

EXECUTIVE OFFICES

INTERMOUNTAIN GAS COMPANY

555 SOUTH COLE ROAD • P.O. BOX 7608 • BOISE, IDAHO 83707 • (208) 377-6000 • FAX: 377-6097

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2011 AUG 11 AM 10:17

IDAHO PUBLIC
UTILITIES COMMISSION

August 11, 2011

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington St.
P.O. Box 83720
Boise, ID 83720-0074

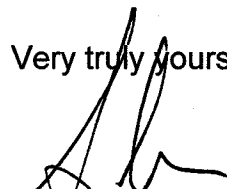
RE: Case No. INT-G-11-01

Dear Ms. Jewell:

Attached for consideration by this Commission are the original and seven (7) copies of Intermountain Gas Company's Application for Authority to Decrease Its Prices on October 1, 2011.

If you have any questions regarding the attached, please contact me at (208) 377-6105.

Very truly yours,



Scott W. Madison
Vice President & Chief Accounting Officer

SWM/mt

Enclosures

cc: K.F. Morehouse
T.M. Clark
D.L. Haider

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2011 AUG 11 AM 10:17

INTERMOUNTAIN GAS COMPANY NEWHO PUBLIC
UTILITIES COMMISSION

CASE NO. INT-G-11-01

**APPLICATION
AND
EXHIBITS**

**In the Matter of the Application of INTERMOUNTAIN GAS COMPANY
for Authority to Decrease Its Prices on October 1, 2011**

(October 1, 2011 Purchased Gas Cost Adjustment Filing)

Stephen R. Thomas, ISB 2326
MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.
101 S. Capitol Boulevard, Suite 1000
Boise, Idaho 83702
Telephone: (208) 345-2000
Attorneys for Intermountain Gas Company

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2011 AUG 11 AM 10:17
IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of
INTERMOUNTAIN GAS COMPANY
for Authority to Decrease Its Prices

Case No. INT-G-11-01
APPLICATION

Intermountain Gas Company ("Intermountain" or "Company"), a subsidiary of MDU Resources Group, Inc. with general offices located at 555 South Cole Road, Boise, Idaho, hereby requests authority, pursuant to Idaho Code Sections 61-307 and 61-622, to place into effect October 1, 2011 new rate schedules which will decrease its annualized revenues by \$14.4 million, pursuant to the Rules of Procedure of the Idaho Public Utilities Commission ("Commission"). Because of changes in Intermountain's gas related costs, as described more fully in this Application, Intermountain's earnings will not be decreased as a result of the proposed decrease in prices and revenues. Intermountain's current rate schedules showing proposed changes are attached hereto as Exhibit No. 1 and are incorporated herein by reference. Intermountain's proposed rate schedules are attached hereto as Exhibit No. 2 and are incorporated herein by reference.

Communications in reference to this Application should be addressed to:

Scott Madison
Vice President & Chief Accounting Officer
Intermountain Gas Company
Post Office Box 7608
Boise, ID 83707

and

Stephen R. Thomas, ISB 2326
MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD.
101 S. Capitol Boulevard, Suite 1000
Boise, Idaho 83702

In support of this Application, Intermountain does allege and state as follows:

I.

Intermountain is a gas utility, subject to the jurisdiction of the Idaho Public Utilities Commission, engaged in the sale of and distribution of natural gas within the State of Idaho under authority of Commission Certificate No. 219 issued December 2, 1955, as amended and supplemented by Order No. 6564, dated October 3, 1962.

Intermountain provides natural gas service to the following Idaho communities and counties and adjoining areas:

