

NORTH DAKOTA PUBLIC SERVICE COMMISSION
February 25, 2004

**Montana-Dakota Utilities Co., A Division
of MDU Resources Group, Inc.
March 2004
Purchased Gas Adjust. Propane**

**PU-04-58
Filed 02/10/2004**

MDU is increasing its Propane Cost Adjustment by \$1.098 per dekatherm (dk) compared to last month. This propane gas adjustment will be applied to propane gas bills issued during March 2004 to Hettinger customers. The current Propane Cost charge will change from \$8.237 per dk to \$9.335 per dk.

The propane price increase of is a result of the lowest price MDU obtained from its regional bulk wholesale propane suppliers. The change in the price of propane is generally driven by a combination of crude oil and natural gas prices, weather, demand, and inventory levels.

For residential customer usage of 12.5 dk (representative of March), the cost of propane gas in the bill will be approximately \$13.72 higher than last month and \$8.28 higher than March 2003. There were 317 propane customers in Hettinger as of December 31, 2003.

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

M O T I O N

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March 2004
Purchased Gas Adjustment-Propane**

Case No. PU-04-58

I move the Commission approve Montana-Dakota Utilities Co.'s propane purchased gas adjustment for March 2004, Case No. PU-04-58.

PJF/sdh