

DECISION MEMORANDUM

TO: COMMISSIONER KEMPTON
COMMISSIONER SMITH
COMMISSIONER REDFORD
COMMISSION SECRETARY
COMMISSION STAFF

FROM: MATT ELAM

DATE: DECEMBER 18, 2009

SUBJECT: COMPLIANCE FILING OF INTERMOUNTAIN GAS COMPANY FOR
AUTHORITY TO DECREASE ITS HOOK-UP FEE ALONG ITS SUN
VALLEY LATERAL; TARIFF ADVICE NO. 09-02, CASE NO. INT-G-09-01.

On December 11, 2009, pursuant to Commission Order 30908 per Case No. INT-G-09-01, Intermountain Gas Company filed compliance tariffs reflecting the actual costs of the Ketchum Uprate Project.

THE APPLICATION

The Company originally proposed, and the Commission accepted, that the Hook-up Fee initially be set based on the estimated cost of construction of the Ketchum Uprate Project - \$640,000. The Ketchum Uprate Project is estimated to provide for 16,000 therms per day of incremental distribution capacity to new Ketchum and Sun Valley, Idaho customers.

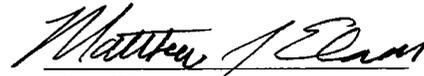
Intermountain Gas has completed the Ketchum Uprate Project, accounted for its actual costs and through this filing, seeks to update the Rate Schedule H-1 to reflect the lower actual costs of the Ketchum Uprate Project. As included in the Company's original filing, and ordered by the Commission, Intermountain Gas will refund to any applicable customers the difference in the Hook-up Fee as calculated at the estimated cost vs. the actual cost included in the tariff. The Incremental Distribution Capacity Cost (or "ICC") and other related figures shown on Rate Schedule H-1 have been updated. The Company also corrected a clerical error in its original filing pertaining to the sheet number of Schedule H-1.

STAFF RECOMMENDATION

Staff has reviewed the Compliance Filing and recommends that the changes to Rate Schedule H-1 be approved.

COMMISSION DECISION

Does the Commission wish to approve the changes to Rate Schedule H-1?


Matt Elam

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