Ada County - Boise, Eagle, Garden City, Kuna, Meridian, and Star;
Bannock County - Chubbuck, Inkom, Lava Hot Springs, McCammon, and Pocatello;
Bear Lake County - Geopietown, and Montpelier;
Bingham County - Aberdeen, Basalt, Blackfoot, Firth, Fort Hall, Moreland/Riverside, and Shelley;
Blaine County - Bellevue, Hailey, Ketchum, and Sun Valley;
Bonneville County - Armon, Idaho Falls, Iona, and Ucon;
Canyon County - Caldwell, Greenleaf, Middleton, Nampa, Parma, and Wilder;
Caribou County - Bancroft, Conda, Grace, and Soda Springs;
Cassia County - Burley, Declo, Malta, and Raft River;
Elmore County - Glenns Ferry, Hammett, and Mountain Home;
Fremont County - Parker and St. Anthony;
Gem County - Emmett;
Gooding County - Gooding, and Wendell;
Jefferson County - Lewisville, Menan, Rigby, and Ririe;
Jerome County - Jerome;
Lincoln County - Shoshone;
Madison County - Rexburg, and Sugar City;
Minidoka County - Heyburn, Paul, and Rupert;
Owyhee County - Bruneau, and Homedale;
Payette County - Fruitland, New Plymouth, and Payette;
Power County - American Falls;
Twin Falls County - Buhl, Filer, Hansen, Kimberly, Murtaugh, and Twin Falls;
Washington County - Weiser.

Intermountain's properties in these locations consist of transmission pipelines, a liquefied natural gas storage facility, distribution mains, services, meters and regulators, and general plant and equipment.

II.

Intermountain seeks with this Application to pass through to each of its customer classes changes in gas related costs resulting from: 1) an increase in costs billed Intermountain from Northwest Pipeline GP ("Northwest" or "Northwest Pipeline"), 2) a decrease in costs from the Company's upstream pipeline suppliers and its storage facility contracts, 3) a decrease in Intermountain's Weighted Average Cost of Gas, or "WACOG", 4) an updated customer allocation

of gas related costs pursuant to the Company's Purchased Gas Cost Adjustment ("PGA") provision, 5) the inclusion of temporary surcharges and credits for one year relating to natural gas purchases and interstate transportation costs from Intermountain's deferred gas cost accounts, and 6) benefits resulting from Intermountain's management of its storage and firm capacity rights on various pipeline systems. Intermountain also seeks with this Application to eliminate the temporary surcharges and credits included in its current prices during the past 12 months, pursuant to Order No. 32077 per Case No. INT-G-10-03. The above changes would result in an overall price decrease to Intermountain's customers.

These price changes are applicable to service rendered under rate schedules affected by and subject to Intermountain's Purchased Gas Cost Adjustment ("PGA"), initially approved by this Commission in Order No. 26109, Case No. INT-G-95-1, and additionally approved through subsequent proceedings

Exhibit No. 3 contains pertinent excerpts from applicable pipeline tariffs. Exhibit No. 4 summarizes the price changes in: 1) Intermountain's base rate gas costs, 2) its rate class allocation, and 3) adjusting temporary surcharges or credits flowing through to Intermountain's direct sales customers. Exhibits Nos. 3 and 4 are attached hereto and incorporated herein by reference.

III.

The current prices of Intermountain are those approved by this Commission in Order No. 32077, Case No. INT-G-10-03.

IV.

Intermountain's proposed prices incorporate all changes in costs relating to the Company's firm interstate transportation capacity including, but not limited to, any price changes or projected cost adjustments implemented by the Company's pipeline suppliers as well as any volumetric adjustments in contracted transportation agreements which have occurred since Intermountain's PGA filing in Case No. INT-G-10-03.

Intermountain continues to effectively manage its natural gas storage assets at Northwest's Jackson Prairie and Questar Pipeline's Clay Basin storage facilities. Supporting documents relating to Line 19 of Exhibit No. 4, include \$2.7 million in savings from Intermountain's management of these storage assets.

Exhibit No. 4, Lines 1 through 19, details the proposed changes in Intermountain's prices resulting from adjustments to the cost of Northwest Pipeline interstate capacity, upstream pipeline capacity, and Intermountain's storage facility costs from its various suppliers.

V.

The WACOG reflected in Intermountain's proposed prices is \$0.45342 per therm, as shown on Exhibit No. 4, Line 11, Col. (f). This compares to \$0.49211 per therm currently included in the Company's tariffs.

Continued weakness in the regional and national economies has put downward pressure on new customer growth and weather adjusted demand for natural gas. At the same time, natural gas supplies are ample and U.S. dry gas production is at an all time high. Robust supply coupled with flat demand has kept the near term prices for natural gas relatively low.

