



UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street  
Bismarck, ND 58501  
(701) 222-7900

January 9, 2017

Executive Secretary  
North Dakota Public Service Commission  
State Capitol Building  
Bismarck, ND 58505

Re: Cost of Gas Adjustment  
(COG) Rate 88 and Rate 99  
Case No. PU-17-008

In accordance with North Dakota Century Code Section 49-05-05, Montana-Dakota Utilities Co. (Montana-Dakota), a Division of MDU Resources Group, Inc., respectfully submits an original and two (2) copies of a Cost of Gas (COG) change pursuant to the terms of Rates 88 and 99.

Attachment A is the Rate Summary Sheet (155<sup>th</sup> Revised Sheet No. 3) showing the proposed natural gas rates, with currently effective distribution rates.

Montana-Dakota purchases gas supplies under a number of contracts. The commodity cost of gas has increased \$0.861 per dk since the January 1, 2017 rates due to an increase in the overall commodity price of gas. Attachment B explains the reasons for the increase in the market price of gas. In addition, there has been a change in pipeline rates as shown on Attachment C, having an impact of \$0.002 per dk on the cost of gas for North Dakota.

The COG tariff sheet, Exhibit A page 1, summarizes the gas cost adjustment, the surcharge adjustment, and the grain drying margin sharing, calculated pursuant to the terms of Rate 88 that will apply during the month of February 2017.

The net effect of this filing, calculated pursuant to the terms of Rate 88, is an increase of \$0.863 per dk for residential customers and firm general customers, an increase of \$0.871 per dk for small and large interruptible customers and an increase of \$0.867 per dk for Air Force interruptible customers from the currently effective rates.

Exhibit B shows the calculation of the current gas cost adjustment that will be applicable to Montana-Dakota's customers for the month of February 2017. The average cost of gas for firm customers, adjusted for losses, is \$4.997.

Exhibit B-1- Confidential contains confidential information on gas commodity pricing and is designated as Trade Secret in accordance with the Commission's March 23, 2016 Order in Case No. PU-16-008. Exhibit B-1 – Public Copy is also enclosed. Montana-Dakota has

submitted a renewal of the Application for Trade Secret Protection to the Commission in Case No. PU-17-008 to renew the request of confidential treatment of portions of the cost of gas calculation for 2017.

Exhibit C shows the calculation of the return on storage inventory balances and prepaid demand and commodity balances using the calculation procedure set forth in Rate 88. The overall rate of return of 7.340% was authorized by the Commission in Case No. PU-15-90.

Montana-Dakota purchases propane supplies from various wholesale suppliers. The cost of propane increased since the last COG filing due to an increase in the market price of propane from that established in the December 2016 filing.

Exhibit A, page 2 summarizes the cost of gas – propane calculated pursuant to the terms of Rate 99, which will apply during the month of February 2017. The net effect of this filing is an increase of \$1.098 per dk for all customers from the currently effective rates.

Exhibit D shows the calculation of the current cost of gas – propane that will be applicable to Montana-Dakota's customers for the month of February 2017. The average cost of propane for all customers, adjusted for losses, is \$7.685 per dk.

Exhibit E shows the computation of the (over)/under recovered gas cost account balances.

These proposed adjustments, calculated in accordance with Rate 88, will amount to an increase of approximately \$2,283,800 for natural gas customers during the month of February 2017. All of Montana-Dakota's retail natural gas customers in North Dakota may be affected by this proposal. There were 108,204 natural gas customers and 339 propane customers in North Dakota as of December 31, 2016.

Please refer all inquiries regarding this filing to:

Ms. Tamie A. Aberle  
Director of Regulatory Affairs  
Montana-Dakota Utilities Co.  
400 North Fourth Street  
Bismarck, ND 58501

Also, please send copies of all written inquiries, correspondence and pleadings to:

Mr. Karl A. Liepitz  
Senior Attorney  
MDU Resources Group, Inc.  
P. O. Box 5650

Bismarck, ND 58506-5650

Montana-Dakota submitted a check on January 9, 2017 to the North Dakota Public Service Commission for \$600 pursuant to the requirements of North Dakota Century Code Section 49-05-05. This payment will cover the filing fee associated with the monthly COG filings.

Montana-Dakota respectfully requests that this filing be accepted as being in full compliance with the filing requirements of this Commission.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed stamped envelope.

If you have any questions regarding this filing, please contact me at (701) 222-7856 or [tamie.aberle@mdu.com](mailto:tamie.aberle@mdu.com)

Sincerely,



Tamie A. Aberle  
Director of Regulatory Affairs

Attachment

**Attachment A**

**Rate Summary Sheet  
(Proposed)**



# Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street  
Bismarck, ND 58501

## State of North Dakota Gas Rate Schedule

NDPSC Volume 7

155<sup>th</sup> Revised Sheet No. 3

Canceling 154<sup>th</sup> Revised Sheet No. 3

### RATE SUMMARY SHEET

Page 1 of 2

Rate Schedule	Sheet No.	Basic Service Charge	Distribution Delivery Charge	COG Items	Total Rate/ Dk
Residential Rate 60	4	\$0.6443 per day	\$0.000	\$4.878	\$4.878
Air Force Rate 64	7				
Minot Air Force Base		\$2,000.00 per month			
PAR Site		\$175.00 per month			
Firm Service			\$0.329	\$4.878	\$5.207
Interruptible Service - PAR			\$0.177	\$3.827	\$4.004
Interruptible Service - MAFB			\$0.177	\$3.726	\$3.903
Firm General Service Rate 70	13				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$4.878	\$5.608
Small Interruptible Gas Rate 71	14	\$175.00 per month	(Maximum) \$1.112	\$3.827	(Maximum) \$4.939
Optional Seasonal Gas Service Rate 72	15				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$4.985	\$5.715
Transportation Service	24				
Small Interruptible Rate 81		\$175.00 per month			
Maximum			\$0.668		
Minimum			\$0.102		
Fuel Charge				\$0.018	
Large Interruptible Rate 82		\$1,000.00 per month			
Maximum			\$0.297		
Minimum			\$0.061		
Fuel Charge				\$0.018	
Large Interruptible Gas Rate 85	27	\$1,000.00 per month	(Maximum) \$0.718	\$3.827	(Maximum) \$4.545
Residential Propane Rate 90	32	\$0.6443 per day	\$0.000	\$6.439	\$6.439
Firm General Propane Rate 92	34				
Meters rated < 500 cubic feet		\$0.67 per day			
Meters rated > 500 cubic feet		\$1.90 per day	\$0.730	\$6.439	\$7.169

