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Attorneys for Intermountain Gas Company

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION OF )  
INTERMOUNTAIN GAS COMPANY FOR )  
THE AUTHORITY TO CHANGE ITS RATES ) Case No. INT-G-16-02  
AND CHARGES FOR NATURAL GAS )  
SERVICE TO NATURAL GAS CUSTOMERS )  
IN THE STATE OF IDAHO )  
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**EXHIBIT 08**

**Intermountain Gas Company**  
**Statement of Operating Income**  
For the Test Year Ending December 31, 2016<sup>[1]</sup>

Line No.	Description	Actual Data	Forecasted Data	Total
		Ending 6/30/2016	For the Period 7/31/2016-12/31/2016	(Cols. b+c)
	(a)	(b)	(c)	(d)
1	Gas Operating Revenues	\$ 140,984,189	\$ 92,653,142	\$ 233,637,331
2	Other Revenues	1,544,887	1,348,685 <sup>[2]</sup>	2,893,572
3	Total Operating Revenue	142,529,076	94,001,827	236,530,903
4	Operating Expenses			
5	Cost of Gas	91,867,781	58,310,385	150,178,166
6	Operation & Maintenance			
7	Production	33,854	12,711	46,565
8	Natural Gas Storage, Terminating, and Processing	628,120	754,974	1,383,094
9	Transmission	284,410	211,628	496,038
10	Distribution	9,340,668	9,514,169	18,854,837
11	Customer Accounts	4,965,569	4,413,061	9,378,630
12	Customer Service and Informational	109,390	93,220	202,610
13	Sales	652,915	610,738	1,263,653
14	Administrative and General	7,532,347	7,615,725	15,148,072
15	Other	(53,885)	147,395	93,510
16	Depreciation	10,565,532	11,141,580	21,707,112
17	Payroll Taxes	926,166	816,836	1,743,002
18	Property Taxes	1,578,871	1,620,000	3,198,871
19	Franchise Taxes	4,141,133	2,946,727	7,087,860
20	Interest Expense	2,032,150	2,316,273	4,348,423
21	Total Operating Expense			
22	Before Incomes Taxes	134,605,021	100,525,422	235,130,443
23	Income Taxes	2,870,940	(2,665,465)	205,475
		-	-	-
24	Total Operating Expenses	137,475,961	97,859,957	235,335,918
25	Net Operating Income	\$ 5,053,115	\$ (3,858,130)	\$ 1,194,985

**NOTES**

[1] Test Year ending December 31, 2016 is composed of actual results from January 1 - June 30, 2016 and forecasted results from July 1, 2016 - December 31, 2016.

[2] See Exhibit No. 09, Page 1