Additionally, the proposed WACOG includes benefits to Intermountain's customers generated by the Company's management of its significant natural gas storage assets. Because gas added to storage is procured during the summer season when prices are typically lower than during the winter, the cost of Intermountain's storage gas is normally less than what could be obtained on the open market in winter months. Additionally, and in an effort to further stabilize the prices paid by our customers during the upcoming winter period, Intermountain has entered into various fixed price agreements to lock-in the price for significant portions of its underground storage and other winter "flowing" supplies.

Intermountain believes that the WACOG proposed in this Application, subject to the effect of actual supply and demand and based on current market conditions, provides today's most reasonable forecast of gas costs for the 2011-2012 PGA period. Intermountain will employ, in addition to those fixed price agreements already in place, cost effective price arrangements to further secure the price of flowing gas embedded within this Application when, and if, those pricing opportunities materialize in the marketplace.

Intermountain believes that timely natural gas price signals enhance its customer's ability to make informed and appropriate energy use decisions. The Company is committed to alert customers to impending price changes before their winter natural gas usage occurs. By employing the use of customer mailings, the Company's website, and various media resources, Intermountain will continue to educate its customers regarding the wise and efficient use of natural gas, billing options available to help manage their energy budget, and pending natural gas price changes.

VI.

Pursuant to Case No. INT-G-10-03, Intermountain included temporary surcharges and credits in its October 1, 2010 prices for the principal reason of collecting or passing back to its customers deferred gas cost charges and benefits, as outlined in Case No. INT-G-10-03. Line 26 of Exhibit No. 4 reflects the elimination of these temporary surcharges and credits.

VII.

Intermountain's PGA tariff includes provisions whereby Intermountain's proposed prices will be adjusted for updated customer class sales volumes and purchased gas cost allocations, pursuant to the Company's approved cost of service methodology. Intermountain's proposed prices include a fixed cost collection adjustment pursuant to these PGA provisions, as outlined on Exhibit No. 5, Line 24. The price impact of this adjustment is included on Exhibit No. 4, Line No. 27. Exhibit No. 5 is attached hereto and incorporated herein by reference.

VIII.

Intermountain proposes to pass through to its customers the benefits that will be generated from the management of its transportation capacity totaling \$3.7 million as outlined on Exhibit No. 7. These benefits include credits from a segmented release of a portion of Intermountain's firm capacity rights on Northwest Pipeline and other non-segmented capacity releases. Intermountain proposes to pass back these credit amounts via the per therm credits, as detailed on Exhibit No. 7 and included on Exhibit No. 6, Line 1. Exhibit Nos. 6 and 7 are attached hereto and incorporated herein by reference.

IX.

Intermountain proposes to allocate deferred gas costs from its Account No. 186 balance to its customers through temporary price adjustments to be effective during the 12-month period ending September 30, 2012, as follows:

- 1) Intermountain has deferred fixed gas costs in its Account No. 186. The credit amount shown on Exhibit No. 8, Line 8, Col. (b) of \$5.9 million is attributable to a true-up of the collection of interstate pipeline capacity costs, the true-up of expense issues previously ruled on by this Commission, and mitigating capacity release credits generated from the incremental release of Intermountain's pipeline capacity. Intermountain proposes to pass back these balances via the per

therm credits, as detailed on Exhibit No. 8 and included on Exhibit No. 6, Line 2. Exhibit No. 8 is attached hereto and incorporated herein by reference.

2) Intermountain has also deferred in its Account No. 186 a variable gas credit of \$12.2 million, as shown on Exhibit No. 9, Line 2, Col. (b). This deferred credit is attributable to Intermountain's lower variable gas costs since October 1, 2010. Intermountain proposes to pass back this balance via a per therm credit, as shown on Exhibit No. 9, Col. (b), Line 4 and included on Exhibit No. 6, Line 3.

