

NORTH DAKOTA PUBLIC SERVICE COMMISSION
November 18, 2004

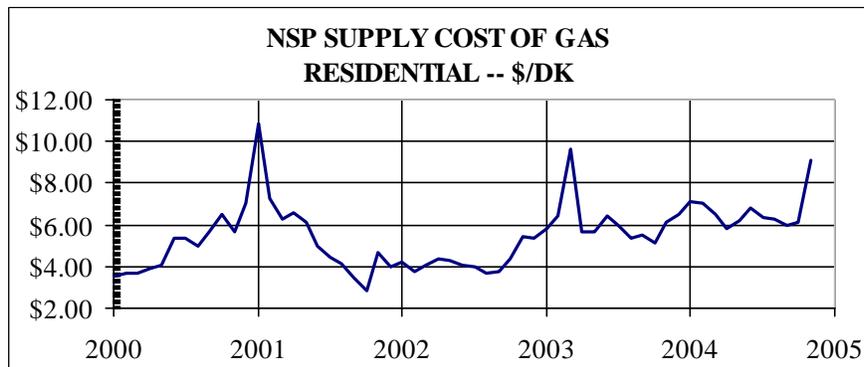
**Northern States Power Company
November 2004
Cost of Gas Adjustment**

**PU-04-579
Filed 11/01/2004**

SUMMARY OF PROPOSAL:

NSP is increasing the cost of gas adjustment by \$2.9397 per dekatherm (dk) compared to last month. This gas adjustment will be applied to natural gas used by NSP residential customers on and after November 2, 2004. This changes the current residential customer cost of gas adjustment on the bill from \$6.1308 per dK to \$9.0705 per dK.

For residential consumption of 10.7 dk (representative of November), the cost of gas in the bill will be approximately \$31.36 higher than last month and \$31.16 higher than November 2003. There were 40,554 NSP gas customers in North Dakota as of December 31, 2003.



The increase for residential customers results from:

- \$2.3243 per dK increase in the commodity cost of gas
- \$.6154 per dK increase in the demand cost of gas

NSP states that the demand cost decrease is due to an increase in the Northern Natural Gas Pipeline tariffs. In the Department of Energy's (DOE) Energy Information Administration's (EIA) Natural Gas Weekly Update for October 25, 2004, there appears to be no dominant factor driving the price increases. Temperatures are typical for this time of year, shut-ins owing to Hurricane Ivan continue but are down to 1.3 Bcf per day, and there have been no major disruptions of supplies either in the production fields or along the distribution system.

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

M O T I O N

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Case No. PU-04-579

I move the Commission approve Northern States Power Company's cost of gas adjustment for November 2004, Case No. PU-04-579.

PJF