



North Dakota Gas Rate Case Filing

*In the Community
to Serve*®

Case No. PU-13-803

Informal Hearing
November 13, 2013

Application for Increase in Natural Gas Service Rates

- Application filed September 18, 2013
- Increase of \$6,842,871
- 6.4% overall increase in rates
- Change in distribution rates only
- Last rate case filed in 2004



Celebrating 90 years in 2014



Primary Reasons for Increase

- Increased investment - \$100 million invested since 2004.
- Rate Base increase of 280%
- Offset by growth; lower return requirement and holding O&M per customer flat
- Residential average use declined by 18 dk per customer

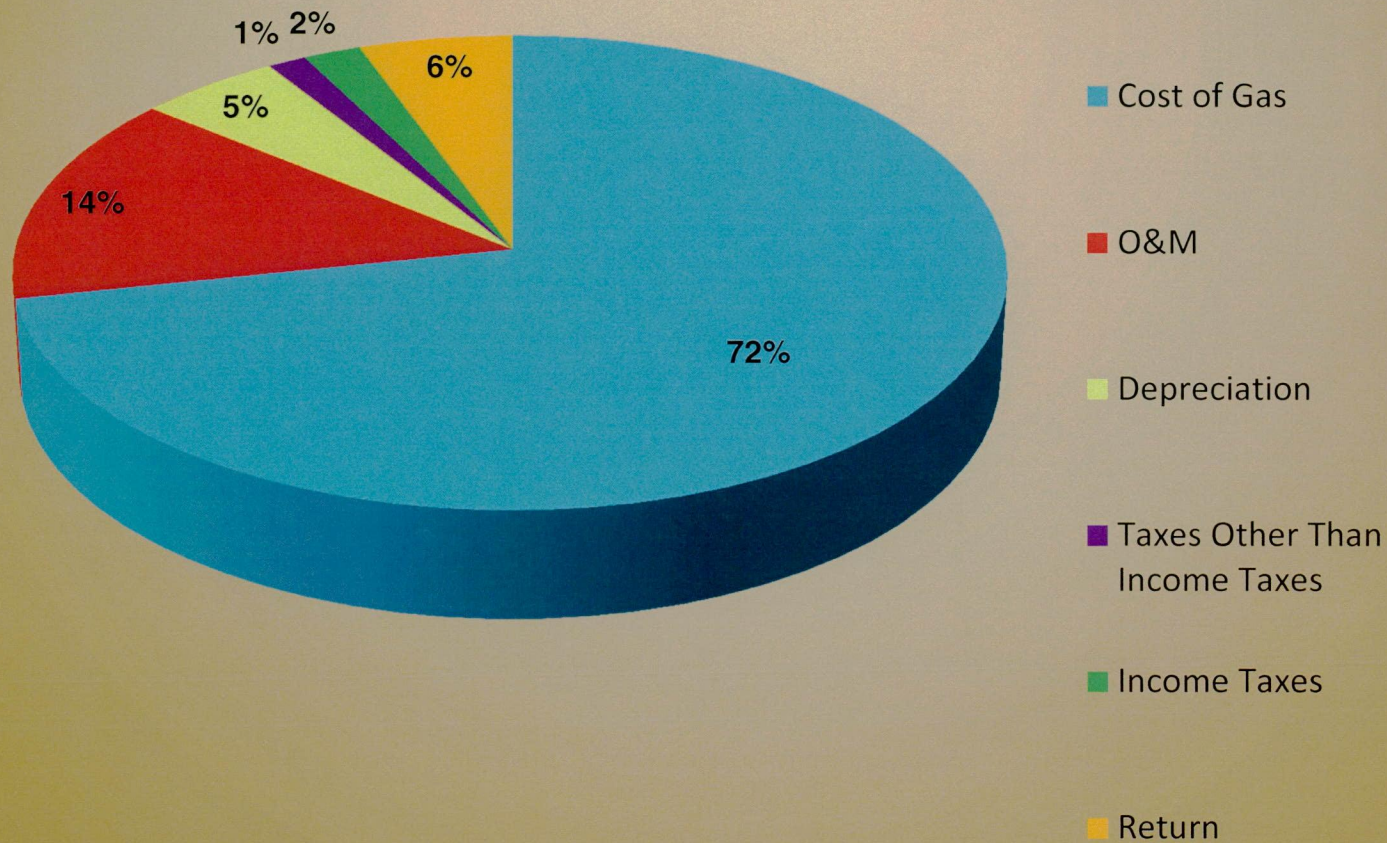
Highlights Since Last Case

	<u>2004</u>	<u>Projected 2014</u>	<u>% Change</u>
Total Customers	86,667	103,505	19%
Rate Base Per Customer	\$233	\$751	222%
O&M per Customer	\$200	\$170	-15%
Overall Rate of Return	8.791%	7.881%	-0.910%

