

EXECUTIVE OFFICES

## INTERMOUNTAIN GAS COMPANY

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December 3, 2010

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IDAHO PUBLIC  
UTILITIES COMMISSION

Jean Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington  
Boise, ID 83702-5983

RE: INT-G-10-04  
Reply Comments of Intermountain Gas Company

Dear Ms. Jewell,

In response to the Comments of the Commission Staff filed in regards to the above referenced Case, Intermountain Gas Company hereby respectfully submits for consideration by the Commission the following remarks.

The Company notes the thoroughness of the Staff's analysis and appreciates its suggestions for enhancements to the planning process. The Company notes that Staff included comments, assertions and recommendations within the body of the Staff's Comments, which Intermountain may or may not agree with. However, the Company will limit its Reply Comments only to the three (3) recommendations found in "STAFF RECOMMENDATION."

**Staff Recommendation No. 1:** *In future IRPs, the Company provides a forecasted versus actual comparison over the past several IRPs illustrating the number of conversions per class, number of customers per class, and usages.*

Intermountain's future IRPs will include a summary comparison of number of conversions per class, number of customers per class, and usage in the "Relationship Between Consecutive Plans" section of the document. However, due to the 5-year planning horizon of Intermountain's IRP, comparisons beyond the two consecutive plans would not be meaningful.

**Staff Recommendation No. 2:** *The Commission clarify the intent of its language in Order No. 26546 regarding future Core-market DSM programs.*

Intermountain maintains that the intent of the language in Order No. 26546 was to refrain from the deployment of Company sponsored conservation rebate programs unless they could be proven to be cost effective and necessary and therefore in the best interest of Intermountain's customers. As discussed in the intervening IRPs, the Company has focused its conservation efforts on low cost/no cost customer education programs and has utilized other cost effective ways to promote reduced energy usage while limiting the use of cash incentive rebate programs. However, the Company continues to evaluate whether or not providing cash incentives - to assist customers in choosing the most energy efficient equipment - meets the quantitative benchmarks as described in the IRP.

**Staff Recommendation No. 3:** *The Company notify city leaders in advance of future IRP public meetings and filings.*

Intermountain has always appreciated public participation in the IRP process. Two public meetings are held as part of the IRP process, one in Boise and the other in Pocatello. The Boise area IRP public meetings have traditionally been well attended. As Staff noted, however, the participation was not as high at the Pocatello meeting. Intermountain is committed to improve its public participation throughout the rest of the state, and will reassess its strategies in that regard.

Please feel free to call me at 377-6168 should you have any questions regarding the above Reply Comments.

Respectfully,

A handwritten signature in black ink that reads "Katherine J. Barnard". The signature is written in a cursive style with a large initial 'K'.

Katherine J. Barnard  
Manager - Regulatory and Gas Supply