

IDAHO · GAS UTILITIES · CAPITAL BRIEFING

Idaho keeps adding gas customers. Your capital plan has to keep pace.

Idaho is one of the nation's fastest-growing states, and its gas utilities are adding customers and extending mains while every dollar is recovered through base rates, not a surcharge. Supply is imported and price-exposed, and the project list keeps shifting under growth. Invizion helps gas utilities re-sequence a capital portfolio in a click — and defend every decision.

+10.4% ¹	475,518 ²	412,500+ ³	\$8.51 ⁴
Idaho population growth since 2020 — among the fastest in the nation, driving gas customer additions and line extensions.	Residential natural gas customers statewide in 2024, up from 454,531 in 2022.	Intermountain Gas customers across 74 southern Idaho communities — the dominant LDC.	Residential price per Mcf in 2024, after spiking to \$9.75 in 2023 — commodity swings that flow straight to bills.

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THE IDAHO LANDSCAPE

Four forces are moving your project list at once

Idaho's gas story is a growth story, not a wind-down — but growth, imported supply, and base-rate recovery each reshuffle the capital plan on their own clock.

INTEGRITY — A GROWING NETWORK**Extend and monitor, not just replace**

Idaho's distribution network is comparatively young — built largely since the 1950s and dominated by plastic and coated steel, with little of the cast-iron and bare-steel main that burdens older Eastern systems. PHMSA's distribution integrity management rules still apply in full⁵

The real integrity task here is growth: a population up 10.4% since 2020 means thousands of new services, meters, and mains every year, plus cross-bore risk and aging early-vintage plastic to track.¹

POLICY — GROWTH, NOT A BAN**No gas ban, no future-of-gas docket**

Idaho has no gas ban, no statewide 'future of gas' proceeding, and no building-electrification mandate. Gas mains are still being extended to new subdivisions as the state issues nearly 18,000 building permits a year.¹

That lowers the stranded-asset risk that dominates coastal planning — but a long-horizon capital plan still has to weigh how electrification of new construction and efficiency could bend the throughput curve a decade out.

SUPPLY — IMPORTED & VOLATILE**Every therm arrives on someone else's pipe**

Idaho produces virtually no natural gas of its own. Nearly all of it arrives on two interstate systems — Williams' Northwest Pipeline, which carries Rocky Mountain, San Juan, and Canadian supply into southern Idaho,⁶ and Gas Transmission Northwest (TC Energy), which brings Alberta gas across the panhandle from Kingsgate.⁷

On a heating-dominated, winter-peaking load that means real price exposure: the residential price ran to \$9.75 per Mcf in 2023 before easing to \$8.51 in 2024⁴ while statewide deliveries reached 156,422 MMcf.⁸

CAPITAL — RECOVERY & AFFORDABILITY**No surcharge to lean on**

The Idaho Public Utilities Commission sets rates, ROE, and cost recovery for Intermountain Gas and Avista.⁹ Idaho has no dedicated infrastructure-replacement surcharge — no ISRS or DSIC — so growth and integrity capital is recovered through general rate cases and trackers, not a standalone riders.⁹

That puts the affordability tension squarely in base rates: every mile of new main and every rate-base dollar has to be justified before the Commission, even as bills rise with a growing, price-exposed customer base.

WHO DELIVERS IDAHO'S GAS

Two investor-owned LDCs, no municipal systems

Idaho's gas network is carried almost entirely by two PUC-regulated investor-owned utilities. There are no municipal gas systems, and rural Idaho beyond the mains runs on propane.

Investor-owned gas LDCs

Rates & capital recovery regulated by the Idaho PUC

Intermountain Gas 412,500+ customers · 74 southern Idaho communities³

Company

Avista Utilities Natural gas across northern Idaho · ~369,000 gas customers in four NW states¹⁰

MDU Resources Group Intermountain Gas's parent company¹¹
(NYSE: MDU)

Together the two LDCs served 475,518 residential gas customers statewide as of 2024.²

Municipal, public & pipeline

Idaho's LDC market is 100% investor-owned

No municipal gas systems Every Idaho LDC is investor-owned and PUC-regulated

Williams — Northwest Pipeline Interstate mainline into southern Idaho · 3,900+ miles⁶

TC Energy — Gas Transmission Northwest Alberta gas via Kingsgate across the panhandle⁷

Rural Idaho Propane & delivered fuels beyond the gas main

Capital recovery runs through base rates

With no infrastructure surcharge to lean on, every capital dollar has to be justified in a rate case.

Idaho Public Utilities Commission (IPUC) — the three-member commission sets rates, ROE, and capital recovery for Intermountain Gas and Avista.⁹

No ISRS or DSIC — unlike many states, Idaho has no standalone infrastructure-replacement surcharge; pipe-replacement and growth capital are recovered through general rate cases⁹

Purchased Gas Adjustment (PGA) — commodity costs pass through annually (Intermountain INT-G-26-04; Avista AVU-G-26-03), the mechanism behind the 2023 price run to \$9.75/Mcf and the 2024 ease to \$8.51.^{9,4}

Depreciation & decoupling — Intermountain's 2026 depreciation and amortization case (INT-G-26-01) resets recovery of a growing rate base, while Avista's Fixed Cost Adjustment (AVU-G-26-02) decouples revenue from volumes.⁹

Little federal money — the balance sheet carries the build

Idaho's growth capital rests on rate base and cost recovery, not grants.

