

NORTH DAKOTA PUBLIC SERVICE COMMISSION
January 11, 2006

**Great Plains Natural Gas Co.
January 2006
Cost of Gas Adjustment**

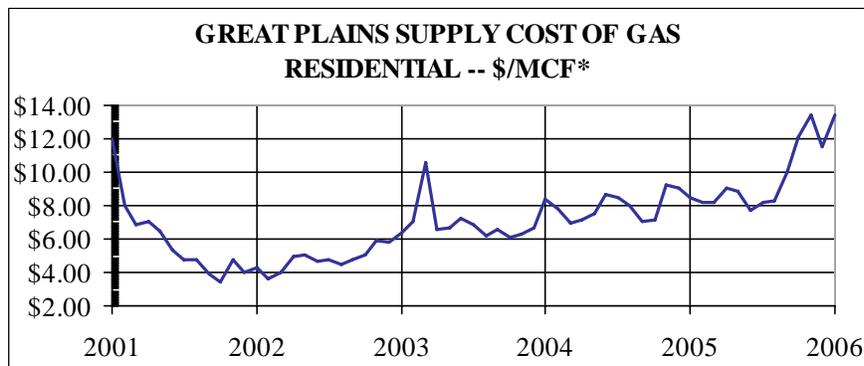
**PU-06-2
Filed 01/03/2006**

Great Plains is increasing its cost of gas adjustment to residential customers by \$1.8852 per dekatherm (dk) compared to last month. This gas adjustment will be applied to natural gas used on or after January 1, 2006.

This cost of gas adjustment on the bill will change from \$6.3188 per dk to \$8.2040 per dk.

For residential consumption of 20.1 dk (representative of January), the cost of gas in the bill will be approximately \$37.89 higher than last month and \$98.74 higher than January 2005.

The total supply-cost of gas for January usage is \$13.39 per dk.



The supply-cost of gas change is due to:

- \$1.8868 per dk increase in the commodity-cost of gas.
- \$0.0016 per dk decrease in pipeline charges.

The increase in commodity-cost of gas is attributed to below normal temperatures and the increased demand over the eastern portion of the U.S. during the month of December. Current and future prices remain high compared to historical levels and reflect market expectations of persisting tightness in the natural gas market despite high storage inventories.

The principal sources of natural gas for Wahpeton are the large Western Canadian Sedimentary Basin. 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.

MOTION

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Case No. PU-06-2

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for January 2006, Case No. PU-06-2.

PJF/sdh