

NORTH DAKOTA COST OF SERVICE STUDY

GREAT PLAINS GAS OPERATIONS

2012

**GREAT PLAINS NATURAL GAS CO.
INCOME STATEMENT
GAS UTILITY
TWELVE MONTHS ENDED DECEMBER 31, 2012**

	<u>Total Company</u>	<u>North Dakota</u>	<u>Other</u>
<u>Operating Revenues</u>			
Sales Revenues			
Residential	\$10,947,908	\$1,039,172	\$9,908,736
Firm General	7,190,950	887,757	6,303,193
Small Interruptible	3,584,991	1,164,905	2,420,086
Large Interruptible	3,577,677		3,577,677
Unbilled Revenue	850,521	111,526	738,995
Total Sales Revenues	<u>\$26,152,047</u>	<u>\$3,203,360</u>	<u>\$22,948,687</u>
Transportation Revenues	1,118,625	139,431	979,194
Total Transportation Revenues	<u>\$1,118,625</u>	<u>\$139,431</u>	<u>979,194</u>
Other Operating Revenues	363,426	20,458	342,968
Total Operating Revenues	<u>\$27,634,098</u>	<u>\$3,363,249</u>	<u>\$24,270,849</u>
<u>Operating Expenses</u>			
Operation and Maintenance			
Cost of Purchased Gas	\$19,160,293	\$2,508,005	\$16,652,288
Production	42,088	4,033	38,055
Transmission	56,556	13,749	42,807
Distribution	2,232,929	228,707	2,004,222
Customer Accounts	807,457	71,675	735,782
Customer Service & Information	158,131	5,800	152,331
Sales	51,136	3,927	47,209
Administrative & General	2,040,539	172,237	1,868,302
Total O&M Expenses	<u>\$24,549,129</u>	<u>\$3,008,133</u>	<u>\$21,540,996</u>
Depreciation			
Production	\$9,333		\$9,333
Transmission	22,888	\$2,542	20,346
Distribution	1,213,455	121,973	1,091,482
General	124,317	7,567	116,750
Common	40,245	4,064	36,181
Amort. of Intangible Plant - General	15,721	0	15,721
Amort. of Intangible Plant - Common	30,144	3,034	27,110
Total Depreciation Expense	<u>\$1,456,103</u>	<u>\$139,180</u>	<u>\$1,316,923</u>

**GREAT PLAINS NATURAL GAS CO.
INCOME STATEMENT
GAS UTILITY
TWELVE MONTHS ENDED DECEMBER 31, 2012**

	<u>Total Company</u>	<u>North Dakota</u>	<u>Other</u>
<u>Operating Expenses Con't.</u>			
Taxes Other Than Income Taxes			
Ad Valorem Taxes			
Production	\$16,708		\$16,708
Transmission	15,170	\$4,089	11,081
Distribution	537,774	22,341	515,433
General	35,803	1,454	34,349
Common	12,492	1,182	11,310
Intangible	63	63	0
Total Ad Valorem Taxes	<u>\$618,010</u>	<u>\$29,129</u>	<u>\$588,881</u>
Other Taxes	<u>242,516</u>	<u>22,922</u>	<u>219,594</u>
Total Taxes Other Than Income Taxes	<u>\$860,526</u>	<u>\$52,051</u>	<u>\$808,475</u>
Current Income Taxes	(427,099)	(42,492)	(384,607)
Deferred Income Taxes	<u>562,356</u>	<u>95,691</u>	<u>466,665</u>
Total Operating Expenses	<u>\$27,001,015</u>	<u>\$3,252,563</u>	<u>\$23,748,452</u>
Operating Income	<u><u>\$633,083</u></u>	<u><u>\$110,686</u></u>	<u><u>\$522,397</u></u>
Year End Rate Base	<u><u>\$12,160,893</u></u>	<u><u>\$976,395</u></u>	<u><u>\$11,184,498</u></u>
Rate of Return	<u><u>5.21%</u></u>	<u><u>11.34%</u></u>	<u><u>4.67%</u></u>

**GREAT PLAINS NATURAL GAS CO.
YEAR END RATE BASE
GAS UTILITY
TWELVE MONTHS ENDED DECEMBER 31, 2012**

	<u>Total Company</u>	<u>North Dakota</u>	<u>Other</u>
<u>Plant in Service</u>			
Gas Plant in Service			
Production	\$0		\$0
Transmission	2,074,407	\$410,410	1,663,997
Distribution	28,113,314	3,024,148	25,089,166
General	4,488,979	178,517	4,310,462
Intangible Plant - General	863,049	62,573	800,476
Common	1,056,277	106,315	949,962
Intangible Plant - Common	857,964	86,355	771,609
Total Gas Plant in Service	<u>\$37,453,990</u>	<u>\$3,868,318</u>	<u>\$33,585,672</u>
Accumulated Reserve for Depreciation			
Production	\$159,194	(\$3,266)	\$162,460
Transmission	1,627,851	392,703	1,235,148
Distribution	19,566,885	2,131,925	17,434,960
General	1,870,950	44,928	1,826,022
Intangible Plant - General	662,941	62,573	600,368
Common	410,953	41,382	369,571
Intangible Plant - Common	593,547	59,740	533,807
Total Accum. Reserve for Depreciation	<u>\$24,892,321</u>	<u>\$2,729,985</u>	<u>\$22,162,336</u>
Net Gas Plant in Service	\$12,561,669	\$1,138,333	\$11,423,336
CWIP in Service Pending Reclass.	616,373	47,154	569,219
Total Gas Plant in Service	<u>\$13,178,042</u>	<u>\$1,185,487</u>	<u>\$11,992,555</u>
<u>Additions</u>			
Materials and Supplies	\$286,606	\$37,599	\$249,007
Fuel Stocks	0		0
Prepayments	34,408	915	33,493
Gas in Underground Storage	571,939		571,939
Unamortized Loss on Debt	135,730	13,246	122,484
Total Additions	<u>\$1,028,683</u>	<u>\$51,760</u>	<u>\$976,923</u>
Total Before Deductions	\$14,206,725	\$1,237,247	\$12,969,478
<u>Deductions</u>			
Accumulated Deferred Income Taxes	\$2,045,832	\$260,852	\$1,784,980
Accumulated Investment Tax Credits			
Customer Advances			
Total Deductions	<u>\$2,045,832</u>	<u>\$260,852</u>	<u>\$1,784,980</u>
Year End Rate Base	<u><u>\$12,160,893</u></u>	<u><u>\$976,395</u></u>	<u><u>\$11,184,498</u></u>