Date Filed: January 9, 2017

Effective Date: February 1, 2017

Issued By: Tamie A. Aberle  
Director - Regulatory Affairs

Case No.: PU-17-008

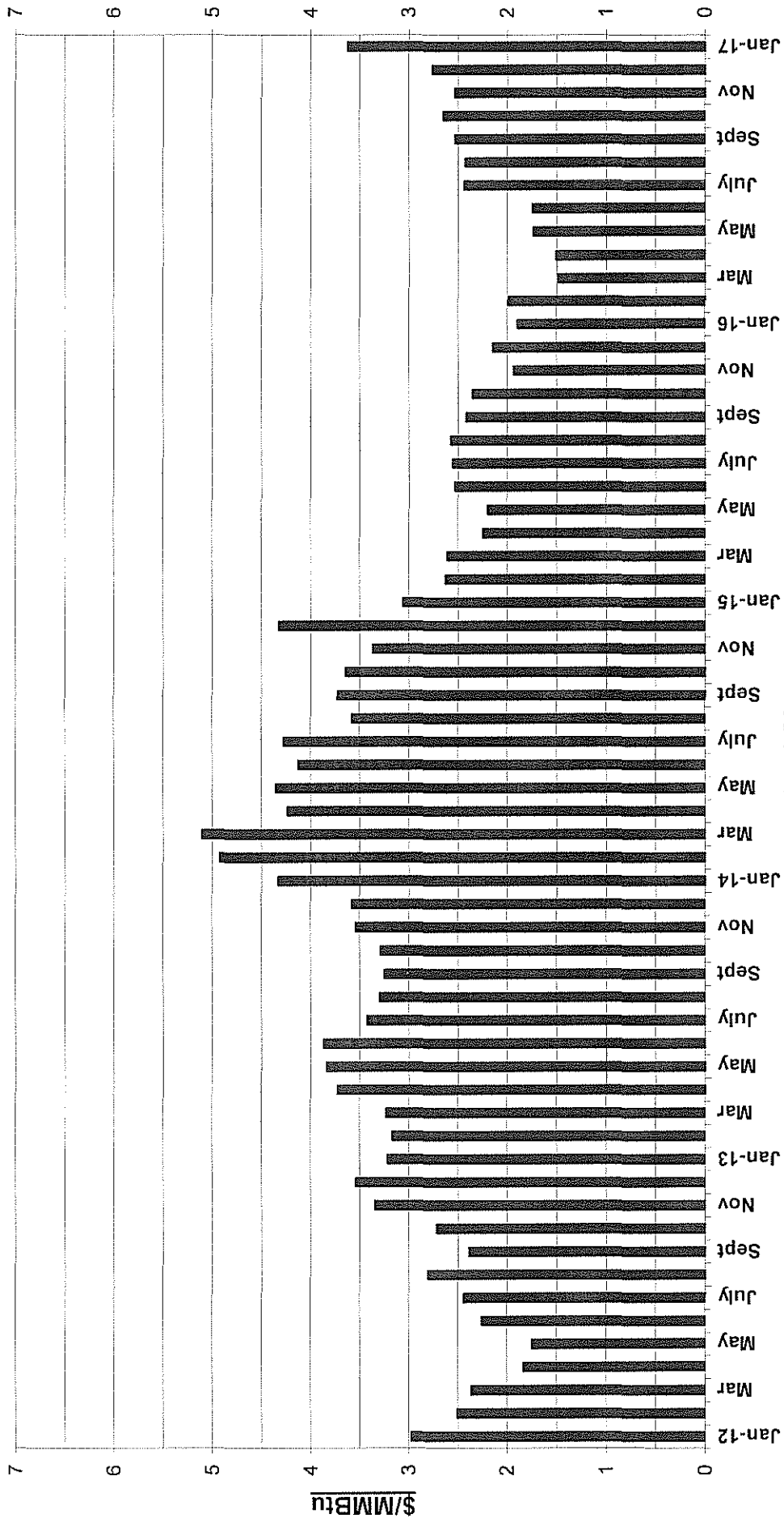
**Montana-Dakota Utilities Co.  
Market Conditions for Regional Natural Gas  
February 2017**

The established monthly price for the Rocky Mountain CIG Index has increased from the previous filing. The CIG Rocky Mountain Index is based on a price discovery survey by several natural gas periodicals, including "Inside FERC Gas Market" report and "Gas Daily" by McGraw-Hill Companies, of prices paid by willing sellers and buyers of quantities of gas in that region. That price is reflective of natural gas prices in the Rocky Mountain region and indicative of the supplies Montana-Dakota purchases for its requirements.

The natural gas futures prices have been rebounding at a rapid rate due to cold weather across much of the nation over the past couple weeks. Recent storage withdrawals reported were almost five times larger than withdrawals at the same time last year. It was also the largest withdrawal of this heating season so far and the most substantial draw since the week of January 2014. Current indications are showing a slight warmup in the near term with cold returning mid-January possibly leading to further large storage withdrawals. This has eliminated the one year and five year storage surplus the country was experiencing. The EIA reported the national storage level as of December 23, 2016 at 2.3 percent below the five-year average and 10.9 percent below last year's record storage balance.

The EIA provides various publications on energy issues. The information is available on their website: <http://www.eia.gov>.

# CIG Rocky Mountains Index Monthly Gas Prices 2012-2017



From Inside F.E.R.C.'s Gas Market Report  
Annual Averages: - 2015-\$2.44; 2016-\$2.15, 2017YTD-\$3.63

**Montana-Dakota Utilities Co.  
Pipeline Rate Changes Since Last COG  
North Dakota**

**NorthWestern Energy**

On December 5, 2016, NorthWestern Energy filed its 2017 Electric and Natural Gas Tax Tracker filing in Docket No. D2016.12.97 to be effective January 1, 2017.

Approximate impact on Montana-Dakota's cost of gas: 0.001 cents per dk.

**NOVA Gas Transmission Ltd.**

On October 31, 2016, TransCanada filed new interim rates for the Alberta System with the National Energy Board (NEB) to be effective January 1, 2017.

Approximate impact on Montana-Dakota's cost of gas: 0.001 cents per dk.

MONTANA-DAKOTA UTILITIES CO.  
COST OF GAS TARIFF SHEET  
NORTH DAKOTA GAS  
EFFECTIVE FEBRUARY 2017

	Firm			
	Residential & General Service	Optional Seasonal	Small & Large Interruptible	Air Force Interruptible
<b><u>Gas Cost Adjustment:</u></b>				
Gas Cost Level (Exhibit B)	\$4.997	\$5.104	\$3.974	\$3.956
Prior Filed Gas Cost	4.134	4.240	3.103	3.089
Current Gas Cost Adjustment	\$0.863	\$0.864	\$0.871	\$0.867
<b><u>Surcharge Adjustment:</u></b>				
Current Adjustment	(\$0.112)	(\$0.112)	(\$0.147)	(\$0.230)
Prior Filed Adjustment	(0.112)	(0.112)	(0.147)	(0.230)
Change in Surcharge Adjustment	\$0.000	\$0.000	\$0.000	\$0.000
Gas Cost Level	\$4.997	\$5.104	\$3.974	\$3.956
Plus: Surcharge	(0.112)	(0.112)	(0.147)	(0.230)
<b>Total Gas Cost Level in Tariff Rates</b>	<b>\$4.885</b>	<b>\$4.992</b>	<b>\$3.827</b>	<b>\$3.726</b>
<b><u>Grain Drying Margin Sharing</u></b>				
Current Adjustment	(\$0.007)	(\$0.007)	\$0.000	\$0.000
Prior Filed Adjustment	(0.007)	(0.007)	0.000	0.000
Change in Grain Drying Margin Sharing	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Cost of Gas Items</b>	<b>\$4.878</b>	<b>\$4.985</b>	<b>\$3.827</b>	<b>\$3.726</b>
<b>Net Increase (Decrease) in Gas Costs</b>	<b>\$0.863</b>	<b>\$0.864</b>	<b>\$0.871</b>	<b>\$0.867</b>

MONTANA-DAKOTA UTILITIES CO.  
COST OF GAS - PROPANE TARIFF SHEET  
NORTH DAKOTA PROPANE  
EFFECTIVE FEBRUARY 2017

**Cost of Gas - Propane**

Current Propane Cost (Exhibit D, Page 1)	\$7.685
Prior Filed Propane Cost	<u>6.587</u>
Current Propane Cost Adjustment	<u><u>\$1.098</u></u>

**Surcharge Adjustment**

Current Adjustment	(\$1.246)
Prior Filed Adjustment	<u>(1.246)</u>
Change in Surcharge Adjustment	\$0.000
<b>Net Increase (Decrease) in Gas Costs</b>	<u><u>\$1.098</u></u>

Propane Cost Level	\$7.685
Plus: Surcharge	<u>(1.246)</u>
Total Propane Cost Level in Rates	<u><u>\$6.439</u></u>

**MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
RESIDENTIAL AND GENERAL SERVICE  
EFFECTIVE FEBRUARY 2017**

	Amount
Total Gas Costs 1/	\$81,738,699
Residential and General Service dk Requirements 2/	16,429,851
Average Cost of Gas per dk	\$4.975
Average Cost of Gas as Adjusted for Losses @ 99.55%	4.997
Less: Gas Cost Level in Rates 3/	4.134
<b>Current Gas Cost Adjustment</b>	<b>\$0.863</b>

1/ Includes all pipeline demand and commodity charges. See Exhibit B, pages 5-19 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit C.

