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IDAHO PUBLIC
UTILITIES COMMISSION

December 31, 2020

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

RE: Case No. GNR-U-20-03 Report

Dear Ms. Noriyuki:

In Order No. 34718, Case No. GNR-U-20-03, the Idaho Public Utilities Commission (“Commission”) granted Intermountain Gas Company (“Intermountain” or “Company”) the ability to account for unanticipated, Emergency-related expenses due to the Covid-19 public health emergency by booking the expenses as regulatory assets for possible recovery through future rates. Order No. 34718 also ordered that utilities must file a report with the Commission by December 31, 2020 detailing the expenses deferred and any reduced sales revenues tracked. *Order No. 34718 at 10.*

Through December 31, 2020, Intermountain has not deferred any amounts allowed by Order No. 34718. Although Intermountain has seen some increases in costs related to the emergency as well as lost revenue from the suspension of late fees, there have also been offsetting decreases in costs that made it unnecessary to book any amounts to a deferral account in 2020.

Since resuming the disconnection process, Intermountain has also seen its past due account balances drop significantly. The attached report the Company has been providing quarterly shows that the current levels of past due balances are not significantly different in total from what they were in 2019. However, as of November 30, 2020, accounts past due by more than 120 days are 351% higher than they were in 2019. The past due balances are not written off until 105 days after the customer receives their final bill. Because of the annual winter moratorium on disconnections, many of these accounts that are past due by more than 120 days will not final bill until spring of 2021. It would not be until that point that the Company may see bad debt levels higher than 2019.

Intermountain continues to communicate with customers that are in arrears to provide information on assistance that is available, and to have them contact the Company to set up payment arrangements. Intermountain is continuing to allow extended payment arrangements of up to 12 months. Once the moratorium ends in the spring, Intermountain is hopeful the disconnection process will again provide an incentive for customers to pay their bills or set up payment arrangements. However, there is the potential that the larger than normal balances of accounts



greater than 120 days past due will not be paid, resulting in the need to defer the significant write-offs that may result.

Should you require additional information regarding any of the information contained in this report, please contact me at (208) 377-6015.

Sincerely,

Lori A. Blattner
Director, Regulatory Affairs
Intermountain Gas Company

Enclosure

cc: Mark Chiles
Preston Carter