

NORTH DAKOTA PUBLIC SERVICE COMMISSION
January 25, 2006

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

**PU-06-21
Filed 01/11/2006**

MDU is increasing its Cost of Gas Adjustment by \$1.098 per dekatherm (dk) compared to last month. The Cost of Gas Adjustment will change from \$11.956 per dk to \$13.054 per dk. The revised cost of gas adjustment will be applied to propane gas bills issued during February 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 13.0 dk (representative of February), the cost of propane gas in the bill will be approximately \$14.27 higher than last month and \$39.95 higher than February 2005. There were 323 propane customers in Hettinger as of December 31, 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>.

MOTION

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February 2006
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Case No. PU-06-21

I move the Commission approve Montana-Dakota Utilities Co.'s propane Cost of Gas adjustment for February 2006, Case No. PU-06-21.

PJF/sdh