Revenue Requirement Settlement Filed 10/23/13

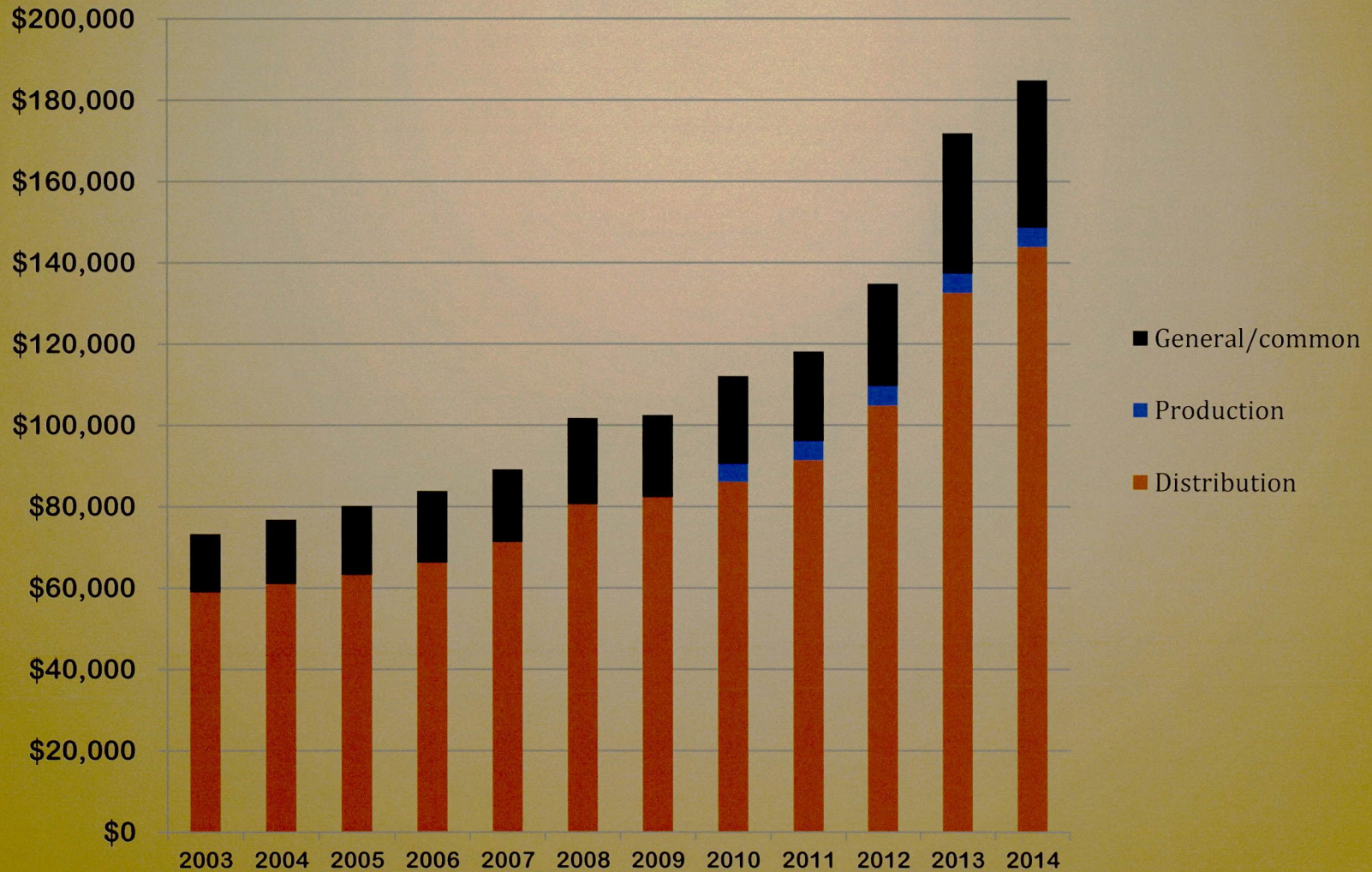
- Increase of \$4,250,000
- 3.95% overall increase in rates
- 10% return on equity - capped in 2014, any excess to be refunded to customers
- 50/50 sharing of return in excess of 10% in 2015 - Moratorium on new case until 2015
- Billings Landfill Gas Production investment and expenses excluded
- Depreciation rates exclusive of changes in net cost of removal

