

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
October 18, 2005

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

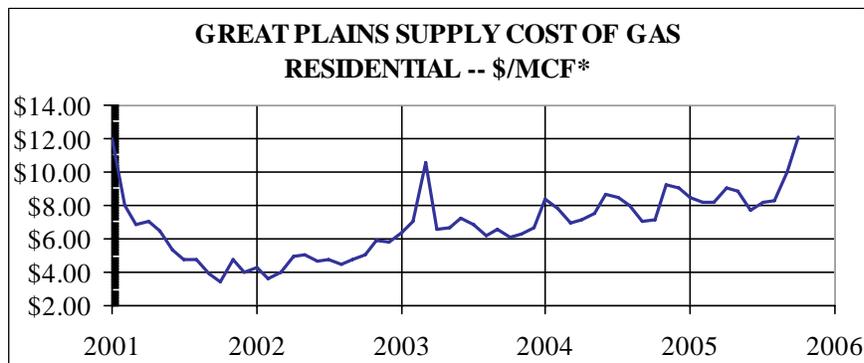
**PU-05-549  
Filed 10/03/2005**

Great Plains is increasing its cost of gas adjustment to residential customers by \$2.1477 per dekatherm (dk) compared to last month. This gas adjustment will be applied to natural gas used on or after October 1, 2005.

This cost of gas adjustment on the bill will change from \$4.8001 per dk to \$6.9478 per dk.

For residential consumption of 7.5 dk (representative of October), the cost of gas in the bill will be approximately \$16.11 higher than last month and \$37.57 higher than October 2004.

The total supply-cost of gas for October usage is \$12.1327 per dk.



The supply-cost of gas change is due to:

- \$2.1192 per dk increase in the commodity-cost of gas.
- \$0.028 per dk increase in pipeline charges.

The increase in commodity-cost of gas is attributed to continued high world oil prices, warmer weather throughout the states that required additional natural gas fired electric generation, and Gulf of Mexico production being shut in as a result of hurricanes. Although natural gas storage remains above the 5-year average, current and future prices remain relatively high compared to historical levels apparently due to market expectations of persisting tightness in the natural gas market.

For Great Plains, the Cost of Gas for the month is based on the established price for the Alberta Energy Company Ltd. (AECO) Index. The AECO Index is based on the weighted average one month spot price at AECO-Calgary Hub (AECO-C) / Nova Inventory Transfer (NIT) as reported by Natural Gas Exchange (NGX).

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 2,044 Great Plains customers in North Dakota as of December 31, 2004.

**M O T I O N**

**October 18, 2005**

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**Case No. PU-05-549**

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for October 2005, Case No. PU-05-549.

PJF/sdh