

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF INTERMOUNTAIN</b>	)	<b>CASE NO. INT-G-09-03</b>
<b>GAS COMPANY'S APPLICATION FOR</b>	)	
<b>AUTHORITY TO ESTABLISH</b>	)	<b>NOTICE OF APPLICATION</b>
<b>INTERRUPTIBLE SNOWMELT TARIFFS.</b>	)	
	)	<b>NOTICE OF</b>
	)	<b>MODIFIED PROCEDURE</b>
	)	
	)	<b>ORDER NO. 30957</b>

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On November 5, 2009, Intermountain Gas Company (Intermountain; Company) filed an Application requesting authority to implement new rate schedules. Application at 2. Specifically, the Company proposes new rate schedules that would require any new residential or small commercial customer installing new natural gas equipment, or any existing residential or small commercial customer performing remodeling work that includes modification of equipment and piping, for the purpose of melting snow on sidewalks, driveways, or other similar appurtenances ("Snowmelt"), to receive interruptible service for such Snowmelt either under the Company's proposed Rate Schedule IS-R or Rate Schedule IS-C. The Company requests that its Application be processed by Modified Procedure and that its rates become effective on December 15, 2009.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that Intermountain asserts that natural gas-fired Snowmelt equipment has increased in popularity over the past decade. The Company explains that while Snowmelt usage can be beneficial during off-peak periods to more efficiently use otherwise unused distribution capacity, it can negatively impact system pressures when firm sales and transportation customers require peak-day deliveries.

YOU ARE FURTHER NOTIFIED that the Company maintains that most Snowmelt equipment uses an inordinate amount of natural gas compared to a standard space or water heating application. The Company states that during periods of peak-day throughput, Snowmelt usage competes with firm customers for the finite amount of available natural gas that can flow through the Company's distribution system, potentially degrading service to firm customers. Intermountain explains that because Snowmelt customers use large amounts of natural gas for

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only a few days or weeks during the winter, it creates an inefficient use of the Company's distribution system and does not allow for cost recovery of the added capacity. Therefore, Intermountain proposes that Snowmelt use be considered an interruptible service.<sup>1</sup>

YOU ARE FURTHER NOTIFIED that Intermountain proposes that all new Snowmelt applications have individual metering facilities, separate and distinct from any metering providing any other natural gas service. At its sole discretion, Intermountain will manually or remotely turn off all Snowmelt meters in affected regions of its system when system integrity is at issue. The Company believes that interruptions will be short in duration and will depend on weather and snowfall conditions.<sup>2</sup> Existing Snowmelt users will be given the option to convert to the terms and conditions of the proposed rate schedules.

YOU ARE FURTHER NOTIFIED that the proposed rate schedules include a Facility Reimbursement Charge to recover the capital investment required to provide Snowmelt service to new customers. However, the proposed schedules include a provision that would exempt existing Snowmelt customers from the one-time Facility Reimbursement Charge.

YOU ARE FURTHER NOTIFIED that Intermountain asserts that customers have been notified regarding Intermountain's Application through a press release in the Company's service area where customers would be impacted by the proposed schedules. Intermountain states that the proposed schedules are just, fair, and equitable.

YOU ARE FURTHER NOTIFIED that the Company has asked that its Application be processed under Modified Procedure and that its rates become effective on December 15, 2009. IDAPA 31.01.01.201-204.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified

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<sup>1</sup> During periods of peak-day throughput, interruptible customers can be required to cease using natural gas for Snowmelt to help ensure the needs of firm sales and transportation customers are met.

<sup>2</sup> The Company has already negotiated voluntary agreements with existing large volume Snowmelt users that provide for cessation of Snowmelt upon notice by the Company.

Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than December 23, 2009**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Street Address for Express Mail:  
472 W. Washington Street  
Boise, ID 83702-5918

Michael P. McGrath  
Director – Gas Supply & Regulatory Affairs  
Intermountain Gas Company  
PO Box 7608  
Boise, ID 83707

E-mail: [mmcgrath@intgas.com](mailto:mmcgrath@intgas.com)

Morgan W. Richards, Jr.  
Richards Law Office  
804 East Pennsylvania Lane  
Boise, ID 83706  
E-mail: [mwrlaw@cableone.net](mailto:mwrlaw@cableone.net)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to Intermountain Gas using the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application, supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and other workpapers are

also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) under the "File Room" and then "Gas Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-117, 61-129, and 61-502. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

### **SUSPENSION OF PROPOSED EFFECTIVE DATE**

Due to the limited time between when the Company filed its Application and when it requests that the changes become effective, the Commission finds that it cannot effectively consider Intermountain Gas Company's requested changes before the proposed effective date of December 15, 2009. Pursuant to *Idaho Code* §§ 61-622 and 61-623, the Commission hereby suspends the proposed changes for a period of thirty (30) days plus five (5) months from December 15, 2009, or until such time as the Commission enters an Order accepting, rejecting or modifying the request in this matter.

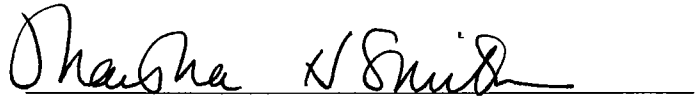
### **ORDER**

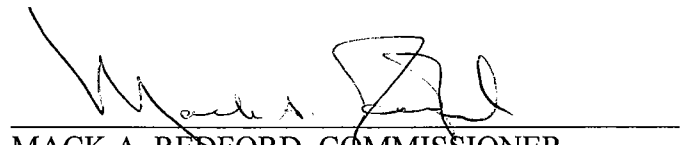
IT IS HEREBY ORDERED that this case be processed by Modified Procedure. Interested persons and the parties may file written comments no later than December 23, 2009.

IT IS FURTHER ORDERED that the implementation of Intermountain Gas's proposed tariffs is suspended for a period of thirty (30) days plus five (5) months from December 15, 2009, or until such time as the Commission enters an Order accepting, rejecting or modifying the request in this matter.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 3<sup>rd</sup>  
day of December 2009.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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