cost adjustment of \$0.01475

** Includes temporary purchased gas cost adjustment of \$0.01701

PURCHASED GAS COST ADJUSTMENT (PGA):

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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. Any LV-1 customer who exits the LV-1 service at any time (including, but not limited to, the expiration of the contract term) will pay to Intermountain Gas Company, upon exiting the LV-1 service, all gas and/or interstate transportation related costs to serve the customer during the LV-1 contract period not borne by the customer during the LV-1 contract period. Any LV-1 customer will have refunded to them, upon exiting the LV-1 service, any excess gas and/or interstate transportation related payments made by the customer during the LV-1 contract period.
3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-1 Block 1 rate. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington
Effective: July 1, 2003

Title: Vice President – Marketing and External Affairs

Name
of Utility **Intermountain Gas Company**

Rate Schedule T-1
FIRM TRANSPORTATION 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 schedules LV-1, T-1, or T-2, upon execution of a one year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

Block One: First 250,000 therms transported @ \$0.11398*
Block Two: Next 500,000 therms transported @ \$0.07549*
Block Three: Amount over 750,000 therms transported @ \$0.01071

*Includes temporary purchased gas cost adjustment of \$(0.00226)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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 a Maximum Daily Firm Quantity (MDFQ) amount, which will be stated in and will be in effect throughout the term of the service contract. The MDFQ shall not exceed the customer's historical maximum daily usage, as agreed to by the Company.

In the event the Customer requires daily usage in excess of the MDFQ, and subject to the availability of firm interstate transportation to service Intermountain's system, all such usage may be transported and billed under either secondary rate schedule T-3 or T-4. The secondary rate schedule to be used shall be predetermined by negotiation between the Customer and Company, and shall be included in the service contract. All volumes transported under the secondary rate schedule are subject to the provisions of the applicable rate schedule T-3 or T-4.

Issued by: **Intermountain Gas Company**
By: Michael E. Huntington Title: Vice President – Marketing and External Affairs
Effective: July 1, 2003

Name
of Utility **Intermountain Gas Company**

Rate Schedule T-1
FIRM TRANSPORTATION SERVICE
(Continued)

3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-1 Block 1 rate. The customer's future eligibility for the T-1 Rate Schedule will be renegotiated with the Company.

In the event that total deliveries to any new customer did not meet the 200,000 therm threshold during the current contract period, an additional amount shall be billed. The additional amount shall be calculated by billing the customer's total usage during that contract period at the Rate Schedule GS-1 Block 3 rate, adjusted for the cost of gas, and then subtracting the amounts previously billed during the annual contract period. The customer's future eligibility for the T-1 Rate Schedule will be renegotiated with the Company.

4. Usage above 750,000 therms in any given month which is in excess of the customer's historical maximum above 750,000 therms for that same month, such historic usage measured by the 3 years ended September 30, 1995, will be billed at the currently effective Block 2 price.
5. Embedded in this service is the cost of firm interstate pipeline reservation charges and distribution costs.
6. The customer is responsible for procuring its own supply of natural gas under this Rate Schedule. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated and scheduled for delivery by the interstate pipeline.
7. Any T-1 customer who exits the T-1 service at any time (including, but not limited to, the expiration of the contract term) and does not sign an LV-1 or T-2 service contract will pay to Intermountain Gas Company, upon exiting the T-1 service, all pipeline reservation and distribution capacity costs incurred to serve the customer during the T-1 contract period not borne by the customer during the T-1 contract period. Any T-1 customer who exits the T-1 service and does not sign an LV-1 or T-2 service contract will have refunded to them, upon exiting the T-1 service, any excess pipeline reservation and distribution capacity costs payments made by the customer during the T-1 contract period.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington

Effective: July 1, 2003

Title: Vice President –Marketing and External Affairs

Name of Utility **Intermountain Gas Company**

**Rate Schedule T-2
FIRM TRANSPORTATION SERVICE WITH MAXIMUM DAILY DEMANDS**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing T-2 customer whose daily contract demand for nonammonia therms on any given day meets or exceeds a predetermined level agreed to by the customer and the Company upon execution of a one-year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

<u>Firm Service</u>	<u>Rate Per Therm</u>
Demand Charge:	
Firm Daily Demand -	
First 15,000 therms	\$1.53018*
Amount over 15,000 therms	\$0.72860*
Commodity Charge:	
For Firm Therms Transported	\$0.00656
<u>Over-Run Service</u>	
Commodity Charge:	
For Therms Transported In Excess Of MDFQ:	\$0.04915

*Includes temporary purchased gas cost adjustment of) \$(0.09117)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

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 nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in and will be in effect throughout the term of the service contract.
- 3 The monthly Demand Charge will be equal to the MDFQ times the Firm Daily Demand rate. Firm demand relief will be afforded to those T-2 customers paying both demand and commodity charges for gas when, in the Company's judgment, such relief is warranted.
- 4 The actual therm usage for the month or the MDFQ times the number of days in the billing month, whichever is less, will be billed at the applicable commodity charge for firm therms.

Issued by: **Intermountain Gas Company**

By: Michael E. Huntington

Effective: July 1, 2003

Title: Vice President – Marketing and External Affairs

EXHIBIT NO. 3

CASE NO. INT-G-03-

INTERMOUNTAIN GAS COMPANY

**PERTINENT EXCERPTS FROM INTERSTATE PIPELINES AND RELATED
FACILITIES**

(23 pages)



GAS PIPELINE
295 Chipeta Way (84108)
P.O. Box 58900
Salt Lake City, UT 84158-0900
Phone: (801) 584-6873
FAX: (801) 584-7764

January 16, 2003

**TO: ALL HOLDERS OF NORTHWEST PIPELINE CORPORATION'S
FERC GAS TARIFF, THIRD REVISED VOLUME NO. 1**

Please insert the enclosed tariff sheets into your copy of Northwest's FERC Gas Tariff, Third Revised Volume No. 1. A brief description of the proceedings in which these tariff sheets were accepted or are pending is provided below. Also, enclosed is a list of Northwest's currently effective tariff sheets as of January 16, 2003.¹

Docket No. RP03-18-000

On October 10, 2002, Northwest filed the following tariff sheets to restore required language to Northwest's tariff now that the Commission's experimental waiver of the rate ceiling on short-term capacity release transactions has expired. Pursuant to an order dated November 8, 2002, the Commission accepted these tariff sheets, effective October 1, 2002.

First Revised Sheet No. 5-C
Twelfth Revised Sheet No. 7
Twelfth Revised Sheet No. 8.1
Fifth Revised Sheet No. 266
Fifth Revised Sheet No. 267

Docket No. RP03-85-000

On November 20, 2002, Northwest filed the following tariff sheet to revise its tariff by removing from the right of first refusal provisions the five-year term matching cap, consistent with the Order on Remand issued by the Commission on October 31, 2002 in Docket No. RM98-10-011. Pursuant to an order dated December 20, 2002, the Commission accepted this tariff sheet, effective December 21, 2002.

Third Revised Sheet No. 278-C

¹ As discussed in previous letters to All-Holders, certain tariff sheets pending in Docket Nos. GT02-11, RP02-116 and RP00-506 are included in this list.

All-Holders
January 16, 2003
Page 2 of 3

Docket No. RP03-86-000

On November 20, 2002, Northwest filed the following tariff sheets to revise its tariff to incorporate the GRI surcharges approved by the Commission for 2003. Pursuant to an order dated December 30, 2002, the Commission accepted these tariff sheets, effective January 1, 2003.

Twenty-Third Revised Sheet No. 5
Tenth Revised Sheet No. 6

Docket No. RP03-89-000

On November 20, 2002, Northwest filed the following tariff sheet to revise the tariff to expressly state that Northwest permits nominations of forwardhauls up to contract demand and backhauls up to contract demand to the same point at the same time for segmented capacity, pursuant to the Order on Remand issued by the Commission on October 31, 2002 in Docket No. RM98-10-011. Pursuant to an order dated December 19, 2002, the Commission accepted this tariff sheet, effective December 21, 2002.

Second Revised Sheet No. 25

Other Information

If you have questions concerning Northwest's regulatory issues, please call me or any of the other individuals listed below:

John Woolf	Sr. Regulatory Analyst	(801) 584-6873
Gary Kotter	Manager, Certificates and Tariffs	(801) 584-7117
Jan Caldwell	Manager, Cost of Service and Rate Design	(801) 584-7155
Barbara Odland	Office Administrator	(801) 584-6781

Northwest publishes *FERCWatch* to provide customers with information on Northwest's current and pending filings. It can be viewed on Northwest's EBB and Internet web site. You may also view Northwest's tariff on its Internet web site at www.1line.williams.com.

Sincerely,

John A. Woolf

Enclosures

Northwest Pipeline Corporation
FERC Gas Tariff
Third Revised Volume No. 1

Twenty-Third Revised Sheet No. 5
Superseding
Twenty-Second Revised Sheet No. 5

STATEMENT OF RATES						
Effective Rates Applicable to Rate Schedules TF-1, TF-2 and TI-1						
(Dollars per Dth)						
Rate Schedule and Type of Rate	Base Tariff Rate			ACA(2)	Currently Effective Tariff Rate(3)	
	Minimum	Maximum	GRI(1)		Minimum	Maximum
Rate Schedule TF-1 (4) (5)						
Reservation (Large Customer)						
High Load Factor	.00000	.27760	.00164	-	.00000	.27924
Low Load Factor	.00000	.27760	.00102	-	.00000	.27862
Volumetric (Large Customer)	.01225	.03000	.00400	.00210	.01435	.03610
(Small Customer) (6)	.01225	.58521	.00600	.00210	.01435	.59331
Scheduled Overrun	.01225	.30760	.00400	.00210	.01435	.31370
Rate Schedule TF-2 (4) (5)						
Reservation	.00000	.27760	-	-	.00000	.27760
Volumetric	.01225	.03000	-	-	.01225	.03000
Scheduled Daily Overrun	.01225	.30760	-	-	.01225	.30760
Annual Overrun	.01225	.30760	-	-	.01225	.30760
Rate Schedule TI-1						
Volumetric (7)	.01225	.30760	.00400	.00210	.01435	.31370
Scheduled Overrun	.01225	.30760	.00400	.00210	.01435	.31370

Issued by: Laren M.Gertsch, Director
Issued on: November 20, 2002

Effective: January 1, 2003

Northwest Pipeline Corporation
FERC Gas Tariff
Third Revised Volume No. 1

Twelfth Revised Sheet No. 7
Superseding
Eleventh Revised Sheet No. 7

STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedules SGS-2F and SGS-2I

(Dollars per Dth)

Rate Schedule and Type of Rate	Currently Effective Tariff Rate (1)	
	Minimum	Maximum
Rate Schedule SGS-2F (2)		
Demand Charge	0.00000	0.01689
Capacity Demand Charge	0.00000	0.00062
Volumetric Bid Rates		
Withdrawal Charge	0.00000	0.01689
Storage Charge	0.00000	0.00062
Rate Schedule SGS-2I		
Volumetric	0.00000	0.00134

Footnotes

- (1) Shippers receiving service under these rate schedules are required to furnish fuel reimbursement in-kind at the rates specified on Sheet No. 14.
- (2) Rates are daily rates computed on the basis of 365 days per year, except that rates for leap years are computed on the basis of 366 days.

Rates are also applicable to capacity release service. (Section 22 of the General Terms and Conditions describes how bids for capacity release will be evaluated.) The Withdrawal Charge and Storage Charge are applicable to Replacement Shippers bidding for capacity released on a one-part volumetric bid basis.

Issued by: Laren M.Gertsch, Director
Issued on: October 10, 2002

Effective: October 1, 2002

Northwest Pipeline Corporation
FERC Gas Tariff
Third Revised Volume No. 1

Fourteenth Revised Sheet No. 8
Superseding
Thirteenth Revised Sheet No. 8

STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedule LS-1

(Dollars per Dth)

Type of Rate	Currently Effective Tariff Rate (1)
Demand Charge (2)	0.02600
Capacity Charge (2)	0.00332
Liquefaction	0.55685
Vaporization	0.03030

Footnotes

- (1) Shippers receiving service under this rate schedule are required to furnish fuel reimbursement in-kind at the rate specified on Sheet No. 14.
- (2) Rates are daily rates computed on the basis of 365 days per year, except that rates for leap years are computed on the basis of 366 days.

