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# Intermountain Gas Company

Avoided Cost Model

2025 – 2030



# INTERMOUNTAIN GAS COMPANY

## Avoided Cost by Year

| Line No. | Year | Nominal Cost Per Therm <sup>[1]</sup> | Real Percent Adjustment <sup>[2]</sup> | Real Cost Per Therm | Present Value <sup>[3]</sup> | Avoided Cost Per Therm <sup>[4]</sup> |
|----------|------|---------------------------------------|--|---------------------|------------------------------|---------------------------------------|
|          | (a)  | (b)                                   | (c)                                    | (d)                 | (e)                          | (f)                                   |
| 1        | 2025 | \$ 0.59                               |  | \$ 0.59             | \$ 0.57                      | \$ 0.59                               |
| 2        | 2026 | 0.79                                  | 29.50%                                 | 0.76                | 1.29                         | 0.67                                  |
| 3        | 2027 | 0.80                                  | -2.05%                                 | 0.74                | 1.98                         | 0.70                                  |
| 4        | 2028 | 0.81                                  | -2.76%                                 | 0.72                | 2.63                         | 0.70                                  |
| 5        | 2029 | 0.81                                  | -4.59%                                 | 0.69                | 3.23                         | 0.70                                  |
| 6        | 2030 | 0.81                                  | -3.65%                                 | 0.67                | 3.80                         | 0.69                                  |
| 7        | 2031 | 0.83                                  | -0.86%                                 | 0.66                | 4.35                         | 0.69                                  |
| 8        | 2032 | 0.88                                  | 1.37%                                  | 0.67                | 4.89                         | 0.69                                  |
| 9        | 2033 | 0.93                                  | 1.82%                                  | 0.68                | 5.43                         | 0.69                                  |
| 10       | 2034 | 0.99                                  | 2.02%                                  | 0.69                | 5.96                         | 0.69                                  |
| 11       | 2035 | 1.05                                  | 2.03%                                  | 0.71                | 6.49                         | 0.69                                  |
| 12       | 2036 | 1.10                                  | 1.15%                                  | 0.72                | 7.01                         | 0.69                                  |
| 13       | 2037 | 1.14                                  | -0.80%                                 | 0.71                | 7.52                         | 0.69                                  |
| 14       | 2038 | 1.19                                  | 0.94%                                  | 0.72                | 8.01                         | 0.69                                  |
| 15       | 2039 | 1.26                                  | 1.66%                                  | 0.73                | 8.50                         | 0.70                                  |
| 16       | 2040 | 1.36                                  | 3.37%                                  | 0.75                | 9.00                         | 0.70                                  |
| 17       | 2041 | 1.41                                  | 0.08%                                  | 0.75                | 9.48                         | 0.70                                  |
| 18       | 2042 | 1.50                                  | 2.08%                                  | 0.77                | 9.96                         | 0.70                                  |
| 19       | 2043 | 1.57                                  | 0.96%                                  | 0.78                | 10.43                        | 0.71                                  |
| 20       | 2044 | 1.70                                  | 3.69%                                  | 0.81                | 10.90                        | 0.71                                  |
| 21       | 2045 | 1.80                                  | 2.31%                                  | 0.83                | 11.38                        | 0.72                                  |
| 22       | 2046 | 1.89                                  | 0.56%                                  | 0.83                | 11.84                        | 0.72                                  |
| 23       | 2047 | 1.97                                  | 0.56%                                  | 0.83                | 12.29                        | 0.72                                  |
| 24       | 2048 | 2.06                                  | 0.56%                                  | 0.84                | 12.74                        | 0.73                                  |
| 25       | 2049 | 2.16                                  | 0.57%                                  | 0.84                | 13.17                        | 0.73                                  |
| 26       | 2050 | 2.26                                  | 0.57%                                  | 0.85                | 13.60                        | 0.73                                  |
| 27       | 2051 | 2.36                                  | 0.57%                                  | 0.85                | 14.02                        | 0.74                                  |
| 28       | 2052 | 2.47                                  | 0.57%                                  | 0.86                | 14.43                        | 0.74                                  |
| 29       | 2053 | 2.58                                  | 0.57%                                  | 0.86                | 14.83                        | 0.74                                  |
| 30       | 2054 | 2.70                                  | 0.57%                                  | 0.87                | 15.22                        | 0.74                                  |

### **NOTES**

<sup>[1]</sup> See Page 2, Column (e).