2/ Normalized dk sales for the twelve months ended September 30, 2016, adjusted for losses at .45%.

3/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:

Cost of Purchased Gas	\$4.115
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.134

**MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
OPTIONAL SEASONAL - RATE 72  
EFFECTIVE FEBRUARY 2017**

Total Gas Costs 1/	\$81,738,699
Less: Annual MDDQ Costs	<u>17,572,008</u>
Total Gas Costs excluding MDDQ	\$64,166,691
Firm Service Requirements 1/	16,429,851
Other Gas Costs per Dk (excluding MDDQ)	\$3.905
<u>Winter - October - May</u>	
Annual MDDQ Costs 1/	\$17,572,008
Winter Firm Service Requirements	14,937,593
MDDQ Costs per Winter Dk	\$1.176
Add: Other Gas Costs per Dk	<u>3.905</u>
Winter Seasonal Rate	\$5.081
Winter Seasonal Rate, adjusted for losses 2/	\$5.104
Less: Gas Cost Level in Rates 3/	<u>4.240</u>
<b>Current Gas Cost Adjustment</b>	<b><u><u>\$0.864</u></u></b>

1/ Exhibit B, page 1.

2/ Loss factor of .45%.

3/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:

	<u>Winter</u>
Cost of Purchased Gas	\$4.221
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.240

**MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
INTERRUPTIBLE  
EFFECTIVE FEBRUARY 2017**

	Amount
Total Gas Costs 1/	\$24,518,192
Interruptible Service dk Requirements	6,198,292
Average Cost of Gas per dk	\$3.956
Average Cost of Gas as Adjusted for Losses @ 99.55%	3.974
Less: Gas Cost Level in Rates 2/	3.103
<b>Current Gas Cost Adjustment</b>	<b>\$0.871</b>

1/ Includes all pipeline demand and commodity charges. See Exhibit B, pages 5-19 for currently effective pipeline rates. Also includes a return on prepaid demand, commodity and cycle storage balances as shown on Exhibit C.

2/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:

Cost of Purchased Gas	\$3.089
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.103



**Montana-Dakota Utilities Co.  
Schedule of Applicable Effective Pipeline Rates  
February 2017 PGA**

WBI Energy Transmission, Inc. - Exhibit B, pages 9 - 13 for Schedules FT-1, FTN-1, and FS-1.

Northern Border Pipeline Company - Exhibit B, page 14 for Schedule T-1.

Foothills Pipe Lines, Ltd. - Billed on a cost of service basis so there are no tariff sheets.

NOVA Gas Transmission - Exhibit B, pages 15-16 for Schedule FT-D.

NorthWestern Energy - Exhibit B, page 17 for Schedule T-FTG-1.

South Dakota Intrastate Pipeline - Exhibit B, page 18 for Rate 1.

Black Hills Gas Distribution, LLC - Exhibit B, Page 19 for Schedule TC.

**MONTANA-DAKOTA UTILITIES CO.  
CALCULATION OF NORTHERN BORDER ET AL RATE  
FEBRUARY 2017 PGA**

<b>Northern Border 1/</b>	
Monchy to Mina Mileage	506.0943
Maximum Rate	<u>\$0.0286</u>
Maximum Rate Per 100 Miles	\$0.1447
<b>Foothills (FT) Zone 9</b>	
Rate (Canadian GJ/d) 2/	\$0.0750
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	<u>0.7448</u>
	0.0589
<b>NOVA - FT-D</b>	
Demand Rate (Canadian GJ/d) 4/	\$0.1836
GJ/d conversion to MMBtu	1.0551
Currency Exchange Rate 3/	<u>0.7448</u>
	0.1443
<b>Northern Border Et Al Rate</b>	<u><u>\$0.3479</u></u>

1/ T-1 & T-1B Daily Reservation Rate, Port of Morgan, MT to Ventura, IA effective January 1, 2013.

2/ Rate Schedule FT, Firm Service Zone 9, proposed rates effective January 1, 2017.

3/ Exchange rate per January 3, 2017 Gas Daily.

4/ FT-D Demand Rate per Month, Empress/McNeill Border, proposed interim rates effective January 1, 2017 (expressed as a daily rate). Includes a 10% discount rate.

**MONTANA-DAKOTA UTILITIES CO.  
NORTHWESTERN ENERGY DEMAND AND COMMODITY CHARGES  
FEBRUARY 2017 PGA**

<u>Demand:</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Annual Charge</u>
Monthly Meter Charges 1/	12	\$385.85	\$4,630
MDDQ 2/	6,700	10.323733	830,028
			<u>834,658</u>
Demand charge per dk			<u><u>\$10,38132</u></u>
<u>Commodity: 3/</u>			
Transportation			\$0.0799510
GTAC			<u>(\$0.0075280)</u>
			<u><u>\$0.072423</u></u>

- 1/ One meter rated at >30,000 cubic feet per hour.  
2/ Firm Transportation Reservation Rate (T-FTG-1)  
41st Revised Sheet No. 80.1, effective January 1, 2017.  
3/ Firm Transmission Commodity Rate (T-FTG-1)  
41st Revised Sheet No. 80.1, effective January 1, 2017.

**MONTANA-DAKOTA UTILITIES CO.  
BLACK HILLS GAS TRANSPORTATION CHARGES  
FEBRUARY 2017 PGA**

<u>Demand:</u>	<u>Billing Determinants</u>	<u>Rate</u>	<u>Total</u>
Administrative Fee 1/	12	\$650	\$7,800
MDDQ 2/	2,000	7.00000	168,000
Total			<u>\$175,800</u>
Demand charge per dk			<u>\$7.32500</u>
 <u>Commodity: 2/</u>			
Transportation			<u>\$0.08</u>

1/ Two meters @ \$325/meter. Black Hills Gas WY Rate Schedule TC, Original Sheet No. 9.

2/ Discount Agreement for Montana-Dakota Utilities Co. on Firm Transportation Service Agreement #6000189 effective January 1, 2016 through March 31, 2019.

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

RATE SCHEDULE	UNIT	BASE TARIFF RATE	TOP THROUGHPUT SURCHARGE	GAS SUPPLY REALIGNMENT SURCHARGE	BASE TARIFF RATE PLUS SURCHARGES
-----					
RATE SCHEDULE FT-1					
-----					
RESERVATION CHARGE					
MAXIMUM DAILY DELIVERY QUANTITY (MDDQ)					
MAXIMUM	RATE PER EQV. DKT PER MO.	921.000	N.A.	N.A.	921.000
MINIMUM	RATE PER EQV. DKT PER MO	0.000	N.A.	N.A.	0.000
COMMODITY CHARGE					
MAXIMUM A/B/C/	RATE PER DKT	2.842	N.A.	N.A.	2.842
MINIMUM A/B/C/	RATE PER DKT	2.842	N.A.	N.A.	2.842
SCHEDULED OVERRUN CHARGE					
MAXIMUM A/B/C/	RATE PER DKT	32.112	N.A.	N.A.	32.112
MINIMUM A/B/C/	RATE PER DKT	2.842	N.A.	N.A.	2.842
VOLUMETRIC CAPACITY RELEASE CHARGE					
MAXIMUM	RATE PER DKT	30.279	N.A.	N.A.	30.279
MINIMUM	RATE PER DKT	0.000	N.A.	N.A.	0.000

- 
- A/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR TRANSPORTATION FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
  - B/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR TRANSPORTATION. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS TENDERED TO TRANSPORTER FOR SHIPPER'S ACCOUNT AT THE RECEIPT POINT(S) INTO TRANSPORTER'S TRANSMISSION FACILITIES.
  - C/ SHIPPER MUST REIMBURSE TRANSPORTER FOR THE ACA SURCHARGE. SUCH SURCHARGE SHALL BE THE ACA UNIT CHARGE SPECIFIED IN THE ANNUAL NOTICE ISSUED BY THE FERC ENTITLED "FY [YEAR] GAS ANNUAL CHARGES CORRECTION FOR ANNUAL CHARGES UNIT CHARGE."

