

NORTH DAKOTA PUBLIC SERVICE COMMISSION
December 3, 2008

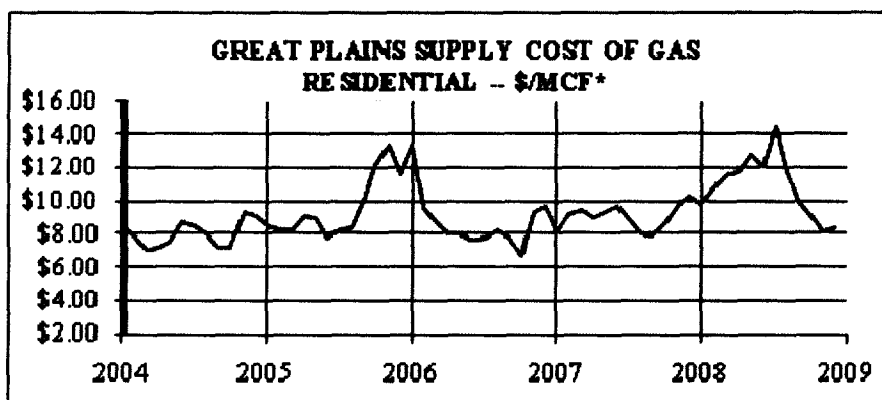
**Great Plains Natural Gas Co.
December 2008
Cost of Gas**

**PU-08-902
Filed 12/02/2008**

Great Plains is increasing its cost of gas charge to residential customers by \$0.1891 per thousand cubic feet (mcf) compared to last month. This Cost of Gas charge will be applied to natural gas bills issued during December 2008.

The cost of gas on the customer bill will change from \$8.0834 per mcf to \$8.2725 per mcf.

For residential consumption of 18.8 mcf (representative of December), the cost of gas in the bill will be approximately \$3.56 higher than last month and \$37.74 lower than December 2007.



The supply-cost of gas change is due to:
\$0.4487 per mcf increase in the commodity cost of gas.
\$0.2596 per mcf decrease in pipeline charges.

The change in commodity cost of gas is attributed to the seasonal increase in space heating load. The higher than average storage level and strong increase in domestic supply contribute to the index price lower than December 2007. The Energy Information Administration reported that, as of November 14, 2008, storage inventories nationwide were 4.2% above the five-year average.

The principal sources of natural gas for Wahpeton are the large Western Canadian Sedimentary Basin. For Great Plains, the Cost of Gas for the month is based on the established price for the Alberta Energy Company Ltd. (AECO) Index. The AECO Index is based on the weighted average one month spot price at AECO-Calgary Hub (AECO-C) / Nova Inventory Transfer (NIT) as reported by Natural Gas Exchange (NGX).

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>.

As of December 31, 2007, Great Plains served 1,694 residential customers and 2,063 total customers in North Dakota.