Cost of Service Proposed Settlement

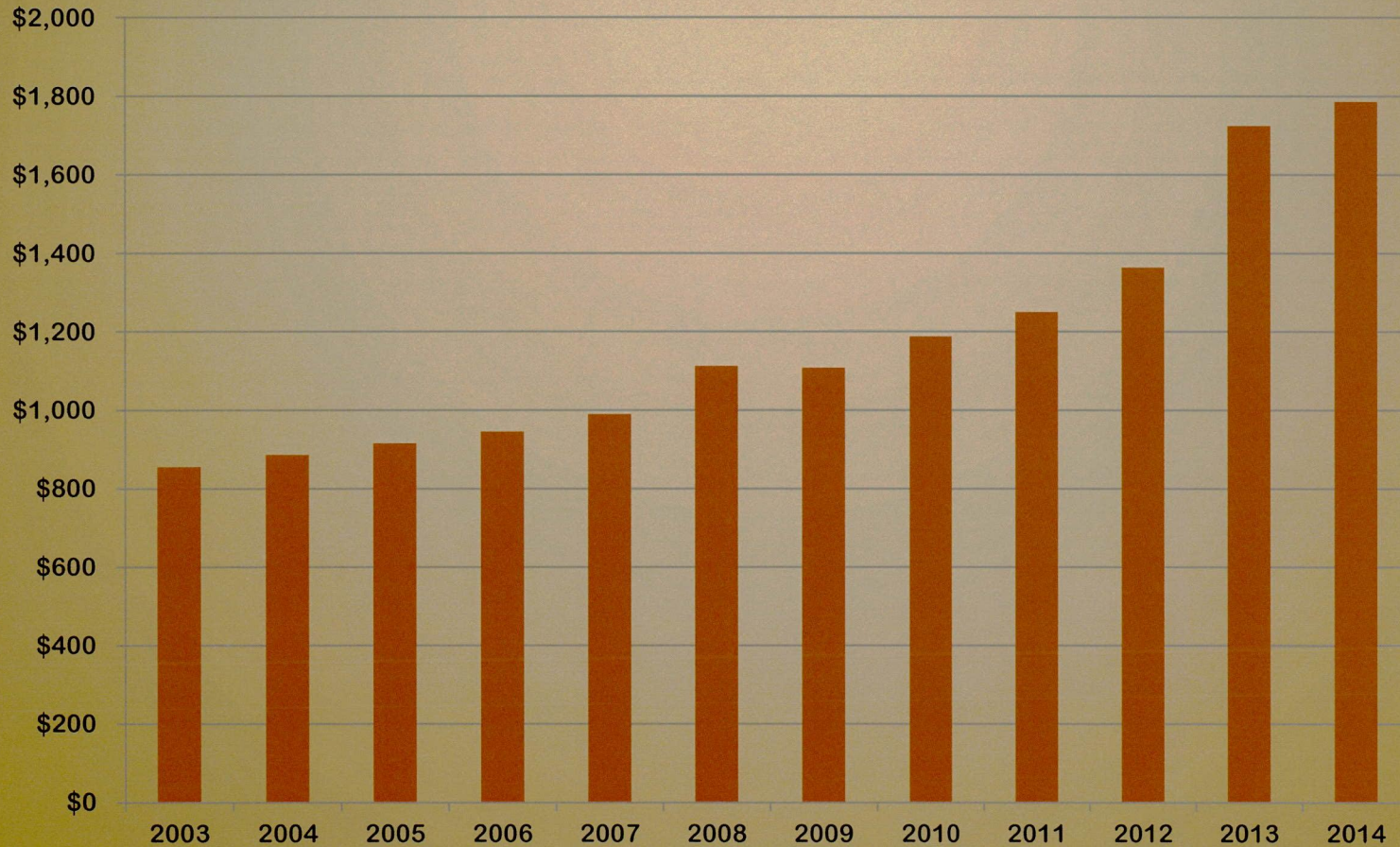


