



August 3, 2020

Ms. Jan Noriyuki  
Commission Secretary  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, ID 83720-0074

RE: Case No. INT-G-20-04

Dear Ms. Noriyuki:

Attached for consideration by this Commission is an electronic submission of Intermountain Gas Company's Application for Authority to Implement a Commercial Energy Efficiency Program and Funding Mechanism.

If you should have any questions regarding the attached, please don't hesitate to contact me at (208) 377-6015.

Sincerely,

Lori A. Blattner  
Director, Regulatory Affairs  
Intermountain Gas Company

Enclosure

cc: Mark Chiles  
Preston Carter

**INTERMOUNTAIN GAS COMPANY**

**CASE NO. INT-G-20-04**

**APPLICATION**

**AND**

**EXHIBITS**

**In the Matter of the Application of INTERMOUNTAIN GAS COMPANY  
for Authority to Implement a Commercial Energy Efficiency Program and  
Funding Mechanism**

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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 Authority to Implement a Commercial  
Energy Efficiency Program and Funding  
Mechanism

**Case No. INT-G-20-04**

**APPLICATION**

Intermountain Gas Company (“Intermountain” or “Company”), a subsidiary of MDU Resources Group, Inc. with general offices located at 555 South Cole Road, Boise, Idaho, pursuant to the Rules of Procedure of the Idaho Public Utilities Commission (“Commission”), requests authority, pursuant to Idaho Code Sections 61-307 and 61-622, to implement a Commercial Energy Efficiency Program and Funding Mechanism as outlined in this Application.

Please address communications regarding this Application to:

Lori A. Blattner  
Director – Regulatory Affairs  
Intermountain Gas Company  
Post Office Box 7608  
Boise, Idaho 83707  
[Lori.Blattner@intgas.com](mailto:Lori.Blattner@intgas.com)  
and

Preston N. Carter  
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[kendrah@givenspursley.com](mailto:kendrah@givenspursley.com)

In support of this Application, Intermountain alleges and states as follows:

## **I. INTRODUCTION**

Intermountain is a gas utility, subject to the jurisdiction of the Commission, engaged in the sale of and distribution of natural gas within the State of Idaho under authority of Commission Certificate No. 219, issued December 2, 1955, as amended and supplemented by Order No. 6564, dated October 3, 1962.

Intermountain provides natural gas service to the following Idaho communities and counties and adjoining areas:

Ada County - Boise, Eagle, Garden City, Kuna, Meridian, and Star;  
Bannock County - Arimo, Chubbuck, Inkom, Lava Hot Springs, McCammon, and Pocatello;  
Bear Lake County - Georgetown, and Montpelier;  
Bingham County - Aberdeen, Basalt, Blackfoot, Firth, Fort Hall, Moreland/Riverside, and Shelley;  
Blaine County - Bellevue, Hailey, Ketchum, and Sun Valley;  
Bonneville County - Ammon, Idaho Falls, Iona, and Ucon;  
Canyon County - Caldwell, Greenleaf, Middleton, Nampa, Parma, and Wilder;  
Caribou County - Bancroft, Grace, and Soda Springs;  
Cassia County - Burley, Declo, Malta, and Raft River;  
Elmore County - Glenns Ferry, Hammett, and Mountain Home;  
Fremont County - Parker, and St. Anthony;  
Gem County - Emmett;  
Gooding County - Bliss, Gooding, and Wendell;  
Jefferson County - Lewisville, Menan, Rigby, and Ririe;  
Jerome County - Jerome;  
Lincoln County - Shoshone;  
Madison County - Rexburg, and Sugar City;  
Minidoka County - Heyburn, Paul, and Rupert;  
Owyhee County - Bruneau, Marsing, and Homedale;  
Payette County - Fruitland, New Plymouth, and Payette;  
Power County - American Falls;  
Twin Falls County - Buhl, Filer, Hansen, Kimberly, Murtaugh, and Twin Falls;  
Washington County - Weiser.

Intermountain's properties in these locations consist of transmission pipelines, liquefied natural gas storage facilities, a compressor station, distribution mains, services, meters and regulators, and general plant and equipment.

## II. BACKGROUND

In Case No. INT-G-16-02, Intermountain proposed the establishment of an Energy Efficiency program. In testimony presented as part of that case, the Company proposed a plan to implement the program in a phased approach, “with its first priority being conservation achievements in the residential sector. Following the successful launch of its residential conservation program, the Company will develop efforts including a targeted rebate portfolio of prescriptive conservation measures for its commercial sector customers.” Case No. INT-G-16-02, Direct Testimony of Allison Spector at 6 (filed Aug. 12, 2016).

The Commission approved the first phase of Intermountain’s Energy Efficiency Program in Case No. INT-G-17-03, Order No. 33888, effective October 1, 2017, with rebates available to Intermountain’s residential customers. The Energy Efficiency Program has experienced strong uptake by residential customers since its inception. With the successful launch of the residential portion of the program, Intermountain is now ready to take the next step and add a commercial component to its Energy Efficiency Program.

In 2018, Dunsky Energy Consulting was retained to perform a Conservation Potential Assessment (CPA) for Intermountain. The CPA covers a timeframe of 2020-2039, with emphasis on the initial 5-year period, and provides a comprehensive analysis of viable conservation and efficiency measures and total savings that could be achieved for both residential and commercial customers. The completed CPA was included as Exhibit No. 4 in Case No. INT-G-19-07. *See* Case No. INT-G-19-07, Application, Exh. 4 (filed Oct. 18, 2019).

The scenarios examined in the CPA regarding commercial customers exhibited strong growth in the first 5 years. Average annual commercial program savings are broken down by the end-uses of HVAC, commercial kitchen appliances, hot water savings, and other.