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

RATE SCHEDULE	UNIT	BASE TARIFF RATE	TOP THROUGHPUT SURCHARGE	GAS SUPPLY REALIGNMENT SURCHARGE	BASE TARIFF RATE PLUS SURCHARGES
-----					
RATE SCHEDULE FTW-1					
-----					
RESERVATION CHARGE					
MAXIMUM DAILY DELIVERY QUANTITY (MDDQ)					
MAXIMUM	RATE PER EQV. DKT PER MO.	24.274	N.A.	N.A.	24.274
MINIMUM	RATE PER EQV. DKT PER MO.	1.263	N.A.	N.A.	1.263
VOLUMETRIC CAPACITY RELEASE CHARGE					
MAXIMUM	RATE PER DKT	0.796	N.A.	N.A.	0.796
MINIMUM	RATE PER DKT	0.042	N.A.	N.A.	0.042

NOTICE OF CURRENTLY EFFECTIVE RATES

(ALL RATES ARE STATED IN CENTS PER DEKATHERM OR EQUIVALENT DEKATHERM AS INDICATED)

RATE SCHEDULE	UNIT	BASE TARIFF RATE	TOP THROUGHPUT SURCHARGE	GAS SUPPLY REALIGNMENT SURCHARGE	BASE TARIFF RATE PLUS SURCHARGES
-----					
RATE SCHEDULE FS-1					
-----					
CAPACITY RESERVATION CHARGE					
MAXIMUM	RATE PER EQV. DKT PER MO.	1.757	N.A.	N.A.	1.757
MINIMUM	RATE PER EQV. DKT PER MO.	0.000	N.A.	N.A.	0.000
CAPACITY DELIVERABILITY CHARGE					
MAXIMUM	RATE PER EQV. DKT PER MO.	201.507	N.A.	N.A.	201.507
MINIMUM	RATE PER EQV. DKT PER MO.	0.000	N.A.	N.A.	0.000
INJECTION CHARGE					
MAXIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221
MINIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221
WITHDRAWAL CHARGE					
MAXIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221
MINIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221
SCHEDULED OVERRUN CHARGE					
INJECTION					
MAXIMUM A/B/	RATE PER DKT	18.683	N.A.	N.A.	18.683
MINIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221
WITHDRAWAL					
MAXIMUM A/B/	RATE PER DKT	18.683	N.A.	N.A.	18.683
MINIMUM A/B/	RATE PER DKT	1.221	N.A.	N.A.	1.221

A/ SHIPPER MUST REIMBURSE TRANSPORTER IN-KIND FOR STORAGE FUEL USE AND LOST AND UNACCOUNTED FOR GAS. THE APPLICABLE PERCENTAGES ARE REFLECTED ON SHEET NO. 21A. THESE PERCENTAGES SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS INJECTED AND/OR WITHDRAWN BY TRANSPORTER FOR SHIPPER'S ACCOUNT AT TRANSPORTER'S STORAGE FACILITIES.

B/ SHIPPER MUST REIMBURSE TRANSPORTER FOR ELECTRIC POWER USED FOR STORAGE. THE APPLICABLE RATE IS REFLECTED ON SHEET NO. 21B. THIS RATE SHALL BE APPLIED TO THE APPLICABLE QUANTITIES OF GAS INJECTED AND/OR WITHDRAWN BY TRANSPORTER FOR SHIPPER'S ACCOUNT AT TRANSPORTER'S STORAGE FACILITIES.

NOTICE OF CURRENTLY EFFECTIVE RATES

-----  
 FUEL USE AND LOST AND UNACCOUNTED FOR GAS ("L&U") REIMBURSEMENT PERCENTAGES

TRANSPORTATION - RATE SCHEDULES FT-1 AND IT-1

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	2.105%	(0.423)%	1.682%
L&U REIMBURSEMENT	0.000%	(0.526)%	(0.526)%

GATHERING - FIRM AND INTERRUPTIBLE

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	5.058%	(0.452)%	4.606%
L&U REIMBURSEMENT	(0.412)%	(0.283)%	(0.695)%

STORAGE - RATE SCHEDULES FS-1 AND IS-1

	<u>CURRENT PERCENTAGE</u>	<u>DEFERRAL PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
FUEL USE REIMBURSEMENT	0.669%	(0.324)%	0.345%
L&U REIMBURSEMENT	0.000%	(0.401)%	(0.401)%

NOTICE OF CURRENTLY EFFECTIVE RATES

-----  
ELECTRIC POWER REIMBURSEMENT RATES (CENTS/DKT)

TRANSPORTATION - RATE SCHEDULES FT-1 AND IT-1

	<u>CURRENT RATE</u>	<u>DEFERRAL RATE</u>	<u>TOTAL RATE</u>
ELECTRIC POWER REIMBURSEMENT	0.698	0.108	0.806

GATHERING - FIRM AND INTERRUPTIBLE

	<u>CURRENT RATE</u>	<u>DEFERRAL RATE</u>	<u>TOTAL RATE</u>
ELECTRIC POWER REIMBURSEMENT	0.000	0.000	0.000

STORAGE - RATE SCHEDULES FS-1 AND IS-1

	<u>CURRENT RATE</u>	<u>DEFERRAL RATE</u>	<u>TOTAL RATE</u>
ELECTRIC POWER REIMBURSEMENT	0.050	(0.134)	(0.084)

STATEMENT OF RATES

2/ 3/

Rate Schedule -----	Long-Term Base Tariff Rate (per 100 Dth-Miles) 1/ -----
T-1 and T-1B	
Daily Reservation Rate - Port of Morgan, MT to Ventura, IA	
Maximum	\$0.0286
Minimum	\$0.0000
Daily Reservation Rate - Ventura, IA to North Hayden, IN	
Maximum	\$0.0307
Minimum	\$0.0000
Commodity Rate - Port of Morgan, MT to North Hayden, IN	
Maximum	\$0.0004
Minimum	\$0.0004

- 1/ Applicable to any Rate Schedule T-1 U.S. Shippers Service Agreement or any Rate Schedule T-1B Service Agreement with a primary term of at least twelve consecutive months.
- 2/ The Settlement Rates, pursuant to Articles II and VII of the September 27, 2012, Stipulation at Docket Nos. RP06-72-000, et al., remain in effect until such rates are superseded by new rates placed into effect consistent with the provisions of the Stipulation.
- 3/ Rates in this section are subject to the revenue retrieval provision pursuant to Article V.A of the September 27, 2012, Stipulation at Docket Nos. RP06-72-000, et al.

