

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
October 12, 2006

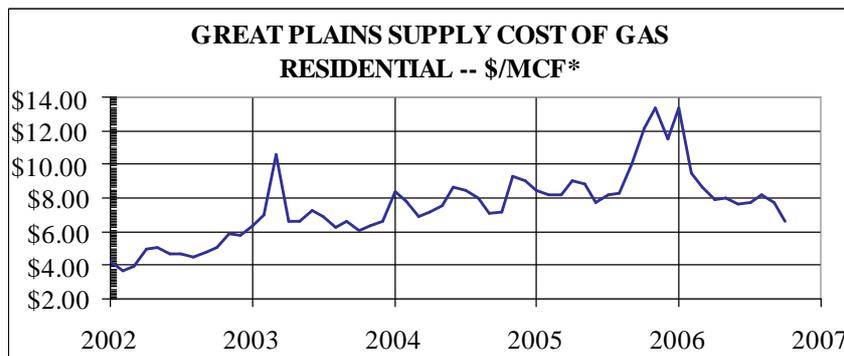
**Great Plains Natural Gas Co.  
October 2006  
Cost of Gas Adjustment**

**PU-06-431  
Filed 10/02/2006**

Great Plains is decreasing its cost of gas adjustment to residential customers by \$1.0633 per dekatherm (dk) compared to last month. This gas adjustment will be applied to natural gas used on or after October 1, 2006.

This cost of gas adjustment on the bill will change from \$7.6887 per dk to \$6.6254 per dk.

For residential consumption of 7.5 dk (representative of October), the cost of gas in the bill will be approximately \$7.97 lower than last month and \$41.30 lower than October 2005.



The supply-cost of gas change is due to:  
\$1.0757 per dk decrease in the commodity cost of gas.  
\$0.0124 per dk increase in pipeline charges.

Ample natural gas storage inventories, moderate weather and a decrease in crude oil prices have contributed to the price decrease. The storage inventories as of September 14 were 12.5% above the five-year average as reported by the Energy Information Administration.

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>.

As of December 31, 2005, Great Plains served 1,692 residential customers and 2,063 total customers in North Dakota.

**MOTION**

**October 12, 2006**

**Great Plains Natural Gas Co.  
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**Case No. PU-06-431**

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for October 2006, Case No. PU-06-431.

PJF