Based on the CPA, Dunskey drew the following conclusions regarding commercial customers:

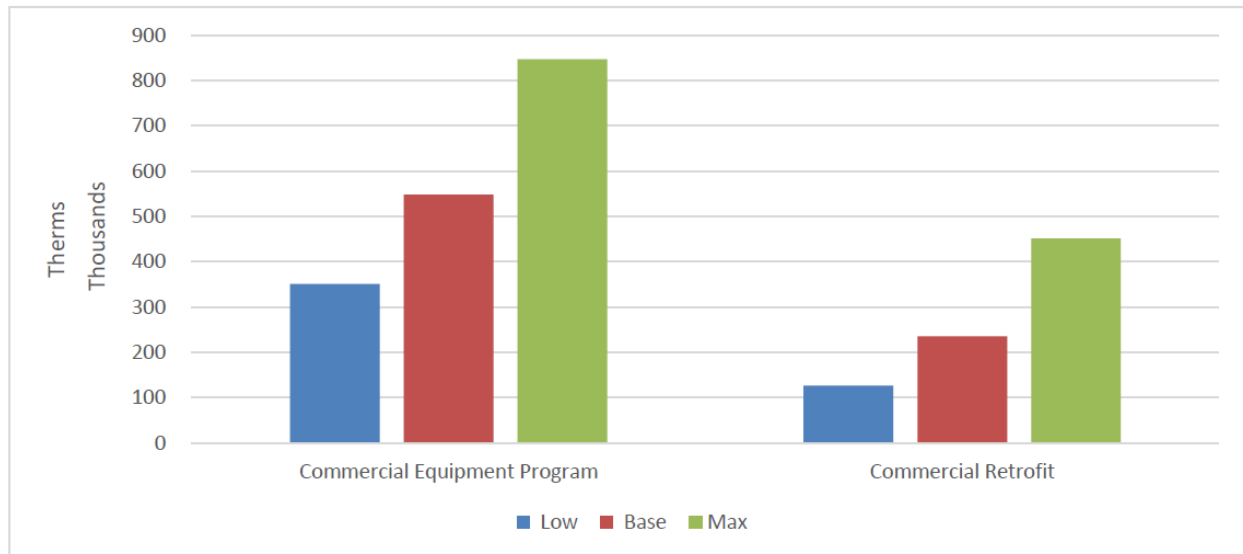
- HVAC measures provide 75% of potential savings;
- Commercial kitchen appliances are a typically untapped savings opportunity, representing 14% of the first period savings potential; and
- Hot water savings potential can grow through the study period, notably as natural gas engine heat pump water heaters become cost-effective.

The CPA noted that commercial energy savings could grow by 115% between the first and second five-year periods, but the forecasted savings trajectory is contingent on the successful introduction of those new initiatives.

In addition, the CPA reviewed the cost-effectiveness of both commercial retrofit and commercial equipment programs. As discussed in more detail below, the CPA found that a commercial equipment program is most cost-effective.

### **III. COMMERCIAL ENERGY EFFICIENCY PROGRAM**

As noted, the CPA found that commercial retrofit cost-effectiveness is low under all scenarios and the commercial equipment program can provide robust savings at a low unit cost. Based on these findings, summarized in Figure 1 below, Intermountain developed an equipment-based program for the initial program offering.



*Figure 1: Comparison of Commercial Program Savings: Low, Base and Max Scenarios (2020-2024)*

Intermountain convened its Energy Efficiency Stakeholder group on July 15, 2020 to discuss the commercial offering the Company developed based on the CPA study. The Stakeholder group provided helpful insight on the benefits of combining smaller measures into an Energy Savings Kit. The kit would provide valuable program promotion opportunities as the Company ramps up the commercial side of the Energy Efficiency program. A meeting participant also suggested that there may be strong potential for savings if commercial kitchens were incented to install Energy Star certified natural gas griddles. This was a measure Intermountain had not included in its original proposal.

The Company's commercial offering proposal focuses on therm savings measures in the three end-use sectors identified in the CPA: HVAC, commercial kitchen appliances, and hot water savings. In developing the commercial offering, Intermountain analyzed the suggestions raised during the Stakeholder meeting. Both suggested measures were cost effective and have been included in the Company's proposal.

The HVAC category includes rebates for three high-efficient appliances: boilers with 300,000 Btuh input size or greater, the installation of boiler reset controls, and condensing unit heaters.

The kitchen end-use category offers incentives for the installation of high-efficient natural gas commercial kitchen appliances including fryers, steamers and griddles. Intermountain will leverage the research and certification conducted by the Environmental Protection Agency's ENERGY STAR<sup>®</sup> certified appliances program. All kitchen appliances must be ENERGY STAR<sup>®</sup> certified to qualify for the incentive.

As suggested by its Stakeholder group, Intermountain plans to offer complimentary energy saving kits to commercial customers. The energy saving kits will focus on water savings measures such as a pre-rinse spray valve, restroom faucet aerators, kitchen faucet aerators and a water temperature gauge.

Exhibit No. 1 outlines the proposed commercial program offerings, along with therm savings assumptions taken from Intermountain's CPA, and the resulting Utility Cost Test results. Exhibit No. 1 is attached and incorporated by reference.

#### **IV. COMMERCIAL ENERGY EFFICIENCY CHARGE**

With this Application, the Company also seeks to formalize a mechanism to recover costs incurred in the administration and delivery of its proposed Rate Schedule EE – GS. These may include, but are not limited to: energy efficiency program rebates; delivery and administration to include program ramp-up expenses and incremental staffing pertaining to Energy Efficiency; Energy Efficiency outreach in print form and at trade show participation; local equipment dealer, distributor, and builder support to encourage promotion of tariff-approved Energy Efficiency measures for customers; engagement in activities that encourage increased adoption of energy



efficiency technologies in the market (“market transformation”) through organizations such as the Gas Technology Institute (“GTI”), if appropriate; and future energy savings potential assessment and validation activities. All these activities are designed to benefit GS-1 customers within the Company’s service territory.

