

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
June 23, 2004

**Great Plains Natural Gas Co.  
June 2004  
Cost of Gas Adjustment**

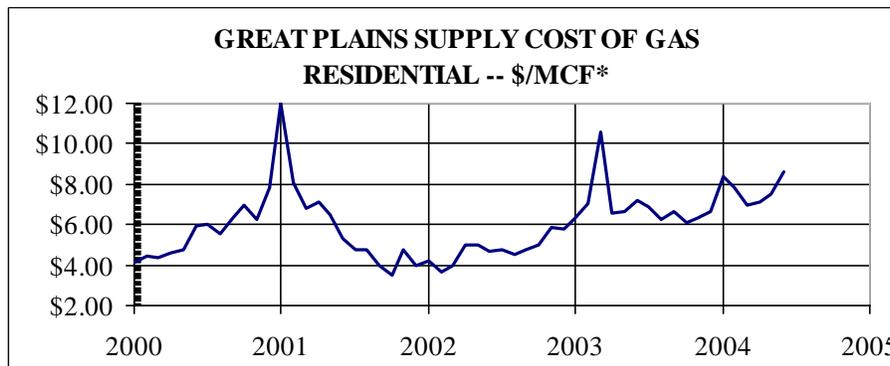
**PU-04-278  
Filed 06/10/2004**

Great Plains is increasing its cost of gas adjustment to residential customers by \$1.1299 per MCF compared to last month. This gas adjustment will be applied to natural gas used on or after June 1, 2004.

This cost of gas adjustment on the bill will change from \$2.3290 per MCF to \$3.4589 per MCF.

For residential consumption of 2.2 MCF (typical of June), the cost of gas in the bill will be approximately \$2.26 higher than last month and \$3.13 higher than June 2003.

The total supply-cost of gas for June usage is \$8.6438 per MCF.



The supply-cost of gas change is due to:

- \$0.8432 per MCF increase in the commodity-cost of gas.
- \$0.0539 per MCF decrease in the demand-cost of gas.
- \$0.3406 per MCF increase in the annual over/under recovery mechanism

The change in commodity-cost of gas is attributed to increased demand as oil costs continue to increase while production is down. The reduction in demand-cost of gas is attributed to a change in Northern Natural Gas Company's TFX Reservation Charges, TFF Reservation Charge, and a revised three-year normalized average firm sales.

The Department of Energy's (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the EIA website: <http://www.eia.doe.gov>.

There were 2,039 Great Plains customers in North Dakota as of December 31, 2003.

**MOTION**

**June 23, 2004**

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**Case No. PU-04-278**

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for June 2004, Case No. PU-04-278.

PJF/sdh