

NORTH DAKOTA PUBLIC SERVICE COMMISSION
November 22, 2006

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

**PU-06-477
Filed 11/13/2006**

MDU is increasing its Cost of Gas Adjustment by \$0.549 per dekatherm (dk) compared to last month. The Cost of Gas Adjustment will change from \$10.864 per dk to \$11.413 per dk. The revised cost of gas adjustment will be applied to propane gas bills issued during November 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 15.0 dk (representative of December), the cost of propane gas in the bill will be approximately \$8.24 higher than last month and \$24.62 lower than December 2005. There were 327 propane customers in Hettinger as of October 31, 2006.

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

November 22, 2006

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December 2006
Cost of Gas Adjustment-Propane**

Case No. PU-06-477

I move the Commission approve Montana-Dakota Utilities Co.'s propane
Cost of Gas adjustment for December 2006, Case No. PU-06-477.

PJF