For the first program year, the Company anticipates total costs of approximately \$411,000. As shown on Exhibit No. 2, Page 1, this includes an estimate of \$170,000 for program administration, and \$241,000 in rebate payments. Estimated program administration costs and rebate payments in future program years will be based on actual, ongoing program results.

To calculate the amount of program administration to include in the initial Energy Efficiency Charge (EEC), Intermountain proposes to apply 20 percent of the total residential and commercial program administration to the commercial program. At the end of the first program year, actual therm savings will be used to allocate actual program administration between the residential and commercial programs which will be used in the cost effectiveness calculations and EEC true-up for each customer class.

The proposed commercial Energy Efficiency budget of \$411,000 would equate to a per therm charge of \$0.00320 for the Company’s GS-1 class, as outlined in Exhibit No. 2, Page 2. The implementation of this charge will result in an increase of \$1.02 per month, or 0.6%, for the Company’s average GS-1 customer. Exhibit No. 2 is attached and incorporated by reference.

## **V. COMMERCIAL ENERGY EFFICIENCY TARIFFS**

Exhibit No. 3, Pages 1-2 shows Intermountain’s proposed Rate Schedule EE – GS which outlines the commercial offering. As indicated on the proposed Rate Schedule, the program would be available to all Intermountain customers receiving service on the GS-1 tariff. However, customers using gas solely as Compressed Natural Gas Fuel in vehicular internal combustion

engines would not be included in the Energy Efficiency program and thus be exempt from the accompanying Energy Efficiency Charge.

Exhibit No. 3, Page 3 outlines the proposed Rate Schedule EEC – GS which describes the mechanism the Company proposes to fund the commercial program. Exhibit No. 3 is attached and incorporated by reference.

## **VI. REVISIONS TO EXISTING TARIFFS**

The Company's proposal to add a commercial component to its Energy Efficiency Program necessitates changes in several of Intermountain's existing tariffs.

To avoid confusion, Intermountain proposes renaming the Energy Efficiency tariffs related to residential customers. As illustrated in Exhibit No. 4, the Company proposes a change in the name of Rate Schedules EE and EEC to Rate Schedules EE – RS and EEC – RS, respectively. Additionally, the Company proposes to update references made to these Residential Energy Efficiency tariffs to reflect the proposed name changes.

The Company proposes to update Rate Schedule GS-1 to list the proposed commercial EEC. Additionally, the Company proposes to update its Tariff Index to incorporate the aforementioned additions and changes. Exhibit No. 4, which illustrates legislative changes to Intermountain's existing tariffs as well as providing a clean copy of those same tariffs, is attached and incorporated by reference.

## **VII. EFFECTIVE DATE**

The Company proposes an effective date of October 1, 2020 for the Commercial Energy Efficiency Program (EE – GS) and the Energy Efficiency Charge (EEC – GS), as outlined in this Application, coincident with the effective date of the price change related to the Company's annual Purchased Gas Cost Adjustment. Intermountain believes this timing will help to minimize customer

confusion that may result from multiple rate changes in a year.

### **VIII. PRESS RELEASE AND CUSTOMER NOTICE**

This Application has been brought to the attention of Intermountain's GS-1 customers through a Customer Notice and by a Press Release sent to daily and weekly newspapers, and major radio and television stations in Intermountain's service area. The Press Release and Customer Notice are attached and incorporated by reference.

### **XI. MODIFIED PROCEDURE**

Intermountain requests that this matter be handled under modified procedure pursuant to Rules 201-204 of the Commission's Rules of Procedure. Intermountain stands ready for immediate consideration of this matter.

## **XII. REQUEST FOR RELIEF**

Intermountain respectfully petitions the Idaho Public Utilities Commission as follows:


- a. That the Commission authorize the Commercial Energy Efficiency Program as presented in this Application,
- b. That the Commission authorize the Company to implement a Commercial Energy Efficiency Charge as outlined in this Application,
- c. That the effective date for both Rate Schedules EE – GS and EEC – GS be October 1, 2020,
- d. That this Application be heard and acted upon without hearing under modified procedure, and
- e. For such other relief as this Commission may determine proper.

DATED: August 3, 2020.

INTERMOUNTAIN GAS COMPANY

By   
Lori A. Blattner  
Director – Regulatory Affairs

GIVENS PURSLEY LLP

By   
Preston N. Carter  
Attorney for Intermountain Gas Company

**EXHIBIT NO. 1**

**CASE NO. INT-G-20-04**

**INTERMOUNTAIN GAS COMPANY**

**INTERMOUNTAIN GAS COMPANY**  
**Proposed GS-1 Energy Efficiency Program**

Line No.	Measure	Efficiency Rating	Forecasted Measures Installed	Annual Therm Savings per Measure	Total Annual Therm Savings	Proposed Incentive	Total Rebates Cost	Estimated UCT
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Condensing Unit Heater	90% AFUE	3	409	1,227 \$	1,500 \$	4,500	1.1
2	Boiler Reset Control	Unit Installed	42	1,212	50,904	350	14,700	3.5
3	High-Efficiency Condensing Boiler	Minimum 0.90 Thermal Efficiency & 300 kBluh	15	2,069	31,035	\$4.50/kBluh	153,000	1.1
4	Fryer	ENERGY STAR Certified	39	508	19,812	800	31,200	1.4
5	Steamer	ENERGY STAR Certified	2	1,054	2,108	1,100	2,200	1.7
6	Griddle	ENERGY STAR Certified	2	76	152	200	400	1.0
7	Energy Saving Kit	Various	350	53	18,550	Complimentary	35,000	1.0
8	Total		453		123,788		\$ 241,000	1.6

