

Idaho Public Utilities Commission
Office of the Secretary
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Boise, Idaho

EXHIBIT NO. 2

CASE NO. INT-G-07-03

INTERMOUNTAIN GAS COMPANY

PROPOSED TARIFFS

(9 pages)

Name
of Utility **Intermountain Gas Company**

Rate Schedule RS-1 RESIDENTIAL SERVICE

AVAILABILITY:

Available to individually metered consumers not otherwise specifically provided for, using natural gas for residential purposes.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$1.12459 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$1.01203 per therm*

*Includes:

Temporary purchased gas cost adjustment of \$(0.02041)
Weighted average cost of gas of \$0.63583

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Name
of Utility **Intermountain Gas Company**

**Rate Schedule RS-2
MULTIPLE USE RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers using gas for several residential purposes including both water heating and space heating.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - \$0.97735 per therm*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge \$0.94372 per therm*

***Includes:**

Temporary purchased gas cost adjustment of \$(0.02458)

Weighted average cost of gas of \$0.63583

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Name
of Utility **Intermountain Gas Company**

Rate Schedule GS-1 GENERAL SERVICE

AVAILABILITY:

Available to individually metered customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.00 per bill

Commodity Charge - First 200 therms per bill @ \$0.99349*
Next 1,800 therms per bill @ \$0.97176*
Over 2,000 therms per bill @ \$0.95074*

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$0.94264*
Next 1,800 therms per bill @ \$0.92144*
Over 2,000 therms per bill @ \$0.90098*

*Includes:

Temporary purchased gas cost adjustment of \$(0.02655)
Weighted average cost of gas of \$0.63583

Issued by: **Intermountain Gas Company**

By: Paul R. Powell
Effective: October 1, 2007

Title: Executive Vice President & Chief Financial Officer

Name
of Utility

Intermountain Gas Company

**Rate Schedule GS-1
GENERAL SERVICE (Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge - \$9.50 per bill

Commodity Charge - \$0.90098 per therm*

*Includes:

Temporary purchased gas cost adjustment of \$(0.02655)
Weighted average cost of gas of \$0.63583

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not borne by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.
2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: **Intermountain Gas Company**

By: Paul R. Powell
Effective: October 1, 2007

Title: Executive Vice President & Chief Financial Officer

Name
of Utility **Intermountain Gas Company**

Rate Schedule LV-1 LARGE VOLUME FIRM SALES SERVICE

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedules LV-1, T-1, or T-2, or any new customer whose usage does not exceed 500,000 therms annually, upon execution of a one-year minimum written service contract for firm sales service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

First 250,000 therms per bill @ \$0.76302*
Next 500,000 therms per bill @ \$0.72453*
Amount Over 750,000 therms per bill \$0.63928**

The above prices include weighted average cost of gas of \$0.63583

* Includes temporary purchased gas cost adjustment of \$(0.06240)

** Includes temporary purchased gas cost adjustment of \$(0.05222)

PURCHASED GAS COST ADJUSTMENT (PGA):

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. Any LV-1 customer who exits the LV-1 service at any time (including, but not limited to, the expiration of the contract term) will pay to Intermountain Gas Company, upon exiting the LV-1 service, all gas and/or interstate transportation related costs to serve the customer during the LV-1 contract period not borne by the customer during the LV-1 contract period. Any LV-1 customer will have refunded to them, upon exiting the LV-1 service, any excess gas and/or interstate transportation related payments made by the customer during the LV-1 contract period.
3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-1 Block 1 rate. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**

By: Paul R. Powell

Title: Executive Vice President & Chief Financial Officer

Effective: October 1, 2007

Name
of Utility **Intermountain Gas Company**

Rate Schedule T-1 FIRM TRANSPORTATION SERVICE

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedules LV-1, T-1, or T-2, upon execution of a one year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

Block One:	First 250,000 therms transported @ \$0.13630*
Block Two:	Next 500,000 therms transported @ \$0.09781*
Block Three:	Amount over 750,000 therms transported @ \$0.01256**

*Includes temporary purchased gas cost adjustment of \$(0.00827)

**Includes temporary purchased gas cost adjustment of \$0.00191

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. The customer shall negotiate a Maximum Daily Firm Quantity (MDFQ) amount, which will be stated in and will be in effect throughout the term of the service contract. The MDFQ shall not exceed the customer's historical maximum daily usage, as agreed to by the Company.

In the event the Customer requires daily usage in excess of the MDFQ, and subject to the availability of firm interstate transportation to service Intermountain's system, all such usage may be transported and billed under either secondary rate schedule T-3 or T-4. The secondary rate schedule to be used shall be predetermined by negotiation between the Customer and Company, and shall be included in the service contract. All volumes transported under the secondary rate schedule are subject to the provisions of the applicable rate schedule T-3 or T-4.

