

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
June 19, 2002

Montana-Dakota Utilities Co., a Division of  
MDU Resources Group, Inc.  
July 2002  
Purchased Gas Adjustment-Natural Gas

PU-399-02-276  
Filed 06/11/2002

SUMMARY OF PROPOSAL:

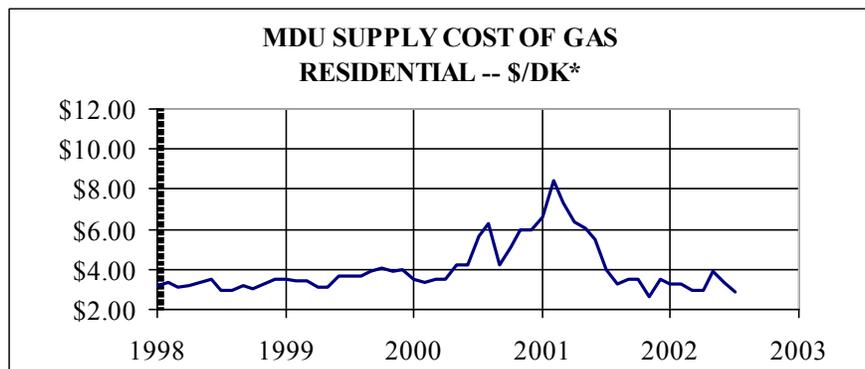
For gas bills issued during July 2002, MDU is decreasing its purchased gas adjustment by \$.540 per dekatherm for residential and firm general service customers. This changes the current purchased gas adjustment from negative \$.292 per dk to negative \$.832 per dk.

The change in the purchased gas adjustment for residential customers results from:

- \$.540 per dk decrease in the commodity cost of gas

The resulting supply cost of gas for July usage is \$2.837 per dk. The supply cost of gas excluding the annual surcharge adjustment and the margin sharing is \$3.387 per dk.

The Department of Energy's Energy Information Administration reports that, although storage levels at the end of the heating season are much higher than average, current spot prices are higher than during the heating season, except for the Rocky Mountain region. With current prices higher than previously expected and industry anxiety over short term productive capacity, 2003 gas prices are expected to be higher than the current year's average projected price.



This PGA change will decrease the July bill for a typical residential customer with usage of 1.7 dk by \$.92. There were 83,090 MDU customers in North Dakota as of April 30, 2002.

The Department of Energy's (DOE) Energy Information Administration (EIA) provides various publications on energy issues. The information is available on the EIA's website: <http://www.eia.doe.gov>.

**M O T I O N**

**June 19, 2002**

**Montana-Dakota Utilities Co., A Division of  
MDU Resources Group, Inc.  
July 2002  
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**Case No. PU-399-02-276**

I move the Commission approve Montana-Dakota Utilities Co.'s Natural Gas  
Purchased Gas Adjustment for July 2002, Case No. PU-399-02-276.

PJF/sdh