3) Finally, Intermountain has deferred in its Account No. 186 deferred gas costs related to Lost and Unaccounted For Gas as shown on Exhibit No. 9, Col. (b), Lines 5 through 20. This deferral results in net per therm decreases to Intermountain's sales customers, as illustrated on Exhibit No. 9, Line 12, Col. (b), and included on Exhibit No. 6, Line 3. The Lost and Unaccounted For Gas deferral also results in a per therm credit for Intermountain's transportation customers as shown on Exhibit No. 9, Line 20, Col. (b). Exhibit No. 9 is attached hereto and incorporated herein by reference.

X.

Intermountain has allocated the proposed price changes to each of its customer classes based upon Intermountain's FGA provision. However, a straight cent per therm price decrease was not utilized for the LV-1 tariff as no fixed costs are currently recovered in the tail block of the LV-1 tariff. The proposed changes in the WACOG, and variable deferred credits as outlined on Exhibit No. 9, are applied to all three blocks of the LV-1 tariff. However, all adjustments relating to fixed costs are applied only to the first two blocks of the LV-1 tariff.

XI.

Each block of the proposed LV-1, T-3, T-4 and T-5 tariffs include a uniform cents per therm decrease to adjust for Lost and Unaccounted For Gas as detailed on Exhibit No. 9, Lines 13 through 20, Col. (b). The price, including the proposed adjustment for each block of the T-3, T-4 and T-5 tariffs, and the removal of existing temporary price changes, are outlined on Exhibit No. 1, Page 1, Lines 21 through 32.

XII.

Exhibit No. 10 is an analysis of the overall price changes by class of customer. Exhibit No. 10 is attached hereto and incorporated herein by reference.

XIII.

The proposed overall price changes herein requested among the classes of service of Intermountain reflect a just, fair, and equitable pass-through of changes in gas related costs to Intermountain's customers.

XIV.

This Application is filed pursuant to the applicable statutes and the Rules and Regulations of the Commission. This Application has been brought to the attention of Intermountain's customers through a Customer Notice and by a Press Release sent to daily and weekly newspapers, and major radio and television stations in Intermountain's service area. The Press Release and Customer Notice are attached hereto and incorporated herein by reference. Copies of this Application, its Exhibits, and Workpapers have been provided to those parties regularly intervening in Intermountain's rate proceedings.

XV.

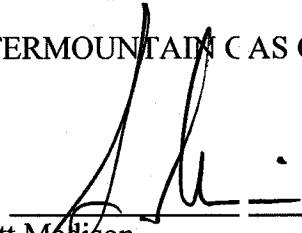
Intermountain requests that this matter be handled under modified procedure pursuant to Rules 201-204 of the Commission's Rules of Procedure. Intermountain stands ready for immediate consideration of this matter.

WHEREFORE, Intermountain respectfully petitions the Idaho Public Utilities Commission as follows:

- a. That the proposed rate schedules herewith submitted as Exhibit No. 2 be approved without suspension and made effective as of October 1, 2011 in the manner shown on Exhibit No. 2.
- b. That this Application be heard and acted upon without hearing under modified procedure, and
- c. For such other relief as this Commission may determine proper herein.

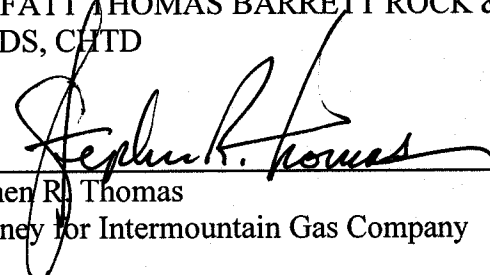
DATED at Boise, Idaho, this 11th day of August, 2011.

INTERMOUNTAIN GAS COMPANY

By 

Scott Madison
Vice President & Chief Accounting Officer

MOFFATT THOMAS BARRETT ROCK &
FIELDS, CHTD

By 

Stephen R. Thomas
Attorney for Intermountain Gas Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 11th day of August, 2011, I served a copy of the foregoing Case No. INT-G-11-01 upon:

Paula Pyron
Northwest Industrial Cases Users
4113 Wolf Berry Court
Lake Oswego, OR 97035-1827

Chad Stokes
Cable Huston et al.
1001 SW Fifth Avenue, Suite 2000
Portland, Oregon 97204-1136

R. Scott Pasley
J. R. Simplot Company
PO Box 27
Boise, ID 83707

Steven Gray
J. R. Simplot Company
PO Box 27
Boise, ID 83707

Conley E. Ward, Jr.
Givens, Pursley, Webl & Huntley
277 N. 6th St., Suite 200
PO Box 2720
Boise, ID 83701

by depositing true copies thereof in the United States Mail, postage prepaid, in envelopes addressed to said persons at the above addresses.