North Dakota Gross Plant Investment 2003-2014

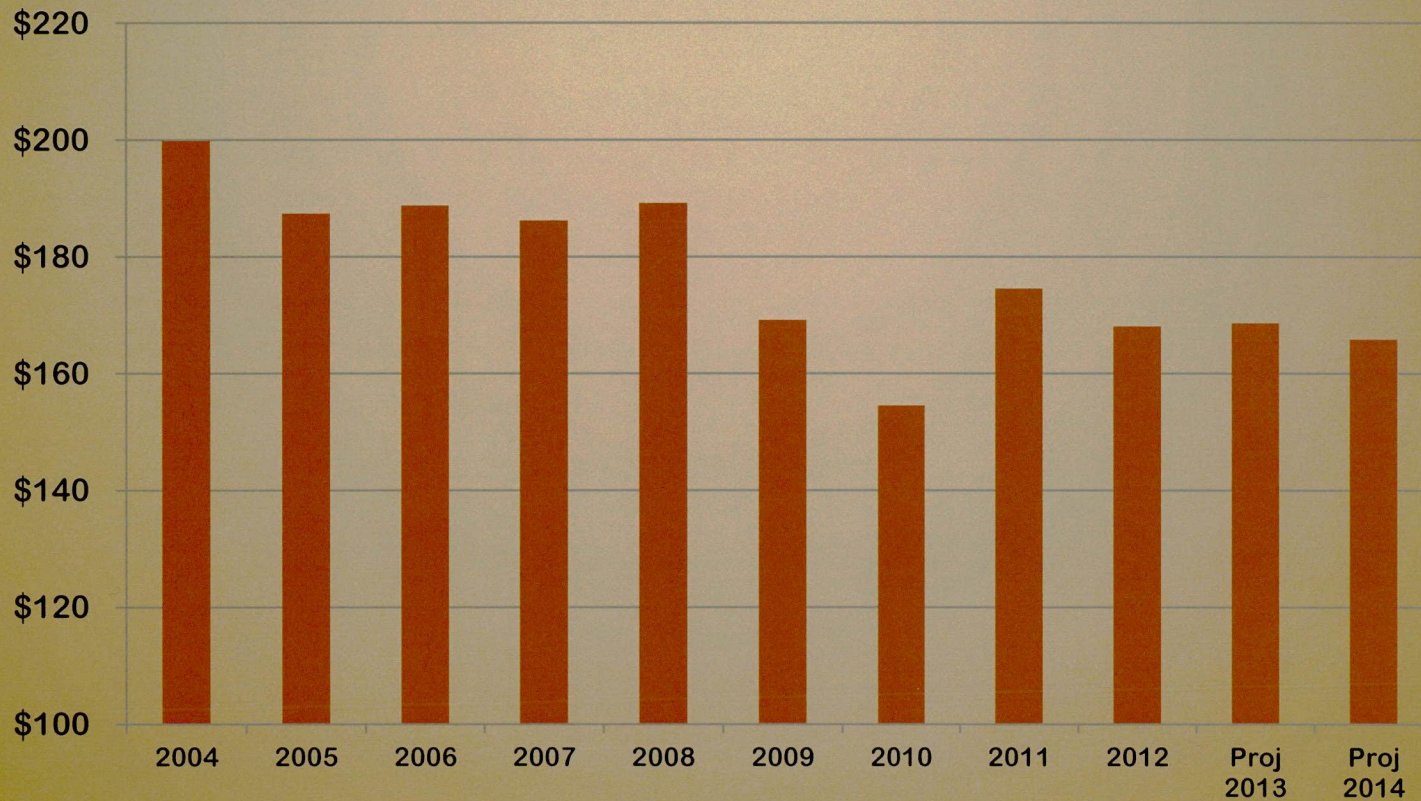
(000's)



