

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
January 12, 2005

**Great Plains Natural Gas Co.  
January 2005  
Cost of Gas Adjustment**

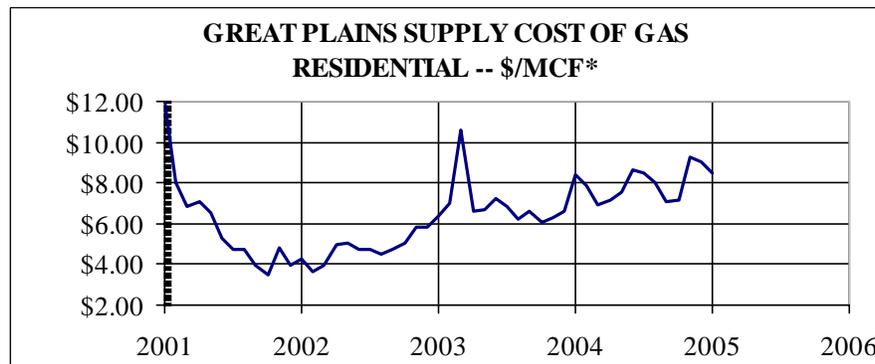
**PU-05-4  
Filed 01/04/2005**

Great Plains is decreasing its cost of gas adjustment to residential customers by \$0.5774 per dekatherm (dk) compared to last month. This gas adjustment will be applied to natural gas used on or after January 1, 2005.

This cost of gas adjustment on the bill will change from \$3.8691 per dk to \$3.2917 per dk.

For residential consumption of 20.1 dk (typical of January), the cost of gas in the bill will be approximately \$11.61 lower than last month and \$1.70 higher than January 2004.

The total supply-cost of gas for November usage is \$8.4766 per dk.



The supply-cost of gas change is due to:

- \$0.6068 per dk decrease in the commodity-cost of gas.
- \$0.0294 per dk increase in pipeline charges.

For Great Plains, the Cost of Gas for the month is determined on the last day of the preceding month. The Cost of Gas is based on the average of the preceding month's AECO Index futures for the month that the Cost of Gas adjustment will be effective. For example, December's Cost of Gas is determined on the last day of November and is the average of November's AECO Index futures for December gas.

The Department of Energy's (DOE) Energy Information Administration's (EIA) Natural Gas Weekly Update stated that, for the week of December 22 through 29, natural gas spot prices have decreased sharply at virtually all market locations in the Lower 48 States. Prices declined in each of the last three days of trading (December 27-29) as temperatures moderated following the coldest weather to date of the 2004-2005 heating season, which occurred during the holiday weekend. Natural gas in storage decreased to 2,849 Bcf as of December 24, which is 14.4 percent above the 5-year average.

Great Plains states the increase in pipeline charges is due to the change in the Canadian exchange rate.

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**

**January 12, 2005**

**Great Plains Natural Gas Co.  
January 2005  
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**Case No. PU-05-4**

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for January 2005, Case No. PU-05-4.

PJF/sdh