Issued by: Larry Larsen, Vice President
Issued on: December 1, 2000

Effective: January 1, 2001

Northwest Pipeline Corporation
FERC Gas Tariff
Third Revised Volume No. 1

Twelfth Revised Sheet No. 8.1
Superseding
Eleventh Revised Sheet No. 8.1

STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedules LS-2F and LS-2I

(Dollars per Dth)

Rate Schedule and Type of Rate	Currently Effective Tariff Rate (1)	
	Minimum	Maximum
Rate Schedule LS-2F (3)		
Demand Charge (2)	0.00000	0.02600
Capacity Demand Charge (2)	0.00000	0.00332
Volumetric Bid Rates		
Vaporization Demand-Related Charge (2)	0.00000	0.02600
Storage Capacity Charge (2)	0.00000	0.00332
Liquefaction	0.55685	0.55685
Vaporization	0.03030	0.03030
Rate Schedule LS-2I		
Volumetric	0.00161	0.00826

Footnotes

- (1) Shippers receiving service under these rate schedules are required to furnish fuel reimbursement in-kind at the rates specified on Sheet No. 14.
- (2) Rates are daily rates computed on the basis of 365 days per year, except that rates for leap years are computed on the basis of 366 days.
- (3) Rates are also applicable to capacity release service. (Section 22 of the General Terms and Conditions describes how bids for capacity release will be evaluated.) The Vaporization Demand-Related Charge and Storage Capacity Charge are applicable to Replacement Shippers bidding for capacity released on a one-part volumetric bid basis.

Issued by: Laren M. Gertsch, Director
Issued on: October 10, 2002

Effective: October 1, 2002



NORTHWEST PIPELINE

295 Chipeta Way (84108)
P.O. Box 58900
Salt Lake City, UT 84158-0900
Phone: (801) 584-6873
FAX: (801) 584-7764

April 9, 2003

**TO: ALL HOLDERS OF NORTHWEST PIPELINE CORPORATION'S
FERC GAS TARIFF, THIRD REVISED VOLUME NO. 1**

Please insert the enclosed tariff sheet into your copy of Northwest's FERC Gas Tariff,
Third Revised Volume No. 1.

On February 28, 2003, in Docket No. RP03-272, Northwest filed Nineteenth Revised
Sheet No. 14 to implement new fuel reimbursement factors for Northwest's
transportation and storage rate schedules. Pursuant to an order dated March 28, 2003,
the Commission accepted this sheet, to be effective April 1, 2003.

Sincerely,

A handwritten signature in cursive script that reads "John".

John A. Woolf
Sr. Regulatory Analyst

john.a.woolf@williams.com

Enclosure

allhold040903vol1.doc

Northwest Pipeline Corporation
FERC Gas Tariff
Third Revised Volume No. 1

Nineteenth Revised Sheet No. 14
Superseding
Eighteenth Revised Sheet No. 14

STATEMENT OF FUEL USE REQUIREMENTS FACTORS
FOR REIMBURSEMENT OF FUEL USE

Applicable to Transportation Service Rendered Under
Rate Schedules Contained in this Tariff, Third Revised Volume No. 1

The rates set forth on Sheet Nos. 5, 6, 7, 8 and 8.1 are exclusive of fuel use requirements. Shipper shall reimburse Transporter in-kind for its fuel use requirements in accordance with Section 14 of the General Terms and Conditions contained herein.

The fuel use reimbursement furnished by Shippers shall be as follows for the applicable Rate Schedules included in this Tariff:

Rate Schedule TF-1	2.11%
Rate Schedule TF-2	2.11%
Rate Schedule TI-1	2.11%
Rate Schedule SGS-2F	0.00%
Rate Schedule SGS-2I	0.00%
Rate Schedule LS-1	1.42%
Rate Schedule LS-2F	1.42%
Rate Schedule LS-2I	1.42%
Rate Schedule DEX-1	2.11%

The fuel use factors set forth above shall be calculated and adjusted as explained in Section 14 of the General Terms and Conditions. Fuel reimbursement quantities to be supplied by Shippers to Transporter shall be determined by applying the factors set forth above to the quantity of gas nominated for receipt by Transporter from Shipper for transportation, for injection into storage, or for deferred exchange, as applicable.

Issued by: Laren M. Gertsch, Director
Issued on: February 28, 2003

Effective: April 1, 2003

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NOVA Gas Transmission Ltd.

Table of Rates, Tolls and Charges

TABLE OF RATES, TOLLS AND CHARGES

Service	Rates, Tolls and Charges		
1. Rate Schedule FT-R	Refer to Attachment "1" for the applicable FT-R Demand Rate per month and Surcharge for each Receipt Point Average Firm Service Receipt Price (AFSRP) \$180.19/10 ³ m ³		
2. Rate Schedule FT-RN	Refer to Attachment "1" for the applicable FT-RN Demand Rate per month and Surcharge for each Receipt Point		
3. Rate Schedule FT-D	FT-D Demand Rate per month \$175.62/10 ³ m ³		
4. Rate Schedule STFT	STFT Bid Price Minimum bid of 135% of FT-D Demand Rate		
5. Rate Schedule FT-P	Refer to Attachment "2" for the applicable FT-P Demand Rate per month and Surcharge with the exception of the following service which is subject to section 3.2 of Rate Schedule FT-P:		
	<u>From Receipt Point</u>	<u>To Delivery Point</u>	<u>FT-P Demand Rate (\$/10³m³)</u>
	1796 Bonnie Glen	3115 Usona Sales	117.23
	2036 Jumping Pound West	2352 Jumping Pound Int	67.57
	1019 Nevis South	3331 Delburne Sales	67.57
	1949 Rimbey/West Summary	3405 Rimbey West Sales	117.23
6. Rate Schedule LRS	<u>Contract Term</u>	<u>Effective LRS Rate (\$/10³m³/day)</u>	
	1-5 years	9.13	
	6-10 years	7.63	
	15 years	6.84	
	20 years	6.07	
7. Rate Schedule LRS-2	LRS-2 Rate per month		\$50,000
8. Rate Schedule LRS-3	LRS-3 Demand Rate per month		\$184.76/10 ³ m ³
9. Rate Schedule IT-R	Refer to Attachment "1" for the applicable IT-R Rate and Surcharge for each Receipt Point		
10. Rate Schedule IT-D	IT-D Rate		\$6.35/10 ³ m ³
11. Rate Schedule FCS	The FCS Charge is determined in accordance with Attachment "1" to the applicable Schedule of Service		
12. Rate Schedule OS	<u>Schedule No.</u>	<u>Charge</u>	
	1997-00712-0	\$ 83,333.00 / month	
	2001-99930-0	\$ 899.00 / month	
	2002-96214-6	\$ 681.00 / month	
	2002-93602-2	\$ 2,594.00 / month	
	2002-96214-5	\$ 42.00 / month	
13. Rate Schedule CO ₂	<u>Tier</u>	<u>CO₂ Rate (\$/10³m³)</u>	
	1	532.41	
	2	425.92	
	3	283.95	

Amended Mar. 3, 2003

Summary of 2003 Interim Station Prices: (\$/10 ³ m ³ /month, except IT which is \$/10 ³ m ³)						
Firm Service Delivery:		175.62				
Average Receipt Price:		180.19				
Receipt Price Floor:		93.75				
Receipt Price Ceiling:		266.63				
Interruptible Delivery:		6.35				
Premium/Discount:		105%	100%	95%	110%	115%
Station Number	Station Name	FT-R	FT-R	FT-R	FT-RN	IT-R
		PRICE 1 to <3 - Year Term	PRICE 3 to <5 - Year Term	PRICE greater than 5 - Year Term	PRICE 1 Year Non- Renewable Firm	

Project
Area

8000	BATTLE LAKE DVY	118.57	112.92	107.27	124.21	4.27	ML
A448	SOCK LAKE	263.98	251.41	238.84	276.55	9.49	PR
A449	MURRAY LAKE NORTH	185.37	176.54	167.71	194.19	6.67	ML
A44B	TOPLAND	248.01	236.20	224.39	259.82	8.92	PR
1942	FIGURE LAKE SUMMARY	229.47	218.54	207.61	240.39	8.25	NE
1944	ZAMA LAKE SUMMARY	279.96	266.63	253.30	293.29	10.07	PR
1947	BRAZEAU/EAST SUMMARY	129.43	123.27	117.11	135.60	4.66	ML
1949	RIMBEY/WESTEROSE SUMMARY	118.57	112.92	107.27	124.21	4.27	ML
1958	EMPRESS BORDER	98.44	93.75	89.06	103.13	3.54	ML
1963	COUSINS B&C SALES	125.92	119.92	113.92	131.91	4.53	ML
2000	ALBERTA-B.C. BDR (CHART ACCOL	98.44	93.75	89.06	103.13	3.54	ML
3804	PEMBINA INTERCONNECTION	107.70	102.57	97.44	112.83	3.87	ML
3857	INLAND INTERCONNECTION	157.56	150.06	142.56	165.07	5.67	NE
3858	ATMORE INTERCONNECTION	236.18	224.93	213.68	247.42	8.49	NE
3860	JANUARY CREEK INTERCONNECTI	142.86	136.06	129.26	149.67	5.14	ML
3861	DEMMITT #2 INTERCONNECTION	244.81	233.15	221.49	256.47	8.81	PR
3862	SEVERN CREEK INTERCONNECTIC	98.44	93.75	89.06	103.13	3.54	ML
3863	MONARCH INTERCONNECTION	98.44	93.75	89.06	103.13	3.54	ML
3864	JOFFRE #2 AND #3 SALES INTERC	120.80	115.05	109.30	126.56	4.35	ML
3866	CARBON INTERCONNECTION	98.44	93.75	89.06	103.13	3.54	ML
3871	WESTLOCK INTERCONNECTION	279.96	266.63	253.30	293.29	10.07	NE
3877	RAT CREEK INTERCONNECTION	132.64	126.32	120.00	138.95	4.78	ML
3878	NIPISI INTERCONNECTION	279.96	266.63	253.30	293.29	10.07	NE
3879	PRIDDIS INTERCONNECTION	98.44	93.75	89.06	103.13	3.54	ML
3880	AECO INTERCONNECTION	98.44	93.75	89.06	103.13	3.54	ML
3886	GORDONDALE BORDER	231.70	220.67	209.64	242.74	8.34	PR
3887	BITTERN LAKE INTERCONNECTION	279.96	266.63	253.30	293.29	10.07	ML
3888	DEEP VALLEY CREEK EAST INTER	214.45	204.24	194.03	224.66	7.71	PR
3889	MITISUE INTERCONNECTION	279.96	266.63	253.30	293.29	10.07	NE
3890	VIKING INTERCONNECTION	148.93	141.84	134.75	156.02	5.36	NE
3893	CARROT CREEK INTERCONNECTIC	125.60	119.62	113.64	131.58	4.51	ML
3894	GILT EDGE WEST INTERCONNECTI	279.96	266.63	253.30	293.29	10.07	NE
3897	CROSSFIELD EAST #2 INTERCONN	98.44	93.75	89.06	103.13	3.54	ML
3904	CONKLIN WEST INTERCHANGE INT	279.96	266.63	253.30	293.29	10.07	NE
3909	CRANBERRY SUMMARY	279.96	266.63	253.30	293.29	10.07	PR
3911	RANFURLY INTERCONNECTION	240.65	229.19	217.73	252.11	8.66	NE
3912	RUNNING LAKE INTERCONNECTIO	279.96	266.63	253.30	293.29	10.07	PR
3915	HAMILTON LAKE SUMMARY	230.42	219.45	208.48	241.40	8.29	NE
3916	VETERAN SUMMARY	230.42	219.45	208.48	241.40	8.29	NE
3917	WHITEMUD RIVER/WHITEMUD WES	279.96	266.63	253.30	293.29	10.07	PR
6404	MCNEILL BORDER	98.44	93.75	89.06	103.13	3.54	ML
3868	ALBERTA-MONTANA BORDER INTE	108.98	103.79	98.60	114.17	3.92	ML



Border Heat Values, Empress, McNeill & A/BC

Date	Empress Border		McNeill Border		Alberta/BC Border	
	Forecast HV (MJ/m3)	Actual HV (MJ/m3)	Forecast HV (MJ/m3)	Actual HV (MJ/m3)	Forecast HV (MJ/m3)	Actual HV (MJ/m3)
May 2003	37.60		37.50		37.92	
April 2003	37.60		37.45		37.95	
March 2003	37.52	37.83	37.45	37.55	37.80	
February 2003	37.48	37.69	37.45	37.55	37.80	37.85
January 2003	37.48	37.57	37.45	37.48	37.90	37.81
December 2002	37.44	37.48	37.45	37.45	37.85	37.99
November 2002	37.44	37.50	37.45	37.46	37.80	37.93
October 2002	37.41	37.48	37.45	37.46	37.80	37.93
September 2002	37.39	37.44	37.50	37.54	37.80	37.80
August 2002	37.44	37.49	37.50	37.50	37.90	37.82
July 2002	37.41	37.49	37.50	37.49	38.00	37.85
June 2002	37.41	37.50	37.45	37.59	37.82	38.10
May 2002	37.41	37.50	37.55	37.48	37.82	37.97
April 2002	37.41	37.47	37.55	37.71	37.95	37.87
March 2002	37.43	37.45	37.55	37.66	37.88	37.90
February 2002	37.38	37.45	37.55	37.55	37.88	37.87
January 2002	37.44	37.43	37.60	37.59	37.90	37.90