Scott Madison
Vice President & Chief Accounting

EXHIBIT NO. 1

CASE NO. INT-G-11-01

INTERMOUNTAIN GAS COMPANY

CURRENT TARIFFS

Showing Proposed Price Changes

(11 pages)

COMPARISON OF PROPOSED OCTOBER 1, 2010 PRICES
TO OCTOBER 1, 2011 PRICES

Line No.	Rate Class (a)	October 1, 2010 Prices per INT-G-10-03 (b)	Proposed Adjustment (c)	Proposed October 1, 2011 Prices (d)
1	RS 1			
2	April - November	\$ 0.94465	\$ (0.04864)	\$ 0.89601
3	December - March	0.83209	(0.04864)	0.78345
4	RS 2			
5	April - November	0.79583	(0.03444)	0.76139
6	December - March	0.76220	(0.03444)	0.72776
7	GS 1			
8	April - November			
9	Block 1	0.83871	(0.06124)	0.77747
10	Block 2	0.81698	(0.06124)	0.75574
11	Block 3	0.79596	(0.06124)	0.73472
12	December - March			
13	Block 1	0.78786	(0.06124)	0.72662
14	Block 2	0.76666	(0.06124)	0.70542
15	Block 3	0.74620	(0.06124)	0.68496
16	CNG Fuel	0.74620	(0.06124)	0.68496
17	LV 1			
18	Block 1	0.57143	(0.03026) ⁽¹⁾	0.54117
19	Block 2	0.53294	(0.03026) ⁽¹⁾	0.50268
20	Block 3	0.44686	(0.02700) ⁽²⁾	0.41986
21	T-1			
22	Block 1	0.05490	(0.00090) ⁽³⁾	0.05400
23	Block 2	0.02230	(0.00090) ⁽³⁾	0.02140
24	Block 3	0.00817	(0.00090) ⁽³⁾	0.00727
25	T-2			
26	Block 1	0.05913	(0.00090) ⁽³⁾	0.05823
27	Block 2	0.02064	(0.00090) ⁽³⁾	0.01974
28	Block 3	0.00591	(0.00090) ⁽³⁾	0.00501
29	T-3			
30	Demand Charge	0.84253	-	0.84253
31	Commodity Charge	0.00176	(0.00090) ⁽³⁾	0.00086
32	Over-Run Service	0.04435	(0.00090) ⁽³⁾	0.04345
33	IS-R ⁽⁴⁾			
34	April - November	0.76220	(0.03444)	0.72776
35	December - March	0.76220	(0.03444)	0.72776
36	IS-C ⁽⁵⁾			
37	April - November			
38	Block 1	0.78786	(0.06124)	0.72662
39	Block 2	0.76666	(0.06124)	0.70542
40	Block 3	0.74620	(0.06124)	0.68496
41	December - March			
42	Block 1	0.78786	(0.06124)	0.72662
43	Block 2	0.76666	(0.06124)	0.70542
44	Block 3	0.74620	(0.06124)	0.68496

⁽¹⁾ See Workpaper No. 7, Line 13, Column (e)

⁽²⁾ See Workpaper No. 7, Line 17, Column (e)

⁽³⁾ Remove INT-G-10-03 temporary of \$(0.00070) and add the temporary from Exhibit 9, Line 20, Column (b)

⁽⁴⁾ The IS-R price is based on the RS-2 December - March price and receives the same PGA adjustments.

⁽⁵⁾ The IS-C price is based on the GS-1 December - March price and receives the same PGA adjustments.

