

Idaho Public Utilities Commission  
Office of the Secretary  
RECEIVED

**AUG 16 2007**

**Boise, Idaho**

**NEWS RELEASE**

**And**

**CUSTOMER NOTICE**

**CASE NO. INT-G-07-03**

**INTERMOUNTAIN GAS COMPANY**

EXECUTIVE OFFICES

AUG 16 2007

## INTERMOUNTAIN INDUSTRIES, INC.

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

Boise, Idaho

### NEWS RELEASE

Contact: Brent Wilde  
Director- Marketing &  
Industrial Services  
(208) 377-6053

August 16, 2007

---

Today, Intermountain Gas Company ("Intermountain") filed its annual Purchased Gas Cost Adjustment ("PGA") Application with the Idaho Public Utilities Commission ("IPUC") seeking to decrease prices to its residential and commercial customers. This type of Application is filed each year to ensure that the costs that Intermountain is incurring on behalf of its customers are properly reflected in its sales prices. In its Application, Intermountain requests permission to adjust its prices to reflect the costs it expects to incur for natural gas supplies.

William C. "Bill" Glynn, President of Intermountain Gas Company, said, "The short-term natural gas supply picture is strong. This decrease reflects the downward pricing pressures on domestic supplies of natural gas. This is due, in part, to the increased number of drilling rigs searching for new supplies as well as increased production both from new wells and better production techniques." Commenting further Glynn said, "Intermountain continues to support changes to our national energy policy that permit additional domestic energy production both on and off our American shore. We also remain committed to manage the purchasing and pricing of the resources we have so as to provide this low cost energy. This effort has resulted in us not changing the unit price for the costs associated with the delivery of natural gas to residential customers for over 25 years."

Glynn went on to say, "We are pleased to be able to offer to our residential and commercial customers this decrease, however, Intermountain continues to urge all its customers to be conscious of their energy usage and use all energy wisely. Helpful tips on energy conservation and government energy-payment assistance are provided through bill inserts, as well as on the Company's website ([www.intgas.com](http://www.intgas.com)). We also have a number of programs to help our customers level out their energy bills over the year, and stabilize the potential impact that cold weather will have during periods of higher natural gas usage."

If this proposed adjustment is approved, residential customers using natural gas for heating and water heating could experience a \$6.00 decrease (8.1%) on an average monthly bill. Those residential customers using natural gas for space heating only could experience a \$4.00 decrease (7.5%) on their monthly bill. Commercial business customers could realize an average monthly bill decrease of \$29.00 (8.7%). Industrial customers who only use Intermountain's delivery service, but do not purchase their natural gas from the Company, will experience an average increase of 9.5% or \$0.004 per therm delivered.

If approved as filed, the Company's total net revenue will decrease by approximately \$25.4 million (7.7%). The proposed effective date is October 1, 2007. This proposal is subject to public review and approval by the IPUC. A copy of Intermountain's Application is available at the offices of both the Idaho Public Utilities Commission and the Company.

**INTERMOUNTAIN INDUSTRIES, INC.**

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

Idaho Public Utilities Commission  
Office of the Secretary  
RECEIVED

AUG 16 2007

Boise, Idaho

**Customer Notice**

On August 16, 2007, Intermountain Gas Company ("Intermountain") filed its annual Purchased Gas Cost Adjustment ("PGA") Application with the Idaho Public Utilities Commission ("IPUC") seeking to decrease prices to its residential and commercial customers. This type of Application is filed each year to ensure that the costs that Intermountain is incurring on behalf of its customers are properly reflected in its sales prices. In its Application, Intermountain requests permission to adjust its prices to reflect the costs it expects to incur for natural gas supplies.

William C. "Bill" Glynn, President of Intermountain Gas Company, said, "The short-term natural gas supply picture is strong. This decrease reflects the downward pricing pressures on domestic supplies of natural gas. This is due, in part, to the increased number of drilling rigs searching for new supplies as well as increased production both from new wells and better production techniques." Commenting further Glynn said, "Intermountain continues to support changes to our national energy policy that permit additional domestic energy production both on and off our American shore. We also remain committed to manage the purchasing and pricing of the resources we have so as to provide this low cost energy. This effort has resulted in us not changing the unit price for the costs associated with the delivery of natural gas to residential customers for over 25 years."

Glynn went on to say, "We are pleased to be able to offer to our residential and commercial customers this decrease, however, Intermountain continues to urge all its customers to be conscious of their energy usage and use all energy wisely. Helpful tips on energy conservation and government energy-payment assistance are provided through bill inserts, as well as on the Company's website ([www.intgas.com](http://www.intgas.com)). We also have a number of programs to help our customers level out their energy bills over the year, and stabilize the potential impact that cold weather will have during periods of higher natural gas usage."

If this proposed adjustment is approved, residential customers using natural gas for heating and water heating could experience a \$6.00 decrease (8.1%) on an average monthly bill. Those residential customers using natural gas for space heating only could experience a \$4.00 decrease (7.5%) on their monthly bill. Commercial business customers could realize an average monthly bill decrease of \$29.00 (8.7%). Industrial customers who only use Intermountain's delivery service, but do not purchase their natural gas from the Company, will experience an average increase of 9.5% or \$0.004 per therm delivered.

If approved as filed, the Company's total net revenue will decrease by approximately \$25.4 million (7.7%). The proposed effective date is October 1, 2007. This proposal is subject to public review and approval by the IPUC. A copy of Intermountain's Application is available at the offices of both the Idaho Public Utilities Commission and the Company.