

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

<b>IN THE MATTER OF INTERMOUNTAIN GAS COMPANY'S APPLICATION FOR AUTHORITY TO ESTABLISH INTERRUPTIBLE SNOWMELT TARIFFS</b>	) ) ) ) ) ) )	<b>CASE NO. INT-G-09-03  NOTICE OF WORKSHOP  ORDER NO. 30979</b>
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On November 5, 2009, Intermountain Gas 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. A Notice of Application and Notice of Modified Procedure was issued on December 3, 2009, setting a December 23, 2009, comment deadline and suspending the Company's proposed effective date. Order No. 30957.

### THE APPLICATION

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.

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 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>

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.

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.

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.

#### **NOTICE OF WORKSHOP**

YOU ARE HEREBY NOTIFIED that the Commission will convene a workshop on **THURSDAY, FEBRUARY 4, 2010, AT 9:30 A.M. IN THE COMMISSION HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE, IDAHO.** The purpose of the workshop is to explore in greater detail the issues raised in comments filed with the Commission regarding the Company's Application. Specifically, the Commission directs the Company to address the ramifications of interruption on Snowmelt customers, Snowmelt systems, and the natural gas distribution system as a whole. The duration of potential interruptions and the outlook for automation of remote shut-offs will also be discussed.

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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.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (Telephone)  
(208) 334-3762 (FAX)  
E-Mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

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 that 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.*

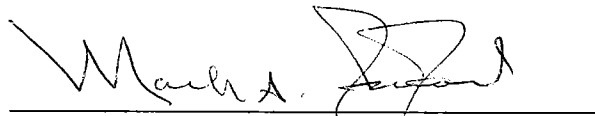
### **ORDER**

IT IS HEREBY ORDERED that a workshop be held on Thursday, February 4, 2010, at 9:30 a.m. in the Commission Hearing Room.

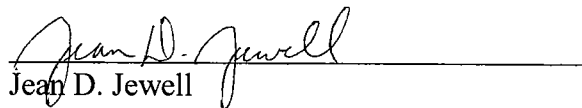
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 13<sup>th</sup>  
day of January 2010.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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