**EXHIBIT NO. 2**

**CASE NO. INT-G-20-04**

**INTERMOUNTAIN GAS COMPANY**

**(2 pages)**

**INTERMOUNTAIN GAS COMPANY**  
**Proposed GS-1 Energy Efficiency Rebate Program**  
**Annual Funding**

Line No.	Description	Amount
	(a)	(b)
1	<b><u>Annual Budget:</u></b>	
2	Rebate Payments	\$ 241,000
3	Program Administration	170,000
4	<b>Annual EE Program Funding</b>	<b><u>\$ 411,000</u></b>



**INTERMOUNTAIN GAS COMPANY**  
**Proposed GS-1 Energy Efficiency Charge**

Line No.	Description	Amount
	(a)	(b)
1	Annual EE Program Funding (Ex. No. 2, pg. 1, Col. (b), Ln. 4)	\$ 411,000
2	GS-1 Normalized Sales Volumes (1/1/19 - 12/31/19)	128,278,814
3	Per Therm Energy Efficiency Charge	<u>\$ 0.00320</u>

**EXHIBIT NO. 3**

**CASE NO. INT-G-20-04**

**INTERMOUNTAIN GAS COMPANY**

**(3 pages)**

**Rate Schedule EE-GS  
GENERAL SERVICE ENERGY EFFICIENCY REBATE PROGRAM**

**AVAILABILITY:**

The Intermountain Gas Company Energy Efficiency Rebate Program (EE Program) is available throughout Intermountain's service territory to eligible account holders served under the Company's Rate Schedule GS-1.

**PROGRAM DESCRIPTION:**

The purpose of the program is to encourage upgrades to, or use of, high efficiency natural gas equipment. This will be achieved through the use of rebates, offered towards the purchase and installation of qualified energy-efficient natural gas equipment.

**ELIGIBILITY:**

To qualify for incentives, customers must meet the end-use qualifications identified in the Measures/Incentive Table below.

To qualify for space heating rebates, the building must use natural gas as the sole heat source upon installation of rebate-qualified equipment.

To qualify for water heating rebates, the building must utilize natural gas for water heating upon installation of rebate-qualified equipment.

**Rate Schedule EE-GS  
GENERAL SERVICE ENERGY EFFICIENCY REBATE PROGRAM  
(Continued)**

**MEASURES/INCENTIVES:**

Measure	Description	Rebate Amount
Griddle	ENERGY STAR® Certified	\$200
Fryer	ENERGY STAR® Certified	\$800
Steamer	ENERGY STAR® Certified	\$1,100
Boiler Reset Control	Unit Installed	\$350
High-Efficiency Condensing Boiler	Minimum 90% Thermal Efficiency & 300 kBtuh input	\$4.50/kBtuh
Condensing Unit Heater	90% AFUE	\$1,500
Energy Saving Kit	Pre-Rinse Spray Valve, Aerators, Water Temperature Gauge	Complimentary

**GENERAL PROVISIONS:**

All installations of equipment must comply with all codes and permit requirements applicable in the state of Idaho and must be properly inspected, if required, by appropriate agencies. Customers must submit required documentation of purchase and installation to the Company under the terms and instructions of the current rebate form. The Company reserves the right to verify installation prior to the payment of any rebates.

Name  
of Utility

**Intermountain Gas Company**

**Rate Schedule EEC-GS  
GENERAL SERVICE ENERGY EFFICIENCY CHARGE**

**APPLICABILITY:**

Applicable to customers taking service under Rate Schedule GS-1. The Energy Efficiency Charge is designed to fund administrative and program delivery costs incurred by the Company for energy efficiency services provided to customers as outlined in Rate Schedule EE-GS.

**MONTHLY RATE:**

The Monthly Rate is equal to the applicable Energy Efficiency Charge multiplied by the monthly billed therms.

Schedule

Rate Schedule GS-1

Energy Efficiency Charge

\$0.00320

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Effective: October 1, 2020

Title: Director – Regulatory Affairs

**EXHIBIT NO. 4**

**CASE NO. INT-G-20-04**

**INTERMOUNTAIN GAS COMPANY**

**(16 pages)**

**PROPOSED TARIFF**  
**(Legislative Format)**

**(7 pages)**

IDAHO PUBLIC UTILITIES COMMISSION  
Approved ~~June 26, 2018~~ Effective ~~July 1, 2018~~  
Diane M. Hanian Secretary

I.P.U.C. Gas Tariff	
Index	
Third Revised	Fourth
Sheet No. C	
Name of Utility	<b>Intermountain Gas Company</b>

## INDEX RATE SCHEDULES

<u>SCHEDULE NO.</u>	<u>TITLE</u>	<u>SHEET</u>
RS	Residential Service .....	1
GS-1	General Service.....	3
IS-R	Residential Interruptible Snowmelt Service.....	4
IS-C	Small Commercial Interruptible Snowmelt Service.....	5
LV-1	Large Volume Firm Sales Service.....	7
T-3	Interruptible Distribution Transportation Service.....	8
T-4	Firm Distribution Only Transportation Service .....	9
PGA	Purchased Gas Cost Adjustment .....	13
FT	Franchise Fee/ Tax Adjustment.....	15
EE -RS	Residential Energy Efficiency Rebate Program.....	16
EEC-RS	<u>Residential</u> Energy Efficiency Charge .....	17
EE-GS	General Service Energy Efficiency Rebate Program.....	18
EEC-GS	General Service Energy Efficiency Charge.....	19

Issued by: <b>Intermountain Gas Company</b>		
By: <del>Michael P. McGrath</del>	Lori A. Blattner	Title: Director – Regulatory Affairs
Effective: <del>July 1, 2018</del>	October 1, 2020	



I.P.U.C. Gas Tariff Rate Schedules <del>Fifth</del> Revised <u>Sixth</u>		Sheet No. 1 (Page 1 of 1)
Name of Utility	<b>Intermountain Gas Company</b>	

**IDAHO PUBLIC UTILITIES COMMISSION**  
Approved **Effective**  
~~Oct. 1, 2019~~ **Oct. 1, 2019**  
~~Per O.N. 34448 & 34454~~  
Diane M. Hanian Secretary

## Rate Schedule RS RESIDENTIAL SERVICE

### APPLICABILITY:

Applicable to any customer using natural gas for residential purposes.

### RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge: \$5.50 per bill

Per Therm Charge: \$0.51816\*

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.05573)
	2) Weighted average cost of gas	\$0.20904
	3) Gas transportation cost	\$0.18087
Distribution Cost:		\$0.16305
EE Charge:		\$0.02093

### PURCHASED GAS COST ADJUSTMENT:

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

### ENERGY EFFICIENCY CHARGE ADJUSTMENT:

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC. The Energy Efficiency Charge is separately stated on customer bills.

### SERVICE CONDITIONS:

-RS

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Issued by: <b>Intermountain Gas Company</b> By: Lori A. Blattner Title: Director – Regulatory Affairs Effective: <del>October 1, 2019</del> <u>October 1, 2020</u>
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I.P.U.C. Gas Tariff Rate Schedules <del>Fifty-Ninth</del> Revised <u>Sixtieth</u> Sheet No. 3 (Page 1 of 2)	
Name of Utility	<b>Intermountain Gas Company</b>

**IDAHO PUBLIC UTILITIES COMMISSION**  
Approved **Effective**  
~~Oct. 1, 2019~~ **Oct. 1, 2019**  
**Per O.N. 34448 & 34454**  
**Diane M. Hanian Secretary**

## Rate Schedule GS-1 GENERAL SERVICE

### APPLICABILITY:

Applicable to customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on the Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

### RATE:

Monthly minimum charge is the Customer Charge.

Customer Charge:	\$9.50 per bill				
Per Therm Charge:	Block One:	First	200 therms per bill @	\$0.51348*	\$0.51668
	Block Two:	Next	1,800 therms per bill @	<del>\$0.49000*</del>	<u>\$0.49320</u>
	Block Three:	Next	8,000 therms per bill @	<del>\$0.46733*</del>	<u>\$0.47053</u>
	Block Four:	Over	10,000 therms per bill @	<del>\$0.39877*</del>	<u>\$0.40197</u>

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment			(\$0.05711)
	2) Weighted average cost of gas			\$0.20904
	3) Gas transportation cost			\$0.17690
Distribution Cost:	Block One:	First	200 therms per bill @	\$0.18465
	Block Two:	Next	1,800 therms per bill @	\$0.16117
	Block Three:	Next	8,000 therms per bill @	\$0.13850
	Block Four:	Over	10,000 therms per bill @	\$0.06994
EE Charge:				\$0.00320

Issued by: <b>Intermountain Gas Company</b>	
By: Lori A. Blattner	Title: Director – Regulatory Affairs
Effective: <del>October 1, 2019</del> <u>October 1, 2020</u>	

I.P.U.C. Gas Tariff Rate Schedules <del>Fifty-Ninth</del> Revised <u>Sixtieth</u>	Sheet No. 3 (Page 2 of 2)
Name of Utility	<b>Intermountain Gas Company</b>

**IDAHO PUBLIC UTILITIES COMMISSION**  
Approved **Oct. 1, 2019** Effective **Oct. 1, 2019**  
**Per O.N. 34448 & 34454**  
**Diane M. Hanian Secretary**

**Rate Schedule GS-1  
GENERAL SERVICE  
(Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge: \$9.50 per bill

Per Therm Charge:	Block One: First 10,000 therms per bill @	\$0.46733*
	Block Two: Over 10,000 therms per bill @	\$0.39877*

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.05711)
	2) Weighted average cost of gas	\$0.20904
	3) Gas transportation cost	\$0.17690

Distribution Cost:	Block One: First 10,000 therms per bill @	\$0.13850
	Block Two: Over 10,000 therms per bill @	\$0.06994

**PURCHASED GAS COST ADJUSTMENT:**

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Schedule.

**SERVICE CONDITIONS:**

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**BILLING ADJUSTMENTS:**

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not paid by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.

**Energy Efficiency Charge Adjustment:**

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-GS. The Energy Efficiency Charge is not applicable to gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines. The Energy Efficiency Charge is separately stated on customer bills.

Issued by: <b>Intermountain Gas Company</b>
By: Lori A. Blattner Title: Director – Regulatory Affairs
Effective: <del>October 1, 2019</del> <u>October 1, 2020</u>

I.P.U.C. Gas Tariff		
Rate Schedules		
Original	First Revised	Sheet No. 16 (Page 1 of 2)
Name of Utility	<b>Intermountain Gas Company</b>	

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Sept. 27, 2017** **Oct. 1, 2017**  
**Per O.N. 33879, 33887 & 33888**  
**Diane M. Hanian Secretary**

**Rate Schedule EE-RS**  
**RESIDENTIAL ENERGY EFFICIENCY REBATE PROGRAM**

**AVAILABILITY:**

The Intermountain Gas Company Energy Efficiency Rebate Program (EE Program) is available throughout Intermountain's service territory to eligible residential account holders served under the Company's Rate Schedule RS.

**PROGRAM DESCRIPTION:**

The purpose of the program is to encourage upgrades to, or use of, high efficiency natural gas equipment. This will be achieved through the use of rebates, offered towards the purchase and installation of qualified energy-efficient natural gas equipment and construction of Energy Star certified homes.