<sup>[2]</sup> The year over year percentage change in Column (b), adjusted by the inflation assumption on Page 11, Line 4, Column (b).

<sup>[3]</sup> The cumulative present value of Column (d) is calculated using the real discount rate on Page 11, Line 5, Column (b).

<sup>[4]</sup> Levelized avoided cost of Column (e) computed with the real discount rate on Page 11, Line 5, Column (b).

# INTERMOUNTAIN GAS COMPANY

## Nominal Avoided Cost by Year

| Line No. | Year | Commodity Cost <sup>[1][2]</sup> | Variable Distribution Cost <sup>[3]</sup> | Transportation Cost <sup>[4]</sup> | Total Cost <sup>[5]</sup> |
|----------|------|----------------------------------|---|------------------------------------|---------------------------|
|          | (a)  | (b)                              | (c)                                       | (d)                                | (e)                       |
| 1        | 2025 | \$ 0.35                          | \$ -                                      | \$ 0.24                            | \$ 0.59                   |
| 2        | 2026 | 0.54                             | -   | 0.25                               | 0.79                      |
| 3        | 2027 | 0.55                             | -   | 0.26                               | 0.80                      |
| 4        | 2028 | 0.54                             | -   | 0.27                               | 0.81                      |
| 5        | 2029 | 0.53                             | -   | 0.28                               | 0.81                      |
| 6        | 2030 | 0.52                             | -   | 0.29                               | 0.81                      |
| 7        | 2031 | 0.53                             | -   | 0.30                               | 0.83                      |
| 8        | 2032 | 0.56                             | -   | 0.31                               | 0.88                      |
| 9        | 2033 | 0.60                             | -   | 0.33                               | 0.93                      |
| 10       | 2034 | 0.65                             | -   | 0.34                               | 0.99                      |
| 11       | 2035 | 0.69                             | -   | 0.35                               | 1.05                      |
| 12       | 2036 | 0.73                             | -   | 0.37                               | 1.10                      |
| 13       | 2037 | 0.75                             | -   | 0.38                               | 1.14                      |
| 14       | 2038 | 0.80                             | -   | 0.40                               | 1.19                      |
| 15       | 2039 | 0.85                             | -   | 0.41                               | 1.26                      |
| 16       | 2040 | 0.93                             | -   | 0.43                               | 1.36                      |
| 17       | 2041 | 0.96                             | -   | 0.45                               | 1.41                      |
| 18       | 2042 | 1.03                             | -   | 0.47                               | 1.50                      |
| 19       | 2043 | 1.09                             | -   | 0.48                               | 1.57                      |
| 20       | 2044 | 1.19                             | -   | 0.50                               | 1.70                      |
| 21       | 2045 | 1.28                             | -   | 0.52                               | 1.80                      |
| 22       | 2046 | 1.34                             | -   | 0.54                               | 1.89                      |
| 23       | 2047 | 1.41                             | -   | 0.57                               | 1.97                      |
| 24       | 2048 | 1.48                             | -   | 0.59                               | 2.06                      |
| 25       | 2049 | 1.55                             | -   | 0.61                               | 2.16                      |
| 26       | 2050 | 1.62                             | -   | 0.64                               | 2.26                      |
| 27       | 2051 | 1.70                             | -   | 0.66                               | 2.36                      |
| 28       | 2052 | 1.78                             | -   | 0.69                               | 2.47                      |
| 29       | 2053 | 1.87                             | -   | 0.72                               | 2.58                      |
| 30       | 2054 | 1.96                             | -   | 0.74                               | 2.70                      |

### **NOTES**

<sup>[1]</sup> See Pages 3-9, Column (f). Nominalized then divided by 10 to convert units from dekatherms to therms.

<sup>[2]</sup> Annual growth after 2043 is tied to yearly percentage change of the prior period.

<sup>[3]</sup> Placeholder value of zero until a Variable Distribution Cost methodology is developed.

<sup>[4]</sup> See Page 10, Line 8, Column (d). Annual growth is tied to inflation assumption from Page 11, Line 4, Column (b).