Service	Rates, Tolls and Charges																										
1. Rate Schedule FT-R	Refer to Attachment "1" for applicable FT-R Demand Rate per month based on a three year term (Price Point "B") & Surcharge for each Receipt Point Average Firm Service Receipt Price (AFSRP) \$ 247.10/10 <sup>3</sup> m <sup>3</sup>																										
2. Rate Schedule FT-RN	Refer to Attachment "1" for applicable FT-RN Demand Rate per month & Surcharge for each Receipt Point																										
3. Rate Schedule FT-D <sup>1</sup>	Refer to Attachment "2" for applicable FT-D Demand Rate per month based on a one year term (Price Point "Z") & Surcharge for each Group 1 or Group 2 Delivery Point Average FT-D Demand Rate for Group 1 Delivery Points \$ 5.95/GJ FT-D Demand Rate for Group 2 Delivery Points \$ 5.69/GJ FT-D Demand Rate for Group 3 Delivery Points \$ 6.83/GJ																										
4. Rate Schedule STFT	STFT Bid Price = Minimum of 100% of the applicable FT-D Demand Rate based on a one year term (Price Point "Z") for each Group 1 Delivery Point																										
5. Rate Schedule FT-DW	FT-DW Bid Price = Minimum of 125% of the applicable FT-D Demand Rate based on a three year term (Price Point "Y") for each Group 1 Delivery Point																										
6. Rate Schedule FT-P <sup>1</sup>	Refer to Attachment "3" for applicable FT-P Demand Rate per month																										
7. Rate Schedule LRS	<u>Contract Term</u> <u>Effective LRS Rate (\$/10<sup>3</sup>m<sup>3</sup>/day)</u> 20 years                                      7.97																										
8. Rate Schedule LRS-3	LRS-3 Demand Rate per month \$ 129.55/10 <sup>3</sup> m <sup>3</sup>																										
9. Rate Schedule IT-R	Refer to Attachment "1" for applicable IT-R Rate for each Receipt Point																										
10. Rate Schedule IT-D <sup>1</sup>	Refer to Attachment "2" for applicable IT-D Rate for each Delivery Point																										
11. Rate Schedule FCS	The FCS Charge is determined in accordance with Attachment "1" to the applicable Schedule of Service																										
12. Rate Schedule PT	The PT Charge is determined in accordance with the applicable Schedule of Service																										
13. Rate Schedule OS	<table border="1"> <thead> <tr> <th>Schedule No.</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>2016800075</td> <td>\$ 161.20 /10<sup>3</sup>m<sup>3</sup> / month</td> </tr> <tr> <td>2016800076</td> <td>\$ 161.20 /10<sup>3</sup>m<sup>3</sup> / month</td> </tr> <tr> <td>2016800077</td> <td>\$ 161.20 /10<sup>3</sup>m<sup>3</sup> / month</td> </tr> <tr> <td>2016800078</td> <td>\$ 161.20 /10<sup>3</sup>m<sup>3</sup> / month</td> </tr> <tr> <td>2016805891</td> <td>\$ 161.20 /10<sup>3</sup>m<sup>3</sup> / month</td> </tr> <tr> <td>2011475772</td> <td>\$ 9,250.00 / month</td> </tr> <tr> <td>2016732104</td> <td>\$ 805.00 / month</td> </tr> <tr> <td>2003004522</td> <td>Applicable IT-R and IT-D Rate</td> </tr> <tr> <td>2011476052 /</td> <td>\$ 0.1871 / GJ subject to</td> </tr> <tr> <td>2011476054</td> <td>\$ 717,000.00 Minimum Annual Charge</td> </tr> <tr> <td>2011475056 / 2011476092 /</td> <td>\$ 0.095 / GJ and</td> </tr> <tr> <td>2016721799 / 2016759254</td> <td>\$ 1,000.00 / month</td> </tr> </tbody> </table>	Schedule No.	Charge	2016800075	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month	2016800076	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month	2016800077	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month	2016800078	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month	2016805891	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month	2011475772	\$ 9,250.00 / month	2016732104	\$ 805.00 / month	2003004522	Applicable IT-R and IT-D Rate	2011476052 /	\$ 0.1871 / GJ subject to	2011476054	\$ 717,000.00 Minimum Annual Charge	2011475056 / 2011476092 /	\$ 0.095 / GJ and	2016721799 / 2016759254	\$ 1,000.00 / month
Schedule No.	Charge																										
2016800075	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month																										
2016800076	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month																										
2016800077	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month																										
2016800078	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month																										
2016805891	\$ 161.20 /10 <sup>3</sup> m <sup>3</sup> / month																										
2011475772	\$ 9,250.00 / month																										
2016732104	\$ 805.00 / month																										
2003004522	Applicable IT-R and IT-D Rate																										
2011476052 /	\$ 0.1871 / GJ subject to																										
2011476054	\$ 717,000.00 Minimum Annual Charge																										
2011475056 / 2011476092 /	\$ 0.095 / GJ and																										
2016721799 / 2016759254	\$ 1,000.00 / month																										
14. Rate Schedule CO2	<table border="1"> <thead> <tr> <th>Tier</th> <th>CO<sub>2</sub> Rate (\$/10<sup>3</sup>m<sup>3</sup>)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>554.29</td> </tr> <tr> <td>2</td> <td>438.58</td> </tr> <tr> <td>3</td> <td>284.76</td> </tr> </tbody> </table>	Tier	CO <sub>2</sub> Rate (\$/10 <sup>3</sup> m <sup>3</sup> )	1	554.29	2	438.58	3	284.76																		
Tier	CO <sub>2</sub> Rate (\$/10 <sup>3</sup> m <sup>3</sup> )																										
1	554.29																										
2	438.58																										
3	284.76																										
15. Monthly Abandonment Surcharge <sup>2</sup>	\$11.38/10 <sup>3</sup> m <sup>3</sup> /month                      \$0.30/GJ/month																										
16. Daily Abandonment Surcharge <sup>3</sup>	\$0.37/10 <sup>3</sup> m <sup>3</sup> /day                              \$0.0099/GJ/day																										

1. Service under rate Schedules FT-D, FT-P and IT-D for delivery stations identified in Attachment 2, and stations identified on rate Schedules OS No. 2011476092, are subject to the ATCO Pipelines Franchise Fees pursuant to paragraph 15.13 of the General Terms and Conditions.

2. Monthly Abandonment Surcharge applicable to Rate Schedules FT-R, FT-D, FT-P, FT-RN, FT-DW, STFT, LRS-3, and the following Rate Schedules OS: 2016800075, 2016800076, 2016800077, 2016800078, and 2016805891.

3. Daily Abandonment Surcharge applicable to Rate Schedules IT-R, IT-D, LRS, the following Rate Schedules OS: 2011476052, 2011476054, 2011475056, 2011476092, 2016721799, 2016759254, 2003004522, and if applicable Over-Run Gas.

Group 1 Delivery Point Number	Group 1 Delivery Point Name	FT-D Demand Rate per Month Price Point "Z" (\$/GJ)	IT-D Rate per Day (\$/GJ)
2000	ALBERTA-B.C. BORDER	5.69	0.2058
31111	ALLIANCE CLAIRMONT INTERCONNECT APN	5.69	0.2058
31110	ALLIANCE EDSON INTERCONNECT APN	5.69	0.2058
31112	ALLIANCE SHELL CREEK INTERCONNECT APGC	5.69	0.2058
3002	BOUNDARY LAKE BORDER	5.69	0.2058
1958	EMPRESS BORDER	6.19	0.2240
3886	GORDONDALE BORDER	5.69	0.2058
6404	MCNEILL BORDER	6.19	0.2240