Border Archives

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TransCanada
In business to deliver™

Effective Rates and Charges for 2003

Commodity Rates at

Effective Heating Value Forecast of 37.93 MJ

	Toll Rate
FS-1 Firm Service Demand Rate (cents/GJ/Month/Km)	1.2188153197
FS-1 Firm Service Commodity Rate (cents/GJ/km)	0.0024087779
IS-1 Interruptible Service Commodity Rate (cents/GJ/km) *	0.0469317120

**The IS-1 Interruptible Service Commodity Rate is calculated by taking the FS-1 Firm Service Demand Rate at 90% load factor and adding the FS-1 Firm Service Commodity Rate.*

Commodity Rates at

Baseline Conversion Rate of 37.8 MJ

	Toll Rate
FS-1 Firm Service Demand Rate (cents/GJ/Month/Km)	1.2188153197
FS-1 Firm Service Commodity Rate (cents/GJ/km)	0.0024170621
IS-1 Interruptible Service Commodity Rate (cents/GJ/km) *	0.0469399961

Rates Effective January 1, 2003

Expressed in Canadian Dollars and Cents

(MMBtu units expressed in US Dollars)

Firm Service (FS-1)

	GJ (Cdn cents)	MMBtu (US cents)
Demand Rate	6.84	4.77
Commodity Rate	0.41	0.28
Total FS-1 Rate (Kingsgate)	7.25	5.00

Interruptible Service (IS-1)

	GJ (Cdn cents)	MMBtu (US cents)
Interruptible Commodity Rate	8.01	5.52
Total IS-1 Rate (Kingsgate)	8.01	5.52

1. Tolls are payable in Canadian dollars and GJ units are used for billing purposes.
2. Posted commodity rates are based on Effective Heating Value Forecast or 37.8 GJ/E³m³.
3. Conversion factors \$Cdn to \$U.S. divide by 1.53 (subject to change) cents/GJ to cents/MMBtu multiply by 1.055056.
4. The 2002 average fuel ratio to Kingsgate is forecast at 1.2%.
5. All rates are based on 100% load factor utilization except for interruptible which is at a 90% load factor.
6. All rates do not include a provision for GST.



TransCanada
In business to deliver™

Current Fuel Rates & Heating Values

April 23, 2003

Fuel Rate and MJ value on TransCanada's B.C. System for May, 2003

Please be advised that effective May 1, 2003 the fuel rate on TransCanada's B.C. System will change to 0.9% and the heat content posted at Kingsgate will change to at 37.92 MJ.

If you have any questions please contact Lisa Draudson at 403.920.5593.

Path	Kilometer Post	% Fuel Rate Per GJ
Alberta/B.C. Interconnect to:		
Sparwood Sales Tap	9.5	0.05008787
Byron Creek Sales Tap	18.2	0.09595782
Fernie Sales Tap	53.7	0.2831283
Elko Sales Tap	69.7	0.36748682
Galloway Sales Tap	85.0	0.44815466
Cranbrook Sales Tap	99.1	0.52249561
Yahk Sales Tap	156.4	0.82460457
East Kootenay Exchange	162.4	0.85623902
Kingsgate Meter Station	170.7	0.9
East Kootenay to:		
Kingsgate Meter Station	8.3	0.04376092

For the period of May 1, 2003, until further notice, a fuel rate of .0052724% per GJ/km will be in effect. Applicable per GJ/km rates for the most common paths are provided above.

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PG&E Gas Transmission, Northwest Corporation
FERC Gas Tariff
Second Revised Volume No. 1-A

Third Revised Sheet No. 4
Superseding
Second Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR TRANSPORTATION OF NATURAL GAS Rate Schedules FTS-1 and LFS-1								
	RESERVATION				DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth)	
	MILEAGE (a) (Dth/MILE)		NON-MILEAGE (b) (Dth)		MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.011212	0.000000	0.884028	0.000000	0.000013	0.000013	0.0050%	0.0000%
MRRS (e)	0.000227	0.000000	0.049280	0.000000	---	---	---	---
CES	0.000227	0.000000	0.049280	0.000000	---	---	---	---
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.296969	0.000000	---	---	0.000016	0.000016	---	---
E-2 (g) (WWP)	0.192258	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (Diamond 1)	0.090388	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (Diamond 2)	0.035477	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.064705	0.000000	---	---	0.000000	0.000000	---	---
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	0.002100	0.002100	---	---
GRI (m)								
HLF	---	---	0.050000	0.000000	0.004000	0.000000	---	---
LLF	---	---	0.031000	0.000000	0.004000	0.000000	---	---

Issued by: John A Roscher, Director of Rates & Regulatory Affairs
Issued on: November 22, 2002
Effective on: January 1, 2003

PG&E Gas Transmission, Northwest Corporation
FERC Gas Tariff
Second Revised Volume No. 1-A

Second Revised Sheet No. 6
Superseding

Alternate First Revised Sheet No. 6

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by PG&E GT-NW for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult PG&E GT-NW's system map on Sheet 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by PG&E GT-NW for delivery to shipper based on distance of gas transported. Consult PG&E GT-NW's system map on Sheet No. 3 for receipt and delivery point and milepost designations.
- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of PG&E GT-NW's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Paragraph 37 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. The incremental fuel surcharge for Shippers utilizing capacity constructed as part of PG&E GT-NW's 2002 Pipeline Expansion Project is 0.000928% per Dth per pipeline mile.
- (e) The MRRS Surcharge applies to Subject Shippers pursuant to Paragraph 3.1(c) of Rate Schedule FTS-1 and Article IV, Section 1(c) of the Stipulation and Agreement in Docket No. RP94-149-000.
- (f) Applicable to firm service on PG&E GT-NW's Medford Extension.

(Continued)

Issued by: John A Roscher, Director of Rates & Regulatory Affairs

Issued on: November 22, 2002

Effective on: January 1, 2003

Previous Next Search

PG&E Gas Transmission, Northwest Corporation
FERC Gas Tariff
Second Revised Volume No. 1-A

Second Revised Sheet No. 6
Superseding
Alternate First Revised Sheet No. 6

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by PG&E GT-NW for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult PG&E GT-NW's system map on Sheet 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by PG&E GT-NW for delivery to shipper based on distance of gas transported. Consult PG&E GT-NW's system map on Sheet No. 3 for receipt and delivery point and milepost designations.
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- (f) Applicable to firm service on PG&E GT-NW's Medford Extension.

(Continued)

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Questar Pipeline Company
180 East 100 South
P.O. Box 45360
Salt Lake City, UT 84145-0360
Tel 801 324 5555

April 17, 2003

David Swenson
Intermountain Gas
555 S. Cole Road
P. O. Box 7608
Boise, ID 83707

Dear Mr. Swenson:

Attached are Questar Pipeline Company's FERC Gas Tariff Fourteenth Revised Sheet No. 6, effective as of October 1, 2002, and Ninth Revised Sheet No. 6A, effective as of March 23, 2001.

Please let me know if you need additional information.

Sincerely,

A handwritten signature in cursive script that reads "Phyllis W. Hansen".

Phyllis W. Hansen
Associate Regulatory Affairs Analyst
Questar Pipeline Company
(801) 324-2442
(801) 324-2442 (FAX)
Phyllish@questar.com

Questar Pipeline Company
FERC Gas Tariff
First Revised Volume No. 1

Fourteenth Revised Sheet No. 6
Superseding
Thirteenth Revised Sheet No. 6

STATEMENT OF RATES			
Rate Schedule/ Type of Charge (a)	Base Tariff Rate (b) \$	Annual Charge Adjustment 5/ (c) \$	Currently Effective Rate (d) \$
PEAKING STORAGE			
Monthly Reservation Charge			
Maximum	2.87375 6/	-	2.87375/Dth
Minimum	0.00000	-	0.00000/Dth
Usage Charge			
Injection	0.03872	-	0.03872/Dth
Withdrawal	0.03872	-	0.03872/Dth
CLAY BASIN STORAGE			
Firm Storage Service - FSS			
Monthly Reservation Charge			
Deliverability			
Maximum	2.85338 6/	-	2.85338/Dth
Minimum	0.00000	-	0.00000/Dth
Capacity			
Maximum	0.02378	-	0.02378/Dth
Minimum	0.00000	-	0.00000/Dth
Usage Charge			
Injection	0.01049	0.00212	0.01261/Dth
Withdrawal	0.01781	-	0.01781/Dth
Authorized Overrun Charge 1/			
Maximum	0.30315	0.00212	0.30527/Dth
Minimum	0.01781	0.00212	0.01993/Dth
Interruptible Storage Service - ISS			
Usage Charge			
Inventory 2/			
Maximum	0.05927	-	0.05927/Dth
Minimum	0.00000	-	0.00000/Dth
Injection	0.01049	0.00212	0.01261/Dth
Withdrawal	0.01781	-	0.01781/Dth
OPTIONAL VOLUMETRIC RELEASES 3/			
Peaking Storage Service - PKS			
Maximum	3.40890	-	3.40890/Dth
Minimum	0.00000	-	0.00000/Dth
Firm Storage Service - FSS			
Maximum	0.57068	-	0.57068/Dth
Minimum	0.00000	-	0.00000/Dth
Storage Usage Charges Applicable to Volumetric Releases 4/			
Peaking Storage Service - PKS:			
Injection	0.03872	-	0.03872/Dth
Withdrawal	0.03872	-	0.03872/Dth
Clay Basin Storage Service - FSS:			
Injection	0.01049	0.00212	0.01261/Dth
Withdrawal	0.01781	-	0.01781/Dth
PARK AND LOAN SERVICE - PAL1			
Daily Reservation Charge			
Maximum	0.30315	-	0.30315/Dth
Minimum	0.00000	-	0.00000/Dth
Usage Charge	0.02830	0.00212	0.03042/Dth
FUEL REIMBURSEMENT - 2.0% (0.2% utility and 1.8% compressor fuel) for Rate Schedule PAL1			

Issued By: A.K. Allred, Senior Vice President
Issued On: August 27, 2002

Effective: October 1, 2002

Questar Pipeline Company
FERC Gas Tariff
First Revised Volume No. 1

Ninth Revised Sheet No. 6A
Superseding
Eighth Revised Sheet No. 6A

FOOTNOTES

1/Shipper may request service in excess of its MRD and Questar may provide the service if capacity is available.

2/Applied to the average monthly working gas balance.

3/Released capacity may be sold at a volumetric rate. Shippers releasing capacity on a volumetric basis must specify a rate between the maximum and minimum volumetric rate stated on this Statement of Rates and notify Questar of the criteria by which bids are to be evaluated; provided, however, that the bid may exceed the otherwise applicable maximum rate to the extent the rate ceilings have been waived for released capacity transactions of less than one year, as described in footnote 6.

4/Storage usage charges are applicable to storage services that are released at a volumetric rate and will be billed to the replacement shipper according to § 18.2 of the General Terms and Conditions of Part 1 of this tariff.

5/The annual charge adjustment (ACA) as specified by the Commission will be billed according to §§ 4(f) and 3(d) of Rate Schedule FSS and ISS, respectively, and § 17 of the General Terms and Conditions of Part 1 of this tariff.

6/ The maximum rate ceiling was waived by Commission Order No. 637, issued February 9, 2000, for short-term releases of capacity of less than one year beginning March 26, 2000, extending through September 30, 2002, pursuant to 18 C.F.R. § 284.8(i).

NOTE: The monthly rates stated on Questar's Statement of Rates may be converted to a daily rate by multiplying the monthly base tariff rate times the number of months in the rate period and dividing the result by the number of days in the rate period. The result is rounded to the fourth decimal place.

