

Idaho Public Utilities Commission  
Office of the Secretary  
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Boise, Idaho

**EXHIBIT NO. 2**

**CASE NO. INT-G-08-04**

**INTERMOUNTAIN GAS COMPANY**

**PROPOSED TARIFFS**

**(5 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 - \$1.18218 per therm\*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$1.06962 per therm\*

**\*Includes:**

Temporary purchased gas cost adjustment of \$(0.01215)  
Weighted average cost of gas of \$0.67482

**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.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath

Title: Director – Gas Supply & Regulatory Affairs

Effective: December 1, 2008

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 - \$1.05014 per therm\*

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - \$1.01651 per therm\*

**\*Includes:**

Temporary purchased gas cost adjustment of \$0.00413  
Weighted average cost of gas of \$0.67482

**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.

Issued by: **Intermountain Gas Company**

By: Michael P. McGrath

Title: Director – Gas Supply & Regulatory Affairs

Effective: December 1, 2008

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 @ \$1.05917\*  
Next 1,800 therms per bill @ \$1.03744\*  
Over 2,000 therms per bill @ \$1.01642\*

#### For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ \$1.00832\*  
Next 1,800 therms per bill @ \$0.98712\*  
Over 2,000 therms per bill @ \$0.96666\*

#### \*Includes:

Temporary purchased gas cost adjustment of \$(0.00518)  
Weighted average cost of gas of \$0.67482

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 - \$0.96666 per therm\*

**\*Includes:**

Temporary purchased gas cost adjustment of \$(0.00518)  
Weighted average cost of gas of \$0.67482

**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.

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 schedule LV-1 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 @ \$0.86082\*  
Next 500,000 therms per bill @ \$0.82233\*  
Amount Over 750,000 therms per bill @ \$0.73570\*\*

The above prices include weighted average cost of gas of \$0.67482

\* Includes temporary purchased gas cost adjustment of \$0.04185

\*\* Includes temporary purchased gas cost adjustment of \$0.05427

### 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. 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 LV-1 Block 1 rate adjusted for the removal of variable gas costs. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

**EXHIBIT NOS. 3 & 4**

**CASE NO. INT-G-08-04**

**INTERMOUNTAIN GAS COMPANY**

**(2 pages)**

**INTERMOUNTAIN GAS COMPANY**  
**Proposed Variable Gas Cost Change**

| <b>Line<br/>No.</b> | <b>Description</b>   | <b>Amount</b>       |
|---------------------|--|---------------------|
|                     | <b>(a)</b>   | <b>(b)</b>          |
| 1                   | <b>Variable Gas Cost Change</b>  |                     |
| 2                   | INT-G-08-03 Weighted Average Cost of Gas (WACOG)                                       | \$ 0.78484          |
| 3                   | Proposed WACOG   | 0.67482             |
| 4                   | <b>Proposed Per Therm Variable Gas Cost Change in Intermountain Gas Company Tariff</b> | <u>\$ (0.11002)</u> |

**INTERMOUNTAIN GAS COMPANY**

Analysis of Annualized Price Change by Class of Service  
Normalized Volumes for December 2006 through September 2007

| Line No. | Description (a)      | Average Prices Effective 10/1/2008 |                       |                   | Proposed Adjustments Effective 12/1/2008 |                     |                       | Proposed Average Prices Effective 12/1/2008 |  |  | Percent Change (i) |
|----------|----------------------|------------------------------------|-----------------------|-------------------|--|---------------------|-----------------------|---|--|--|--------------------|
|          |                      | Annual Therms/CD Vols. (b)         | Revenue (c)           | \$/Therm (d)      | Revenue (e)                              | \$/Therm (f)        | Revenue (g)           | \$/Therm (h)                                |  |  |                    |
| 1        | Gas Sales:           |                                    |                       |                   |  |                     |                       |   |  |  |                    |
| 2        | RS-1 Residential     | 28,672,973                         | \$ 37,162,180         | \$ 1.29607        | \$ (3,154,600)                           | \$ (0.11002)        | \$ 34,007,580         | \$ 1.18605                                  |  |  | -8.49%             |
| 3        | RS-2 Residential     | 143,643,660                        | 171,443,018           | 1.19353           | (15,803,675)                             | (0.11002)           | 155,639,343           | 1.08351                                     |  |  | -9.22%             |
| 4        | GS-1 General Service | 86,384,201                         | 97,657,339            | 1.13050           | (9,503,990)                              | (0.11002)           | 88,153,349            | 1.02048                                     |  |  | -9.73%             |
| 5        | LV-1 Large Volume    | <u>2,211,964</u>                   | <u>2,147,065</u>      | 0.97066           | <u>(243,360)</u>                         | <u>(0.11002)</u>    | <u>1,903,705</u>      | 0.86064                                     |  |  | -11.33%            |
| 6        | Total Gas Sales      | <u>260,912,798</u>                 | <u>\$ 308,409,602</u> | <u>\$ 1.18204</u> | <u>\$ (28,705,625)</u>                   | <u>\$ (0.11002)</u> | <u>\$ 279,703,977</u> | <u>\$ 1.07202</u>                           |  |  | <u>-9.31%</u>      |