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Forty-Second Revised Third Sheet No. 01 (Page 1 of 1)	
Name of Utility	Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
~~Sept. 30, 2010~~ ~~Oct. 1, 2010~~
Per O.N. 32077
Jean D. Jewell Secretary

**Rate Schedule RS-1
RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers not otherwise specifically provided for, using natural gas for residential purposes.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - ~~\$0.94465~~ per therm* \$0.89601

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - ~~\$0.83209~~ per therm* \$0.78345

*Includes:

Temporary purchased gas cost adjustment of ~~\$(0.07496)~~ \$(0.07748)
Weighted average cost of gas of ~~\$0.49211~~ \$0.45342

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: Intermountain Gas Company	
By: Katherine J. Barnard Scott Madison	Title: Manager - Gas Supply & Regulatory Affairs Vice President & Chief Accounting Officer
Effective: October 1, 2010 October 1, 2011	

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Forty-Second Revised Third Sheet No. 02 (Page 1 of 1)	
Name of Utility	Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
Approved **Sept. 30, 2010** Effective **Oct. 1, 2010**
Per O.N. 32077
Jean D. Jewell Secretary

**Rate Schedule RS-2
MULTIPLE USE RESIDENTIAL SERVICE**

AVAILABILITY:

Available to individually metered consumers using gas for several residential purposes including both water heating and space heating.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.50 per bill

Commodity Charge - ~~\$0.79583~~ per therm* \$0.76139

For billing periods ending December through March

Customer Charge - \$6.50 per bill

Commodity Charge - ~~\$0.76226~~ per therm* \$0.72776

***Includes:**

Temporary purchased gas cost adjustment of ~~\$(0.07440)~~ \$(0.06720)
Weighted average cost of gas of ~~\$0.49244~~ \$0.45342

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: Intermountain Gas Company By: Katherine J. Bernard Scott Madison Title: Manager - Gas Supply & Regulatory Affairs Effective: October 1, 2010 October 1, 2011 Vice President & Chief Accounting Officer
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I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Forty-Fourth Revised Fifth Sheet No. 03 (Page 1 of 2)	
Name of Utility	Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
~~Sept. 30, 2010~~ ~~Oct. 1, 2010~~
Per O.N. 32077
Jean D. Jewell Secretary

**Rate Schedule GS-1
GENERAL SERVICE**

AVAILABILITY:

Available to individually metered customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

RATE:

Monthly minimum charge is the customer charge.

For billing periods ending April through November

Customer Charge - \$2.00 per bill

Commodity Charge - First 200 therms per bill @ ~~\$0.83074~~* \$0.77747
Next 1,800 therms per bill @ ~~\$0.81698~~* \$0.75574
Over 2,000 therms per bill @ ~~\$0.79596~~* \$0.73472

For billing periods ending December through March

Customer Charge - \$9.50 per bill

Commodity Charge - First 200 therms per bill @ ~~\$0.78786~~* \$0.72662
Next 1,800 therms per bill @ ~~\$0.76666~~* \$0.70542
Over 2,000 therms per bill @ ~~\$0.74620~~* \$0.68496

***Includes:**

Temporary purchased gas cost adjustment of ~~\$(0.06646)~~ \$(0.07988)
Weighted average cost of gas of ~~\$0.48244~~ \$0.45342

Issued by: Intermountain Gas Company	Title: Manager - Gas Supply & Regulatory Affairs
By: Katherine J. Barnard Scott Madison	Vice President & Chief Accounting Officer
Effective: October 1, 2010 October 1, 2011	

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Forty-Fourth Revised Fifth Sheet No. 03 (Page 2 of 2)	
Name of Utility	Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
~~Sept. 30, 2010~~ ~~Oct. 1, 2010~~
Per O.N. 32077
Jean D. Jewell Secretary

**Rate Schedule GS-1
GENERAL SERVICE (Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge - \$9.50 per bill

Commodity Charge - ~~\$0.74620~~ per therm* \$0.68496

*Includes:

Temporary purchased gas cost adjustment of ~~\$(0.06646)~~ \$(0.07988)
Weighted average cost of gas of ~~\$0.49244~~ \$0.45342

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not borne by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.
2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: Intermountain Gas Company	Title: Manager - Gas Supply & Regulatory Affairs
By: Katherine J. Bernard Scott Madison	Vice President & Chief Accounting Officer
Effective: October 1, 2010 October 1, 2011	