Issued By: A.K. Allred, VP, Business Development
Issued On: February 20, 2001

Effective: March 23, 2001

EXHIBIT NOS. 4-11

CASE NO. INT-G-03-

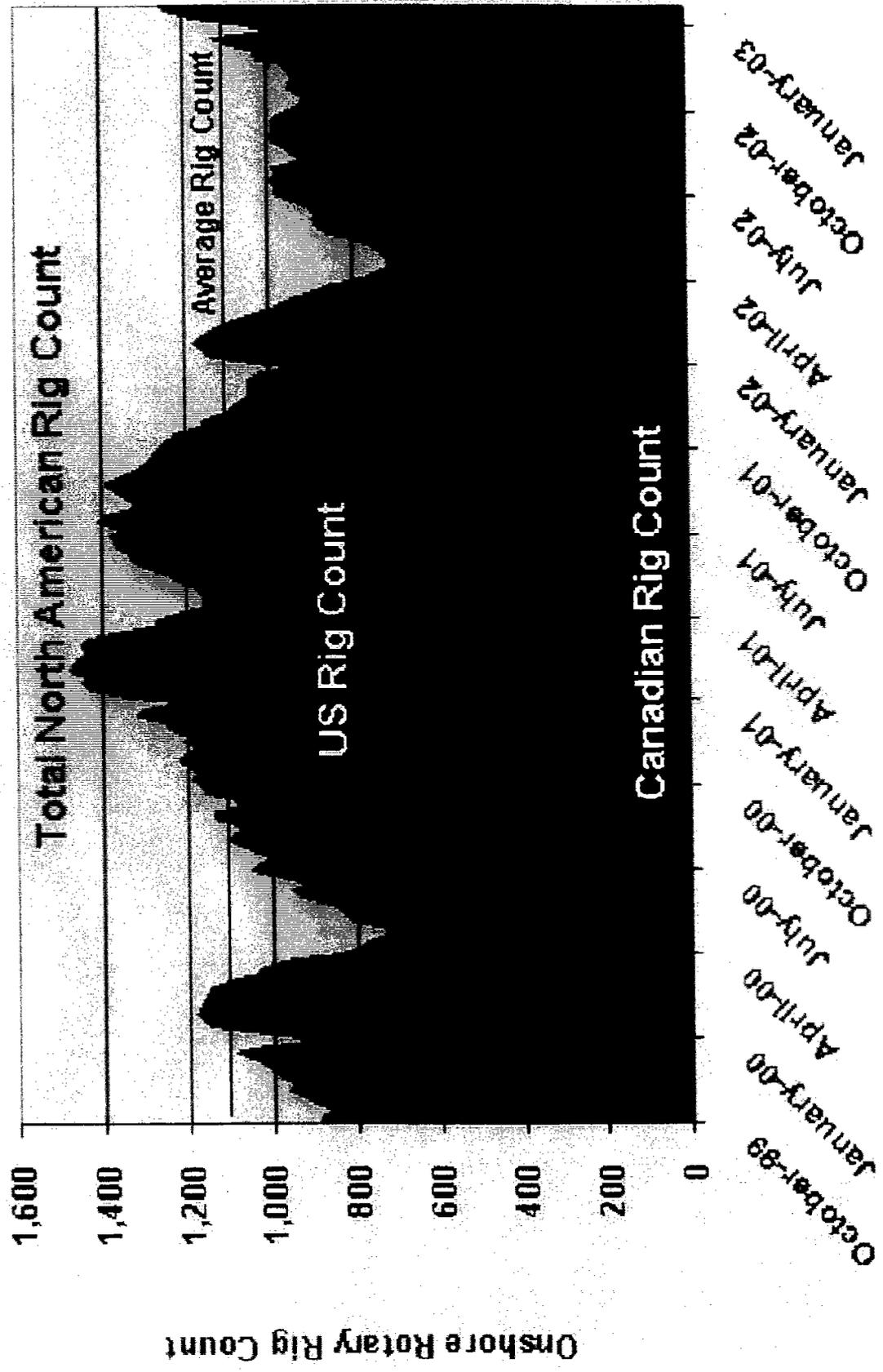
INTERMOUNTAIN GAS COMPANY

(11 pages)

**INTERMOUNTAIN GAS COMPANY
Summary of Gas Cost Changes**

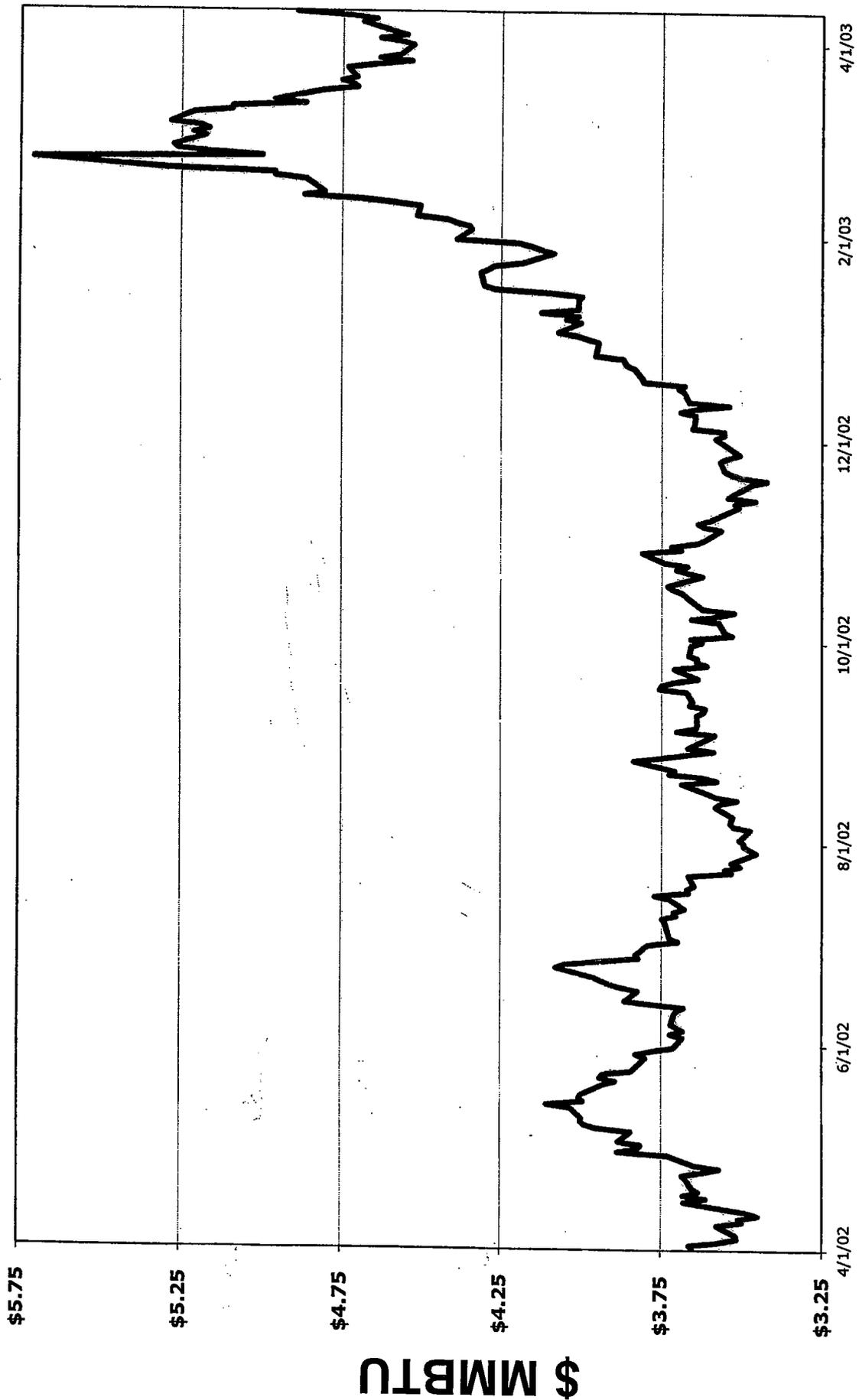
Line No.	Description (a)	7/1/2002		7/1/2003		Annual Difference (h)	Cost of Service Allocation of Gas Cost Adjustment (1)					Commodity (n)
		Annual Thru Billing Determinants (b)	Prices (c)	Annual Thru Billing Determinants (e)	Prices (f)		RS-1 (i)	RS-2 (j)	GS-1 (k)	T-1 (l)	T-2 Demand (m)	
1	DEMAND CHARGES:											
2	Transportation:											
3	NWP TF-1 Demand 1 (Full Rate) (2)	594,630,100	\$ 0.02662	546,730,100	\$ 0.02662	\$ 346,302	\$ 46,138	\$ 158,598	\$ 113,621	\$ 21,197	\$ 5,848	\$ -
4	NWP TF-1 Demand 1 (Discounted) (3)	145,624,400	0.01689	148,404,400	0.01683	321,279	42,804	148,067	105,318	19,665	5,425	-
5	Upstream Capacity (4)	475,103,661	0.01079	511,363,090	0.00970	(166,157)	(22,137)	(76,576)	(84,468)	(10,170)	(2,806)	-
6	Storage:											
7	SGS-1											
8	Demand	303,370 (5)	0.01169	303,370 (5)	0.01169	-	-	-	-	-	-	-
9	Capacity Demand	10,920,990 (5)	0.00006	10,920,990 (5)	0.00006	-	-	-	-	-	-	-
10	TF-2 Reservation	10,920,990 (5)	0.02776	10,920,990 (5)	0.02776	-	-	-	-	-	-	-
11	TF-2 Redelivery Charge	10,920,990 (5)	0.00300	10,920,990 (5)	0.00300	-	-	-	-	-	-	-
12	LS-1											
13	Demand	720,000 (5)	0.00260	720,000 (5)	0.00260	-	-	-	-	-	-	-
14	Capacity	7,705,200 (5)	0.00033	7,705,200 (5)	0.00033	-	-	-	-	-	-	-
15	Liquidation	7,705,200 (5)	0.05589	7,705,200 (5)	0.05589	-	-	-	-	-	-	-
16	Vaporization	7,705,200 (5)	0.00903	7,705,200 (5)	0.00903	-	-	-	-	-	-	-
17	TF-2 Reservation	7,705,150 (5)	0.02776	7,705,150 (5)	0.02776	-	-	-	-	-	-	-
18	TF-2 Redelivery Charge	7,705,200 (5)	0.00300	7,705,200 (5)	0.00300	-	-	-	-	-	-	-
19	Other Storage Facilities					(34,089) (7)	(4,543)	(15,715)	(11,178)	(2,087)	(576)	-
20	COMMODITY CHARGES:											
21	Transportation:											
22	T-1 Industrial Transportation	38,255,671	0.00410	38,255,671	0.00410	-	-	-	-	-	-	-
23	T-2 Industrial Transportation	22,540,411	0.00410	22,540,411	0.00410	-	-	-	-	-	-	-
24	Storage:											
25	LNG	6,000,000	0.32000	6,000,000	0.50305	1,068,300	150,041	553,361	394,696	-	-	-
26	LS	7,705,200	0.32000	7,705,200	0.50305	1,410,437	192,682	710,626	507,129	-	-	-
27	SGS	10,920,990	0.32000	10,920,990	0.50305	1,995,087	273,099	1,007,203	718,780	-	-	-
28	Producer/Supplier Purchases:	232,404,177	0.32000	232,404,177	0.50305	42,541,584	5,811,687	21,433,888	15,296,009	-	-	-
29	TOTAL RS-1, RS-2, and GS-1 SALES VOLUMES	257,030,367		257,030,367		\$ 47,516,733	\$ 6,489,771	\$ 23,920,457	\$ 17,070,009	\$ 28,605	\$ 7,891	\$ -
30	Normalized Sales/CD Vols. (10/1/01 - 9/30/02)						35,113,401	129,500,594	92,416,372	38,255,671	680,840	22,540,411
31	Average Base Rate Change						0.16862	0.16471	0.16471	0.00075	0.01194	-
32	Other Permanent Changes Proposed:											
33	Elimination of Temporary Credits and Surcharges from Case No. INT-G-02-3						0.03915	0.03839	0.03877	0.00446	0.06827	-
34	Adjustment to Fixed Cost Collection Rate (see Exhibit 6, Line 24)						(0.00161)	(0.00389)	(0.00162)	(0.00730)	(0.02535)	-
35	Total Permanent Changes Proposed (Lines 33 through 34):						0.22268	0.21912	0.22166	(0.00208)	0.08286	-
36	Temporary Surcharge (Credit) Proposed (Exhibit No. 7, Line 4, Col. (b)-(f))						0.01590	0.01217	0.01700	0.00212	(0.09117)	-
37	Proposed Average Per Thru/CD Change in Intermountain Gas Company Tariff						\$ 0.23826	\$ 0.23129	\$ 0.23886	\$ (0.00421)	\$ (0.00631)	\$ -

(1) See Worksheet No. 5, Line 10
(2) See Worksheet No. 1
(3) See Worksheet No. 2
(4) See Worksheet No. 3
(5) Represents Non-Additive Demand Change Determinants
(6) Price Reflects Daily Changes; Price (Col c6) lines Annual Thru/Billing Determinants (Col b&c) lines 365 equals annual change
(7) See Worksheet No. 4, Line 23, Column (d)

