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CUSTOMER NOTICE

CASE NO. INT-G-09-02

INTERMOUNTAIN GAS COMPANY



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555 S. Cole Rd.
Boise, ID 83709
(208) 377-6000

INT-0-09-02

Intermountain Gas files for a 21.6 percent decrease to its Purchased Gas Cost Adjustment

BOISE, IDAHO – August 19, 2009 – Intermountain Gas Company filed for a 21.6 percent decrease to its annual Purchased Gas Cost Adjustment Application with the Idaho Public Utilities Commission. The request is for a decrease of approximately \$72.4 million and if approved, would be effective October 1, 2009.

Residential customers using natural gas for space heating and water heating will save an average 22.2 percent or \$16.23 a month, while customers using natural gas only for space heating will save an average of \$11.27 a month or 20.2 percent, based on average weather and usage.

Commercial customers, on average, would see a savings of \$69.21 or 21.6 percent per month.

“Our goal is to manage our gas supply portfolio in such a way as to provide market responsive prices to our customers prior to the coming heating season. Due to a current abundance of natural gas supply, we have been able to purchase the gas needed by our customers at favorable prices and are pleased to be able to pass along these savings,” said Frank Morehouse, Executive Vice President and General Manager of Intermountain. “We anticipate no supply problems this upcoming winter.”

Even though the price is lower, Intermountain continues to urge all its customers to use energy wisely. Conservation tips and information on government payment energy assistance are provided through bill inserts and on the Company’s website (www.intgas.com). The website also outlines a number of programs and tips to help our customers level out their energy bills over the year, and stabilize the potential impact that cold weather will have during periods of higher natural gas usage.

A Purchased Gas Cost Adjustment Application is filed each year to ensure the costs Intermountain incurs on behalf of its customers are reflected in its sales prices. The request is subject to public review and approval by the Idaho Public Utilities Commission. A copy of the Application is available at the Commission and Intermountain Gas Company.

Intermountain Gas Company is a natural gas distribution company serving approximately 305,000 residential, commercial and industrial customers in 74 communities in southern Idaho. Intermountain is a subsidiary of MDU Resources Group, Inc., a multidimensional natural resources enterprise traded on the New York Stock Exchange as “MDU.” For more information about MDU Resources, visit the company’s website at www.mdu.com. For more information about Intermountain, visit www.intgas.com.

Media Contact: Brent Wilde at (208) 377-6000

INT-09-02

Customer Notice

On August 19, 2009, Intermountain Gas Company ("Intermountain") filed for a 21.6 percent decrease to its annual Purchased Gas Cost Adjustment Application with the Idaho Public Utilities Commission. The request is for a decrease of approximately \$72.4 million and if approved, would be effective October 1, 2009.

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