

NORTH DAKOTA PUBLIC SERVICE COMMISSION
December 30, 2005

**Montana-Dakota Utilities Co., A Division
of MDU Resources Group, Inc.
January 2006
Cost of Gas Adjust. Propane**

**PU-05-646
Filed 12/12/2005**

MDU is decreasing its Cost of Gas Adjustment by \$1.098 per dekatherm (dk) compared to last month. The Cost of Gas Adjustment will change from \$ 13.054 per dk to \$11.956 per dk. The revised cost of gas adjustment will be applied to propane gas bills issued during January 2006 to Hettinger customers.

The commodity cost change 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 17.0 dk (representative of January), the cost of propane gas in the bill will be approximately \$18.57 lower than last month and \$18.65 higher than January 2005. There were 323 propane customers in Hettinger as of November 30, 2005.

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

December 30, 2005

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January 2006
Cost of Gas Adjustment-Propane**

Case No. PU-05-646

I move the Commission approve Montana-Dakota Utilities Co.'s propane Cost of Gas adjustment for January 2006, Case No. PU-05-646.

PJF/sdh