**ELIGIBILITY:**

To qualify for incentives, customers must meet the end-use qualifications identified in the Measures/Incentive Table below.

To qualify for space heating rebates, a dwelling must use natural gas as the sole heat source upon installation of rebate-qualified equipment.

To qualify for water heating rebates, a dwelling must utilize natural gas for water heating upon installation of rebate-qualified equipment.

Rebates for furnaces and water heating equipment for new construction may not be combined with the Energy Star whole home package rebates.

Issued by: <b>Intermountain Gas Company</b>		
By: <del>Michael P. McGrath</del>	<u>Lori A. Blattner</u>	Title: Director – Regulatory Affairs
Effective: <del>October 1, 2017</del>	<u>October 1, 2020</u>	

I.P.U.C. Gas Tariff		
Rate Schedules		
First Revised	<u>Second</u>	Sheet No. 16 (Page 2 of 2)
Name of Utility	<b>Intermountain Gas Company</b>	

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Feb. 4, 2020** **March 1, 2020**  
**Diane M. Hanian Secretary**

**Rate Schedule EE-RS**  
**RESIDENTIAL ENERGY EFFICIENCY REBATE PROGRAM**  
(Continued)

**MEASURES/INCENTIVES:**

<b>Whole Home Package (for new construction)</b>	<b>Description</b>	<b>Rebate Amount</b>
Energy Star Certified Home	Energy Star Verified Home with Natural Gas Space and Water Heat	\$1,200
<b>Stand Alone Measures (for new &amp; existing construction)</b>	<b>Description</b>	<b>Energy Efficiency Rebate</b>
95% AFUE Natural Gas Furnace	95% or Greater Thermal Efficiency Rating	\$350
High Efficiency Combination Radiant Heat System	90% or Greater Efficiency Condensing Tank-less Combo System For Space and Water Heat	\$1,000
70% FE Natural Gas Fireplace Insert	70% FE Rating or Greater	\$100
.67 EF Natural Gas Water Heater	.67 Energy Factor or Greater	\$50
.91 EF Condensing Tank-less Water Heater	.91 Energy Factor or Greater	\$150

**GENERAL PROVISIONS:**

All installations of equipment must comply with all codes and permit requirements applicable in the state of Idaho and must be properly inspected, if required, by appropriate agencies. Customers must submit required documentation of purchase and installation to the Company under the terms and instructions of the current rebate form. The Company reserves the right to verify installation prior to the payment of any rebates.

Issued by: <b>Intermountain Gas Company</b> By: Lori A. Blattner Effective: <del>March 1, 2020</del> <u>October 1, 2020</u>	Title: Director – Regulatory Affairs
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I.P.U.C. Gas Tariff	
Rate Schedules	
First Revised	Second
Sheet No. 17 (Page 1 of 1)	
Name of Utility	<b>Intermountain Gas Company</b>

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Oct. 1, 2019** **Oct. 1, 2019**  
**Per O.N. 34448 & 34454**  
**Diane M. Hanian Secretary**

**Rate Schedule EEC-RS**  
**RESIDENTIAL ENERGY EFFICIENCY CHARGE**

**APPLICABILITY:**

Applicable to customers taking service under Rate Schedule RS. The Energy Efficiency Charge is designed to fund administrative and program delivery costs incurred by the Company for energy efficiency services provided to customers as outlined in Rate Schedule EE.

**MONTHLY RATE:**

The Monthly Rate is equal to the applicable Energy Efficiency Charge multiplied by the monthly billed therms.

<u>Schedule</u>	<u>Energy Efficiency Charge</u>
Rate Schedule RS	\$0.02093

↘-RS

Issued by: <b>Intermountain Gas Company</b> By: Lori A. Blattner Effective: <del>October 1, 2019</del> <u>October 1, 2020</u>	Title: Director – Regulatory Affairs
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**PROPOSED TARIFF**  
**(Clean Format)**

**(7 pages)**

I.P.U.C. Gas Tariff  
Index  
Fourth Revised

Sheet No. C

Name  
of Utility

**Intermountain Gas Company**

**INDEX  
RATE SCHEDULES**

<b><u>SCHEDULE NO.</u></b>	<b><u>TITLE</u></b>	<b><u>SHEET</u></b>
RS	Residential Service .....	1
GS-1	General Service.....	3
IS-R	Residential Interruptible Snowmelt Service.....	4
IS-C	Small Commercial Interruptible Snowmelt Service .....	5
LV-1	Large Volume Firm Sales Service .....	7
T-3	Interruptible Distribution Transportation Service.....	8
T-4	Firm Distribution Only Transportation Service .....	9
PGA	Purchased Gas Cost Adjustment .....	13
FT	Franchise Fee/ Tax Adjustment.....	15
EE-RS	Residential Energy Efficiency Rebate Program.....	16
EEC-RS	Residential Energy Efficiency Charge .....	17
EE-GS	General Service Energy Efficiency Rebate Program.....	18
EEC-GS	General Service Energy Efficiency Charge.....	19

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Title: Director – Regulatory Affairs

Effective: October 1, 2020



Name  
of Utility

**Intermountain Gas Company**

## **Rate Schedule RS RESIDENTIAL SERVICE**

### **APPLICABILITY:**

Applicable to any customer using natural gas for residential purposes.

### **RATE:**

Monthly minimum charge is the Customer Charge.

Customer Charge: \$5.50 per bill

Per Therm Charge: \$0.51816\*

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.05573)
	2) Weighted average cost of gas	\$0.20904
	3) Gas transportation cost	\$0.18087

Distribution Cost: \$0.16305

EE Charge: \$0.02093

### **PURCHASED GAS COST ADJUSTMENT:**

This tariff is subject to an adjustment for the cost of purchased gas as provided for in Rate Schedule PGA. This adjustment is incorporated into the calculation of the Cost of Gas stated on customer bills.