<sup>[5]</sup> Sum of Columns (b)-(d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2025         | 10    | \$ 2.18                                      | 3%                        | \$ 0.07                   |                |
| 2        | 2025         | 11    | 4.08   | 8%                        | 0.33                      |                |
| 3        | 2025         | 12    | 4.83   | 16%                       | 0.76                      |                |
| 4        | 2025         | 1     | 4.27   | 19%                       | 0.82                      |                |
| 5        | 2025         | 2     | 3.63   | 16%                       | 0.59                      |                |
| 6        | 2025         | 3     | 3.38   | 15%                       | 0.52                      |                |
| 7        | 2025         | 4     | 1.76   | 10%                       | 0.18                      |                |
| 8        | 2025         | 5     | 1.35   | 7%                        | 0.09                      |                |
| 9        | 2025         | 6     | 1.88   | 4%                        | 0.07                      |                |
| 10       | 2025         | 7     | 2.64   | 1%                        | 0.02                      |                |
| 11       | 2025         | 8     | 3.25   | 0%                        | 0.00                      |                |
| 12       | 2025         | 9     | 3.05   | 1%                        | 0.02                      | \$ 3.47        |
| 13       | 2026         | 10    | 3.28   | 3%                        | 0.11                      |                |
| 14       | 2026         | 11    | 4.65   | 8%                        | 0.38                      |                |
| 15       | 2026         | 12    | 6.98   | 16%                       | 1.10                      |                |
| 16       | 2026         | 1     | 7.20   | 19%                       | 1.38                      |                |
| 17       | 2026         | 2     | 6.40   | 16%                       | 1.04                      |                |
| 18       | 2026         | 3     | 3.82   | 15%                       | 0.59                      |                |
| 19       | 2026         | 4     | 2.89   | 10%                       | 0.29                      |                |
| 20       | 2026         | 5     | 2.46   | 7%                        | 0.17                      |                |
| 21       | 2026         | 6     | 2.79   | 4%                        | 0.10                      |                |
| 22       | 2026         | 7     | 3.35   | 1%                        | 0.03                      |                |
| 23       | 2026         | 8     | 3.43   | 0%                        | 0.00                      |                |
| 24       | 2026         | 9     | 3.50   | 1%                        | 0.02                      | \$ 5.20        |
| 25       | 2027         | 10    | 3.61   | 3%                        | 0.12                      |                |
| 26       | 2027         | 11    | 4.75   | 8%                        | 0.39                      |                |
| 27       | 2027         | 12    | 6.81   | 16%                       | 1.07                      |                |
| 28       | 2027         | 1     | 7.09   | 19%                       | 1.36                      |                |
| 29       | 2027         | 2     | 5.83   | 16%                       | 0.94                      |                |
| 30       | 2027         | 3     | 3.60   | 15%                       | 0.56                      |                |
| 31       | 2027         | 4     | 2.76   | 10%                       | 0.28                      |                |
| 32       | 2027         | 5     | 2.67   | 7%                        | 0.18                      |                |
| 33       | 2027         | 6     | 2.78   | 4%                        | 0.10                      |                |
| 34       | 2027         | 7     | 3.34   | 1%                        | 0.03                      |                |
| 35       | 2027         | 8     | 3.42   | 0%                        | 0.00                      |                |
| 36       | 2027         | 9     | 3.45   | 1%                        | 0.02                      | \$ 5.05        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2028         | 10    | \$ 3.26                                      | 3%                        | \$ 0.11                   |                |
| 2        | 2028         | 11    | 4.80   | 8%                        | 0.39                      |                |
| 3        | 2028         | 12    | 6.59   | 16%                       | 1.03                      |                |
| 4        | 2028         | 1     | 6.55   | 19%                       | 1.26                      |                |
| 5        | 2028         | 2     | 5.54   | 16%                       | 0.90                      |                |
| 6        | 2028         | 3     | 3.38   | 15%                       | 0.52                      |                |
| 7        | 2028         | 4     | 2.82   | 10%                       | 0.28                      |                |
| 8        | 2028         | 5     | 2.81   | 7%                        | 0.19                      |                |
| 9        | 2028         | 6     | 2.91   | 4%                        | 0.10                      |                |
| 10       | 2028         | 7     | 3.35   | 1%                        | 0.03                      |                |
| 11       | 2028         | 8     | 3.43   | 0%                        | 0.00                      |                |
| 12       | 2028         | 9     | 3.46   | 1%                        | 0.02                      | \$ 4.84        |
| 13       | 2029         | 10    | 3.30   | 3%                        | 0.11                      |                |
| 14       | 2029         | 11    | 4.68   | 8%                        | 0.38                      |                |
| 15       | 2029         | 12    | 5.98   | 16%                       | 0.94                      |                |
| 16       | 2029         | 1     | 5.59   | 19%                       | 1.07                      |                |
| 17       | 2029         | 2     | 5.00   | 16%                       | 0.81                      |                |
| 18       | 2029         | 3     | 3.54   | 15%                       | 0.55                      |                |
