

NORTH DAKOTA PUBLIC SERVICE COMMISSION
December 6, 2006

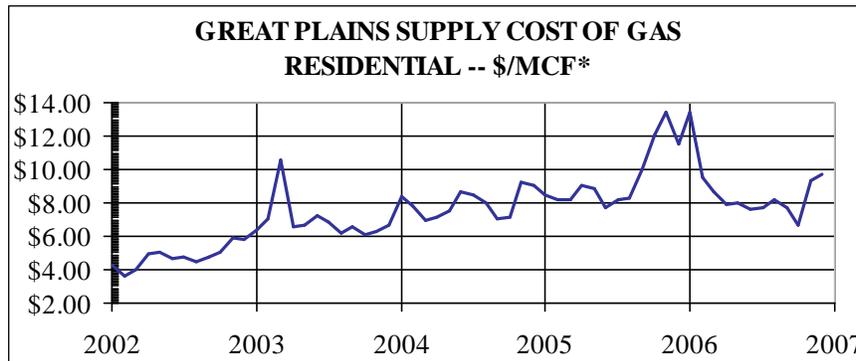
**Great Plains Natural Gas Co.
December 2006
Cost of Gas Adjustment**

**PU-06-507
Filed 12/04/2006**

Great Plains is increasing its cost of gas adjustment to residential customers by \$0.3544 per dekatherm (dk) compared to last month. This Cost of Gas charge will be applied to natural gas bills issued during December 2006.

This cost of gas adjustment on the bill will change from \$9.3180 per dk to \$9.6724 per dk.

For residential consumption of 18.8 dk (representative of December), the cost of gas in the bill will be approximately \$6.66 higher than last month and \$34.43 lower than December 2005.



The supply-cost of gas change is due to:

\$0.3698 per dk increase in the commodity cost of gas.

\$0.0154 per dk decrease in pipeline charges.

Concerns over long-term supply and relatively high prices for competing petroleum products are contributed to the price increase. While storage levels nationwide remain high, futures prices remain fairly high. The storage inventories as of November 17 were 7.5% 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

December 6, 2006

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Case No. PU-06-507

I move the Commission approve Great Plains Natural Gas Co.'s Cost of Gas adjustment for December 2006, Case No. PU-06-507.

PJF