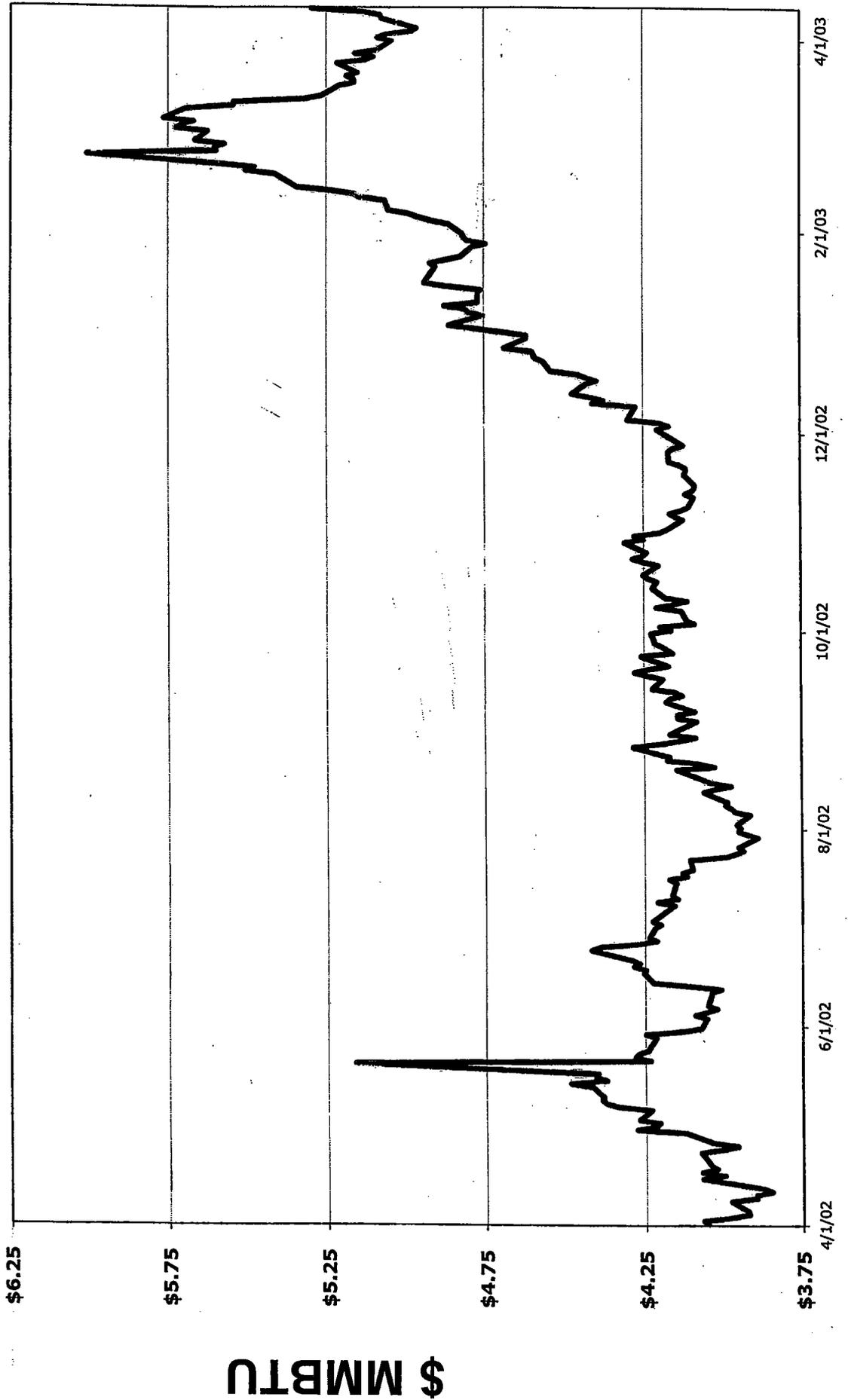


Onshore Rotary Rig Count

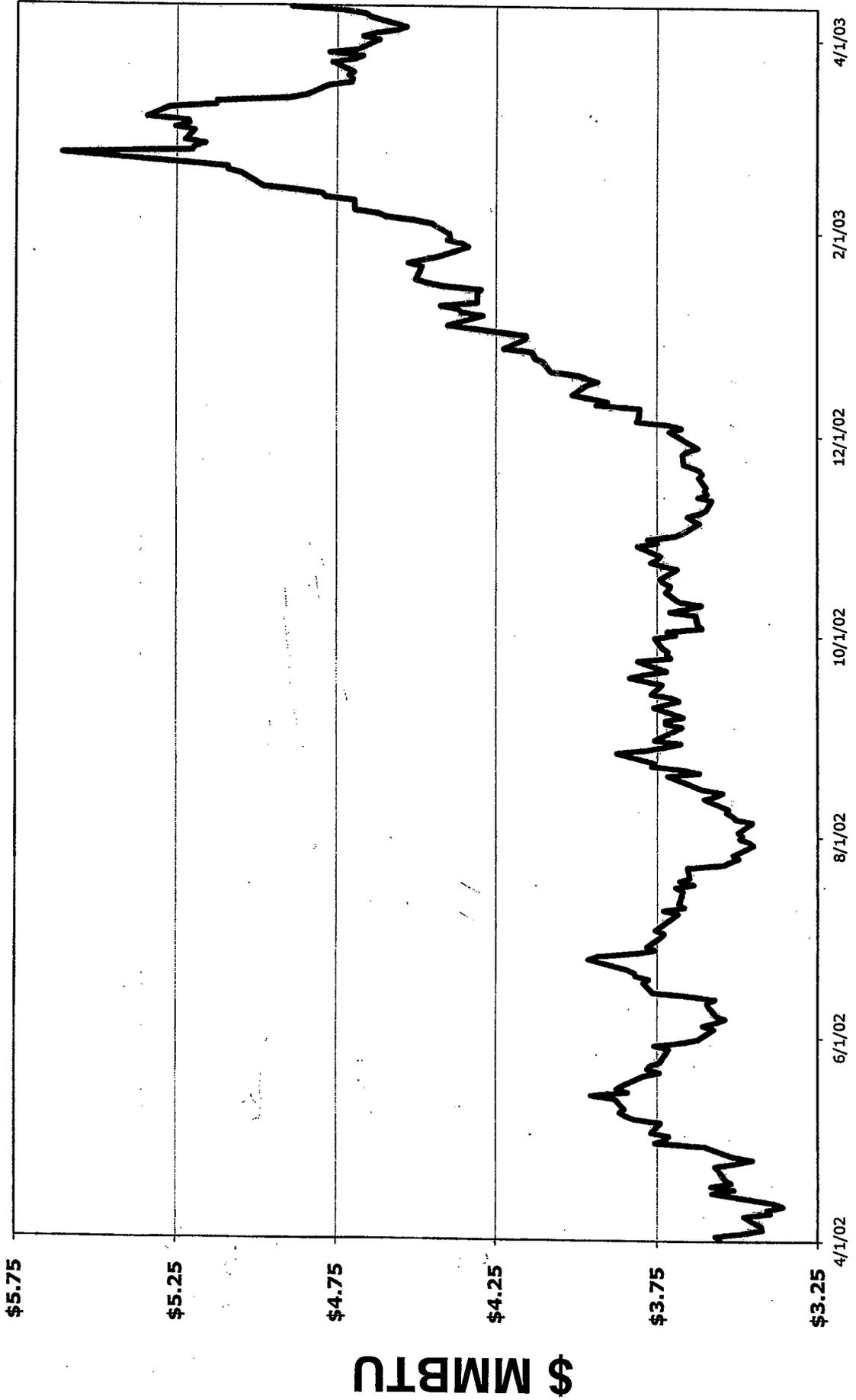
NOVEMBER 03-MARCH 04 STRIP
Rockies



NOVEMBER 03-MARCH 04 STRIP
Sumas



NOVEMBER 03-MARCH 04 STRIP
Aeco \$



INTERMOUNTAIN GAS COMPANY
Summary of Fixed Gas Cost Charges

Line No.	Description (a)	Annual Therms/ Billing Determinants INT-G-02-3 (b)	7/1/2002 Prices INT-G-02-3 (c)	Annual Cost INT-G-02-3 (d)	Cost of Service Allocation of Gas Cost Adjustment (1)					
					RS-1 (e)	RS-2 (f)	GS-1 (g)	T-1 (h)	T-2 (i)	
1	DEMAND CHARGES:									
2	Transportation:									
3	NWP TF-1 Demand 1 (Full Rate)	534,630,100	\$ 0.02862	\$ 15,301,113	\$ 2,038,570	\$ 7,051,765	\$ 5,015,827	\$ 936,570	\$ 258,381	
4	NWP TF-1 Demand 1 (Discounted)	145,624,400	0.01689	2,473,873	329,595	1,140,124	810,955	151,424	41,775	
5	Upstream Capacity	475,103,661	0.01079	5,127,338	683,116	2,363,017	1,680,782	313,841	86,582	
6	Storage:									
7	SGS-1									
8	Demand	303,370	0.00169	187,023 (2)	24,917	86,192	61,308	11,448	3,158	
9	Capacity Demand	10,920,990	0.00006	247,142 (2)	32,927	113,900	81,015	15,127	4,173	
10	TF-2 Reservation	10,920,990	0.02776	303,167	40,391	139,719	99,381	18,557	5,119	
11	TF-2 Redelivery Charge	10,920,990	0.00300	32,763	4,476	16,507	11,780	-	-	
12	LS-1									
13	Demand	720,000	0.00260	683,280 (2)	91,034	314,900	223,985	41,823	11,538	
14	Capacity	7,705,200	0.00033	928,091 (2)	123,650	427,725	304,236	56,808	15,672	
15	Liquefaction	7,705,200	0.05569	429,103	57,169	197,760	140,663	26,265	7,246	
16	Vaporization	7,705,200	0.00303	23,347	3,111	10,760	7,653	1,429	394	
17	TF-2 Reservation	7,705,150	0.02776	213,895	28,497	98,578	70,116	13,092	3,612	
18	TF-2 Redelivery Charge	7,705,200	0.00300	23,116	3,158	11,647	8,311	-	-	
19	Other Storage Facilities			4,094,031	545,449	1,886,800	1,342,056	250,593	69,133	
20	Total Fixed Gas Cost Charges			\$ 30,067,282	\$ 4,006,060	\$ 13,859,394	\$ 9,858,068	\$ 1,836,977	\$ 506,783	
21	Normalized Sales/CD Vols. (INT-G-03- Estimated Volumes)			36,625,862	145,287,154	98,122,337	39,347,069	660,840		
22	Fixed Cost Collection per Therm (Row 20/ Row 21)			\$ 0.10938	\$ 0.09539	\$ 0.10047	\$ 0.04689	\$ 0.76688		
23	Current Fixed Cost Collection per Therm			\$ 0.11099	\$ 0.09937	\$ 0.10209	\$ 0.05399	\$ 0.79223		
24	Difference (Row 22 - Row 23)			\$ (0.00161)	\$ (0.00398)	\$ (0.00162)	\$ (0.00730)	\$ (0.02535)		

(1) See Workpaper No. 5, Line 10

(2) Price Reflects Daily Charge; Price (Col c) times Annual Therms (Col b) times 365 equals annual charge (Col d)

INTERMOUNTAIN GAS COMPANY
Summary of Proposed Temporary Surcharges (Credits)

Line No.	Description (a)	COST OF SERVICE ALLOCATION OF DEFERRED GAS COSTS					
		RS-1 (b)	RS-2 (c)	GS-1 (d)	T-1 (e)	T-2 (f)	
1	Market Segmentation (Credit) ⁽¹⁾	\$ (0.00897)	\$ (0.00842)	\$ (0.00839)	\$ (0.00378)	\$ (0.06043)	
2	Proposed Temporary Surcharge (Credit)-Fixed Costs ⁽²⁾	0.00786	0.00358	0.00838	0.00166	(0.03074)	
3	Proposed Temporary Surcharge-Account 1860 Variable ⁽³⁾	0.01701	0.01701	0.01701	-	-	
4	Total Proposed Temporary Surcharge (Credit)	<u>\$ 0.01590</u>	<u>\$ 0.01217</u>	<u>\$ 0.01700</u>	<u>\$ (0.00212)</u>	<u>\$ (0.09117)</u>	

(1) See Exhibit No. 8, Line 3, Cols. (c) - (g)

(2) See Exhibit No. 9, Line 16, Col. (c) - (g)

(3) See Exhibit No. 10, Line 4, Col. (b)

INTERMOUNTAIN GAS COMPANY
Allocation of Annualized Segmentation Credits

Line No.	Description (a)	COST OF SERVICE ALLOCATION OF DEFERRED GAS COSTS (1)					
		Total (b)	RS-1 (c)	RS-2 (d)	GS-1 (e)	T-1 (f)	T-2 (g)
1	Segmentation Credits	\$ (2,364,906)	\$ (315,077)	\$ (1,089,905)	\$ (775,235)	\$ (144,754)	\$ (39,935)
2	Normalized Sales/CD Vols. (10/1/01 - 9/30/02)	35,113,401	92,416,372	38,255,671	660,840		
3	Proposed Price Adjustment Per Therm/CD	\$ (0.00897)	\$ (0.00842)	\$ (0.00839)	\$ (0.00376)	\$ (0.06043)	