| 19       | 2029         | 4     | 2.92   | 10%                       | 0.29                      |                |
| 20       | 2029         | 5     | 2.95   | 7%                        | 0.20                      |                |
| 21       | 2029         | 6     | 2.99   | 4%                        | 0.11                      |                |
| 22       | 2029         | 7     | 3.17   | 1%                        | 0.03                      |                |
| 23       | 2029         | 8     | 3.24   | 0%                        | 0.00                      |                |
| 24       | 2029         | 9     | 3.33   | 1%                        | 0.02                      | \$ 4.51        |
| 25       | 2030         | 10    | 3.45   | 3%                        | 0.11                      |                |
| 26       | 2030         | 11    | 4.78   | 8%                        | 0.39                      |                |
| 27       | 2030         | 12    | 5.18   | 16%                       | 0.81                      |                |
| 28       | 2030         | 1     | 4.96   | 19%                       | 0.95                      |                |
| 29       | 2030         | 2     | 4.35   | 16%                       | 0.71                      |                |
| 30       | 2030         | 3     | 3.88   | 15%                       | 0.60                      |                |
| 31       | 2030         | 4     | 3.08   | 10%                       | 0.31                      |                |
| 32       | 2030         | 5     | 3.12   | 7%                        | 0.22                      |                |
| 33       | 2030         | 6     | 3.10   | 4%                        | 0.11                      |                |
| 34       | 2030         | 7     | 3.19   | 1%                        | 0.03                      |                |
| 35       | 2030         | 8     | 3.26   | 0%                        | 0.00                      |                |
| 36       | 2030         | 9     | 3.39   | 1%                        | 0.02                      | \$ 4.26        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2031         | 10    | \$ 3.56                                      | 3%                        | \$ 0.11                   |                |
| 2        | 2031         | 11    | 4.71   | 8%                        | 0.38                      |                |
| 3        | 2031         | 12    | 5.03   | 16%                       | 0.79                      |                |
| 4        | 2031         | 1     | 4.84   | 19%                       | 0.93                      |                |
| 5        | 2031         | 2     | 4.33   | 16%                       | 0.70                      |                |
| 6        | 2031         | 3     | 3.83   | 15%                       | 0.59                      |                |
| 7        | 2031         | 4     | 3.13   | 10%                       | 0.31                      |                |
| 8        | 2031         | 5     | 3.12   | 7%                        | 0.22                      |                |
| 9        | 2031         | 6     | 3.11   | 4%                        | 0.11                      |                |
| 10       | 2031         | 7     | 3.20   | 1%                        | 0.03                      |                |
| 11       | 2031         | 8     | 3.26   | 0%                        | 0.00                      |                |
| 12       | 2031         | 9     | 3.39   | 1%                        | 0.02                      | \$ 4.20        |
| 13       | 2032         | 10    | 3.58   | 3%                        | 0.12                      |                |
| 14       | 2032         | 11    | 4.69   | 8%                        | 0.38                      |                |
| 15       | 2032         | 12    | 5.05   | 16%                       | 0.79                      |                |
| 16       | 2032         | 1     | 4.99   | 19%                       | 0.96                      |                |
| 17       | 2032         | 2     | 4.48   | 16%                       | 0.73                      |                |
| 18       | 2032         | 3     | 3.96   | 15%                       | 0.61                      |                |
| 19       | 2032         | 4     | 3.20   | 10%                       | 0.32                      |                |
| 20       | 2032         | 5     | 3.18   | 7%                        | 0.22                      |                |
| 21       | 2032         | 6     | 3.17   | 4%                        | 0.11                      |                |
| 22       | 2032         | 7     | 3.25   | 1%                        | 0.03                      |                |
| 23       | 2032         | 8     | 3.33   | 0%                        | 0.00                      |                |
| 24       | 2032         | 9     | 3.47   | 1%                        | 0.02                      | \$ 4.29        |
| 25       | 2033         | 10    | 3.66   | 3%                        | 0.12                      |                |
| 26       | 2033         | 11    | 4.81   | 8%                        | 0.39                      |                |
| 27       | 2033         | 12    | 5.20   | 16%                       | 0.82                      |                |
| 28       | 2033         | 1     | 5.09   | 19%                       | 0.98                      |                |
| 29       | 2033         | 2     | 4.58   | 16%                       | 0.74                      |                |
| 30       | 2033         | 3     | 4.12   | 15%                       | 0.64                      |                |
| 31       | 2033         | 4     | 3.33   | 10%                       | 0.33                      |                |
| 32       | 2033         | 5     | 3.31   | 7%                        | 0.23                      |                |
| 33       | 2033         | 6     | 3.28   | 4%                        | 0.12                      |                |
| 34       | 2033         | 7     | 3.37   | 1%                        | 0.03                      |                |
| 35       | 2033         | 8     | 3.46   | 0%                        | 0.00                      |                |