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Fifty-Second Revised Third Sheet No. 04 (Page 1 of 2)	
Name of Utility	Intermountain Gas Company

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
~~Sept. 30, 2010~~ ~~Oct. 1, 2010~~
Per O.N. 32077
Jean D. Jewell Secretary

**Rate Schedule LV-1
LARGE VOLUME FIRM SALES SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing customer receiving service under the Company's rate schedule LV-1 or any new customer whose usage does not exceed 500,000 therms annually, upon execution of a one-year minimum written service contract for firm sales service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

First 250,000 therms per bill @ ~~\$0.57443~~* \$0.54117
Next 500,000 therms per bill @ ~~\$0.53294~~* \$0.50268
Amount Over 750,000 therms per bill @ ~~\$0.44686~~** \$0.41986

The above prices include weighted average cost of gas of ~~\$0.49244~~ \$0.45342
* Includes temporary purchased gas cost adjustment of ~~\$(0.05693)~~ \$(0.04992)
** Includes temporary purchased gas cost adjustment of ~~\$(0.05486)~~ \$(0.04017)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
2. Any LV-1 customer who exits the LV-1 service at any time (including, but not limited to, the expiration of the contract term) will pay to Intermountain Gas Company, upon exiting the LV-1 service, all gas and/or interstate transportation related costs to serve the customer during the LV-1 contract period not borne by the customer during the LV-1 contract period. Any LV-1 customer will have refunded to them, upon exiting the LV-1 service, any excess gas and/or interstate transportation related payments made by the customer during the LV-1 contract period.
3. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the LV-1 Block 1 rate adjusted for the removal of variable gas costs. The customer's future eligibility for the LV-1 Rate Schedule will be renegotiated with the Company.

Issued by: Intermountain Gas Company	
By: Katherine J. Bamard ^{Scott Madison}	Title: Manager - Gas Supply & Regulatory Affairs
Effective: October 1, 2010 October 1, 2011	Vice President & Chief Accounting Officer

IDAHO PUBLIC UTILITIES COMMISSION
Approved Effective
~~Sept. 30, 2010~~ ~~Oct. 1, 2010~~
Per O.N. 32077
Jean D. Jewell Secretary

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Fifth Revised Sixth Sheet No. 11 (Page 1 of 2)	
Name of Utility	Intermountain Gas Company

**Rate Schedule T-3
INTERRUPTIBLE DISTRIBUTION TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any point on the Company's distribution system to any customer upon execution of a one year minimum written service contract.

MONTHLY RATE:

Block One:	First	100,000 therms transported@ \$0.05499 * \$0.05400
Block Two:	Next	50,000 therms transported@ \$0.02230 * \$0.02140
Block Three:	Amount over	150,000 therms transported@ \$0.00847 * \$0.00727

*Includes temporary purchased gas cost adjustment of ~~\$(0.00070)~~ \$(0.00160)

ANNUAL MINIMUM BILL:

The customer shall be subject to the payment of an annual minimum bill of \$30,000 during each annual contract period, unless a higher minimum is required under the service contract to cover special conditions.

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. The Company, in its sole discretion, shall determine whether or not it has adequate capacity to accommodate transportation of the customer's gas supply on the Company's distribution system.
2. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
3. Interruptible Distribution Transportation Service may be made firm by a written agreement between the parties if the customer has a dedicated line.
4. If requested by the Company, the customer expressly agrees to interrupt its operations during periods of capacity constraints on the distribution system.
5. This service does not include the cost of the customer's gas supply or the interstate pipeline capacity. The customer is responsible for procuring its own supply of natural gas and transportation to Intermountain's distribution system under this rate.
6. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated and accepted for delivery by the interstate pipeline.
7. An existing LV-1, T-4, or T-5 customer electing this schedule may concurrently utilize Rate Schedule T-3 on the same or contiguous property.