(1) See Workpaper No. 5, Line 10

INTERMOUNTAIN GAS COMPANY
Proposed Temporary Surcharges (Credits) - Fixed Costs

Line No.	Description (a)	COST OF SERVICE ALLOCATION OF DEFERRED GAS COSTS (1)						
		Deferred Account 1860 Estimated June 30, 2003 Balance (2)	RS-1 (c)	RS-2 (d)	GS-1 (e)	T-1 (f)	T-2 (g)	
1	Fixed Costs:							
2	From INT-G-02-3 (Accs 1860.2050 - 2090)	\$ 39,428	\$ 18,085	\$ 4,297	\$ 18,295	\$ 87	\$ (1,336)	
3	Fixed Cost Collection Adjustment (Acct. 1860.2200)	2,217,435	391,416	675,466	1,048,917	109,665	(8,029)	
4	Exit Fee (Acct. 1860.2210)	(264)	(35)	(122)	(87)	(16)	(4)	
5	Statoil Revenue Deferral (Acct. 1860.2260)	(55,622)	(7,411)	(25,634)	(18,233)	(3,405)	(939)	
6	Capacity Release & Purchases (Acct 1860.2320)	(481,576)	(64,160)	(221,943)	(157,864)	(29,477)	(8,132)	
7	Interest (Accs 1860.2420, 2430)	12,429	1,656	5,728	4,074	761	210	
8	NWP RP93-5 Surcharge (Acct 1860.2500)	895,202	158,525	389,392	347,285	-	-	
9	Amortization of 1860.2500 (Acct 1860.2510)	(854,254)	(144,195)	(393,803)	(316,256)	-	-	
10	Market Segmentation (Acct 1860.2530)	(2,366,437)	(319,633)	(1,055,846)	(782,569)	(167,179)	(41,210)	
11	Amortization of 1860.2530 (Acct 1860.2540 - 1860.2550)	2,285,486	291,768	1,077,699	723,702	153,189	39,128	
12	NWP 95-409 Refund (Acct 1860.2560)	(2,385,551)	(553,996)	(785,849)	(1,045,706)	-	-	
13	Amortization of 1860.2560 (Acct 1860.2570)	2,250,694	503,871	793,837	952,986	-	-	
14	Totals	<u>\$ 1,556,970</u>	<u>\$ 275,891</u>	<u>\$ 463,222</u>	<u>\$ 774,544</u>	<u>\$ 63,625</u>	<u>\$ (20,312)</u>	
15	Normalized Sales/CD Vols. (10/1/01 - 9/30/02)		<u>35,113,401</u>	<u>129,500,594</u>	<u>92,416,372</u>	<u>38,255,671</u>	<u>660,840</u>	
16	Proposed Temporary Surcharge (Credit)-Fixed Costs		<u>\$ 0.00786</u>	<u>\$ 0.00358</u>	<u>\$ 0.00838</u>	<u>\$ 0.00166</u>	<u>\$ (0.03074)</u>	

(1) See Workpaper No. 5, Line 10

(2) See Workpaper No. 6

INTERMOUNTAIN GAS COMPANY
Proposed Temporary Surcharges (Credits) - Variable Costs

Line No.	Description	Amount
	(a)	(b)
1	Account 1860 Amounts Which Apply to RS-1, RS-2, GS-1, and LV-1:	
2	Account 1860 Variable Costs ⁽¹⁾	\$ 4,427,982
3	Normalized Sales/CD Vols. (10/1/01 - 9/30/02)	260,347,643
4	Proposed Temporary Surcharge(Credit) - Variable Costs	\$ 0.01701

(1) See Workpaper No. 6, Page 1, Line 21, Col (f)

INTERMOUNTAIN GAS COMPANY

**Analysis of Annualized Price Change by Class of Service
Normalized Volumes for Twelve Months Ended September 30, 2002**

Line No.	Description (a)	Average Prices Effective per Case No. INT-G-02-3 Commission Order No. 29068		Proposed Adjustments Effective 7/1/2003		Proposed Average Prices Effective 7/1/2003		Percent Change (i)	
		Annual Therms/CD Vols. (b)	Revenue (c)	\$/Therm (d)	Revenue (e)	\$/Therm (f)	Revenue (g)		\$/Therm (h)
1	Gas Sales:								
2	RS-1 Residential	35,113,401	\$ 25,017,947	\$ 0.71249	\$ 8,366,119	\$ 0.23826	\$ 33,384,066	\$ 0.95075	33.44%
3	RS-2 Residential	129,600,594	79,040,688	0.61035	29,952,192	0.23129	108,992,880	0.84164	37.90%
4	GS-1 General Service	92,416,372	51,950,939	0.56214	22,074,575	0.23886	74,025,514	0.80100	42.49%
5	LV-1 Large Volume	3,317,276	1,357,363	0.40918	731,725	0.22058	2,089,088	0.62976	53.91%
6	Total Gas Sales	260,347,643	157,366,937	0.60445	61,124,611	0.23478	218,491,548	0.83923	38.84%
7	T-1 Transportation	34,938,395	3,485,105	0.09975	(147,091)	(0.00421)	3,338,014	0.09554	-4.22%
8	T-2 Transportation (Demand)	660,840	459,918	0.69596	(5,492)	(0.00831)	454,426	0.68765	-1.19%
9	T-2 Transportation (Commodity)	22,540,411	147,865	0.00656	-	-	147,865	0.00656	0.00%
10	Total T-2	22,540,411	607,783	0.02696	(5,492)	(0.00024)	602,291	0.02672	-0.89%
11	Total	317,826,449	\$ 161,459,825	\$ 0.50801	\$ 60,972,028	\$ 0.19184	\$ 222,431,853	\$ 0.69985	37.76%

(1) Demand volumes removed from the \$/therm calculations

NEWS RELEASE

and

CUSTOMER NOTICE

INTERMOUNTAIN GAS COMPANY

555 SOUTH COLE ROAD • P.O. BOX 7608 • BOISE, IDAHO 83707 • (208) 377-6000 • FAX: 377-6097

NEWS RELEASE

May 7, 2003

Contact: Mike Huntington
Vice President
Marketing & External Affairs
(208) 377-6059

TODAY, INTERMOUNTAIN GAS COMPANY ("INTERMOUNTAIN") FILED ITS ANNUAL PURCHASED GAS COST ADJUSTMENT APPLICATION WITH THE IDAHO PUBLIC UTILITIES COMMISSION ("IPUC"). THIS TYPE OF APPLICATION IS FILED EACH YEAR TO ENSURE THAT THE COSTS THAT INTERMOUNTAIN IS INCURRING ON BEHALF OF ITS CUSTOMERS ARE PROPERLY REFLECTED IN ITS SALES PRICE.

IN ITS APPLICATION, INTERMOUNTAIN REQUESTS PERMISSION TO INCREASE ITS PRICES TO REFLECT THE HIGHER PRICES THAT INTERMOUNTAIN MUST PAY TO ITS NATURAL GAS SUPPLIERS.

WILLIAM C. "BILL" GLYNN, PRESIDENT OF INTERMOUNTAIN GAS COMPANY, SAID, "NATURAL GAS IS A COMMODITY WHOSE PRICE FLUCTUATES AS SUPPLY AND DEMAND CHANGES, JUST LIKE THE PRICE OF OTHER COMMODITIES, MOST NOTABLY POTATOES HERE IN IDAHO. AFTER ENJOYING PRICES THIS PAST WINTER THAT WERE APPROXIMATELY 30% BELOW YEAR EARLIER PRICES, PRODUCER PRICES HAVE INCREASED. WE EXPECT ANOTHER DOWN CYCLE TO OCCUR BUT IT IS UNCERTAIN AS TO WHETHER THIS WILL OCCUR BEFORE NEXT WINTER. SHOULD THEY CHANGE BEFORE THEN, THE COMPANY WILL ASK THE IPUC TO ADJUST OUR RETAIL PRICE ACCORDINGLY."

GLYNN SAID, "EVEN AT THESE HIGHER PRODUCER PRICES, NATURAL GAS IN SOUTHERN IDAHO WILL STILL BE 35% - 55% LESS THAN ELECTRICITY."

THE COMPANY IS NOT REQUESTING ANY CHANGE IN THE PRICE COMPONENT FOR ITS OWN SERVICE, OPERATION, MAINTENANCE, OR CAPITAL COSTS, WHICH HAS REMAINED THE SAME FOR ALMOST 20 YEARS. THEREFORE THE COMPANY'S EARNINGS WILL NOT INCREASE AS A RESULT OF THE PROPOSED PRICE CHANGES.

GLYNN WENT ON TO SAY, "ALTHOUGH WE HAVE JUST EXPERIENCED THE WARMEST WINTER ON RECORD IN THE PAST 30 YEARS, INTERMOUNTAIN ENCOURAGES ALL ITS CUSTOMERS TO BE CONSCIOUS OF THEIR ENERGY USAGE. WE CONTINUE TO WORK WITH THE LOCAL AGENCIES THAT ADMINISTER ENERGY ASSISTANCE FUNDS TO HELP THOSE RESIDENTIAL CUSTOMERS WHOSE INCOMES ARE MOST IMPACTED BY HIGHER ENERGY PRICES. HELPFUL TIPS ON WAYS TO CONSERVE AND USE ENERGY WISELY AND HOW TO REQUEST ENERGY ASSISTANCE ARE PROVIDED THROUGH BILL INSERTS AND ON THE COMPANY'S WEB SITE (www.intgas.com).

IF THIS PROPOSED INCREASE IS APPROVED, RESIDENTIAL CUSTOMERS USING NATURAL GAS FOR HEATING AND WATER HEATING COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$18 (38%). THOSE RESIDENTIAL CUSTOMERS USING NATURAL GAS FOR SPACE HEATING ONLY COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$12 (33%). COMMERCIAL CUSTOMERS COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$78 (43%).

IF APPROVED AS FILED, THE TOTAL NET REVENUE INCREASE FROM THIS CURRENT REQUEST WILL BE APPROXIMATELY \$61 MILLION (38%) AND IS PROPOSED TO BE EFFECTIVE JULY 1, 2003. THIS PROPOSAL IS SUBJECT TO PUBLIC REVIEW AND APPROVAL BY THE IPUC. A COPY OF INTERMOUNTAIN'S APPLICATION IS AVAILABLE AT THE OFFICES OF BOTH THE IDAHO PUBLIC UTILITIES COMMISSION AND THE COMPANY.

INTERMOUNTAIN GAS COMPANY

555 SOUTH COLE ROAD • P.O. BOX 7608 • BOISE, IDAHO 83707 • (208) 377-6000 • FAX: 377-6097

CUSTOMER NOTICE

ON MAY 7, 2003, INTERMOUNTAIN GAS COMPANY ("INTERMOUNTAIN") FILED ITS ANNUAL PURCHASED GAS COST ADJUSTMENT APPLICATION WITH THE IDAHO PUBLIC UTILITIES COMMISSION ("IPUC"). THIS TYPE OF APPLICATION IS FILED EACH YEAR TO ENSURE THAT THE COSTS THAT INTERMOUNTAIN IS INCURRING ON BEHALF OF ITS CUSTOMERS ARE PROPERLY REFLECTED IN ITS SALES PRICE.

IN ITS APPLICATION, INTERMOUNTAIN REQUESTS PERMISSION TO INCREASE ITS PRICES TO REFLECT THE HIGHER PRICES THAT INTERMOUNTAIN MUST PAY TO ITS NATURAL GAS SUPPLIERS.

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GLYNN SAID, "EVEN AT THESE HIGHER PRODUCER PRICES, NATURAL GAS IN SOUTHERN IDAHO WILL STILL BE 35% - 55% LESS THAN ELECTRICITY."

THE COMPANY IS NOT REQUESTING ANY CHANGE IN THE PRICE COMPONENT FOR ITS OWN SERVICE, OPERATION, MAINTENANCE, OR CAPITAL COSTS, WHICH HAS REMAINED THE SAME FOR ALMOST 20 YEARS. THEREFORE THE COMPANY'S EARNINGS WILL NOT INCREASE AS A RESULT OF THE PROPOSED PRICE CHANGES.

GLYNN WENT ON TO SAY, "ALTHOUGH WE HAVE JUST EXPERIENCED THE WARMEST WINTER ON RECORD IN THE PAST 30 YEARS, INTERMOUNTAIN ENCOURAGES ALL ITS CUSTOMERS TO BE CONSCIOUS OF THEIR ENERGY USAGE. WE CONTINUE TO WORK WITH THE LOCAL AGENCIES THAT ADMINISTER ENERGY ASSISTANCE FUNDS TO HELP THOSE RESIDENTIAL CUSTOMERS WHOSE INCOMES ARE MOST IMPACTED BY HIGHER ENERGY PRICES. HELPFUL TIPS ON WAYS TO CONSERVE AND USE ENERGY WISELY AND HOW TO REQUEST ENERGY ASSISTANCE ARE PROVIDED THROUGH BILL INSERTS AND ON THE COMPANY'S WEB SITE (www.intgas.com).

IF THIS PROPOSED INCREASE IS APPROVED, RESIDENTIAL CUSTOMERS USING NATURAL GAS FOR HEATING AND WATER HEATING COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$18 (38%). THOSE RESIDENTIAL CUSTOMERS USING NATURAL GAS FOR SPACE HEATING ONLY COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$12 (33%). COMMERCIAL CUSTOMERS COULD EXPERIENCE AN AVERAGE MONTHLY INCREASE OF \$78 (43%).