North Dakota Gross Plant Investment Per Customer 2003-2014



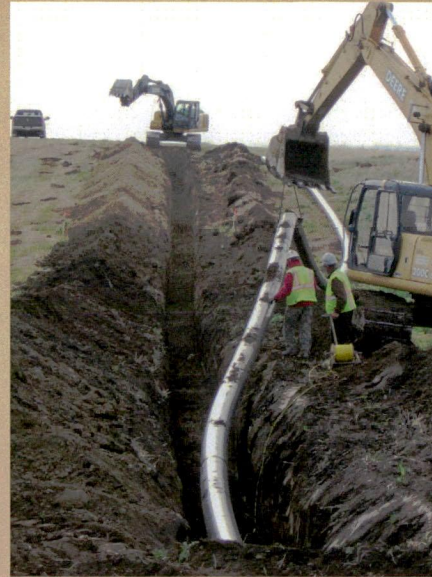
North Dakota O&M Per Customer 2004-2014



- O&M \$30 per customer less in 2014 than 2004
- CPI increased by 22 percent in same time period

Major Investments:

- 10 Town Border Stations Replaced or Upgraded
- Distribution mains to support systems (Looping systems)



- New Billing System
- Automated Meter Reading
- Replacement projects – Minot Flood

MONTANA-DAKOTA UTILITIES CO.
A Division of MDC Resources Group, Inc.
In the Community to Serve™
www.montana-dakota.com

SERVICE FOR ANY CUSTOMER ANYWHERE, USA 12345-6789

ACCOUNT NUMBER 123 453 7890 1 **DATE DUE May 24, 2012**

BILL DATE May 2, 2012 **AMOUNT DUE \$112.76**

ACCOUNT SUMMARY

Previous Balance	\$52.95
Payment Received 4/12/2012 Thank you	-65.33
Current Electric Charges	103.40
Current Gas Charges	21.74
Amount Due on 5/24/12	\$112.76

Gas Charges

BILLING PERIOD 3/29/12 - 4/27/12
DAYS 30
METER NUMBER 012504446
METER READ DATE 4/27/12
Next scheduled read 5/29/12

USAGE HISTORY (kWh)

Month	Usage (kWh)
Mar	10
Apr	10
May	10
Jun	10
Jul	10
Aug	10
Sep	10
Oct	10
Nov	10
Dec	10
Jan	10
Feb	10

Rate: 05 - Residential Gas
Average Daily Dk: 0.07
Average regional temp: 0
Days in billing period: 30

CURRENT READING	PREVIOUS READING	DIFFERENCE	TARIFF	IN 9999
606.3	- 604.2	= 2.1	x 0.980006	= 2.1
Basic Service Charge 30 Days x \$0.15 = 4.50				
Distribution Delivery 2.1 Dk x \$2.915 = 6.12				
Cost of Gas 6.2 Dk x \$4.091 = 0.82				
Cost of Gas 1.0 Dk x \$3.206 = 7.52				
CFA 1.8 Dk x \$0.340 = 0.61				
DDSM 0.5 Dk x \$2.915 = 1.46				
State Tax 4% x \$20.51 = 0.82				
City Tax 2% x \$20.51 = 0.41				
Total Charges				\$21.74

Electric Charges

BILLING PERIOD 3/29/12 - 4/27/12
DAYS 30
METER NUMBER 011450596
METER READ DATE 4/27/12
Next scheduled read 5/29/12

USAGE HISTORY (kWh)

Month	Usage (kWh)
Mar	1000
Apr	1000
May	1000
Jun	1000
Jul	1000
Aug	1000
Sep	1000
Oct	1000
Nov	1000
Dec	1000
Jan	1000
Feb	1000

Rate: 10 - Residential Electric
Average Daily kWh: 33.00
Average regional temp: 0
Days in billing period: 30

CURRENT READING	PREVIOUS READING	TOTAL kWh
66126	- 65112	= 1014 kWh

Electric Charges

ACCOUNT NUMBER 123 453 7890 1 **DATE DUE May 24, 2012**

BILL DATE May 2, 2012 **AMOUNT DUE \$112.76**

PLEASE HELP THE PORTERS FOR YOUR RECORDS

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT, MAKING SURE THE RETURN ADDRESS IS KING IN THE ENVELOPE WINDOW.