| 36       | 2033         | 9     | 3.59   | 1%                        | 0.02                      | \$ 4.41        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2034         | 10    | \$ 3.81                                      | 3%                        | \$ 0.12                   |                |
| 2        | 2034         | 11    | 4.99   | 8%                        | 0.41                      |                |
| 3        | 2034         | 12    | 5.37   | 16%                       | 0.84                      |                |
| 4        | 2034         | 1     | 5.25   | 19%                       | 1.01                      |                |
| 5        | 2034         | 2     | 4.73   | 16%                       | 0.77                      |                |
| 6        | 2034         | 3     | 4.26   | 15%                       | 0.66                      |                |
| 7        | 2034         | 4     | 3.39   | 10%                       | 0.34                      |                |
| 8        | 2034         | 5     | 3.37   | 7%                        | 0.23                      |                |
| 9        | 2034         | 6     | 3.35   | 4%                        | 0.12                      |                |
| 10       | 2034         | 7     | 3.45   | 1%                        | 0.03                      |                |
| 11       | 2034         | 8     | 3.53   | 0%                        | 0.00                      |                |
| 12       | 2034         | 9     | 3.66   | 1%                        | 0.02                      | \$ 4.55        |
| 13       | 2035         | 10    | 3.83   | 3%                        | 0.12                      |                |
| 14       | 2035         | 11    | 5.08   | 8%                        | 0.41                      |                |
| 15       | 2035         | 12    | 5.47   | 16%                       | 0.86                      |                |
| 16       | 2035         | 1     | 5.43   | 19%                       | 1.04                      |                |
| 17       | 2035         | 2     | 4.90   | 16%                       | 0.79                      |                |
| 18       | 2035         | 3     | 4.46   | 15%                       | 0.69                      |                |
| 19       | 2035         | 4     | 3.51   | 10%                       | 0.35                      |                |
| 20       | 2035         | 5     | 3.46   | 7%                        | 0.24                      |                |
| 21       | 2035         | 6     | 3.43   | 4%                        | 0.12                      |                |
| 22       | 2035         | 7     | 3.55   | 1%                        | 0.03                      |                |
| 23       | 2035         | 8     | 3.64   | 0%                        | 0.00                      |                |
| 24       | 2035         | 9     | 3.77   | 1%                        | 0.02                      | \$ 4.69        |
| 25       | 2036         | 10    | 3.90   | 3%                        | 0.13                      |                |
| 26       | 2036         | 11    | 5.23   | 8%                        | 0.43                      |                |
| 27       | 2036         | 12    | 5.66   | 16%                       | 0.89                      |                |
| 28       | 2036         | 1     | 5.51   | 19%                       | 1.06                      |                |
| 29       | 2036         | 2     | 4.97   | 16%                       | 0.80                      |                |
| 30       | 2036         | 3     | 4.51   | 15%                       | 0.70                      |                |
| 31       | 2036         | 4     | 3.52   | 10%                       | 0.35                      |                |
| 32       | 2036         | 5     | 3.47   | 7%                        | 0.24                      |                |
| 33       | 2036         | 6     | 3.44   | 4%                        | 0.12                      |                |
| 34       | 2036         | 7     | 3.54   | 1%                        | 0.03                      |                |
| 35       | 2036         | 8     | 3.65   | 0%                        | 0.00                      |                |
| 36       | 2036         | 9     | 3.79   | 1%                        | 0.02                      | \$ 4.77        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2037         | 10    | \$ 3.93                                      | 3%                        | \$ 0.13                   |                |
| 2        | 2037         | 11    | 5.20   | 8%                        | 0.42                      |                |
| 3        | 2037         | 12    | 5.62   | 16%                       | 0.88                      |                |
| 4        | 2037         | 1     | 5.44   | 19%                       | 1.04                      |                |
| 5        | 2037         | 2     | 4.89   | 16%                       | 0.79                      |                |
| 6        | 2037         | 3     | 4.47   | 15%                       | 0.69                      |                |
| 7        | 2037         | 4     | 3.45   | 10%                       | 0.35                      |                |
| 8        | 2037         | 5     | 3.39   | 7%                        | 0.24                      |                |
| 9        | 2037         | 6     | 3.36   | 4%                        | 0.12                      |                |
| 10       | 2037         | 7     | 3.44   | 1%                        | 0.03                      |                |
| 11       | 2037         | 8     | 3.54   | 0%                        | 0.00                      |                |
| 12       | 2037         | 9     | 3.70   | 1%                        | 0.02                      | \$ 4.72        |
| 13       | 2038         | 10    | 3.88   | 3%                        | 0.13                      |                |
| 14       | 2038         | 11    | 5.18   | 8%                        | 0.42                      |                |
| 15       | 2038         | 12    | 5.59   | 16%                       | 0.88                      |                |
| 16       | 2038         | 1     | 5.58   | 19%                       | 1.07                      |                |
| 17       | 2038         | 2     | 4.99   | 16%                       | 0.81                      |                |
| 18       | 2038         | 3     | 4.53   | 15%                       | 0.70                      |                |