### **ENERGY EFFICIENCY CHARGE ADJUSTMENT:**

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-RS. The Energy Efficiency Charge is separately stated on customer bills.

### **SERVICE CONDITIONS:**

All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

Name  
of Utility

**Intermountain Gas Company**

## **Rate Schedule GS-1 GENERAL SERVICE**

### **APPLICABILITY:**

Applicable to customers whose requirements for natural gas do not exceed 2,000 therms per day, at any point on the Company's distribution system. Requirements in excess of 2,000 therms per day may be served under this rate schedule upon execution of a one-year written service contract.

### **RATE:**

Monthly minimum charge is the Customer Charge.

Customer Charge: \$9.50 per bill

Per Therm Charge:	Block One:	First	200 therms per bill @	\$0.51668*
	Block Two:	Next	1,800 therms per bill @	\$0.49320*
	Block Three:	Next	8,000 therms per bill @	\$0.47053*
	Block Four:	Over	10,000 therms per bill @	\$0.40197*

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.05711)
	2) Weighted average cost of gas	\$0.20904
	3) Gas transportation cost	\$0.17690

Distribution Cost:	Block One:	First	200 therms per bill @	\$0.18465
	Block Two:	Next	1,800 therms per bill @	\$0.16117
	Block Three:	Next	8,000 therms per bill @	\$0.13850
	Block Four:	Over	10,000 therms per bill @	\$0.06994

EE Charge: \$0.00320

Name  
of Utility

**Intermountain Gas Company**

**Rate Schedule GS-1  
GENERAL SERVICE  
(Continued)**

For separately metered deliveries of gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines.

Customer Charge: \$9.50 per bill

Per Therm Charge:	Block One:	First 10,000 therms per bill @	\$0.46733*
	Block Two:	Over 10,000 therms per bill @	\$0.39877*

\*Includes the following:

Cost of Gas:	1) Temporary purchased gas cost adjustment	(\$0.05711)
	2) Weighted average cost of gas	\$0.20904
	3) Gas transportation cost	\$0.17690

Distribution Cost:	Block One:	First 10,000 therms per bill @	\$0.13850
	Block Two:	Over 10,000 therms per bill @	\$0.06994

**PURCHASED GAS COST ADJUSTMENT:**

This tariff is subject to an adjustment for cost of purchased gas as provided for in the Company's Purchased Gas Cost Adjustment Schedule.

**ENERGY EFFICIENCY CHARGE ADJUSTMENT:**

This tariff is subject to an adjustment for costs related to the Company's Energy Efficiency program as provided for in Rate Schedule EEC-GS. The Energy Efficiency Charge is not applicable to gas utilized solely as Compressed Natural Gas Fuel in vehicular internal combustion engines. The Energy Efficiency Charge is separately stated on customer bills.

**SERVICE CONDITIONS:**

1. All natural gas service hereunder is subject to the General Service Provisions of the Company's Tariff, of which this rate schedule is a part.

**BILLING ADJUSTMENTS:**

1. Any GS-1 customer who leaves the GS-1 service will pay to Intermountain Gas Company, upon exiting the GS-1 service, all gas and transportation related costs incurred to serve the customer during the GS-1 service period not paid by the customer during the time the customer was using GS-1 service. Any GS-1 customer who leaves the GS-1 service will have refunded to them, upon exiting the GS-1 service, any excess gas commodity or transportation payments made by the customer during the time they were a GS-1 customer.

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Title: Director – Regulatory Affairs

Effective: October 1, 2020

## **Rate Schedule EE-RS RESIDENTIAL ENERGY EFFICIENCY REBATE PROGRAM**

### **AVAILABILITY:**

The Intermountain Gas Company Energy Efficiency Rebate Program (EE Program) is available throughout Intermountain's service territory to eligible residential account holders served under the Company's Rate Schedule RS.

### **PROGRAM DESCRIPTION:**

The purpose of the program is to encourage upgrades to, or use of, high efficiency natural gas equipment. This will be achieved through the use of rebates, offered towards the purchase and installation of qualified energy-efficient natural gas equipment and construction of Energy Star certified homes.

### **ELIGIBILITY:**

To qualify for incentives, customers must meet the end-use qualifications identified in the Measures/Incentive Table below.

To qualify for space heating rebates, a dwelling must use natural gas as the sole heat source upon installation of rebate-qualified equipment.

To qualify for water heating rebates, a dwelling must utilize natural gas for water heating upon installation of rebate-qualified equipment.

Rebates for furnaces and water heating equipment for new construction may not be combined with the Energy Star whole home package rebates.

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Effective: October 1, 2020

Title: Director – Regulatory Affairs

**Rate Schedule EE-RS  
RESIDENTIAL ENERGY EFFICIENCY REBATE PROGRAM  
(Continued)**

**MEASURES/INCENTIVES:**

<b>Whole Home Package (for new construction)</b>	<b>Description</b>	<b>Rebate Amount</b>
Energy Star Certified Home	Energy Star Verified Home with Natural Gas Space and Water Heat	\$1,200
<b>Stand Alone Measures (for new &amp; existing construction)</b>	<b>Description</b>	<b>Energy Efficiency Rebate</b>
95% AFUE Natural Gas Furnace	95% or Greater Thermal Efficiency Rating	\$350
High Efficiency Combination Radiant Heat System	90% or Greater Efficiency Condensing Tank-less Combo System For Space and Water Heat	\$1,000
70% FE Natural Gas Fireplace Insert	70% FE Rating or Greater	\$100
.67 EF Natural Gas Water Heater	.67 Energy Factor or Greater	\$50
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**GENERAL PROVISIONS:**

All installations of equipment must comply with all codes and permit requirements applicable in the state of Idaho and must be properly inspected, if required, by appropriate agencies. Customers must submit required documentation of purchase and installation to the Company under the terms and instructions of the current rebate form. The Company reserves the right to verify installation prior to the payment of any rebates.

