

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

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IDAHO PUBLIC
UTILITIES COMMISSION

June 30, 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
Order No. 29277

Dear Ms. Jewell:

Pursuant to the above referenced Case and Order No., attached for filing with this Commission are the original and seven (7) copies of revised Exhibits 1, 2 and 11.

Also attached for stamped approval by this Commission are clean copies of the applicable tariffs also filed in reference to the above referenced Case.

If you have any questions 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.

EXHIBIT NO. 1

CASE NO. INT-G-03-

INTERMOUNTAIN GAS COMPANY

CURRENT TARIFFS

Showing Proposed Price Changes

(9 pages)

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

Line No.	Rate Class	July 1, 2002 Prices INT-G-02-3	Proposed Adjustment	Proposed July 1, 2003 Prices
	(a)	(b)	(c)	(d)
1	RS-1			
2	April - November	\$ 0.70862	\$ 0.21021	\$ 0.91883
3	December - March	0.59606	0.21021	0.80627
4	RS-2			
5	April - November	0.57698	0.20324	0.78022
6	December - March	0.54335	0.20324	0.74659
7	GS-1			
8	April - November			
9	Block 1	0.60083	0.21081	0.81164
10	Block 2	0.57910	0.21081	0.78991
11	Block 3	0.55808	0.21081	0.76889
12	December - March			
13	Block 1	0.54998	0.21081	0.76079
14	Block 2	0.52878	0.21081	0.73959
15	Block 3	0.50832	0.21081	0.71913
16	CNG Fuel	0.50832	0.21081	0.71913
17	LV-1 ⁽¹⁾			
18	Block 1	0.40965	0.19224 ²	0.60189
19	Block 2	0.37116	0.19224 ³	0.56340
20	Block 3	0.30188	0.19674 ⁴	0.49862
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 WAGOG, plus the removal of the temporary variable credit from INT-G-02-3 of \$0.02473, plus the 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. 29068~~
~~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
\$0.91883

Commodity Charge - \$0.70862 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill
\$0.80627

Commodity Charge - \$0.59606 per therm*

*Includes:

Temporary purchased gas cost adjustment of ~~\$(0.03945)~~ \$0.01590
Weighted average cost of gas of ~~\$0.32000~~ \$0.47500

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

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 (Amended)
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. Jewell 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
\$0.78022
Commodity Charge - \$0.57698 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill
\$0.74659
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 \$0.47500

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

Name of Utility **Intermountain Gas Company**

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 29068~~
~~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* \$0.81164*
Next 1,800 therms per bill @ \$0.57910* \$0.78991*
Over 2,000 therms per bill @ \$0.55808* \$0.76889*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$0.54998* \$0.76079*
Next 1,800 therms per bill @ \$0.52878* \$0.73959*
Over 2,000 therms per bill @ \$0.50832* \$0.71913*

*Includes:

Temporary purchased gas cost adjustment of ~~\$(0.03877)~~ \$0.01700
Weighted average cost of gas of ~~\$0.32000~~ \$0.47500

Name
of Utility

Intermountain Gas Company

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

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
\$0.71913
Commodity Charge - ~~\$0.50832~~ per therm*

***Includes:**

Temporary purchased gas cost adjustment of ~~\$(0.03877)~~ \$0.01700
Weighted average cost of gas of ~~\$0.32000~~ \$0.47500

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, 2002- 2003

Name of Utility **Intermountain Gas Company**

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 29068~~
~~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* \$0.60189*
Next 500,000 therms per bill @ \$0.37446* \$0.56340*
Amount Over 750,000 therms per bill @ \$0.30488** \$0.49862**

The above prices include weighted average cost of gas of \$0.32000 \$0.47500

* 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

Title: Vice President – Marketing and External Affairs

Effective: July 1, 2003

I.P.U.C. Gas Tariff
Second Revised Volume No. 1
(Supersedes First Revised Volume No. 1)
~~Twenty-Ninth~~ Thirtieth Revised Sheet No. 05 (Page 1 of 2)

Name of Utility **Intermountain Gas Company**

Exhibit No. 1
Case No. INT-G-03-
Intermountain Gas Company
Page 7 of 9

~~IDAHO PUBLIC UTILITIES COMMISSION~~
~~Approved~~ ~~Effective~~
~~July 1, 2002~~ ~~July 1, 2002~~
~~Per O.N. 29068~~
~~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~~
Per *GW 77656*
Agnes J. Smith 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. 29068
 Jean D. Jewell 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	Title: Vice President – Marketing and External Affairs
By: Michael E. Huntington	
Effective: July 1, 2002 2003	

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 - \$0.91883 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$0.80627 per therm*

*Includes:

Temporary purchased gas cost adjustment of \$0.01590
Weighted average cost of gas of \$0.47500

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, 2003

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 - \$0.78022 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge \$0.74659 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.01217
Weighted average cost of gas of \$0.47500

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, 2003

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 @ \$0.81164*
Next 1,800 therms per bill @ \$0.78991*
Over 2,000 therms per bill @ \$0.76889*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$0.76079*
Next 1,800 therms per bill @ \$0.73959*
Over 2,000 therms per bill @ \$0.71913*

*Includes:

Temporary purchased gas cost adjustment of \$0.01700
Weighted average cost of gas of \$0.47500

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 - \$0.71913 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$0.01700
Weighted average cost of gas of \$0.47500

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 @ \$0.60189*
Next 500,000 therms per bill @ \$0.56340*
Amount Over 750,000 therms per bill @ \$0.49862**

The above prices include weighted average cost of gas of \$0.47500

* 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

Title: Vice President – Marketing and External Affairs

Effective: July 1, 2003

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

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	\$ 7,381,188	\$ 0.21021	\$ 32,399,135	\$ 0.92270	29.50%
3	RS-2 Residential	129,500,594	79,040,688	0.61035	26,319,701	0.20324	105,360,389	0.81359	33.30%
4	GS-1 General Service	92,416,372	51,950,939	0.56214	19,482,295	0.21081	71,433,234	0.77295	37.50%
4	LV-1 Large Volume	<u>3,317,276</u>	<u>1,357,363</u>	<u>0.40918</u>	<u>638,675</u>	<u>0.19253</u>	<u>1,996,038</u>	<u>0.60171</u>	<u>47.05%</u>
5	Total Gas Sales	<u>260,347,643</u>	<u>157,366,937</u>	<u>0.60445</u>	<u>53,821,859</u>	<u>0.20673</u>	<u>211,188,796</u>	<u>0.81118</u>	<u>34.20%</u>
6	T-1 Transportation	34,938,395	3,485,105	0.09975	(147,091)	(0.00421)	3,338,014	0.09554	-4.22%
7	T-2 Transportation (Demand)	660,840	459,918	0.69596	(5,492)	(0.00831)	454,426	0.68765	-1.19%
8	T-2 Transportation (Commodity)	22,540,411	<u>147,865</u>	<u>0.00656</u>	<u>-</u>	<u>-</u>	<u>147,865</u>	<u>0.00656</u>	<u>0.00%</u>
9	Total T-2	<u>(1) 22,540,411</u>	<u>607,783</u>	<u>0.02696</u>	<u>(5,492)</u>	<u>(0.00024)</u>	<u>602,291</u>	<u>0.02672</u>	<u>-0.89%</u>
10	Total	<u>317,826,449</u>	<u>\$ 161,459,825</u>	<u>\$ 0.50801</u>	<u>\$ 53,669,276</u>	<u>\$ 0.16886</u>	<u>\$ 215,129,101</u>	<u>\$ 0.67687</u>	<u>33.24%</u>

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