| 19       | 2038         | 4     | 3.58   | 10%                       | 0.36                      |                |
| 20       | 2038         | 5     | 3.48   | 7%                        | 0.24                      |                |
| 21       | 2038         | 6     | 3.43   | 4%                        | 0.12                      |                |
| 22       | 2038         | 7     | 3.51   | 1%                        | 0.03                      |                |
| 23       | 2038         | 8     | 3.62   | 0%                        | 0.00                      |                |
| 24       | 2038         | 9     | 3.80   | 1%                        | 0.02                      | \$ 4.78        |
| 25       | 2039         | 10    | 4.02   | 3%                        | 0.13                      |                |
| 26       | 2039         | 11    | 5.29   | 8%                        | 0.43                      |                |
| 27       | 2039         | 12    | 5.71   | 16%                       | 0.90                      |                |
| 28       | 2039         | 1     | 5.74   | 19%                       | 1.10                      |                |
| 29       | 2039         | 2     | 5.10   | 16%                       | 0.83                      |                |
| 30       | 2039         | 3     | 4.62   | 15%                       | 0.71                      |                |
| 31       | 2039         | 4     | 3.69   | 10%                       | 0.37                      |                |
| 32       | 2039         | 5     | 3.60   | 7%                        | 0.25                      |                |
| 33       | 2039         | 6     | 3.55   | 4%                        | 0.12                      |                |
| 34       | 2039         | 7     | 3.62   | 1%                        | 0.03                      |                |
| 35       | 2039         | 8     | 3.76   | 0%                        | 0.00                      |                |
| 36       | 2039         | 9     | 3.94   | 1%                        | 0.02                      | \$ 4.90        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2040         | 10    | \$ 4.21                                      | 3%                        | \$ 0.14                   |                |
| 2        | 2040         | 11    | 5.52   | 8%                        | 0.45                      |                |
| 3        | 2040         | 12    | 5.79   | 16%                       | 0.91                      |                |
| 4        | 2040         | 1     | 6.02   | 19%                       | 1.16                      |                |
| 5        | 2040         | 2     | 5.43   | 16%                       | 0.88                      |                |
| 6        | 2040         | 3     | 4.92   | 15%                       | 0.76                      |                |
| 7        | 2040         | 4     | 3.93   | 10%                       | 0.39                      |                |
| 8        | 2040         | 5     | 3.85   | 7%                        | 0.27                      |                |
| 9        | 2040         | 6     | 3.78   | 4%                        | 0.13                      |                |
| 10       | 2040         | 7     | 3.88   | 1%                        | 0.04                      |                |
| 11       | 2040         | 8     | 4.01   | 0%                        | 0.00                      |                |
| 12       | 2040         | 9     | 4.19   | 1%                        | 0.02                      | \$ 5.15        |
| 13       | 2041         | 10    | 4.44   | 3%                        | 0.14                      |                |
| 14       | 2041         | 11    | 5.82   | 8%                        | 0.47                      |                |
| 15       | 2041         | 12    | 6.04   | 16%                       | 0.95                      |                |
| 16       | 2041         | 1     | 5.90   | 19%                       | 1.13                      |                |
| 17       | 2041         | 2     | 5.33   | 16%                       | 0.86                      |                |
| 18       | 2041         | 3     | 4.82   | 15%                       | 0.75                      |                |
| 19       | 2041         | 4     | 3.88   | 10%                       | 0.39                      |                |
| 20       | 2041         | 5     | 3.81   | 7%                        | 0.26                      |                |
| 21       | 2041         | 6     | 3.75   | 4%                        | 0.13                      |                |
| 22       | 2041         | 7     | 3.84   | 1%                        | 0.04                      |                |
| 23       | 2041         | 8     | 3.98   | 0%                        | 0.00                      |                |
| 24       | 2041         | 9     | 4.15   | 1%                        | 0.02                      | \$ 5.15        |
| 25       | 2042         | 10    | 4.40   | 3%                        | 0.14                      |                |
| 26       | 2042         | 11    | 5.74   | 8%                        | 0.47                      |                |
| 27       | 2042         | 12    | 6.06   | 16%                       | 0.95                      |                |
| 28       | 2042         | 1     | 6.19   | 19%                       | 1.19                      |                |
| 29       | 2042         | 2     | 5.49   | 16%                       | 0.89                      |                |
| 30       | 2042         | 3     | 5.06   | 15%                       | 0.78                      |                |
| 31       | 2042         | 4     | 4.07   | 10%                       | 0.41                      |                |
| 32       | 2042         | 5     | 4.00   | 7%                        | 0.28                      |                |
| 33       | 2042         | 6     | 3.96   | 4%                        | 0.14                      |                |
| 34       | 2042         | 7     | 4.06   | 1%                        | 0.04                      |                |
| 35       | 2042         | 8     | 4.18   | 0%                        | 0.00                      |                |
| 36       | 2042         | 9     | 4.34   | 1%                        | 0.02                      | \$ 5.31        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

