

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF INTERMOUNTAIN GAS ) CASE NO. INT-G-06-3**  
**COMPANY'S 2007-2011 INTEGRATED )**  
**RESOURCE PLAN ) NOTICE OF FILING**  
)  
) **NOTICE OF MODIFIED**  
) **PROCEDURE**  
)  
) **ORDER NO. 30090**

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YOU ARE HEREBY NOTIFIED that on May 1, 2006, Intermountain Gas Company ("Intermountain" or "Company") filed its 2006 Integrated Resource Plan (IRP) for the years 2007-2011 with the Commission. In the Executive Summary of the Company's IRP, the Company states that the IRP is meant to describe the currently anticipated conditions from 2007-2011. It further states that the document is meant to present strong guidelines rather than be "a prescription for all future energy resources." IRP at 1. The Company is the sole distributor of natural gas in southern Idaho, serving 275,800 customers in 74 communities during the first half of fiscal year 2006. Its system contains over 10,000 miles of transmission, distribution and service lines. *Id.* In fiscal year 2005, over 446 miles of distribution and service lines were added in response to new customer additions and to maintain service for the growing customer base. *Id.*

YOU ARE FURTHER NOTIFIED that Intermountain's two major markets are the residential/commercial market (the "core market") and the industrial market. *Id.* Intermountain saw an increase of 5% in average residential and commercial customers during the first half of fiscal year 2006. *Id.* Forty-four percent (44%) of the throughput on Intermountain's system during fiscal year 2005 was attributable to industrial sales and transportation. *Id.*

YOU ARE FURTHER NOTIFIED that, according to the IRP, the peak day send-out studies and load duration curves were developed under design weather conditions to determine the magnitude and timing of future deficiencies in firm peak day delivery capability. Residential, commercial and industrial peak day load growth on the Company's system is forecast to grow at an annual average rate of 4% over the next five years. The Company calculated the growth for the system as a whole as well as for the separate regions in which the

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Company operates. When forecasted peak day send-out is matched against existing resources, a peak day delivery deficit occurs during January 2007 and increases at a rate of 38%. According to the Company's calculations, a deficit of firm capacity begins to occur near the peak day beginning in the winter of 2009. IRP at 4. The IRP sets forth the following abbreviated analysis of the Company's main service regions:

Idaho Falls Lateral Region

The Idaho Falls Lateral (IFL) region serves many cities between Pocatello to the south and St. Anthony to the north. The residential, commercial and industrial load served off the IFL represents approximately 15% of the total Company customers and 18% of the Company's total winter send-out during December of 2005. *Id.* When forecasted peak day send-out on the IFL is matched against the existing peak day distribution capacity, a peak day delivery deficit occurs during 2007 and increases thereafter. *Id.* Intermountain believes that small, short duration peak day distribution delivery deficits in the future can be mitigated by working with customers who have the potential to cut their peak day consumption by switching to fuel oil during extreme cold temperatures. IRP at 5. However, the Company states that the projected delivery deficits are of such magnitude that "looping" of the existing system is warranted to add necessary firm delivery capability to the area.

Sun Valley Lateral Region

The Company's residential, commercial and industrial customers in the Sun Valley Lateral (SVL) region account for 4% of the total customer base and 4% of the Company's total winter send-out during December of 2005. *Id.* When forecasted peak day send-out on the SVL is matched against the existing peak day distribution capacity, a peak day delivery deficit occurs during 2009 and increases thereafter. The tourism industry-related industrial load on the SVL is limited in size and does not currently have the capability to switch to alternative fuels in order to mitigate peak day send-out. IRP at 6. The Company believes that the growth in the SVL will warrant future upgrades to the existing pipeline system, and the Company plans to increase the delivery capability and capacity on the SVL through a series of cost-effective system upgrades. *Id.*

Canyon County Region

Fourteen percent (14%) of the Company's residential, commercial and industrial load is served off the Canyon County Lateral (CCL) region, and it accounted for 13% of the

Company's total winter send-out during December of 2005. *Id.* When forecasted peak day send-out on the CCL is matched against the existing peak day distribution capacity, a peak day delivery deficit occurs during 2007 and increases thereafter. *Id.* The industrial customer base in the CCL region does not currently have the capability to switch to alternative fuels as a means of mitigating peak day send-out and the Company states that it is currently exploring optional means of enhancing the distribution capability in this region. IRP at 7.

#### NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filing in this case and has preliminarily determined that the public interest in this matter may not require a hearing to consider the issues presented, and that the issues raised by the Application may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.210-204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to Intermountain's IRP and the use of Modified Procedure in this case is twenty-one (21) days from the service date of this Order. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the address reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5983

Michael P. McGrath  
Director, Gas Supply and Regulatory Affairs  
Intermountain Gas Company  
555 South Cole Road  
PO Box 7608  
Boise, ID 83707  
E-Mail: [mmcgrath@intgas.com](mailto:mmcgrath@intgas.com)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the

Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon, and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Intermountain Gas at the e-mail address listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If written comments or protests are received within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written comments before it. IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices or on the Commission's website, [www.puc.idaho.gov](http://www.puc.idaho.gov).

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to Title 61 of the Idaho Code.

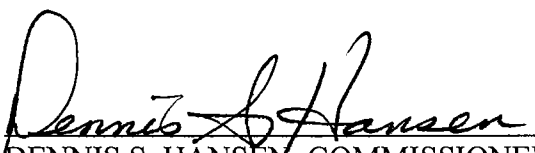
### **ORDER**

IT IS HEREBY ORDERED that this matter, Case No. INT-G-06-3, be processed by Modified Procedure, IDAPA 31.01.01.201-204. Persons interested in submitting written comments in this matter must do so no later than twenty-one (21) days from the service date of this Order.

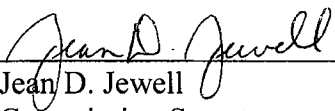
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30<sup>th</sup>  
day of June 2006.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
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DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

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