Issued by: **Intermountain Gas Company**

By: Paul R. Powell

Title: Executive Vice President & Chief Financial Officer

Effective: October 1, 2007

Name of Utility **Intermountain Gas Company**

**Rate Schedule T-2
FIRM TRANSPORTATION SERVICE WITH MAXIMUM DAILY DEMANDS**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing T-2 customer whose daily contract demand for nonammonia therms on any given day meets or exceeds a predetermined level agreed to by the customer and the Company upon execution of a one-year minimum written service contract for firm transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

<u>Firm Service</u>	<u>Rate Per Therm</u>
Demand Charge:	
Firm Daily Demand -	
First 15,000 therms	\$1.81947*
Amount over 15,000 therms	\$1.01789*
Commodity Charge:	
For Firm Therms Transported	\$0.00841**
<u>Over-Run Service</u>	
Commodity Charge:	
For Therms Transported In Excess Of MDFQ:	\$0.05100**

*Includes temporary purchased gas cost adjustment of \$(0.22610)

**Includes temporary purchased gas cost adjustment of \$0.00191

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

- 1 All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
- 2 The customer shall nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in and will be in effect throughout the term of the service contract.
- 3 The monthly Demand Charge will be equal to the MDFQ times the Firm Daily Demand rate. Firm demand relief will be afforded to those T-2 customers paying both demand and commodity charges for gas when, in the Company's judgment, such relief is warranted.
- 4 The actual therm usage for the month or the MDFQ times the number of days in the billing month, whichever is less, will be billed at the applicable commodity charge for firm therms.

Issued by: **Intermountain Gas Company**
By: Paul R. Powell Title: Executive Vice President & Chief Financial Officer
Effective: October 1, 2007

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Second Revised		Sheet No. 11 (Page 1 of 2)
Name of Utility	Intermountain Gas Company	

**Rate Schedule T-3
INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any point on the Company's distribution system to any customer upon execution of a one year minimum written service contract.

MONTHLY RATE:

Block One:	First	100,000 therms transported@ \$0.05751*
Block Two:	Next	50,000 therms transported@ \$0.02491*
Block Three:	Amount over	150,000 therms transported@ \$0.01078*

*Includes temporary purchased gas cost adjustment of \$0.00191

ANNUAL MINIMUM BILL:

The customer shall be subject to the payment of an annual minimum bill of \$30,000 during each annual contract period, unless a higher minimum is required under the service contract to cover special conditions.

SERVICE CONDITIONS:

1. The Company, in its sole discretion, shall determine whether or not it has adequate capacity to accommodate transportation of the customer's gas supply on the Company's distribution system.
2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
3. Interruptible Distribution Transportation Service may be made firm by a written agreement between the parties if the customer has a dedicated line.
4. If requested by the Company, the customer expressly agrees to interrupt its operations during periods of capacity constraints on the distribution system.
5. This service does not include the cost of the customer's gas supply or the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this rate.
6. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated and accepted for delivery by the interstate pipeline.
7. An existing LV-I, T-1, or T-2 customer electing this schedule may concurrently utilize Rate Schedule T-3 on the same or contiguous property.

Issued by: Intermountain Gas Company	
By: Paul R. Powell	Title: Executive Vice President and Chief Financial Officer
Effective: October 1, 2007	

I.P.U.C. Gas Tariff
Second Revised Volume No. 1
(Supersedes First Revised Volume No. 1)
First Revised Sheet No. 13 (Page 1 of 2)

Name
of Utility

Intermountain Gas Company

**Rate Schedule T-4
FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any customer upon execution of a one year minimum written service contract for firm distribution transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

Block One:	First	250,000 therms transported@ \$0.06174*
Block Two:	Next	500,000 therms transported@ \$0.02325*
Block Three:	Amount over	750,000 therms transported@ \$0.00852*

*Includes temporary purchased gas cost adjustment of \$0.00191

SERVICE CONDITIONS:

1. This service excludes the service and cost of firm interstate pipeline charges.
2. The customer is responsible for procuring its own supply of natural gas and interstate transportation under this Rate Schedule. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
3. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
4. The customer shall nominate a Maximum Daily Firm Quantity. (MDFQ), which will be stated in the contract and in effect throughout the term of the service contract.
5. An existing LV-1, T-1, or T-2 customer electing this schedule may concurrently utilize Rate Schedule T-4 on the customer's same or contiguous property.

BILLING ADJUSTMENTS:

1. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-4 Block 1 rate. The customer's future eligibility for the T-4 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**

By Paul R. Powell

Effective: October 1, 2007

Title: Executive Vice President and Chief Financial Officer