

EXHIBIT NO. 1

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UTILITIES COMMISSION

CASE NO. INT-G-09-01

INTERMOUNTAIN GAS COMPANY

Proposed Rate Schedule

(3 pages)

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Original	Sheet No. 01 (Page 1 of 3)
Name of Utility	Intermountain Gas Company

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UTILITIES COMMISSION

**Rate Schedule H-1
KETCHUM/SUN VALLEY AREA HOOK-UP FEE**

APPLICABILITY:

Applicable to any new customer requesting new natural gas service, or to any existing customer requesting incremental natural gas service, on the Company's distribution system within the Ketchum/Sun Valley Impact Area, as described on page 2 of this Rate Schedule H-1, where such service would cause the Company to provide, or to rely upon, incremental capacity upgrades to its distribution system in order to serve the Customer's excess peak-day demand. Any charges hereunder shall not replace, but shall be in addition to, any and all other charges as may be applicable under any other approved Tariffs.

Any and all applicable requests for such new or incremental service, for which the customer's Estimated Peak-Day usage ("EPD") exceeds the Ketchum/Sun Valley Average Peak-Day ("APD") usage, will be subject to this Hook-up Fee ("HF"). The HF is calculated by multiplying the Customer's peak therm excess (any positive result of the EPD minus the APD) by the Ketchum/Sun Valley Incremental Distribution System Capacity Cost ("ICC") of \$40.00 per therm as more fully delineated below.

HOOK-UP FEE:

The Ketchum/Sun Valley Area Hook-up Fee is calculated as follows:

Any excess in Customer's EPD over and above the APD multiplied by the ICC.

Where:

EPD is calculated as the summation of all peak hourly equipment ratings – not including any equipment rating for snowmelt - for installed equipment at customer's premise times 50% times 20 hours.

APD is 15.5 therms.

ICC is calculated by dividing the total estimated cost of the 2009 8" Ketchum distribution system uprate project (\$640,000) by the incremental peak-day capacity provided (16,000 therms) or \$40.00 per therm.

Example:

An applicable customer requesting new or incremental load that would result in a total estimated peak-day usage of 36 therms would pay the following HF:

An EPD of 36 therms minus the APD 15.5 therms equals 20.5 excess peak therms which, when multiplied by the ICC of \$40.00, yields a Hook-up Fee of \$820.00.

Issued by: Intermountain Gas Company By: Michael P. McGrath Title: Director – Gas Supply & Regulatory Affairs Effective: July 15, 2009

Name
of Utility

Intermountain Gas Company

**Rate Schedule H-1
KETCHUM/SUN VALLEY AREA HOOK-UP FEE (Continued)**

PRE-CONDITIONS:

1. Customer shall provide to Company a complete listing of all natural gas equipment and related Btu per hour ratings to be installed at Customer's premise. The Company will exclude any rating for snowmelt equipment in its calculation of Customer's EPD.
2. Any gas-fired equipment installed subsequent to the Customer's initial service line extension must be promptly reported to the Company and shall be subject to all pre-conditions and requirements of Rate Schedule H-1 to calculate any applicable Hook-up Fee. Any customer in violation of this requirement may be subject to termination of service (see Company's General Service Provisions Section B, 3.3 (c)) as well as any other course of action afforded the Company under any IPUC rule or Idaho state law.
3. Any Hook-up Fee calculated hereunder for any new Customer shall be paid to the Company prior to the installation of the Customer's meter set. Any existing Customer requesting incremental service shall pay a Hook-up Fee prior to the operation of any incremental equipment.

PHYSICAL DESCRIPTION OF THE KETCHUM/SUN VALLEY IMPACT AREA SUBJECT TO THE HOOK-UP FEE:

The area subject to this Rate Schedule H-1 is that region of Intermountain's service territory north of the "Boundary Line" shown on the map on page 3 of 3.

Name
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**Rate Schedule H-1
KETCHUM/SUN VALLEY AREA HOOK-UP FEE (Continued)**

Impact Area

