

INTERMOUNTAIN GAS COMPANY

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

RECEIVED

2007 FEB 12 PM 4:14

IDAHO PUBLIC UTILITIES COMMISSION

February 12, 2007

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

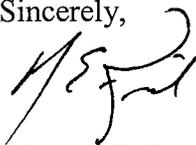
RE: IPUC Order No. 29855 (Case No. INT-G-05-01)

Dear Jean:

Pursuant to Idaho Public Utilities Commission Order Number 29855, Intermountain Gas Company hereby informs the Commission that the long-term debt component of Intermountain's capitalization exceeded 60% of Intermountain's total capitalization at December 31, 2006.

As directed in the above reference Order, Intermountain plans to discuss with the IPUC Staff its long-term debt levels and evaluate what actions, if any, will be required to reduce this debt level.

Sincerely,



Michael E. Rich
Vice President & Treasurer

CC: Paul Powell
Scott Madison
Mike McGrath
Terri Carlock