

NORTH DAKOTA PUBLIC SERVICE COMMISSION
INFORMAL HEARING
September 10, 2008

Montana-Dakota Utilities Co.
Cost of Gas Tariffs – Service Rendered Basis
Rates

Case No. PU-08-720

On August 27, 2008 MDU filed a revision to its Cost of Gas – Natural Gas – Rate 88 tariff and its Cost of Gas – Propane – Rate 99 tariff to change from billing for gas commodity on a bills rendered basis to billing on a service rendered basis.

MDU states that billing on a service rendered basis can help avoid potential effects of customers during the time when MDU is integrating its Automated Meter Reading (AMR) system and rerouting meter read cycles to gain billing efficiencies from the new AMR. MDU states that an additional advantage of a service rendered billing is that it provides for an equitable sharing of costs among all customers, regardless of their meter read cycle.

MDU began billing for natural gas commodity on a service rendered basis, temporarily, in April 2008 (see case PU-08-132) and therefore has had several months of experience billing on a service rendered basis. I also note that Northern States Power bills for gas commodity on a service rendered basis

STAFF RECOMMENDATION: If MDU has experienced minimal issues billing on a service rendered basis over the past months, I recommend approval.

PJF