

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
January 26, 2005

**Montana-Dakota Utilities Co., A Division  
of MDU Resources Group, Inc.  
February 2005  
Cost of Gas Adjust. Propane**

**PU-05-16  
Filed 01/11/2005**

MDU is decreasing its Cost of Gas Adjustment by \$0.878 per dekatherm (dk) compared to last month. This cost of gas adjustment will be applied to propane gas bills issued during February 2005 to Hettinger customers. The current Propane Cost charge will change from \$10.859 to \$9.981 per dk.

The propane price decrease 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 16.1 dk (representative of February), the cost of propane gas in the bill will be approximately \$14.14 lower than last month and \$28.08 higher than February 2004. There were 325 propane customers in Hettinger as of December 31, 2004.

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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January 2005  
Cost of Gas Adjustment-Propane**

**Case No. PU-05-16**

I move the Commission approve Montana-Dakota Utilities Co.'s propane Cost of Gas adjustment for January 2005, Case No. PU-05-16.

PJF/sdh