IF APPROVED AS FILED, THE TOTAL NET REVENUE INCREASE FROM THIS CURRENT REQUEST WILL BE APPROXIMATELY \$61 MILLION (38%) AND IS PROPOSED TO BE EFFECTIVE JULY 1, 2003. THIS PROPOSAL IS SUBJECT TO PUBLIC REVIEW AND APPROVAL BY THE IPUC. A COPY OF INTERMOUNTAIN'S APPLICATION IS AVAILABLE AT THE OFFICES OF BOTH THE IDAHO PUBLIC UTILITIES COMMISSION AND THE COMPANY.

WORKPAPER NOS. 1-7

CASE NO. INT-G-03-

INTERMOUNTAIN GAS COMPANY

(9 pages)

**Intermountain Gas Company
Northwest Pipeline TF-1 Full Rate Demand Workpaper**

Line No.	<u>Transportation</u> (a)	INT-G-02-3 <u>Annual Therms</u> (b)	INT-G-02-3 <u>Prices</u> (c)	INT-G-02-3 <u>Annual Cost</u> (d)
1	TF-1 Demand 1 Contract #1	412,537,600	\$ 0.02862	\$ 11,806,826
2	TF-1 Demand 1 Contract #2	25,550,000	0.02862	731,241
3	TF-1 Demand 1 Contract #3	73,000,000	0.02862	2,089,260
4	TF-1 Demand 1 Contract #4	23,542,500	0.02862	673,786
5	TF-1 Demand 1 Contract #5	-	-	-
6	Total Annual Cost	<u>534,630,100</u>	<u>\$ 0.02862</u>	<u>\$ 15,301,113</u>

	<u>Transportation</u> (a)	INT-G-03- <u>Annual Therms</u> (b)	INT-G-03- <u>Prices</u> (c)	INT-G-03- <u>Annual Cost</u> (d)
7	TF-1 Demand 1 Contract #1	412,537,600	\$ 0.02862	\$ 11,806,826
8	TF-1 Demand 1 Contract #2	25,550,000	0.02862	731,241
9	TF-1 Demand 1 Contract #3	73,000,000	0.02862	2,089,260
10	TF-1 Demand 1 Contract #4	23,542,500	0.02862	673,786
11	TF-1 Demand 1 Contract #5	<u>12,100,000</u>	0.02862	<u>346,302</u>
12	Total Annual Cost	<u>546,730,100</u>	<u>\$ 0.02862</u>	<u>\$ 15,647,415</u>

13 Total Annual Cost Difference \$ 346,302 ⁽¹⁾

⁽¹⁾ See Exhibit 4, Line 3, Column (h)

**Intermountain Gas Company
Northwest Pipeline TF-1 Discounted Demand Workpaper**

<u>Line No.</u>	<u>Transportation</u> (a)	<u>INT-G-02-3 Annual Therms</u> (b)	<u>INT-G-02-3 Prices</u> (c)	<u>INT-G-02-3 Annual Cost</u> (d)
1	TF-1 Demand 1 Contract #1	87,600,000	\$ 0.01623	\$ 1,421,748
2	TF-1 Demand 1 Contract #2	28,470,000	0.01679	478,011
3	TF-1 Demand 1 Contract #3	29,404,400	0.01371	403,134
4	TF-1 Demand 1 Contract #4	150,000	1.13987	170,980
5	TF-1 Demand 1 Contract #5	-	-	-
6	TF-1 Demand 1 Contract #6	-	-	-
7	Total Annual Cost	<u>145,624,400</u>	<u>\$ 0.01699</u>	<u>\$ 2,473,873</u>

	<u>Transportation</u> (a)	<u>INT-G-03- Annual Therms</u> (b)	<u>INT-G-03- Prices</u> (c)	<u>INT-G-03- Annual Cost</u> (d)
8	TF-1 Demand 1 Contract #1	43,680,000	\$ 0.02792	\$ 1,219,546
9	TF-1 Demand 1 Contract #2	28,470,000	0.01675	476,873
10	TF-1 Demand 1 Contract #3	29,404,400	0.01481	435,479
11	TF-1 Demand 1 Contract #4	-	-	-
12	TF-1 Demand 1 Contract #5	22,650,000	0.01675	379,388
13	TF-1 Demand 1 Contract #6	<u>24,200,000</u>	<u>0.01173</u>	<u>283,866</u>
14	Total Annual Cost	<u>148,404,400</u>	<u>\$ 0.01883</u>	<u>\$ 2,795,152</u>

15 Total Annual Cost Difference \$ 321,279 ⁽¹⁾

⁽¹⁾ See Exhibit 4, Line 4, Column (h)

**Intermountain Gas Company
Upstream Capacity Workpaper**

<u>Line No.</u>	<u>Transportation</u> (a)	<u>INT-G-02-3</u> <u>Annual Therms</u> (b)	<u>INT-G-02-3</u> <u>Prices</u> (c)	<u>INT-G-02-3</u> <u>Annual Cost</u> (d)
1	Upstream Capacity #1	181,258,720	\$ 0.01067	\$ 1,934,483
2	Upstream Capacity #2	138,819,721	0.00466	647,497
3	Upstream Capacity #3	<u>155,025,220</u>	0.01642	<u>2,545,358</u>
4	Total Upstream Capacity	<u>475,103,661</u>	<u>\$ 0.01079</u>	<u>\$ 5,127,338</u>
	<u>Transportation</u> (a)	<u>INT-G-03-</u> <u>Annual Therms</u> (b)	<u>INT-G-03-</u> <u>Prices</u> (c)	<u>INT-G-03-</u> <u>Annual Cost</u> (d)
5	Upstream Capacity #1	200,713,500	\$ 0.01060	\$ 2,127,563
6	Upstream Capacity #2	155,624,370	0.00477	742,328
7	Upstream Capacity #3	<u>155,025,220</u>	0.01349	<u>2,091,290</u>
8	Total Upstream Capacity	<u>511,363,090</u>	<u>\$ 0.00970</u>	<u>\$ 4,961,181</u>
9	Total Annual Cost Difference			<u>\$ (166,157)</u> ⁽¹⁾

⁽¹⁾ See Exhibit 4, Line 5, Column (h)

**Intermountain Gas Company
Other Storage Facilities**

Line No.	Storage Facilities (a)	INT-G-02-3 Monthly Billing Determinant (b)	INT-G-02-3 Prices (c)	INT-G-02-3 Monthly Cost (d)	INT-G-02-3 Annual Cost (d)
1	Demand Costs -				
2	Clay Basin I Reservation	266,250 ⁽¹⁾	\$ 0.28534	\$ 75,971	\$ 911,655
3	Clay Basin II Reservation	221,880 ⁽¹⁾	0.28534	63,311	759,730
4	Clay Basin I Capacity	31,950,000 ⁽²⁾	0.00238	75,977	911,725
5	Clay Basin II Capacity	26,625,000 ⁽²⁾	0.00238	63,314	759,771
6	AECO I Demand	8,530,350 ⁽²⁾	0.00159	13,576	162,912
7	AECO II Demand	26,064,970 ⁽²⁾	0.00108	28,137	337,644
8	Total Demand Costs	93,170,320 ⁽³⁾		<u>320,286</u>	<u>3,843,437</u>
9	Cycling Costs -				
10	Clay Basin Cycling Costs	58,575,000	\$ 0.00064	\$ 37,526	\$ 450,308
11	AECO Cycling Costs	<u>34,595,320</u>	0.00070	<u>24,107</u>	<u>289,286</u>
12	Total Cycling Costs	<u>93,170,320</u>		<u>\$ 61,633</u>	<u>\$ 739,594</u>
13	Storage Demand Charge Credit				<u>\$ (489,000)</u>
14	Total Costs Including Storage Credit				<u>\$ 4,094,031</u>
15	Demand Costs -				
16	Clay Basin I Reservation	266,250 ⁽¹⁾	\$ 0.28530	\$ 75,961	\$ 911,532
17	Clay Basin II Reservation	221,840 ⁽¹⁾	0.28534	63,300	759,600
18	Clay Basin I Capacity	31,950,000 ⁽²⁾	0.00238	76,041	912,492
19	Clay Basin II Capacity	26,625,000 ⁽²⁾	0.00238	63,368	760,416
20	AECO I Demand	-	-	-	-
21	AECO II Demand	26,064,970 ⁽²⁾	0.00109	28,411	340,932
22	Total Demand Costs	84,639,970 ⁽³⁾		<u>307,081</u>	<u>3,684,972</u>
23	Cycling Costs -				
24	Clay Basin Cycling Costs	58,575,000	\$ 0.00076	\$ 44,517	\$ 534,204
25	AECO Cycling Costs	<u>26,064,970</u>	0.00074	<u>19,288</u>	<u>231,456</u>
26	Total Cycling Costs	<u>84,639,970</u>		<u>\$ 63,805</u>	<u>\$ 765,660</u>
27	Storage Demand Charge Credit				<u>\$ (390,700)</u>
28	Total Costs Including Storage Credit				<u>\$ 4,059,932</u>
29	Total Annual Cost Difference including Storage Credit				<u>\$ (34,099) ⁽⁴⁾</u>

⁽¹⁾ Charge Based on Maximum Daily Withdrawal

⁽²⁾ Charge Based on Maximum Contractual Capacity

⁽³⁾ Non Additive Billing Determinants; Only Includes Capacity Volumes

⁽⁴⁾ See Exhibit 4, Line 19, Column (h)

INTERMOUNTAIN GAS COMPANY
Peak Day Analysis for Demand Allocators in Case No. INT-G-03-

Line No.		CORE			TOTAL CORE	FIRM TRANSPORTATION		TOTAL FIRM TRANSPORTATION	TOTAL PEAK
		RS-1	RS-2	GS-1		T-1	T-2		
1	DEMAND ALLOCATORS PER CASE NO. INT-G-02-3:								
2	Peak Day Therms	427,136	1,410,959	1,045,771	2,883,866	223,406	55,070	278,476	3,162,342
3	% of Total	<u>13.50695%</u>	<u>44.61753%</u>	<u>33.06951%</u>	91.19399%	<u>7.06457%</u>	<u>1.74143%</u>	8.80600%	<u>100.0000%</u>
4	PROPOSED DEMAND ALLOCATORS PER CASE NO. INT-G-03-:								
5	Peak Day Therms (Line 2)	427,136	1,410,959	1,045,771	2,883,866				
6	Customers Embedded within Line 2	59,991	145,911	24,394	230,296				
7	Peak Day Usage Per Customer (Line 5 divided by Line 6)	7.12	9.67	42.87					
8	January 2003 Actual Customers	<u>61,024</u>	<u>155,427</u>	<u>24,937</u>	<u>241,388</u>				
9	INT-G-03- Peak Day Therms (Line 7 multiplied by Line 8)	434,491	1,502,979	1,069,049	3,006,519	199,616	55,070	254,686 (1)	3,261,205
10	% of Total	<u>13.32302%</u>	<u>46.08662%</u>	<u>32.78080%</u>	92.19043%	<u>6.12093%</u>	<u>1.68864%</u>	7.80957%	<u>100.0000%</u>

(1) FY03 Contract Therms

INTERMOUNTAIN GAS COMPANY
Analysis of Account 1860 Surcharges (Credits)
Estimated June 30, 2003