Group 2 Delivery Point Number	Group 2 Delivery Point Name	FT-D Demand Rate per Month Price Point "Z" (\$/GJ)	IT-D Rate per Day (\$/GJ)	Subject to ATCO Pipelines Franchise Fees <sup>1</sup>
31000	A.T. PLASTICS SALES APN	5.69	0.2058	Yes
31001	ADM AGRI INDUSTRIES SALES APN	5.69	0.2058	Yes
3880	AECO INTERCONNECTION	5.69	0.2058	
31003	AGRIUM CARSELAND SALES APS	5.69	0.2058	
31002	AGRIUM FT. SASK SALES APN	5.69	0.2058	Yes
31004	AGRIUM REDWATER SALES APN	5.69	0.2058	
31005	AINSWORTH SALES APGP	5.69	0.2058	
31006	AIR LIQUIDE SALES APN	5.69	0.2058	
3214	AKUINU RIVER WEST SALES	5.69	0.2058	
31007	ALBERTA ENVIROFUELS SALES APN	5.69	0.2058	Yes <sup>2</sup>
31008	ALBERTA HOSPITAL SALES APN	5.69	0.2058	Yes
3868	ALBERTA-MONTANA BORDER	5.69	0.2058	
3297	ALDER FLATS SOUTH NO 2 SALES	5.69	0.2058	
3059	ALLISON CREEK SALES	5.69	0.2058	
31009	ALTASTEEL SALES APN	5.69	0.2058	Yes <sup>2</sup>
3562	AMOCO SALES (BP SALES TAP)	5.69	0.2058	
31012	APL JASPER SALES APN	5.69	0.2058	Yes
3488	ARDLEY SALES	5.69	0.2058	
3237	ASPEN SALES	5.69	0.2058	
3662	ATUSIS CREEK EAST SALES	5.69	0.2058	
3216	AURORA NO 2 SALES	5.69	0.2058	
3135	AURORA SALES	5.69	0.2058	
3288	BANTRY SALES	5.69	0.2058	
3423	BASHAW WEST SALES	5.69	0.2058	
31013	BAYMAG SALES APS	5.69	0.2058	
31014	BEAR CREEK COGEN SALES APGP	5.69	0.2058	
3299	BEAR RIVER WEST SALES	5.69	0.2058	
3068	BEAVER HILLS SALES	5.69	0.2058	
3268	BENBOW SOUTH SALES	5.69	0.2058	
3933	BIG EDDY INTERCONNECTION	5.69	0.2058	
3655	BIG PRAIRIE SALES	5.69	0.2058	
3067	BIGSTONE SALES	5.69	0.2058	
3285	BILBO SALES	5.69	0.2058	
3468	BLEAK LAKE SALES	5.69	0.2058	
3295	BOOTIS HILL SALES	5.69	0.2058	
3225	BOTHA SALES	5.69	0.2058	
3259	BOULDER CREEK SALES	5.69	0.2058	
3164	BRAINARD LAKE SALES	5.69	0.2058	
3289	BRAZEAU EAST SALES	5.69	0.2058	
3670	BRAZEAU SOUTH SALES	5.69	0.2058	
3918	BUFFALO CREEK INTERCONNECTION	5.69	0.2058	
31015	BURDETT COGEN SALES APS	5.69	0.2058	
3265	BURNT TIMBER SALES	5.69	0.2058	
3204	CABIN SALES	5.69	0.2058	
3293	CADOGAN SALES	5.69	0.2058	
3109	CALDWELL SALES	5.69	0.2058	
31016	CALGARY ENERGY CENTRE SALES APS	5.69	0.2058	Yes
3266	CALUMET RIVER NO 2 SALES	5.69	0.2058	
3262	CALUMET RIVER SALES	5.69	0.2058	
3634	CANOE LAKE SALES	5.69	0.2058	
3165	CANOE LAKE SALES NO 2	5.69	0.2058	
3866	CARBON INTERCONNECTION	5.69	0.2058	
3484	CARIBOU LAKE SALES	5.69	0.2058	
3157	CARIBOU LAKE SOUTH SALES	5.69	0.2058	
3106	CARMON CREEK SALES	5.69	0.2058	
3101	CAROLINE SALES	5.69	0.2058	
31017	CARSELAND COGEN SALES APS	5.69	0.2058	
3275	CARSON CREEK SALES	5.69	0.2058	
3495	CAVALIER SALES	5.69	0.2058	
31018	CHAIN LAKES COOP SALES APS	5.69	0.2058	
3907	CHANCELLOR INTERCONNECTION	5.69	0.2058	
3669	CHAPEL ROCK SALES	5.69	0.2058	
3665	CHAUVIN SALES	5.69	0.2058	
3151	CHEECHAM WEST NO 2 SALES	5.69	0.2058	
3622	CHEECHAM WEST SALES	5.69	0.2058	
31019	CHEVRON FT. SASK SALES APN	5.69	0.2058	Yes

NATURAL GAS TARIFF



Canceling 41<sup>st</sup> Revised Sheet No. 80.1  
40<sup>th</sup> Revised Sheet No. 80.1

Schedule No. T-FTG-1

TRANSPORTATION BUSINESS UNIT  
FIRM TRANSPORTATION NATURAL GAS SERVICE

APPLICABILITY: Applicable to Shippers for firm transportation service on the Utility Transmission System under the terms of a Firm Gas Transportation Service Agreement (Agreement) between the Utility Transportation Business Unit (Utility) and Shipper and as subject to Rate Schedule General Terms and Operating Conditions (Rate Schedule GTC-1).

	<u>Total Rate</u>	<u>Tax Portion of Rate</u>	<u>Rate Without Tax</u>
<u>RATES:</u> Net Monthly Bill:			
Monthly Service Charge per Meter:			
Meters Rated @ Cu. Ft. per hour			
5,000 to 10,000	\$ 95.25		\$ 95.25
10,001 to 30,000	\$ 136.90		\$ 136.90
>30,000	\$ 303.75		\$ 303.75

PLUS:

Transmission Reservation Rate (MDDQ):

Maximum Monthly Reservation Rate for  
Maximum Daily Delivery Quantity  
(MDDQ)

\$ 1.0323733	\$ 0.2538910	\$ 0.7784823
--------------	--------------	--------------

Transmission Commodity Rate (Therm):

Maximum

\$ 0.0079951	\$ 0.0020959	\$ 0.0058992
--------------	--------------	--------------

Minimum

\$ 0.0017935		\$ 0.0017935
--------------	--	--------------

GTAC Amortization

\$ (0.0007528)		\$ (0.0007528)
----------------	--	----------------

Balancing Penalty Rate

Higher of \$25.00/ Dekatherm Or  
150% of Market Price

TAX PORTION OF RATE: This rate represents the amount charged to customers for state and local taxes and fees and is separately disclosed on customer's bill.

PLUS:

OTHER APPLICABLE CHARGES: All charges contained on other applicable rate schedules approved by the Public Service Commission of Montana.

GAS TRANSPORTATION ADJUSTMENT CLAUSE: Pursuant to MPSC Order the above GTAC Amortization shall be in effect until the balance is extinguished.

MINIMUM BILL: Per respective contracts.

(continued)

**GAS RATE SCHEDULE**

**South Dakota Intrastate Pipeline Company**  
1415 N. Airport Rd  
Pierre, SD 57501  
Date Filed: January 24, 2001

SD P.U.C. Section No. 3  
Original Sheet No. 1  
Effective Date: January 10, 2001

TRANSPORTATION SERVICE Rate 1

Transportation rate is \$2.398 per dekatherm.

Issued By: Lisa A. Murphy, Vice President-Chief Financial Officer

NG-00-001

**STATE OF SOUTH DAKOTA**  
**GAS RATE SCHEDULE**

**South Dakota Intrastate Pipeline Company**

SD P.U.C. Section No. 4

Black Hills Gas Distribution, LLC  
d/b/a Black Hills EnergyWyo. P.S.C. Tariff No. 1  
First Revised Sheet No. 9  
Cancels Original Sheet No. 9

Statement of Firm and Interruptible Transportation Service Rates  
Applicable to Shippers Not Receiving  
Choice Gas Service  
Rate Schedule TC 1/  
Casper Division

<u>Division</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Monthly Customer Charge</u>	<u>Maximum Demand Charge 6/</u>	<u>Minimum Demand Charge 6/</u>	<u>Maximum Transportation Charge 2/</u>	<u>Minimum Transportation Charge 2/</u>	<u>Fuel Reimbursement Quantity Percentage 3/</u>
TC (Casper) Firm								
Transportation	MLI	MLI	\$0.00	\$9.50	\$0.00	\$0.1040	\$0.0010	0.525%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.1040	\$0.0010	0.525%
	MLI	DSE	\$225.00	\$0.00	\$0.00	\$0.1703	\$0.0020	1.689%
Interruptible Transportation 4/	MLI	MLI	\$0.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.525%
	MLI	MLE	\$145.00	\$0.00	\$0.00	\$0.0844	\$0.0010	0.525%
Administrative Fee 5/			\$325.00					

- 1/ Casper Division service area is defined on Sheet Nos. 2 and 3 of this Tariff.
- 2/ All charges are per therm.
- 3/ For fuel, lost and unaccounted for gas, the Company shall be entitled to retain the stated percentage of all therms received for transportation, unless otherwise agreed in writing. On or before March 1 of each year, the Company shall file with the Commission an application to revise the stated percentage to be effective June 1 of that year through May 31 of the following year. The Company shall calculate the stated percentage using not less than twelve (12) consecutive months of actual data.
- 4/ Interruptible Transportation Service is not available to DSE customers. The Customer Charge will be charged only for those months gas actually flows.
- 5/ In addition to the transportation charges stated above, Shippers are responsible for the monthly administrative fee as stated, applicable to each meter located at the customer location. For Interruptible Transportation Shippers, the Administrative Fee will be charged only for those months gas actually flows. Firm Transportation Shippers will be charged each month, regardless of gas flow.
- 6/ Per Dth of MDTQ per month.

