

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. INT-G-18-02
OF INTERMOUNTAIN GAS COMPANY)	
FOR AUTHORITY TO CHANGE ITS)	NOTICE OF APPLICATION
PRICES)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 34137
)	

On August 10, 2018, Intermountain Gas Company (the “Company”) applied to the Commission for authority to change its rates, effective October 1, 2018, to reflect changes in gas-related costs. If approved, the Company’s proposal would *decrease* the average residential customer’s rates by 10% or \$4.12 per month, and the average commercial customer’s rates by about 11.9% or \$21.89 per month. The proposal would *increase* rates for Transportation customers on Schedule T-3 by 6.84% and, by 2.3% for those on Schedule T-4. *See* Application at 2-3, and Exhibit No. 1. The Commission now issues this Notice of Application and Notice of Modified Procedure setting comment and reply deadlines.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company’s rates include a base rate component and a gas-related cost component. The base rate component is intended to cover the Company’s fixed costs to serve its customers – for example, the Company’s costs for equipment and facilities to provide service – and rarely change. The current base rates were approved in Order No. 33887, Case No. INT-G-17-05. *See id.*

YOU ARE FURTHER NOTIFIED that the gas-related cost component of the Company’s rates is at issue here. Specifically, with this Application, the Company seeks to change its rates to pass through to customers changes in gas-related costs resulting from: (1) costs billed to the Company from firm transportation providers (including Northwest Pipeline LLC); (2) a decrease in the Company’s Weighted Average Cost of Gas (WACOG); (3) an updated customer allocation of gas-related costs pursuant to the Company’s Purchased Gas Cost Adjustment (PGA) provision; (4) the inclusion of temporary surcharges and credits for one year relating to natural gas purchases and interstate transportation costs from the Company’s deferred gas cost accounts; (5)

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benefits resulting from the Company's management of its storage and firm capacity rights on various pipeline systems; (6) costs accrued related to the Company's general rate case; and (7) benefits generated by changes to the federal and state income tax codes. *Id.* at 3-4. The Company also seeks authority to eliminate the temporary surcharges and credits included in its current prices during the past 12 months pursuant to Case No. INT-G-17-05. *Id.*

YOU ARE FURTHER NOTIFIED that the changes to the rates will decrease the Company's annualized revenues by \$24.5 million. *Id.* at 2. As described above, the changes will result in a price decrease to the Company's RS, GS-1, and LV-1 customers and a price increase to its T-3 and T-4 customers. *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the changes to the rates will decrease the Company's annualized revenues by 10.2%, or approximately \$24.5 million, but will not impact earnings. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that the Company also explains that the proposed rate changes would be allocated to customer classes through its PGA provision. *Id.* at 7.

YOU ARE FURTHER NOTIFIED that the Company provides supporting exhibits that analyze the overall price changes by customer class. *Id.* The Company also provides its proposed rate schedules and tariff sheets. *See id.* at Exhibit Nos. 1-2.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, then select "Natural Gas Cases" and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502 and 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission by no later than **September 18, 2018**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

Commission Secretary	Michael P. McGrath
Idaho Public Utilities Commission	Director – Regulatory Affairs
PO Box 83720	Intermountain Gas Company
Boise, ID 83720-0074	P.O. Box 7608
	Boise, ID 83707
Street Address for Express Mail:	
472 W. Washington Street	Preston N. Carter
Boise, ID 83702-5918	Givens Pursley LLP
	601 W. Bannock St.
	Boise, ID 83702

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, if necessary, by no later than **September 20, 2018**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

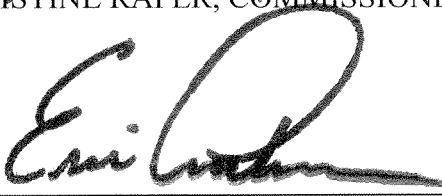
ORDER

IT IS HEREBY ORDERED that the Application of Intermountain Gas Company be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so no later September 18, 2018. The Company may file a reply no later than September 20, 2018.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *4th* day of September 2018.


PAUL KJELLANDER, PRESIDENT


KRISTINE RAPER, COMMISSIONER


ERIC ANDERSON, COMMISSIONER

ATTEST:


Diane M. Hanian
Commission Secretary

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