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Effective: October 1, 2020

Title: Director – Regulatory Affairs

Name  
of Utility

**Intermountain Gas Company**

**Rate Schedule EEC-RS  
RESIDENTIAL ENERGY EFFICIENCY CHARGE**

**APPLICABILITY:**

Applicable to customers taking service under Rate Schedule RS. The Energy Efficiency Charge is designed to fund administrative and program delivery costs incurred by the Company for energy efficiency services provided to customers as outlined in Rate Schedule EE-RS.

**MONTHLY RATE:**

The Monthly Rate is equal to the applicable Energy Efficiency Charge multiplied by the monthly billed therms.

Schedule

Rate Schedule RS

Energy Efficiency Charge

\$0.02093

Issued by: **Intermountain Gas Company**

By: Lori A. Blattner

Title: Director – Regulatory Affairs

Effective: October 1, 2020

**NEWS RELEASE**

**and**

**CUSTOMER NOTICE**

**CASE NO. INT-G-20-04**

**INTERMOUNTAIN GAS COMPANY**

**(2 pages)**



## **Intermountain Gas Company files request to implement commercial energy efficiency program**

**BOISE, ID – August 3, 2020** – Intermountain Gas Company filed today a request with the Idaho Public Utilities Commission to establish and fund a commercial energy efficiency program. If approved, the energy efficiency charge would result in an increase of \$1.02, or 0.6%, per month for Intermountain commercial customers. The proposed effective date is Oct. 1, 2020.

The proposed energy efficiency program would be available to all commercial customers on the GS-1 rate schedule, other than customers using natural gas solely as compressed natural gas fuel in vehicle combustion engines. Those customers also would be exempt from the energy efficiency charge. The program has no impact on the residential energy efficiency program and will not affect residential prices.

“Energy efficiency programs lower customer demand, which means the company does not have to invest as much in additional natural gas infrastructure and supplies,” said Scott Madison, executive vice president, business development and gas supply. “This helps keep the cost of natural gas lower for all customers.”

The request is a proposal and is subject to public review and approval by the IPUC. A copy of the application is available for review at the commission, its homepage [www.puc.idaho.gov](http://www.puc.idaho.gov), as well as the company’s website [www.intgas.com](http://www.intgas.com). Written comments regarding the application can be filed with the commission. Customers may also subscribe to the commission’s RSS feed to review periodic updates via email.

Intermountain Gas urges all customers to use energy wisely. For more information about the company’s current residential energy efficiency program and available rebates for installing high efficiency equipment, visit [www.intgas.com/saveenergy](http://www.intgas.com/saveenergy). Energy efficiency tips, payment options, and programs to help customers level out their energy bills over the year can be found on the company’s website [www.intgas.com](http://www.intgas.com).

*Intermountain Gas Company is a natural gas distribution company serving approximately 381,000 residential, commercial and industrial customers in 76 communities in southern Idaho. Intermountain is a subsidiary of MDU Resources Group, Inc., a member of the S&P MidCap 400 index and the S&P High-Yield Dividend Aristocrats index and is Building a Strong America<sup>®</sup> by providing essential products and services through its regulated energy delivery and construction materials and services businesses. For more information about MDU Resources, see the company’s website at [www.mdu.com](http://www.mdu.com). For more information about Intermountain, visit [www.intgas.com](http://www.intgas.com).*

**Media Contact:** Mark Hanson at 701-530-1093 or [mark.hanson@mduresources.com](mailto:mark.hanson@mduresources.com).





## Customer Notice

### Intermountain Gas Company files request to Implement a Commercial Energy Efficiency Program and Funding Mechanism

Boise, ID - August 3rd, 2020 – Intermountain Gas Company filed a request with the Idaho Public Utilities Commission to establish and fund a Commercial Energy Efficiency Program. If approved, the Energy Efficiency Charge would result in an increase of \$1.02 per month (0.6%) for Intermountain Gas GS-1 class customers. The proposed effective date is October 1st, 2020.

The Intermountain Gas Commercial Energy Efficiency Program would be available to all Intermountain customers receiving service on the GS-1 tariff. However, customers using gas solely as Compressed Natural Gas Fuel in vehicular combustion engines would not be included in the Energy Efficiency program and would be exempt from the Energy Efficiency charge. This program has no bearing on the Residential Energy Efficiency Program and will not change residential rates.

Energy efficiency programs lower customer demand, which means the company does not have to invest as much in additional natural gas infrastructure and supplies. This helps keep the cost of natural gas lower for all customers.

The request is a proposal and is subject to public review and approval by the IPUC. A copy of the application is available for review at the commission, its homepage [www.puc.idaho.gov](http://www.puc.idaho.gov), as well as the company's website [www.intgas.com](http://www.intgas.com). Written comments regarding the application may be filed with the commission. Customers may also subscribe to the commission's RSS feed to review periodic updates via email.

Intermountain Gas urges all customers to use energy wisely. For more information about the company's current Residential Energy Efficiency program and available rebates for installing high efficiency equipment, visit [www.intgas.com/saveenergy](http://www.intgas.com/saveenergy). Energy efficiency tips, payment options, and programs to help consumers level out their energy bills over the year can be found on the company's website [www.intgas.com](http://www.intgas.com).

Intermountain Gas Customer Service  
800-548-3679  
[www.intgas.com](http://www.intgas.com)