Line No.	Description (a)	Detail (b)	Detail (c)	Amount (d)	Sub-Total (e)	Total (f)
1	ACCOUNT 1860 VARIABLE AMOUNTS:					
2						
3	Net Cumulative Deferred Gas Balance in 1860.2010 as of 7/1/02			\$ (6,295,055.05)		
4	Amortization in 1860.2020 as of 3/31/03		\$ 4,408,393.95			
5	Estimated Therm Sales 4/1 through 6/30/03	50,504,610				
6	Amortization Rate	\$ 0.02473	1,248,979.01			
7	Estimated Amortization in 1860.2020 at 6/30/03			5,657,372.96		
8	Estimated Balance in 1860.2010 at 6/30/03				\$ (637,682.09)	
9						
10	Deferred Gas Costs From Producers/Suppliers in 1860.2180 at 7/1/02			\$ (64,139.91)		
11	Deferred Gas Costs From Producers/Suppliers in 1860.2180 through 3/31/03			1,307,774.07		
12	Estimated Deferred Costs in 1860.2180 from 4/1 through 6/30/03			3,836,478.32		
13	Estimated Balance in 1860.2180 at 6/30/03				5,080,112.48	
14						
15	Daily Gas Excess Sales Deferred in 1860.2240 at 3/31/03					
16						
17	Gas Cost Carrying Charge Deferred in 1860.2340 at 3/31/03			\$ (19,563.17)		
18	Estimated Gas Cost Carrying Charge from 4/1 through 6/30/03			5,114.69		
19	Estimated Balance in 1860.2340 at 6/30/03				(14,448.48)	
20						
21	ESTIMATED ACCOUNT 1860 VARIABLE BALANCE AT 6/30/03					\$ 4,427,981.91
22						
23	ACCOUNT 1860 FIXED AMOUNTS:					
24						
25	Net Cumulative Deferred Gas Balance in 1860.2050 at 7/1/02			\$ 116,072.18		
26						
27	RS-1 Deferred Gas Balance in 1860.2060 at 7/1/02		\$ 185.78			
28	Amortization for RS-1 in 1860.2060 at 3/31/03		(148,319.35)			
29	Estimated RS-1 Therm Sales 4/1 through 6/30/03	6,293,829				
30	RS-1 Amortization Rate	\$ (0.00567)	(35,686.02)			
31	Estimated RS-1 Balance in 1860.2060 at 6/30/03				(183,819.59)	
32						
33	RS-2 Deferred Gas Balance in 1860.2070 at 7/1/02		\$ (424.07)			
34	Amortization for RS-2 in 1860.2070 at 3/31/03		186,116.02			
35	Estimated RS-2 Therm Sales 4/1 through 6/30/03	26,521,322				
36	RS-2 Amortization Rate	\$ 0.00188	49,860.08			
37	Estimated RS-2 Balance in 1860.2070 at 6/30/03				235,552.03	
38						
39	GS-1 Deferred Gas Balance in 1860.2080 at 7/1/02		\$ 359.85			
40	Amortization for GS-1 in 1860.2080 at 3/31/03		(131,265.45)			
41	Estimated Therm Sales 4/1 through 6/30/03	17,011,759				
42	GS-1 Amortization Rate	\$ (0.00198)	(33,683.29)			
43	Estimated GS-1 Balance in 1860.2080 at 6/30/03				(164,588.89)	
44						
45	Industrial Deferred Gas Balance in 1860.2090 at 7/1/02		\$ 822.84			
46	Amortization for T-1 & T-2 in 1860.2090 at 3/31/03		\$26,763.88			
47	Estimated T-1 Block 1 & 2 Therm Sales 4/1 through 6/30/03	8,073,897				
48	T-1 Amortization Rate	\$ 0.00031	2,502.91			
49						
50	Estimated T-2 Contract 4/1 through 6/30/03	165,210				
51	T-2 Amortization Rate	\$ 0.03706	6,122.68			
52	Estimated Industrial Balance in 1860.2090 at 6/30/03				36,212.31	
53						
54	Estimated Cumulative Balance in 1860.2050 at 6/30/03				\$ 39,428.04	
55						
56	Fixed Cost Collection Deferred in 1860.2200 at 7/1/02			\$ 632,471.81		
57	Fixed Cost Collection Deferred in 1860.2200 through 3/31/03			561,435.47		
58	Estimated Fixed Cost Collection Deferred from 4/1 through 6/30/03			1,023,527.49		
59	Estimated Balance in 1860.2200 at 6/30/03				2,217,434.77	
60						
61	T-4 Exit Fee Adjustment Deferred in 1860.2210 at 7/1/02			\$ (1.47)		
62	T-4 Exit Fee Adjustment Deferred in 1860.2210 through 3/31/03			(262.80)		
63	Estimated T-4 Exit Fee Adjustment Deferred from 4/1 through 6/30/03					
64	Estimated Balance in 1860.2210 at 6/30/03				(264.27)	
65						
66	Statoll Revenue Deferred in 1860.2260 at 7/1/02			\$ (574.14)		
67	Statoll Revenue Deferred in 1860.2260 through 3/31/03			(42,946.80)		
68	Estimated Statoll Revenue Deferred from 4/1 through 6/30/03			(12,101.15)		
69	Estimated Balance in 1860.2260 at 6/30/03				(55,622.09)	
70						
71	Capacity Released/Purchased Deferred in 1860.2320 at 3/31/03				(481,576.17)	

INTERMOUNTAIN GAS COMPANY
Analysis of Account 1860 Surcharges (Credits)
Estimated June 30, 2003

Line No.	Description	Detail (b)	Detail (c)	Amount (d)	Sub-Total (e)	Total (f)
1	Gas Cost Carrying Charge Deferred in 1860.2420 at 3/31/03			\$ (281.27)		
2	Estimated Gas Cost Carrying Charge from 4/1 through 6/30/03			(17.46)		
3	Estimated Balance in 1860.2420 at 6/30/03				\$ (298.73)	
4						
5	Gas Cost Carrying Charge Deferred in 1860.2430 at 3/31/03			\$ 11,636.64		
6	Estimated Gas Cost Carrying Charge from 4/1 through 6/30/03			1,091.31		
7	Estimated Balance in 1860.2430 at 6/30/03				12,727.95	
8						
9	NWP RP93-5 Surcharge Deferred in 1860.2500 at 3/31/03		\$ 895,201.73			
10	Estimated Deferral in 1860.2500 from 4/1 through 6/30/03					
11	Estimated Balance in 1860.2500 at 6/30/03			\$ 895,201.73		
12						
13	RS-1 Amortization in 1860.2510 at 3/31/03		\$ (116,187.03)			
14	Estimated RS-1 Therm Sales from 4/1 through 6/30/03	6,293,829				
15	RS-1 Amortization Rate	\$ (0.00445)	(28,007.54)			
16	Estimated RS-1 Amortization in 1860.2510 at 6/30/03			(144,194.57)		
17						
18	RS-2 Amortization in 1860.2510 at 3/31/03		\$ (309,995.45)			
19	Estimated RS-2 Therm Sales from 4/1 through 6/30/03	26,521,322				
20	RS-2 Amortization Rate	\$ (0.00316)	(83,807.38)			
21	Estimated RS-2 Amortization in 1860.2510 at 6/30/03			(393,802.83)		
22						
23	GS-1 Amortization in 1860.2510 at 3/31/03		\$ (252,462.28)			
24	Estimated GS Therm Sales from 4/1 through 6/30/03	17,011,759				
25	GS-1 Amortization Rate	\$ (0.00375)	(63,794.10)			
26	Estimated GS-1 Amortization in 1860.2510 at 6/30/03			(316,256.38)		
27						
28	Estimated Balance in 1860.2500 at 6/30/03				40,947.95	
29						
30	Market Segmentation Deferred in 1860.2530 at 7/1/02		\$ 1,804.09			
31	Market Segmentation Deferred in 1860.2530 through 3/31/03		(1,777,801.85)			
32	Estimated Deferral in 1860.2530 from 4/1 through 6/30/03		(590,439.00)			
33	Estimated Balance in 1860.2530 at 6/30/03			\$ (2,366,436.76)		
34						
35	RS-1 Amortization in 1860.2540 at 3/31/03		\$ 235,186.28			
36	Estimated RS-1 Therm Sales from 4/1 through 6/30/03	6,293,829				
37	RS-1 Amortization Rate	\$ 0.00899	56,581.52			
38	Estimated RS-1 Amortization in 1860.2540 at 6/30/03			291,767.80		
39						
40	RS-2 Amortization in 1860.2540 at 3/31/03		\$ 850,411.50			
41	Estimated RS-2 Therm Sales from 4/1 through 6/30/03	26,521,322				
42	RS-2 Amortization Rate	\$ 0.00857	227,287.73			
43	Estimated RS-2 Amortization in 1860.2540 at 6/30/03			1,077,699.23		
44						
45	GS-1 Amortization in 1860.2540 at 3/31/03		\$ 579,611.90			
46	Estimated GS Therm Sales from 4/1 through 6/30/03	17,011,759				
47	GS-1 Amortization Rate	\$ 0.00847	144,089.60			
48	Estimated GS-1 Amortization in 1860.2540 at 6/30/03			723,701.50		
49						
50	Estimated Core Amortization in 1860.2540 at 6/30/03			2,093,168.53		
51						
52	T-1 Amortization in 1860.2550 at 3/31/03		\$ 117,583.21			
53	Estimated T-1 Block 1&2 Therm Sales from 4/1 through 6/30/03	8,073,897				
54	T-1 Amortization Rate	\$ 0.00441	35,605.90			
55	Estimated T-1 Amortization in 1860.2550 at 6/30/03			153,189.11		
56						
57	T-2 Amortization in 1860.2550 at 3/31/03		\$ 29,346.21			
58	Estimated T-2 Contract from 4/1 through 6/30/03	165,210				
59	T-2 Amortization Rate	\$ 0.05921	9,782.08			
60	Estimated T-2 Amortization in 1860.2550 at 6/30/03			39,128.29		
61						
62	Estimated Industrial Amortization in 1860.2550 at 6/30/03			192,317.40		
63						
64	Estimated Balance in 1860.2530 at 6/30/03				(80,950.83)	

INTERMOUNTAIN GAS COMPANY
Analysis of Account 1860 Surcharges (Credits)
Estimated June 30, 2003

Line No.	Description (a)	Detail (b)	Detail (c)	Amount (d)	Sub-Total (e)	Total (f)
1	NWP RP95-409 Refund Deferred in 1860.2560 at 3/31/03		\$ (2,385,551.00)			
2	Estimated Deferral in 1860.2560 from 4/1 through 6/30/03					
3	Estimated Balance in 1860.2560 at 6/30/03			\$ (2,385,551.00)		
4						
5	RS-1 Amortization in 1860.2510 at 3/31/03		\$ 406,001.85			
6	Estimated RS-1 Therm Sales from 4/1 through 6/30/03	6,293,829				
7	RS-1 Amortization Rate	\$ 0.01555	97,869.04			
8	Estimated RS-1 Amortization in 1860.2510 at 6/30/03			503,870.89		
9						
10	RS-2 Amortization in 1860.2510 at 3/31/03		\$ 624,895.97			
11	Estimated RS-2 Therm Sales from 4/1 through 6/30/03	26,521,322				
12	RS-2 Amortization Rate	\$ 0.00637	168,940.82			
13	Estimated RS-2 Amortization in 1860.2510 at 6/30/03			793,836.79		
14						
15	GS-1 Amortization in 1860.2510 at 3/31/03		\$ 760,753.01			
16	Estimated GS Therm Sales from 4/1 through 6/30/03	17,011,759				
17	GS-1 Amortization Rate	\$ 0.01130	192,232.88			
18	Estimated GS-1 Amortization in 1860.2510 at 6/30/03			952,985.89		
19						
20	Estimated Balance in 1860.2560 at 6/30/03				(134,857.43)	
21						
22						
23	ESTIMATED ACCOUNT 1860 FIXED BALANCE AT 6/30/03					\$ 1,556,969.19
24						
25	TOTAL DEFERRED ACCOUNT 1860 BALANCE					\$ 5,984,951.10

INTERMOUNTAIN GAS COMPANY
T-1 Tariff Block 1, Block 2, and Block 3 Adjustment

Line No.	Description (a)	Block 1 Therm Sales (b)	Block 2 Therm Sales (c)	Block 3 Therm Sales (d)	Total (e)
1	Industrial Therm Sales (10/1/01 - 9/30/02)	27,998,543	7,820,513	2,436,615	38,255,671
2	Blocks 1 and 2 Therm Sales	27,998,543	7,820,513		35,819,056
3	Percent Therm Sales between Blocks 1 and 2	78.167%	21.833%		100.000%
4	Proposed Adjustment to T-1 Tariff ⁽¹⁾			\$	(0.00421)
5	Industrial Therm Sales (10/1/01 - 9/30/02)				38,255,671
6	Annualized Adjustment (Line 4 multiplied by Line 5)			\$	<u>(161,056)</u>
7	Annualized Adjustment (Line 4 multiplied by Line 5)			\$	(161,056)
8	Percent Annualized Sales included in Block 1				78.167%
9	Adjustment to Block 1 (Line 7 multiplied by Line 8)			\$	(125,893)
10	Block 1 Therms				27,998,543
11	Price Adjustment/Therm Block 1 (Line 9 divided by Line 10)			\$	(0.00450)
12	Northwest Pipeline TF-1 Commodity Charge Change ⁽²⁾				0.00000
13	Total Price Adjustment/Therm Block 1			\$	<u>(0.00450)</u>
14	Annualized Adjustment (Line 4 multiplied by Line 5)			\$	(161,056)
15	Percent Annualized Sales included in Block 2				21.833%
16	Adjustment to Block 2 (Line 14 multiplied by Line 15)			\$	(35,163)
17	Block 2 Therms				7,820,513
18	Price Adjustment/Therm Block 2 (Line 16 divided by Line 17)			\$	(0.00450)
19	Northwest Pipeline TF-1 Commodity Charge Change ⁽²⁾				0.00000
20	Total Price Adjustment/Therm Block 2			\$	<u>(0.00450)</u>
21	Total Price Adjustment/Therm Block 3			\$	<u>-</u>

(1) See Exhibit No. 4, Line 37, Col. (l) minus the difference of Line 22, Col. (f) minus Line 22, Col. (c)

(2) See Exhibit No. 4, Line 22, Col. (f) minus Line 22, Col. (c)