

EXECUTIVE OFFICES

**INTERMOUNTAIN GAS COMPANY**

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IDAHO PUBLIC  
UTILITIES COMMISSION

October 12, 2011

Ms. Jean Jewell  
Idaho Public Utilities Commission  
472 W. Washington St.  
P.O. Box 83720  
Boise, 10 83720-0074

RE: Intermountain Gas Company's Semi-Annual Report pertaining to Lost and Unaccounted for Gas  
Case No. INT-G-08-03

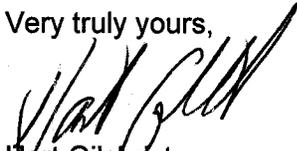
Dear Ms. Jewell:

Attached for filing with the Idaho Public Utilities Commission are the original and seven copies of Intermountain Gas Company's Semi-Annual Report pertaining to Lost and Unaccounted for Gas.

Additional information pertaining to Intermountain's Lost and Unaccounted for Gas can be found in our most recent PGA filing, or Case No. INT-G-11-01. Please reference Exhibit 9, page 1 of 1 and Workpaper No. 6.

If there are any questions regarding the attached, please contact me at (208) 377-6086.

Very truly yours,



Hart Gilchrist  
Manager, Operations Services

Enclosures

cc: K. F. Morehouse  
T. M. Clark  
S. W. Madison  
M. Parvinen

Intermountain has a standing inter-disciplinary team that reviews the LUAF audit processes currently in place, investigates potential sources of LUAF, and takes remedial action as needed to continue to keep Intermountain's LUAF levels low.

Intermountain's previously implemented practices are still in place and the results continue to be monitored by members of the LUAF team. The Intermountain Gas LUAF team has not met formally since the last report was submitted. The results of our ongoing audit activities are outlined below.

The continuation of the audits and reporting as outlined in earlier quarterly reports provides the following results to date:

<u>Year</u>	<u>Check for Dead Orders</u>	<u>found dead</u>	<u>% found dead</u>
2008	5,088	708	13.00%
2009	6,481	542	8.36%
2010	12,441	569	4.57%
2011 (Sept.)	10,093	731	7.24%

<u>Year</u>	<u>Drive Rate errors</u>
2007	43
2008	26
2009	18
2010	13
2011 (Sept.)	10

<u>Year</u>	<u>Pressure errors</u>
2008	15
2009	20
2010	19
2011 (Sept.)	8

A breakdown of each of these categories by Intermountain Gas District location for the current year is as follows:

Dead Meters:

<u>District</u>	<u>Quantity</u>
Boise	293
Nampa	210
Twin Falls	61
Pocatello	65
Idaho Falls	102

Drive Rate Errors:

<u>District</u>	<u>Quantity</u>
Boise	3
Nampa	2
Twin Falls	3
Pocatello	2
Idaho Falls	0

Pressure Errors:

<u>District</u>	<u>Quantity</u>
Boise	1
Nampa	3
Twin Falls	3
Pocatello	1
Idaho Falls	0

Gas loss, as it is commonly referred to, is calculated as described in the April 2009 quarterly report. A summary of findings for 2007 – 2011 (Sept.) is shown below:

2007 – 656 occurrences	254,455 therms of gas loss calculated
2008 – 495 occurrences	182,920 therms of gas loss calculated
2009 – 301 occurrences	130,251 therms of gas loss calculated
2010 – 175 occurrences	88,947 therms of gas loss calculated
2011 – 101 occurrences	35,496 therms of gas loss calculated

Intermountain continues to monitor LUAF levels and looks for additional opportunities keep its LUAF rate at a favorable level. As stated in earlier reports, alterations to the billing factors, LUAF reporting, and LUAF audits have helped and will continue to help Intermountain control the quantities and costs associated with Lost and Unaccounted for Gas.