The main federal gas program isn't open to its utilities.

PHMSA NGDISM: not for Idaho's LDCs — the \$1 billion federal Natural Gas Distribution Infrastructure Safety & Modernization program (\$200M/year) is limited to municipally or community-owned utilities, so Idaho's all-investor-owned market is ineligible.¹²

Base-rate recovery — with no ISRS or DSIC, integrity and growth capital are recovered through general rate cases and depreciation resets (INT-G-26-01), keeping the build on the balance sheets.⁹

PGA cost pass-through — commodity costs flow to customers through the PGA; the residential price hit \$9.75/Mcf in 2023 before easing to \$8.51 in 2024, showing the scale that moves through rates.⁴

Growth as the funding driver — statewide deliveries reached 156,422 MMcf in 2024, up from 138,598 in 2022; every subdivision added expands throughput and rate bases⁸

IDAHO'S GAS SECTOR, IN BRIEF

Questions Idaho gas utility leaders are asking

Short, sourced answers — the same facts we dig into with utilities looking at their capital programs.

How many natural gas customers does Idaho have?

Idaho had 475,518 residential natural gas customers in 2024, up from 454,531 in 2022. Intermountain Gas serves 412,500+ across 74 southern Idaho communities, and Avista serves northern Idaho²³¹⁰

Who regulates Idaho's gas utilities?

The Idaho Public Utilities Commission (IPUC) sets rates, ROE, and capital recovery for Intermountain Gas and Avista. Idaho has no dedicated infrastructure-replacement surcharge, so capital is recovered through general rate cases and trackers⁹

Where does Idaho's natural gas come from?

Idaho produces virtually no gas of its own. Nearly all arrives via Williams' Northwest Pipeline (Rocky Mountain, San Juan, and Canadian supply into southern Idaho) and Gas Transmission Northwest (Alberta gas across the panhandle)⁶⁷

Does Idaho have a gas ban or 'future of gas' proceeding?

No. Idaho has no gas ban, no building-electrification mandate, and no statewide future-of-gas docket; gas mains are still extending to new subdivisions as the state grows by nearly 18,000 building permits a year¹

Is Idaho's gas infrastructure aging?

Idaho's network is comparatively young, with little cast-iron or bare-steel main. PHMSA's distribution integrity rules still apply, but the bigger task is safely extending and monitoring a fast-growing system⁵¹

How does Invizion help Idaho gas utilities plan capital?

Invizion is scenario-based capital portfolio optimization for utilities. It lets you model how a surge of new customers, a commodity price swing, or a rate-case outcome reshuffles your whole project list, re-sequence the portfolio automatically against your constraints, and keep a defensible record of every decision for the Idaho PUC.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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2. U.S. Energy Information Administration — Idaho residential natural gas consumers: 475,518 (2024), 465,632 (2023), 454,531 (2022). www.eia.gov
3. Intermountain Gas Company — About Us: 412,500+ customers, 74 southern Idaho communities, subsidiary of MDU Resources, founded 1955. www.intgas.com
4. U.S. Energy Information Administration — Idaho residential natural gas price: \$8.51/Mcf (2024), \$9.75 (2023), \$7.97 (2022). www.eia.gov
5. PHMSA — Gas distribution pipeline data and distribution integrity management (DIMP) program (mileage and material by state). www.phmsa.dot.gov
6. Northwest Pipeline (Williams) — 3,900+ miles, 3.8 MMDth/day peak capacity; serves the Pacific Northwest with Rocky Mountain, San Juan, and Canadian supply. en.wikipedia.org
7. Gas Transmission Northwest (TC Energy) — 1,353 miles, ~2,900 MMcf/day, from Kingsgate at the BC border across Idaho to the Pacific Northwest; Alberta supply. en.wikipedia.org
8. U.S. Energy Information Administration — Idaho total natural gas consumption: 156,422 MMcf (2024), 150,716 (2023), 138,598 (2022). www.eia.gov
9. Idaho Public Utilities Commission — natural gas case dockets: Intermountain INT-G-26-01 (depreciation), INT-G-26-04 (PGA); Avista AVU-G-26-02 (FCA), AVU-G-26-03 (PGA). puc.idaho.gov
10. Avista — Our Company: natural gas to ~369,000 customers across four northwestern states (including northern Idaho). www.myavista.com
11. Intermountain Gas Company — company overview: subsidiary of MDU Resources Group (NYSE: MDU); Call 811 / cross-bore safety and natural gas vehicle programs. www.intgas.com
12. PHMSA — Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grants: \$1 billion over five years (\$200M/year), for municipality- or community-owned utilities only. www.phmsa.dot.gov

ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See how utilities keep capital plans current and defensible with Invizion.

Explore Invizion →