

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

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IDAHO PUBLIC
UTILITIES COMMISSION

July 8, 2009

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

RE: Case INT-G-08-03
IPUC Order No. 30649

Dear Jean,

In the matter of the Application of Intermountain Gas Company to change its prices on October 1, 2008, Commission Order No 30649 ordered the Company to:

“...collaborate with Staff to explore the creation of low-income weatherization programs for residences heated using natural gas. The Company shall report on the results of these efforts on or before March 15, 2009.

On March 12, 2009, Intermountain provided to the Commission correspondence related to the above directive which stated, among other things:

“.....it appeared not only reasonable but also practical that the design and development of a targeted low-income weatherization program by Intermountain and the Staff would be better served by waiting until weatherization related Federal Stimulus Funds are established and implemented in Idaho. In so doing, the Company and Staff contend that they can then better determine the manner in which additional low-income funds should be targeted thereby maximizing the benefit of those incremental dollars.”

On July 1, 2009, the Company and Staff met together to address the development of a low-income weatherization program. Although a consensus was reached as to some basic premises regarding the funding and administration of a low-income weatherization program, all parties agreed that it is still premature to identify and articulate any specific details of a low-income weatherization program as the expected impact of Federal Stimulus dollars on these programs in Idaho is still unknown. Both the Company and Staff agreed to continue our discussions regarding the development of a low-income weatherization program as more information unfolds regarding the impact of these Federal dollars in Idaho. The parties also agreed to include representatives from CAP Agencies in the discussions going forward so their input into the process could be solicited as well. Given the current pace at which the Federal Government is moving to inject weatherization dollars into Idaho, the parties believe it may very well be several months to a year before a targeted approach can best be determined that acknowledges, and leverages off of, these federal monies.

The Company and Staff agree to work together to establish a calendar that keeps this investigative and developmental process moving forward.

Sincerely,



Michael P. McGrath
Director – Gas Supply & Regulatory Affairs