Abbreviations (as defined in the General Terms and Conditions of this Tariff):

MLI Mainline System Interconnect  
MLE Mainline System End-user  
DSE Distribution System End-user  
MDTQ Maximum Daily Transportation Quantity

**MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
RESIDENTIAL AND GENERAL SERVICE  
EFFECTIVE FEBRUARY 2017**

<u>Billing Determinants</u>		<u>Rate 1/</u>	<u>Amount</u>
<b><u>Demand Charges</u></b>			
<b><i>Transportation</i></b>			
FT-1 MDDQ	155,014	dk/Month \$9.21000	\$17,132,147
FTN-1 MDDQ		dk/Month 0.24274	
Northern Border et. al.		dk/Month 0.34790	
T-FTG-1 MDDQ		dk/Month 10.38132	
Black Hills Gas		dk/Month 7.32500	
<b><i>Storage</i></b>			
FS-1 Capacity Reservation		dk/Month 0.01757	
FS-1 Deliverability Reservation		dk/Month 2.01507	
<b><i>Total Demand Charges</i></b>			<u>21,630,380</u>
<b><u>Commodity Charges</u></b>			
<b><i>Transportation Charges</i></b>			
FT-1 Commodity		dk 0.02972	
Fuel - Transp. WBI		dk	
Electric Power WBI		dk 0.00806	
Fuel - Transp. NB		dk	
T-FTG-1 Commodity		dk 0.07242	
Fuel - Transp. NW		dk	
SDIP		dk 2.39800	
Black Hills Gas		dk 0.08000	
<b><i>Storage Charges</i></b>			
FS-1 Injection		dk 0.01221	
FS-1 Withdrawal		dk 0.01221	
Fuel - Storage		dk	
Electric Power WBI		dk (0.00084)	
<b><i>Gas Commodity Charges</i></b>			
Gas Commodity - System	16,429,851	dk	2/ <u>59,594,909</u>
<b><i>Total Commodity Charges</i></b>			
<b><u>Return on Rate Base</u></b>			
Demand Charges 3/			101,952
Prepaid Commodity Balances 3/			30,082
Cycle Storage Balances 3/			<u>381,376</u>
<b><i>Total Return</i></b>			513,410
<b><i>Total Gas Costs</i></b>			\$81,738,699
<b><i>Residential and General Service dk Requirements 4/</i></b>			16,429,851
Average Cost of Gas per dk			\$4.975
Average Cost of Gas as Adjusted for Losses @ 99.55%			4.997
Less: Gas Cost Level in Rates 5/			4.134
<b>Current Gas Cost Adjustment</b>			<u><u>\$0.863</u></u>

1/ WBI Energy's Thirteenth Revised Sheet No. 12, Third Revised Sheet No. 15, Fourteenth Revised Sheet No. 18 and SENDOUT Model for Gas Commodity.

2/ Weighted cost of gas for the month of February 2017.

3/ Exhibit C.

4/ Normalized dk sales for the twelve months ended September 30, 2016, adjusted for losses at .45%.

5/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:

Cost of Purchased Gas	\$4.115
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$4.134

MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
INTERRUPTIBLE  
EFFECTIVE FEBRUARY 2017

<u>Interruptible Billing Determinants 1/</u>	<u>Rate 2/</u>	<u>Amount</u>
<b><u>Demand Charges</u></b>		
<i>Transportation</i>		
FT-1 MDDQ	16,679 dk/Month	\$9.21000
FTN-1 MDDQ	dk/Month	0.24274
Northern Border et. al.	dk/Month	0.34790
T-FTG-1 MDDQ	dk/Month	10.38132
Black Hills Gas	dk/Month	7.32500
<i>Storage</i>		
FS-1 Capacity Reservation	dk/Month	0.01757
FS-1 Deliverability Reservation	dk/Month	2.01507
<b>Total Demand Charges</b>		<u>2,330,352</u>
<b><u>Commodity Charges</u></b>		
<i>Transportation Charges</i>		
FT-1 Commodity	dk	0.02972
Fuel - Transp. WBI	dk	
Electric Power WBI	dk	0.00806
Fuel - Transp. NB	dk	
T-FTG-1 Commodity	dk	0.07242
Fuel - Transp. NW	dk	
SDIP	dk	2.39800
Black Hills Gas	dk	0.08000
<i>Storage Charges</i>		
FS-1 Injection	dk	0.01221
FS-1 Withdrawal	dk	0.01221
Fuel - Storage	dk	
Electric Power WBI	dk	(0.00084)
<b><u>Gas Commodity Charges</u></b>		
Gas Commodity	6,198,292 dk	3/
<b>Total Commodity Charges</b>		<u>22,131,595</u>
<b><u>Return on Rate Base</u></b>		
Demand Charges 4/		11,169
Transportation Balances 4/		3,296
Cycle Storage Balances 4/		41,780
<b>Total Return</b>		<u>56,245</u>
<b>Total Gas Costs</b>		\$24,518,192
<b>Interruptible Service dk Requirements</b>		6,198,292
Average Cost of Gas per dk		\$3.956
Average Cost of Gas as Adjusted for Losses @ 99.55%		3.974
Less: Gas Cost Level in Rates 5/		3.103
<b>Current Gas Cost Adjustment</b>		<u><u>\$0.871</u></u>

1/ Reflects level of interruptible dk volumes included in Case No. PU-13-803, excluding the Air Force.

2/ WBI Energy's Thirteenth Revised Sheet No. 12, Third Revised Sheet No. 15, Fourteenth Revised Sheet No. 18 and SENDOUT Model for Gas Commodity.

3/ Weighted cost of gas for the month of February 2017.

4/ See Exhibit B, page 1. Allocated to interruptible on MDDQ.

5/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:

Cost of Purchased Gas	\$3.089
Adjustment for Distribution Losses	0.9955
Gas Cost Level in Base Tariff Rates	\$3.103

PUBLIC COPY

MONTANA-DAKOTA UTILITIES CO.  
CURRENT GAS COST ADJUSTMENT - NORTH DAKOTA  
AIR FORCE INTERRUPTIBLE  
EFFECTIVE FEBRUARY 2017