MONTANA-DAKOTA UTILITIES CO. **ACCOUNT NUMBER 123 453 7890 1**

DATE DUE May 24, 2012

AMOUNT DUE \$112.76

PO BOX 5600
BISMARCK ND 58106-5600

0 1153521111 0000011276 1





Williston Service Center





Williston Operations Center



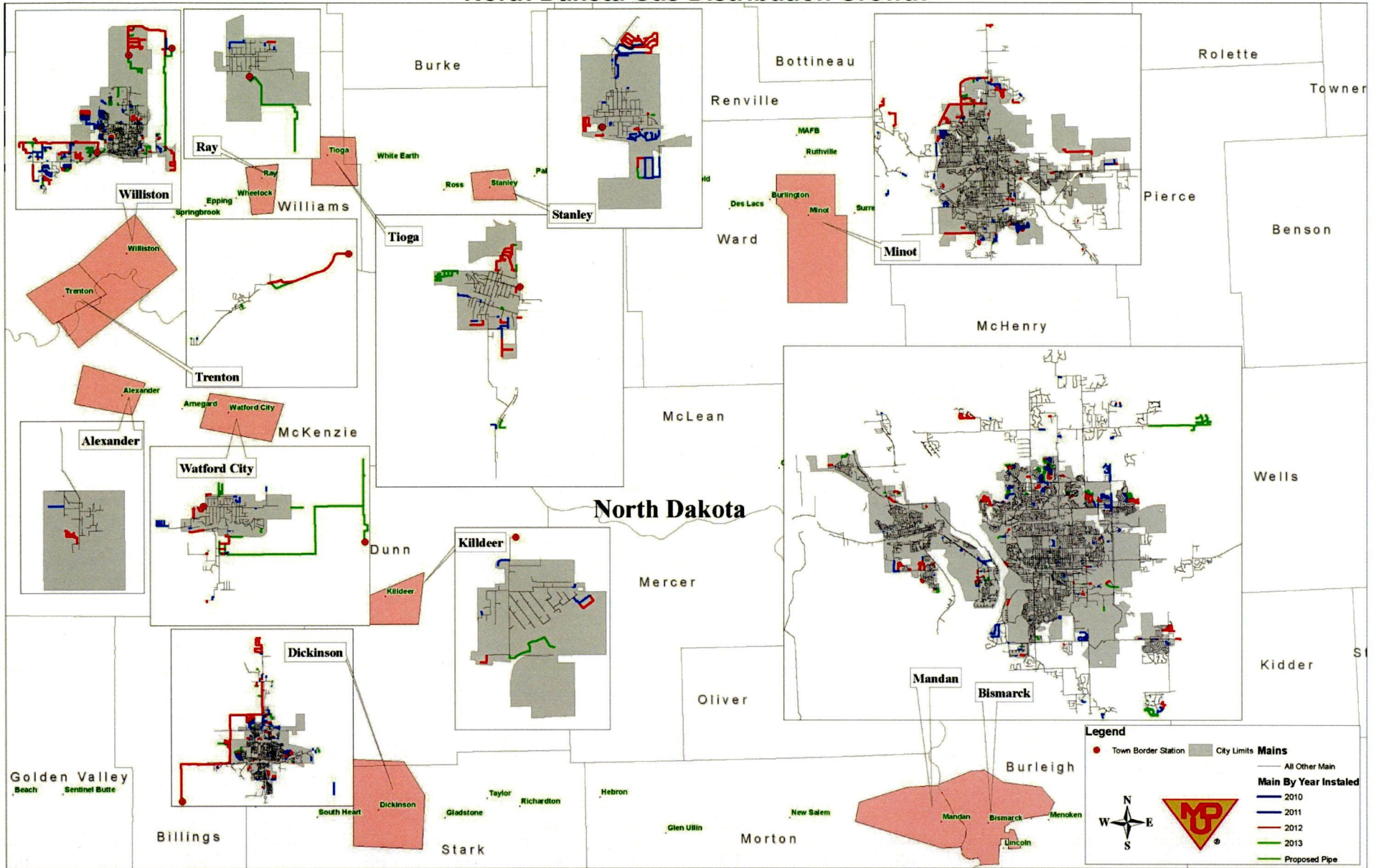