# INTERMOUNTAIN GAS COMPANY

## Commodity Cost

| Line No. | Heating Year | Month | Weighted Basin Price Forecast <sup>[1]</sup> | HDD Weight <sup>[2]</sup> | HDD Factor <sup>[3]</sup> | Commodity Cost |
|----------|--------------|-------|--|---------------------------|---------------------------|----------------|
|          | (a)          | (b)   | (c)  | (d)                       | (e)                       | (f)            |
| 1        | 2043         | 10    | \$ 4.61                                      | 3%                        | \$ 0.15                   |                |
| 2        | 2043         | 11    | 5.84   | 8%                        | 0.48                      |                |
| 3        | 2043         | 12    | 6.13   | 16%                       | 0.96                      |                |
| 4        | 2043         | 1     | 6.24   | 19%                       | 1.20                      |                |
| 5        | 2043         | 2     | 5.60   | 16%                       | 0.91                      |                |
| 6        | 2043         | 3     | 5.12   | 15%                       | 0.79                      |                |
| 7        | 2043         | 4     | 4.11   | 10%                       | 0.41                      |                |
| 8        | 2043         | 5     | 4.06   | 7%                        | 0.28                      |                |
| 9        | 2043         | 6     | 4.03   | 4%                        | 0.14                      |                |
| 10       | 2043         | 7     | 4.12   | 1%                        | 0.04                      |                |
| 11       | 2043         | 8     | 4.26   | 0%                        | 0.00                      |                |
| 12       | 2043         | 9     | 4.40   | 1%                        | 0.02                      | \$ 5.39        |
| 13       | 2044         | 10    | 4.61   | 3%                        | 0.15                      |                |
| 14       | 2044         | 11    | 6.04   | 8%                        | 0.49                      |                |
| 15       | 2044         | 12    | 6.30   | 16%                       | 0.99                      |                |
| 16       | 2044         | 1     | 6.59   | 19%                       | 1.26                      |                |
| 17       | 2044         | 2     | 5.96   | 16%                       | 0.97                      |                |
| 18       | 2044         | 3     | 5.46   | 15%                       | 0.84                      |                |
| 19       | 2044         | 4     | 4.40   | 10%                       | 0.44                      |                |
| 20       | 2044         | 5     | 4.36   | 7%                        | 0.30                      |                |
| 21       | 2044         | 6     | 4.34   | 4%                        | 0.15                      |                |
| 22       | 2044         | 7     | 4.46   | 1%                        | 0.04                      |                |
| 23       | 2044         | 8     | 4.60   | 0%                        | 0.00                      |                |
| 24       | 2044         | 9     | 4.73   | 1%                        | 0.03                      | \$ 5.67        |
| 25       | 2045         | 10    | 4.90   | 3%                        | 0.16                      |                |
| 26       | 2045         | 11    | 6.24   | 8%                        | 0.51                      |                |
| 27       | 2045         | 12    | 6.63   | 16%                       | 1.04                      |                |
| 28       | 2045         | 1     | 6.79   | 19%                       | 1.30                      |                |
| 29       | 2045         | 2     | 6.09   | 16%                       | 0.99                      |                |
| 30       | 2045         | 3     | 5.58   | 15%                       | 0.86                      |                |
| 31       | 2045         | 4     | 4.54   | 10%                       | 0.46                      |                |
| 32       | 2045         | 5     | 4.50   | 7%                        | 0.31                      |                |
| 33       | 2045         | 6     | 4.47   | 4%                        | 0.16                      |                |
| 34       | 2045         | 7     | 4.61   | 1%                        | 0.04                      |                |
| 35       | 2045         | 8     | 4.75   | 0%                        | 0.00                      |                |
| 36       | 2045         | 9     | 4.88   | 1%                        | 0.03                      | \$ 5.86        |

