

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

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IDAHO PUBLIC
UTILITIES COMMISSION

June 17, 2003

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington
Boise, Id 83702-5983

Re: Comments of Jeffrey C. Brooks
Case No. INT-G-03-01

Dear Ms. Jewell:

In response to the Comments of Jeffrey C. Brooks filed as part of the above referenced Case, Intermountain Gas Company submits the following remarks.

Mr. Brooks, throughout his remarks, has supplanted his understanding of issues with conjecture and assertions that attempt to leave in the readers mind an inaccurate account that Intermountain Gas Company is engaging in questionable activities. Regrettably, had Mr. Brooks either attended one of the several workshops sponsored by the IPUC in regards to this Case or submitted Data Requests to the Company, his misinformation could have been directly addressed and resolved.

Mr. Brooks' assertion that Intermountain Gas Company is somehow profiting by a rise in retail natural gas prices is in direct contradiction with not only the Company's practices, accounting or otherwise, but also the documented findings of the regular audits performed by the Staff of the Idaho Public Utilities Commission. By way of example, the Company, again as audited by the Commission Staff, ensures that any benefits derived from the use of stored natural gas at any of Intermountain Gas Company's storage facilities, the Nampa LNG facility or otherwise, are returned dollar-for-dollar to Intermountain Gas Company's customers.

Intermountain Gas Company promotes through several avenues the wise and efficient use of natural gas. These avenues have been addressed fully and exhaustively in the Company's Integrated Resource Plan currently on file with this Commission. Mr. Brooks, using a string of "doesn't necessaril(ies)", "in realit(ies)", "might help(s)", and "may or may not(s)", uses unsubstantiated conclusions and assertions aimed at bringing into question not only the Company's approved conservation practices but also choices made by homeowners.

Mr. Brooks purports that Intermountain Gas Company enables and facilitates unethical building practices that "exacerbate the demand for natural gas" in its service territory and that these alleged practices "constitute negligence on the part of IGC to properly conduct its business in" a responsible manner. Such accusations could not be further from the truth. A close reading of Mr. Brooks' remarks in this area reveal that his assertions about the Company rely on speculation and a weak association of an unrelated chain of assumed events.

Using the guise of a purported understanding of the Company's "rate structure vs. profit margin" Mr. Brooks again professes that increased gas costs translate into increased profit margins for the Company. Mr. Brooks' attempts to lead the reader through an example whereby a doubling of the Company's Weighted Average Cost of Gas, or "WACOG", allegedly translates into a doubling of the Company's profit margin. Again, the documented and audited accounting practices of the Company ensure our adherence to a mandate whereby the Company's profit margin is not impacted by a change in the Company's WACOG.

Intermountain Gas Company believes that the Comments provided by Mr. Brooks provide little or no value to our customers and in fact provide misleading, if not slanderous, information to any readers of its material.

Intermountain Gas Company respectfully requests that this Commission consider the above comments in its final ruling in the above referenced Case.

Sincerely,

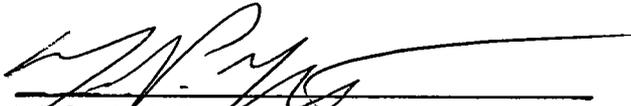


Michael P. McGrath

Director

Market Services and Regulatory Affairs

I, Michael McGrath, have served upon Jeffrey C. Brooks a copy of Intermountain Gas Company's Reply Comments in Case No. INT-G-03-01.



Michael McGrath