

IWT-5-10-03

Customer Notice

RECEIVED

Intermountain Gas files for an overall decrease to its prices

2010 AUG 11 AM 9:33

On August 11, 2010, Intermountain Gas Company filed for a 0.83% decrease to its annual Purchased Gas Cost Adjustment application with the Idaho Public Utilities Commission. The request is for a decrease of approximately \$2.2 million and if approved, would be effective October 1, 2010.

Residential customers using natural gas for space heating and water heating will save an average 1.58% or \$0.90 a month, while customers using natural gas only for space heating will see an average increase of \$0.09 a month or 0.20%, based on average weather and usage.

Commercial customers, on average, would have a savings of \$0.18 (0.07%) per month.

"We are very pleased to be able to hold the line on natural gas prices this year." said Frank Morehouse, Executive Vice President and General Manager of Intermountain. "The overall demand for natural gas remains low while natural gas supplies are plentiful. This continued imbalance between supply and demand has kept the near term prices for natural gas relatively low. Some of our customers will see a decrease while others will have a slight increase. This is due to the inclusion of all costs of getting the gas from the producers to the end users. While the cost of the gas declined, the costs of transportation and delivery have increased."

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 reflect the costs Intermountain incurs on behalf of its customers 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 for review at the Commission and Intermountain Gas offices and on the Commission's homepage.