**NOTES**

<sup>[1]</sup> Weighted average price forecast for AECO, Sumas, and Rockies supply basins.

<sup>[2]</sup> Monthly HDD65 weighting. Based on a normal weather year.

<sup>[3]</sup> Column (c) times Column (d).

## INTERMOUNTAIN GAS COMPANY

### Avoided Gas Transportation Cost

| Line No. | Description<br>(a)  | RS<br>(b)     | GS-1<br>(c)   | Combined<br>RS and GS-1<br>(d) |
|----------|---|---------------|---------------|--------------------------------|
| 1        | Gas Transportation Costs <sup>[1]</sup>                             | \$ 59,611,488 | \$ 26,143,833 | \$ 85,755,321                  |
| 2        | Estimated Sales Volumes (10/1/24 - 9/30/25) <sup>[2]</sup>          | 309,638,180   | 148,909,066   | 458,547,246                    |
| 3        | RS and GS-1 Combined Gas Transportation Cost per Therm              |               |               | <u>\$ 0.18702</u>              |
| 4        | Incremental Gas Transportation Costs <sup>[3]</sup>                 | \$ 4,410,921  | \$ 1,934,498  | \$ 6,345,419                   |
| 5        | Normalized Sales Volumes (1/1/23 - 12/31/23) <sup>[4]</sup>         | 297,081,494   | 145,207,928   | 442,289,422                    |
| 6        | RS and GS-1 Combined Gas Transportation Cost per Therm              |               |               | <u>\$ 0.01435</u>              |
| 7        | Gas Transportation Cost <sup>[5]</sup>                              |               |               | <u>\$ 0.03790</u>              |
| 8        | <b>Total RS and GS-1 Combined Gas Transportation Cost per Therm</b> |               |               | <u><u>\$ 0.23927</u></u>       |

#### **NOTES**

<sup>[1]</sup> See Case No. INT-G-22-04, Exhibit No. 6, Line 21, Columns (e) and (f).

<sup>[2]</sup> See Case No. INT-G-22-04, Exhibit No. 6, Line 22, Columns (e) and (f).

<sup>[3]</sup> See Case No. INT-G-22-04, Exhibit No. 5, the sum of Lines 1-20, Columns (i) and (j).

<sup>[4]</sup> See Case No. INT-G-22-04, Exhibit No. 5, Line 24, Columns (i) and (j).

<sup>[5]</sup> See Case No. INT-G-22-04, Workpaper No. 8, Page 1.

## INTERMOUNTAIN GAS COMPANY

### Discount Rate

| Line No. | Description<br>(a)               | Value<br>(b) | Ratio<br>(c) | Weighting<br>(d) | W/Tax benefit<br>(e) |
|----------|----------------------------------|--------------|--------------|------------------|----------------------|
| 1        | Debt <sup>[1]</sup>              | 4.94%        | 50%          | 2.50%            | 1.98% <sup>[2]</sup> |
| 2        | Equity <sup>[1]</sup>            | 9.50%        | 50%          | 4.80%            | 4.80%                |
| 3        | Weighted Average Cost of Capital |              |              |                  | 6.78%                |
| 4        | Inflation Assumption             | 3.99%        |              |                  |                      |
| 5        | Real Discount Rate               | 2.68%        |              |                  |                      |

**NOTES**

<sup>[1]</sup> Costs and weightings from Case No. INT-G-16-02, Order No. 33757.

<sup>[2]</sup> Tax benefit adjusts for 21% federal tax.