Issued by: Intermountain Gas Company
By: Katherine J. Barnard Scott Madison Title: Manager Gas Supply & Regulatory Affairs Effective: October 1, 2010 October 1, 2011 Vice President & Chief Accounting Officer

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Per O.N. 32077
Jean D. Jewell Secretary

I.P.U.C. Gas Tariff Second Revised Volume No. 1 (Supersedes First Revised Volume No. 1) Fourth Revised Fifth Sheet No. 13 (Page 1 of 2)
Name of Utility Intermountain Gas Company

**Rate Schedule T-4
FIRM DISTRIBUTION ONLY TRANSPORTATION SERVICE**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any customer upon execution of a one year minimum written service contract for firm distribution transportation service in excess of 200,000 therms per year.

MONTHLY RATE:

Commodity Charge:

Block One:	First	250,000 therms transported @ \$0.05943 * \$0.05823
Block Two:	Next	500,000 therms transported @ \$0.02064 * \$0.01974
Block Three:	Amount over	750,000 therms transported @ \$0.00591 * \$0.00501

*Includes temporary purchased gas cost adjustment of ~~\$(0.00070)~~ \$(0.00160)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

1. This service excludes the service and cost of firm interstate pipeline charges.
2. The customer is responsible for procuring its own supply of natural gas and interstate transportation under this Rate Schedule. The customer understands and agrees that the Company is not responsible to deliver gas supplies to the customer which have not been nominated, scheduled, and delivered by the interstate pipeline to the designated city gate.
3. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
4. The customer shall nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in the contract and in effect throughout the term of the service contract.
5. An existing LV-1, T-3, or T-5 customer electing this schedule may concurrently utilize Rate Schedule T-4 on the customer's same or contiguous property.

BILLING ADJUSTMENTS:

1. In the event that total deliveries to any customer within the last three contract periods met or exceeded the 200,000 therm threshold, but the customer during the current contract period used less than the contract minimum of 200,000 therms, an additional amount shall be billed. The additional amount shall be calculated by billing the deficit usage below 200,000 therms at the T-4 Block 1 rate. The customer's future eligibility for the T-4 Rate Schedule will be renegotiated with the Company.

Issued by: **Intermountain Gas Company**
By ~~Katherine J. Barnard~~ Scott Madison Title: ~~Manager~~ Gas Supply & Regulatory Affairs
Effective: ~~October 1, 2010~~ October 1, 2011 Vice President & Chief Accounting Officer

I.P.U.C. Gas Tariff	
Second Revised Volume No. 1	
(Supersedes First Revised Volume No. 1)	
Third Revised Fourth	Sheet No. 14 (Page 1 of 2)
Name of Utility	Intermountain Gas Company

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Jean D. Jewell Secretary

**Rate Schedule T-5
FIRM DISTRIBUTION SERVICE WITH MAXIMUM DAILY DEMANDS**

AVAILABILITY:

Available at any mutually agreeable delivery point on the Company's distribution system to any existing T-5 customer whose daily contract demand on any given day meets or exceeds a predetermined level agreed to by the customer and the Company upon execution of a one-year minimum written service contract for firm distribution service in excess of 200,000 therms per year.

MONTHLY RATE:

<u>Firm Service</u>	<u>Rate Per Therm</u>
Demand Charge:	
Firm Daily Demand -	\$0.84253
Commodity Charge:	
For Firm Therms Transported	\$0.00176 * \$0.00086
<u>Over-Run Service</u>	
Commodity Charge:	
For Therms Transported In Excess Of MDFQ:	\$0.04435 * \$0.04345

*Includes temporary purchased gas cost adjustment of ~~\$(0.00070)~~ \$(0.00160)

PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Provision.

SERVICE CONDITIONS:

- 1 All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this Rate Schedule is a part.
- 2 The customer shall nominate a Maximum Daily Firm Quantity (MDFQ), which will be stated in and will be in effect throughout the term of the service contract.
- 3 The monthly Demand Charge will be equal to the MDFQ times the Firm Daily Demand rate. Firm demand relief will be afforded to those T-5 customers paying both demand and commodity charges for gas when, in the Company's judgment, such relief is warranted.
- 4 The actual therm usage for the month or the MDFQ times the number of days in the billing month, whichever is less, will be billed at the applicable commodity charge for firm therms.

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