Williston Materials Handling Area

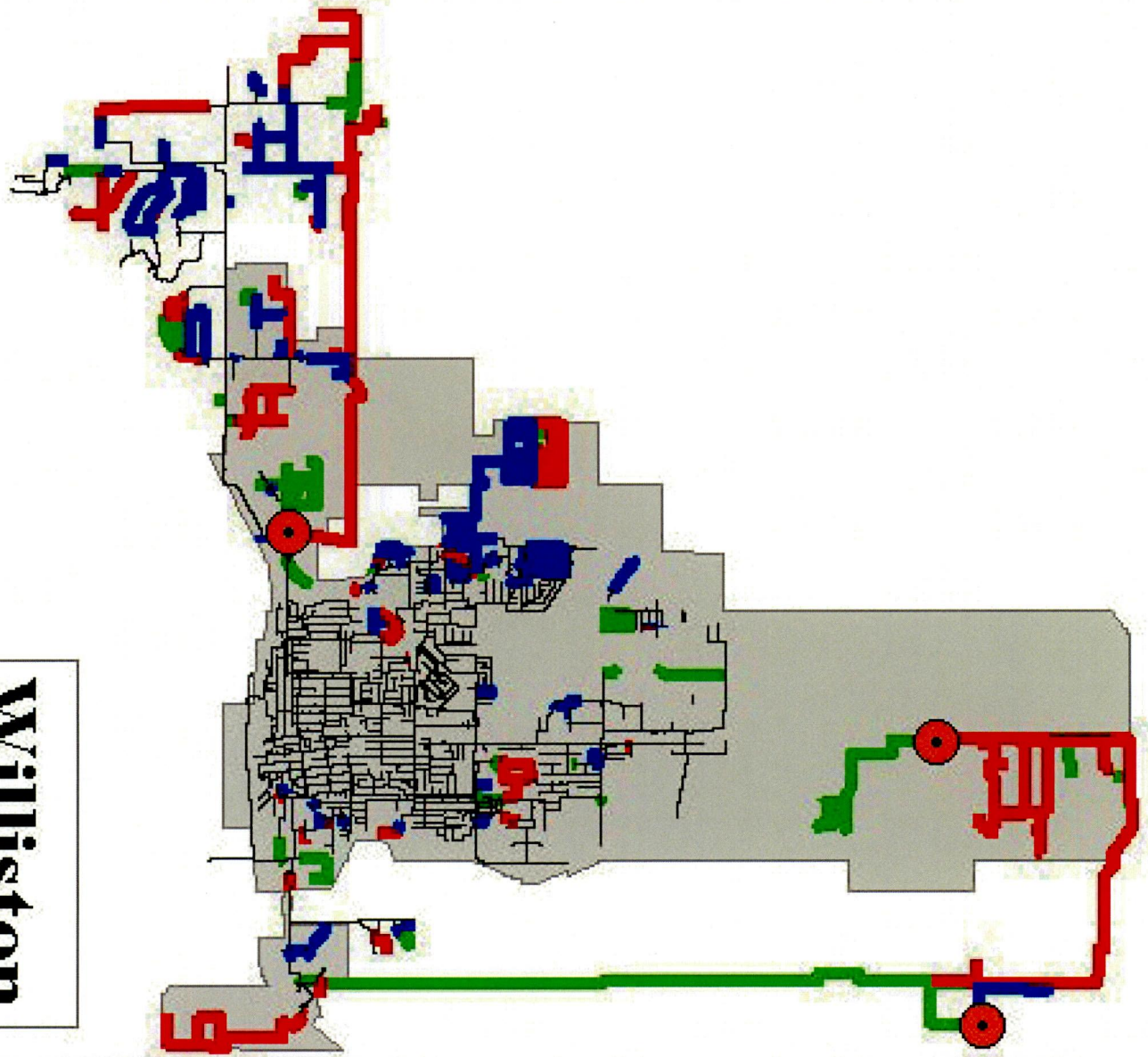


**Watford City
Office &
Service Center
Consolidation**



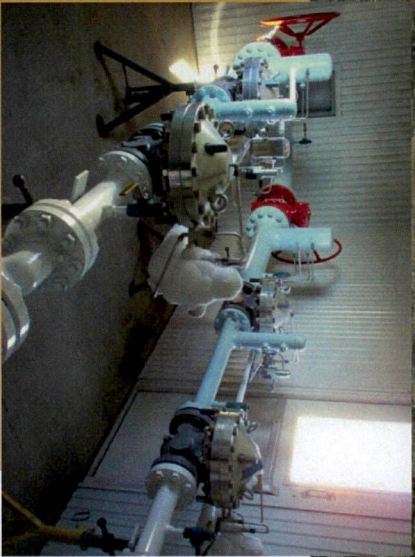
North Dakota Gas Distribution Growth





Williston

Dickinson



MONTANA-DAKOTA UTILITIES CO.
GAS RATES - NORTH DAKOTA
2003-2013

