

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: KARL KLEIN
DEPUTY ATTORNEY GENERAL

DATE: NOVEMBER 5, 2014

SUBJECT: INTERMOUNTAIN GAS COMPANY'S APPLICATION TO INCREASE
ITS DEPRECIATION AND AMORTIZATION RATES, CASE NO. INT-G-
14-02

On November 4, 2014, Intermountain Gas Company asked to increase its: (1) composite depreciation rate from 3.07% (3.06% when weighted by December 31, 2010 assets) to 3.12%; and (2) total General Plant account amortizations from \$1,749,970 to \$2,598,813. The Company proposes the changes—which would not increase the rates it charges to provide natural gas to customers—because the Company's most recent studies show it under-depreciates its assets and under-amortizes General Plant Account Nos. 391, 393, 394, 395, 397 and 398. The Company proposes a January 1, 2015 effective date, and asks the Commission to process the case by Modified Procedure.

STAFF RECOMMENDATION

Staff recommends that the Commission issue a Notice of Application and Notice of Intervention Deadline with a 14-day intervention period. After the intervention period, Staff, the Company, and any intervening parties would informally meet in an attempt to settle any outstanding issues. Staff would then report back to the Commission, and a Notice of Modified Procedure could be issued, if necessary.

COMMISSION DECISION

Should the Commission issue a Notice of Application and Notice of Intervention Deadline?

Karl T. Klein
Karl T. Klein
Deputy Attorney General