

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

April 11, 2006

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

Re: Formal Complaint filed by Craig Johnson Construction, L.L.C
IPUC CASE NO. INT-G-06-01

Dear Ms. Jewell:

In response to the Formal Complaint filed by Craig Johnson Construction, L.L.C. Service Dated March 24, 2006 and pursuant to the above referenced Case Number, Intermountain Gas Company respectfully submits its answer in defense of said Complaint.

Sincerely,



Michael P. McGrath
Director
Gas Supply and Regulatory Affairs

MICHAEL P. MCGRATH
INTERMOUNTAIN GAS COMPANY
555 South Cole Road
P.O. Box 7608
Boise, Idaho 83707
(208) 377-6000
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Representative for Intermountain Gas Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CRAIG JOHNSON CONSTRUCTION,)	Case No.	INT-G-06-01
L.L.C.)		
)	ANSWER OF INTERMOUNTAIN	
Petitioner,)	GAS COMPANY	
)		
vs.)		
)		
INTERMOUNTAIN GAS COMPANY,)		
)		
Respondent.)		
)		
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)		

COMES NOW Intermountain Gas Company ("Intermountain" or "Company") and in response to the Complaint filed by Craig Johnson Construction, states as follows:

1. As spelled out in the Common Allegations of the Complainant, Intermountain installed a new residential natural gas meter at the billing address identified as 102 Sutton PI House, Ketchum, Idaho 83340 and was billing Craig Johnson Construction for the consumption as measured from this meter from January through December 14, 2005.
2. The residential meter included a "two-foot drive" in its inner-workings and on its faceplate. One 360 degree revolution of this two-foot drive represents a consumption of two cubic feet of natural gas. There was an Electronic Receiver Transmitter ("ERT") joined to the meter which facilitates the wireless transmission of the "meter read" correlated to the customers measured consumption which consumption is later used for billing purposes.

The ERT must be programmed by a Company technician in a manner that correlates the metered or consumed natural gas usage to the usage transmitted to the Company for billing purposes. However, in the case of the meter and ERT installed at 102 Sutton PI House, the ERT was programmed incorrectly such that one revolution of the two-foot

drive was interpreted (transmitted) by the ERT as representing the consumption of one cubic foot of natural gas, instead of two. This programming error resulted in an inaccurate billable volume for Craig Johnson Construction which was exactly one half of what it should have been, had the ERT been programmed correctly at the onset of meter and ERT installation.

3. The gas meter installed at 102 Sutton PI House, Ketchum, Idaho 83340 was the appropriate meter and at all times functioned properly. The ERT installed with this meter, however, was incorrectly programmed to work in concert with the meter.

4. The programming error was identified in December of 2005 by Intermountain after invoking a standard operating procedure that requires a Company technician, each time a billing address is changed to a new customer, to compare the "ERT read" to a visual meter read of the meter's faceplate. The billing error may have also been identified and remedied much sooner had there been a historical record at the Sutton PI address whereby the Company's "exception report" would have compared current consumption to historical consumption at that same address. In that this billing address was a brand new residence, no such historical records were available for comparative and auditing purposes.

5. The natural gas bills for Craig Johnson Construction, L.L.C at the Sutton PI House address were inaccurately prepared by Intermountain for the billing period from January through December 14, 2005 because of the above described programming error. The Sutton PI House address consumed double the amount of natural gas than was billed by the Company for the same period. A final natural gas bill of \$4,623.79 was prepared for Craig Johnson Construction in December of 2005 that included the natural gas consumed but never billed. Additionally, a representative of Intermountain Gas Company made a personal visit to Mr. Johnson in February of 2006 to explain to him the circumstances behind the billing error.

6. Regrettably, all of the deficit volumes on Craig Johnson Construction's final bill were inadvertently charged at the December rate. Because of the seasonal nature of Intermountain Gas Company's prices, those deficit volumes should have instead been calculated and billed at the appropriate month's price during which the natural gas was consumed. This additional billing error was discovered by the Company and a corrected bill was sent to the customer which included a credit of \$932.05. Craig Johnson Construction's current bill of \$3,765.95 was prepared and mailed March 31, 2006 and is due April 14, 2006. This bill includes the above credit as well as \$110.76 of interest on overdue amounts.

7. The billing and programming errors made by Intermountain Gas Company are unfortunate and the Company apologizes for the inconvenience and concern this has caused our customer, Craig Johnson Construction. Craig Johnson Construction has been a customer in good standing and remained current with all bill payments prior to the current Complaint. In recognition of the Company's errors and Craig Johnson Construction's past billing history, the Company would like to waive the collection of any interest owed on the account. Additionally and pursuant to the remedies allowed for in Utility Commission Relations Rules 204, the Company would like to make payment arrangements with Craig Johnson Construction to extend payments for the amount owed over the same length of time that the programming error contributed to the under-billing.


8. As affirmative defenses, Intermountain Gas Company believes the billing charges made to Craig Johnson Construction, although unwelcome, are required to be made by Intermountain and are reasonable as defined in Idaho Code Section 61-301. The company cannot give preferential treatment to Craig Johnson Construction due to Idaho Code Sections

61-315, 61-313 and 61-502. Idaho Code Section 61-625 prevents Craig Johnson Construction from collaterally attacking the rates and tariffs approved by the Commission. Additionally, Craig Johnson Construction's corrected billing was prepared pursuant to Rule 204 of the Utility Customer Relations Rules.

Wherefore, Intermountain Gas Company respectfully requests that the Complainant, Craig Johnson Construction, L.L.C., be required to pay the billing deficit amount rightfully and legally owed to Intermountain Gas Company and that the Complaint be dismissed without further action by this Commission.

DATED this 11th day of April, 2006.

INTERMOUNTAIN GAS COMPANY



MICHAEL P. MCGRATH
Representative for Intermountain Gas Company

CERTIFICATE OF MAILING

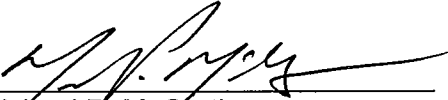
I HEREBY CERTIFY that on this 11th day of April, 2006, I served a copy of the within and foregoing document upon:

Craig Johnson Construction, L.L.C.
P.O. Box 579
Hailey, ID 83333

Fritz X. Haemmerle
HAEMMERLE & HAEMMERLE, P.L.L.C.
P.O. Box 1800
Hailey, ID 83333

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

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
Gas Supply and Regulatory Affairs