<u>Air Force Billing Determinants</u>		<u>Rate 1/</u>	<u>Amount</u>
<b><u>Demand Charges</u></b>			
<b><u>Transportation</u></b>			
FT-1 MDDQ	1,290	dk/Month \$9.21000	\$142,571
FTN-1 MDDQ		dk/Month 0.24274	
Northern Border et. al.		dk/Month 0.34790	
T-FTG-1 MDDQ		dk/Month 10.38132	
Black Hills Gas		dk/Month 7.32500	
<b><u>Storage</u></b>			
FS-1 Capacity Reservation		dk/Month 0.01757	
FS-1 Deliverability Reservation		dk/Month 2.01507	
<b>Total Demand Charges</b>			180,174
<b><u>Commodity Charges</u></b>			
<b><u>Transportation Charges</u></b>			
FT-1 Commodity		dk 0.02972	
Fuel - Trans. WBI		dk	
Electric Power WBI		dk 0.00806	
Fuel - Trans. NB		dk	
T-FTG-1 Commodity		dk 0.07242	
Fuel - Transp. NW		dk	
SDIP		dk 2.39800	
Black Hills Gas		dk 0.08000	
<b><u>Storage Charges</u></b>			
FS-1 Injection		dk 0.01221	
FS-1 Withdrawal		dk 0.01221	
Fuel - Storage		dk	
Electric Power WBI		dk (0.00084)	
<b><u>Gas Commodity Charges</u></b>			
Gas Commodity	479,120	dk	2/
<b>Total Commodity Charges</b>			1,710,741
<b><u>Return on Rate Base</u></b>			
Demand Charges 3/			864
Transportation Balances 3/			255
Cycle Storage Balances 3/			3,230
<b>Total Return</b>			4,349
<b>Total Gas Costs</b>			\$1,895,264
100% Load Factor dk Requirements			479,120
Average Cost of Gas per dk			\$3.956
Less: Gas Cost Level in Rates 4/			3.089
<b>Current Gas Cost Adjustment</b>			<b>\$0.867</b>

1/ WBI Energy's Thirteenth Revised Sheet No. 12, Third Revised Sheet No. 15, Fourteenth Revised Sheet No. 18 and SENDOUT Model for Gas Commodity.

2/ Weighted cost of gas for the month of February 2017.

3/ See Exhibit B, page 1. Allocated to 100% Load Factor on MDDQ.

4/ Gas Cost Level in Current Tariff Rates Case No. PU-16-008 effective January 1, 2017:  
Cost of Purchased Gas \$3.089

**MONTANA-DAKOTA UTILITIES CO.  
RETURN ON CYCLE STORAGE BALANCES  
AND PREPAID DEMAND AND COMMODITY BALANCES  
NORTH DAKOTA GAS  
EFFECTIVE FEBRUARY 2017**

	General Service		
	Storage Balance 1/	Prepaid Commodity Balance 2/	Prepaid Demand
October 2016	\$10,967,115	\$473,214	\$4,273,761
November	10,413,738	458,092	3,462,679
December	6,742,244	333,875	1,674,749
January 2017	2,321,385	241,696	(415,732)
February	(1,805,779)	155,642	(1,910,575)
March	(4,051,556)	108,816	(2,836,491)
April	(4,506,751)	99,324	(2,612,533)
May	(2,615,474)	143,783	(1,517,823)
June	577,329	218,795	(43,823)
July	4,000,275	299,201	1,419,515
August	7,243,431	379,368	2,881,506
September	9,417,501	447,726	4,164,478
October	9,661,469	455,381	4,389,488
13 month average	<u>\$3,720,379</u>	<u>\$293,455</u>	<u>\$994,554</u>
Rate of Return	7.340%	7.340%	7.340%
Return	\$273,076	\$21,540	\$73,000
Return Requirement	<u>\$381,376</u>	<u>\$30,082</u>	<u>\$101,952</u>

1/ Monthly balance from SENDOUT Model, allocated to North Dakota on ratio of storage capacity MDDQ.

2/ Monthly balance allocated to North Dakota on sales volumes.

MONTANA-DAKOTA UTILITIES CO.  
COST OF GAS - PROPANE  
NORTH DAKOTA  
EFFECTIVE FEBRUARY 2017

Cost of Purchased Propane	\$55,846
Gallons Purchased	79,780
Projected dk Sales	7,300
Propane Cost per Dk	\$7.650
Average Cost of Propane as Adjusted for Losses @ 99.55%	7.685
Less: Propane Cost Level in Rates 1/	<u>6.587</u>
Current Propane Cost Adjustment	<u><u>\$1.098</u></u>

1/ Propane Cost Level in Current Rates - Case No. PU-16-008, effective December 1, 2016.

**MONTANA-DAKOTA UTILITIES CO.  
COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE  
APPLICABLE TO NORTH DAKOTA  
FIRM**

	<u>(Over) Under Recovery</u>	<u>Refunds &amp; Other</u>	<u>Interest 1/</u>	<u>Total Net Additions</u>	<u>Actual Dk Sales</u>	<u>Adjustment Per Dk</u>	<u>Total Adjustment Amount</u>	<u>Net Change- Additions less Adjustment</u>	<u>Cumulative Balance</u>
<b>Balance @ July 31, 2016</b>									<b><u>(\$1,979,379)</u></b>
August	\$112,833	\$0	(\$495)	\$112,338	284,793	(\$0.310)	(\$88,286)	\$200,624	(1,778,755)
September	(37,328)	0	(430)	(37,758)	315,087	(0.310)	(97,676)	59,918	(1,718,837)
October	206,434	26,048 2/	(473)	232,009	501,460	(0.112)	(114,625) 3/	346,634	(1,372,203)
November	592,504	0	(514)	591,990	846,693	(0.112)	(94,829)	686,819	(685,384)
<b>Balance @ November 30, 2016</b>									<b><u>(\$685,384)</u></b>

1/ Interest calculated at the 90 day Treasury Note rate.

2/ To close out Market Based Pricing Differential balance that was eliminated in Case No. PU-15-90.

3/ Reflects 295,256 dk @ (\$0.310) and 206,203 dk @ (\$0.112).

**MONTANA-DAKOTA UTILITIES CO.  
 COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE  
 APPLICABLE TO NORTH DAKOTA  
 INTERRUPTIBLE**

	<u>(Over) Under Recovery</u>	<u>Refunds &amp; Other</u>	<u>Interest 1/</u>	<u>Total Net Additions</u>	<u>Actual Dk Sales</u>	<u>Adjustment Per Dk</u>	<u>Total Adjustment Amount</u>	<u>Net Change- Additions less Adjustment</u>	<u>Cumulative Balance</u>
<b>Balance @ July 31, 2016</b>									<b><u>(\$136,041)</u></b>
August	\$16,964	\$0	(\$34)	\$16,930	24,929	(\$0.018)	(\$449)	\$17,379	(118,662)
September	209	0	(29)	180	24,331	(0.018)	(438)	618	(118,044)
October	9,658	0	(32)	9,626	43,722	(0.147)	(3,479) 2/	13,105	(104,939)
November	19,836	0	(39)	19,797	91,508	(0.147)	(13,451)	33,248	(71,691)
<b>Balance @ November 30, 2016</b>									<b><u>(\$71,691)</u></b>

1/ Interest calculated at the 90 day Treasury Note rate.

2/ Reflects 22,855 dk @ (\$0.018) and 20,866 dk @ (\$0.147).

**MONTANA-DAKOTA UTILITIES CO.  
 COMPUTATION OF (OVER) / UNDER RECOVERED GAS COST ACCOUNT BALANCE  
 APPLICABLE TO NORTH DAKOTA  
 AIR FORCE**

	<u>(Over) Under Recovery</u>	<u>Refunds &amp; Other</u>	<u>Interest 1/</u>	<u>Total Net Additions</u>	<u>Actual Dk Sales</u>	<u>Adjustment Per Dk</u>	<u>Total Adjustment Amount</u>	<u>Net Change- Additions less Adjustment</u>	<u>Cumulative Balance</u>
<b>Balance @ July 31, 2016</b>									<b><u>(\$86,618)</u></b>
August	\$3,685	\$0	(\$22)	\$3,663	3,440	(\$0.089)	(\$306)	\$3,969	(82,649)
September	(124)	0	(20)	(144)	3,534	(0.089)	(315)	171	(82,478)
October	1,745	0	(23)	1,722	8,139	(0.230)	(725) 2/	2,447	(80,031)
November	3,185	0	(30)	3,155	26,641	(0.230)	(6,128)	9,283	(70,748)
<b>Balance @ November 30, 2016</b>									<b><u>(\$70,748)</u></b>

1/ Interest calculated at the 90 day Treasury Note rate.

2/ Reflects 8,139 dk @ (\$0.089) and 0 dk @ (\$0.230).