



Case No: INT-G--17-05

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Intermountain Gas proposal calls for refund for power supply costs

BOISE (Aug. 23, 2017) –Intermountain Gas has proposed refunding its customers a total of \$19.2 million the company saved providing energy in 2016.

If approved by the Idaho Public Utilities Commission, the move would lead to an average decrease of 8.1 percent for residential customers. That equates to \$3.32 per month.

Commercial customers would see an average decrease of 9.2 percent, or \$16.42 per month.

The proposal was outlined in the company's Purchased Gas Cost Adjustment (PGA) application, which is filed annually with the Commission.

The PGA is adjusted up or down each fall to reflect changes in costs the company incurs purchasing natural gas from its suppliers, in addition to other variable costs of supplying energy to customers, including transportation and storage. It is a true-up mechanism that allows the utility to recover expenses when they outpace PGA revenue, or refund customers when revenue exceeds expenses.

Intermountain said a decline in the price of natural gas the company purchases to meet customer demand is the primary impetus for the change.

It is the third-consecutive year the company has proposed to refund customers for power supply costs.

Intermountain also has filed an application to implement a billing mechanism to fund a new energy efficiency program for residential customers (Case No. INT-G-17-03).

The proposed Energy Efficiency Rebate Program is expected to cost \$770,000 in its first year. The company has requested Commission approval to cover those costs through a billing mechanism that could be adjusted annually, similar to the PGA. In its first year, the mechanism would increase the average residential customer's monthly bill by 22 cents.

Intermountain Gas serves approximately 335,000 customers across southern Idaho.

If approved, the new PGA and energy efficiency mechanism would both take effect Oct. 1.

The deadline to comment on the PGA proposal is Sept. 14, while the comment deadline for the energy efficiency proposal is Sept. 15.

Comments can be submitted online by clicking on “Case Comment Form” under the “Consumers” heading. Be sure to include the case number. Comments can also be mailed to P.O. Box 83720, Boise, ID, 83720-0074.

The company’s applications and other documents are available for review on the Commission’s website, www.puc.idaho.gov. Under the “Natural Gas” heading, click on “Open Cases” and scroll down to INT-G-17-05 for the PGA case or INT-G-17-03 for the energy efficiency case.